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2025 SUMMARY OF SEMI-ANNUAL REPORT

HARBIN BOSHI AUTOMATION CO.,LTD.

August 2025

HARBIN BOSHI AUTOMATION CO., LTD. Semi-Annual Report 2025

（Abstract）

Ⅰ. Important Notes

This Abstract is extracted from Semi-Annual Report 2025. In order to have a full understanding of the operating results, financial condition and future development planning of the Company, investors are suggested to read the full report carefully on the media designated by the China Securities Regulatory Commission (the "CSRC"). The Company's 2025 Semi-Annual Report is prepared and published in Chinese version, and the English version is for reference only. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

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

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

□Applicable √Not applicable

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

□Applicable √Not applicable

The Company does not plan to issue cash or equity dividends, nor to convert equity reserve into share capital of the Company in the mid 2025.

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

□Applicable √Not applicable

II. Basic Situation of the Company

1. Company Profile

Stock Abbreviation	Boshi	**Stock Code**	002698
Stock Exchange for Stock Listing	Shenzhen Stock Exchange		
Contact Person and Contact Information	**Secretary of the Board**	**Securities Affairs Representative**	
Name	Chen Bo	Zhang Junhui	
Contact Address	9 Donghu Street, Concentration Zone of Yingbin Road, Harbin Development Zone	9 Donghu Street, Concentration Zone of Yingbin Road, Harbin Development Zone	
Fax	+86-451-84367022	+86-451-84367022	
Tel	+86-451-84367021	+86-451-84367021	
Email	ir@boshi.cn	zhangjh@boshi.cn	

In order to enhance communication with investors and provide convenience for value investors, the Company has established the "Boshi Co., LTD. (East China) Investor Reception Center" at No. 18, Hongxin Road, Huaqiao Town, Kunshan City, Suzhou City, Jiangsu Province, Boshi (Suzhou) Intelligent Technology Co., LTD. Welcome investors to inquire about the further information, Contact number: 0512-86896688.

2. Key Financial Data and Financial Indicators

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

□Yes √No

	2025 H1	2024 H1	Increase/Decrease over the same period of previous year
Operating revenue (RMB)	1,361,906,020.97	1,451,943,421.69	-6.20%
Net profit attributable to shareholders of the parent company (RMB)	277,372,460.11	272,716,784.52	1.71%
Net profit after deducting non-recurring profit or loss attributable to shareholders of the parent company (RMB)	260,151,376.46	256,725,397.00	1.33%
Net cash flow from operating activities (RMB)	14,230,937.22	125,053,687.61	-88.62%
Basic earnings per share (RMB /share)	0.2732	0.2684	1.79%
Diluted earnings per share (RMB /share)	0.2714	0.2664	1.88%
Weighted average return on equity	7.05%	7.63%	-0.58%

	End of the current reporting period	End of previous year	Increase/Decrease over previous year end
Total assets (RMB)	6,785,360,220.82	6,955,348,945.64	-2.44%
Total equity attributable to shareholders of the parent company (RMB)	3,833,580,764.21	3,790,432,312.96	1.14%

3. Number of Shareholders and Shareholding

Unit: Share

Total number of shareholders of common stocks at the end of the reporting period	51,604	Total number of shareholders of preferred stock with resumed voting right at the end of the reporting period	0

Top 10 shareholders(Excluding shares lent in refinancing)

Name	Nature	Ownership	Quantity of stocks	Quantity of restricted stocks held	Pledged, marked or frozen stocks	
					Status	Quantity
Unicom-Xinwo Venture Capital Management (Shanghai) Co., Ltd. - Lianchuang Weilai (Wuhan) Intelligent Manufacturing Industrial Investment Partnership (Limited Partnership)	Others	11.26%	115,152,161		Not applicable	
Deng Xijun	Domestic natural person	9.41%	96,181,562	72,136,172	Not applicable	
Zhang Yuchun	Domestic natural person	8.09%	82,696,357	62,022,268	Not applicable	
Wang Chungang	Domestic natural person	5.61%	57,394,047	43,045,535	Not applicable	
Cai Zhihong	Domestic natural person	4.96%	50,677,029		Not applicable	
Cai Hegao	Domestic natural person	4.89%	50,000,000		Not applicable	
Cheng Fang	Domestic natural person	1.18%	12,085,796		Not applicable	
Tan Jianxun	Domestic natural person	1.13%	11,516,538		Not applicable	
Li Xianglan	Domestic natural person	1.05%	10,727,852		Not applicable	
Liu Meixia	Domestic natural person	1.04%	10,639,500		Not applicable	

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

□Applicable √Not applicable

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

□Applicable √Not applicable

4. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

□Applicable √Not applicable

The controlling shareholder did not change in the reporting period.

Change of the actual controller in the reporting period

□Applicable √Not applicable

The actual controller did not change in the reporting period.

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

□Applicable √Not applicable

The Company had no preference shareholders in the reporting period.

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

(1) Bond profile

Bond name	Abbreviation	Bond code	Date of issue	Maturity	Balance of face value at the end of reporting period (RMB'0,000)	Coupon rate
Convertible Corporate Bonds of Harbin Boshi Automation Co., Ltd.	Boshi Convertible Bonds	127072	Sep. 22nd, 2022	Sep. 21st, 2028	44,982.97	1st year 0.30% 2nd year 0.50% 3rd year 1.00% 4th year 1.50% 5th year 1.80% 6th year 2.00%

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

Item	End of the current reporting period	End of previous year
Liability /asset ratio	41.08%	43.20%

Item	2025 H1	2024 H1
EBITDA interest cover (times)	36.13	40.48

(3) Top 10 convertible bond holders

NO.	Name	Nature	Number of convertible bonds held at the period-end	Face value of convertible bonds held at the period end (RMB)	As % of convertible bonds held at the period end
1	China Galaxy Securities Co. LTD	Domestic state-owned corporate	285,694	28,569,400.00	6.35%
2	First Capital Securities Co.,Ltd	Domestic state-owned corporate	275,370	27,537,000.00	6.12%
3	China Merchants Bank Co., LTD. - Huabao Convertible Bond Bond Securities Investment Fund	Others	228,905	22,890,500.00	5.09%
4	China Merchants Bank Co., LTD. - Boshi CSI Convertible Bond and Exchangeable Bond Exchange-Traded Fund	Others	204,042	20,404,200.00	4.54%
5	Guosen Securities Co., Ltd.	Domestic state-owned corporate	198,059	19,805,900.00	4.40%
6	Enterprise Annuity Plan of China National Petroleum Corporation - Industrial and Commercial Bank of China Limited	Others	197,380	19,738,000.00	4.39%
7	Guotai Haitong Securities Co., LTD	Domestic state-owned corporate	180,000	18,000,000.00	4.00%
8	Southern Fund Ningkang Convertible Bond Fixed Income Pension Product - Bank of China Limite	Others	165,618	16,561,800.00	3.68%
9	People’s Insurance Company (Property) of China, LTD. - Self-owned funds	Others	122,150	12,215,000.00	2.72%
10	Picc Asset Management - China Merchants Bank - PICC Asset Anxin Shengshi No. 31 Asset Management Product	Others	120,140	12,014,000.00	2.67%

III. Other Significant Events

Not applicable

IV. Management Discussion and Analysis

1. Company Main Businesses during the Reporting Period

(1) Industry overview during reporting period

①Industry overview

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

The Company aims to build a service-oriented manufacturing industrial system for long-term development whose dual-core growth engine is driven by intelligent manufacturing equipment and industrial services, which leverage the advantages of the equipment industry's extension. These two sectors respectively align with the state-supported industrial directions of high-end equipment manufacturing and modern service industries. During this reporting period, the intelligent manufacturing equipment and industrial services, these two core growth businesses, accounted for 97% of the operating revenue. Additionally, environmental protection process contributes 3% of the operating revenue.

Intelligent Manufacturing Equipment：

As the main body of the national economy and the foundation of the powerful country, the intelligent upgrading of the manufacturing industry and the digital transformation of the industry has become one of the core strategies of the national economic development. The current intelligent transformation of China's manufacturing sector exhibits a dual-track parallel trend. On the one hand, the adoption rate of automation equipment in industrial enterprises of a certain scale is notably high. However, the number of digital factories that have achieved equipment networking and data integration is relatively limited. Moreover, the proportion of smart factories capable of intelligent decision-making remains lower. Facing the future, there is huge potential for digital transformation of the existing production capacity of these enterprises. On the other hand, strategic emerging industries, exemplified by new energy and new materials, incorporate smart factory standards from the outset of construction, and the demand for intelligent manufacturing equipment keeps burgeoning. The intelligent upgrading of China's manufacturing industry promotes the dual track of stock transformation and new capacity demand, showing strong resilience and vitality, and the demand has not seen obvious periodicity.

The Company has been engaging in the field of intelligent equipment for a long time, with independent controllable core security of intelligent manufacturing equipment products, to help China's manufacturing promote quality and efficiency. Replacing imported equipment or industry-first applications to promote the technological progress of related industries with scientific and technological innovation. The Company implements a differentiated competitive strategy based on technology leadership. In terms of technological R&D, product innovation, advantages in large-scale system integration, industrial service capabilities, engineering implementation experience, and brand dependence, it has formed significant differences from its competitors and built a comprehensive competitive advantage. The Company's intelligent manufacturing equipment are widely applied in petrochemical, sub-merged arc furnace, new energy, grain, animal feeds, building materials, medicine, food, port logistics, and many other industries, to provide customers with efficient intelligent manufacturing equipment, and promote the application and implementation of the overall smart factory solution. In recent years, the State actively advocates the implementation of industrial digitalization strategies. The Company has accelerated the accumulation application of digital and intelligent technologies mastered. In multiple product application fields, the Company now possesses full-stack application solution capabilities, forming a complete product matrix ranging from intelligent complete sets of equipment, digital workshops to intelligent factories. In the major domestic product application fields, the Company's technology and intelligent equipment products are in a leading position, and there are no competitors of the same scale yet. The application scale of some of the product technologies has reached the world's leading level. In recent years, the Company's intelligent manufacturing equipment business has achieved sustained good and rapid development in terms of product innovation, application field expansion, revenue scale and profit level, and has brought good returns to shareholders.

Industrial Service：

In March of 2021, thirteen government departments, including the National Development and Reform Commission, the Ministry of Science and Technology, and the Ministry of Industry and Information Technology, collectively released *the Opinions on Accelerating the High-quality Development of the Manufacturing Service Industry.* This document unequivocally positions the manufacturing service industry as a pivotal cornerstone in enhancing the competitiveness and overall strength of manufactured goods, thereby facilitating the transformation and upgrade of the manufacturing sector and its journey towards high-quality development. Manufacturing enterprises are accelerating their leap from traditional manufacturing to "manufacturing + services" and their transformation from single product delivery to "product + service" solutions by innovating business models, reconfiguring production organization systems, and increasing the proportion of service elements. Service-oriented manufacturing not only effectively extends the value dimension of the equipment manufacturing industrial chain, but also significantly enhances the added value and productivity of industrial service elements, injecting continuous impetus into the improvement of market competitiveness.

Boshi has long been committed to the realm of intelligent manufacturing equipment, meticulously crafting a comprehensive production operation and maintenance management service system that spans the entire lifecycle of equipment products. This innovative approach empowers customers with integrated industrial services encompassing equipment operation and maintenance, as well as finished product storage and transportation. Consequently, clients can concentrate on their core competencies, thereby reducing costs, enhancing efficiency, and fostering high-quality development. The Company's industrial service demands not only have a steady growth driven by the natural increase of existing equipment, but also have a growth space

opened up through in-depth exploration of customer needs and continuous breakthroughs in new production and operation and maintenance projects. The demand for industrial services is growing in both directions, and the development momentum is moving towards each other. In the future, the scale and capacity of services are expected to achieve a stepwise improvement. Based on continuous business innovation and industry-leading service delivery capabilities, the product and service integration strategy that has been implemented since the IPO initial fundraising in 2012 has achieved remarkable results. To date, a service network covering all regions of the country except Hong Kong, Macao, Taiwan and Xizang has been formed, and the service scale and profitability have remained among the top in the industry. In August of 2021, our Company was distinguished as the "Advanced Manufacturing and Modern Service Industry Integration Development Pilot Unit" by the National Development and Reform Commission. Subsequently, in January 2023, we were honored with the title of "Fourth Batch of Service-Oriented Manufacturing Demonstration Enterprise" by the Ministry of Industry and Information Technology. These dual national recognitions amply underscore our Company's pioneering and leading role in the realm of manufacturing and service industry integration.

Environmental Protection Process and Equipment:

"Lucid waters and lush mountains are invaluable treasures. A healthy ecological environment not only represents natural wealth but also signifies economic prosperity, influencing the potential and sustainability of economic and social development." The state has integrated green and low-carbon development into the core strategy of high-quality development. In key areas such as deep treatment and recycling of industrial waste gas, the treatment and recycling project of industrial waste acid and acid gas implemented by Boao Environment, the Company's holding subsidiary, can collect and treat waste sulfuric acid and sour gas in industrial production, generate high-purity sulfuric acid for recycling production, and recover and reuse the heat energy released in the process. This not only achieves energy saving and emission reduction but also recycling and economic efficiency, balancing environmental protection with economic benefits and social benefits.

②Industry policy impact

In the context of the in-depth promotion of the national strategy of "manufacturing power", the policies of intelligent manufacturing, digital economy and industrial digital transformation and upgrading continue to release the momentum of development. During the 14th Five-Year Plan period, the intensive introduction of a number of national industrial policies has built a solid policy support system for the field of high-end intelligent manufacturing equipment, enabling the development and industrial upgrading of enterprises in the industry in an all-round way from technological innovation, scene expansion to industrial ecological construction.

In the first half of 2025, the successive release of *the National Intelligent Manufacturing Standard System Construction Guidelines (2024 Edition)* and *the Reference Guidelines for Typical Scenarios of Intelligent Manufacturing (2025 Edition)* are important policies measure for China to promote new industrialization and develop new quality productive forces. Through the dual guidance of "standard unification" and "scenario implementation", the two have jointly built the cornerstone of the national digital strategy path, aiming to comprehensively enhance the standardization level of intelligent manufacturing, lead the manufacturing industry to accelerate intelligent upgrading, and promote the construction of new industrialization. The relevant series of policies present a clear technological development path and regulatory guidance, which is

conducive to accelerating the digitalization process of the national industry, driving the intelligent reconstruction of enterprise business processes, and accelerating the move towards an outstanding intelligent factory. This is highly consistent with the strategic direction of the Company's focus on developing intelligent manufacturing equipment business.

14th Five-Year Plan for the Development of the Digital Economy, 14th Five-Year Plan for the Development of Intelligent Manufacturing, *14th Five-Year Plan for the Development of the Robot Industry*, *14th Five-Year Plan for the Deep Integration of Informatization and Industrialization*, *Implementation Plan for the "Robot Plus" Application Action*, *Opinions on Promoting the Innovative Development of Future Industries*, *Guidelines for the Construction of the Standard System for Service-oriented Manufacturing*, national strategies, industrial policies such as *the Guidelines for the Comprehensive Standardization System Construction of the National Artificial Intelligence Industry (2024 Edition)*, *Reference Guidelines for Typical Scenarios of Intelligent Manufacturing (2024 Edition)*, *Implementation Plan for the Gradient Cultivation Action of Intelligent Factories*, *Implementation Guidelines for the Digital Transformation of Manufacturing Enterprises*, and *Action Plan for Promoting Large-scale Equipment Renewal and Trade-in of Consumer Goods*, as well as measures for maintaining growth and improving quality demand, investment promotion and consumption policy measures provide continuous impetus for the Company's technological iteration, market expansion and product innovation. The impact of the above-mentioned relevant policies can be found in the Company's 2023 and 2024 annual reports or specific industrial policy interpretations.

(2)Company Main Businesses during the Reporting Period

①Main products, industrial services and application level

Overall Solution for Intelligent Manufacturing Equipment and Intelligent Factory

Post-processing Intelligent Manufacturing Equipment for Solid Material	Post-processing Intelligent Manufacturing Equipment for Rubber
It is applied in the post-processing fields for the powder, granular materials or irregular materials of petrochemical, new energy, grain, animal feeds, building materials, medicine, food, ports, logistics etc. (In the new energy field, processes such as rod breaking, crushing, screening, bagging, automatic precise weighing, boxing, and transportation of crystalline silicon reduction rods.), providing efficient automatic weighing, packaging and palletizing intelligent manufacturing and production equipment and overall solutions of smart factories.	It is intelligent equipment and intelligent plant overall solution, applied in production process of synthetic rubber and natural rubber and in the fields of product refining process, dewatering and drying process (rubber washing, cleaning and impurity removal, dewatering, crushing and drying, etc.) and finished product packaging process (weighing, baling, detecting, conveying, packaging and palletizing, etc.)
In the field of post-processing high-end equipment for powder and granular materials in China it has obvious advantages and a stable competitive position. In the field of post-processing high-end equipment for the new energy field irregular polysilicon materials, the original first set of applications has promoted the upgrade of intelligent manufacturing in the industry.	Complete product line, covering natural rubber and synthetic rubber; It is the only supplier which can provide complete large-scale systems worldwide.
Robot Plus	**Intelligent Logistics, Warehousing Systems**
(High temperature) Operation robot for submerged arc furnace and serialized intelligent products, complete system solutions are applied for high-risk as well as other special operation robots and complete system solutions which can replace high-risk, harsh working conditions, and heavy manual labor.	Connecting solid material post-processing intelligent manufacturing equipment with rubber post-processing intelligent manufacturing equipment to realize intelligent identification, outbound and inbound warehousing management, logistics transshipment, fully automatic vehicle loading, etc., which widely used in many industries of national economy, to help customers to build smart factory overall solutions.
(High temperature) Operation robot for sub-merged arc furnace and its surrounding systems are in leading position worldwide in the field of calcium carbide; The successful delivery of smart workshop project demonstration project in the field of calcium carbide arc furnace production, committed to promoting the production of fewer people, unmanned, safe, efficient and environmental", and bringing the traditional industrial technology revolution with industry subversive technology.	Fully automatic loading machine has formed the first mover advantage of the scale of application, the market responded positively, the future demand in many fields and industries has great potential

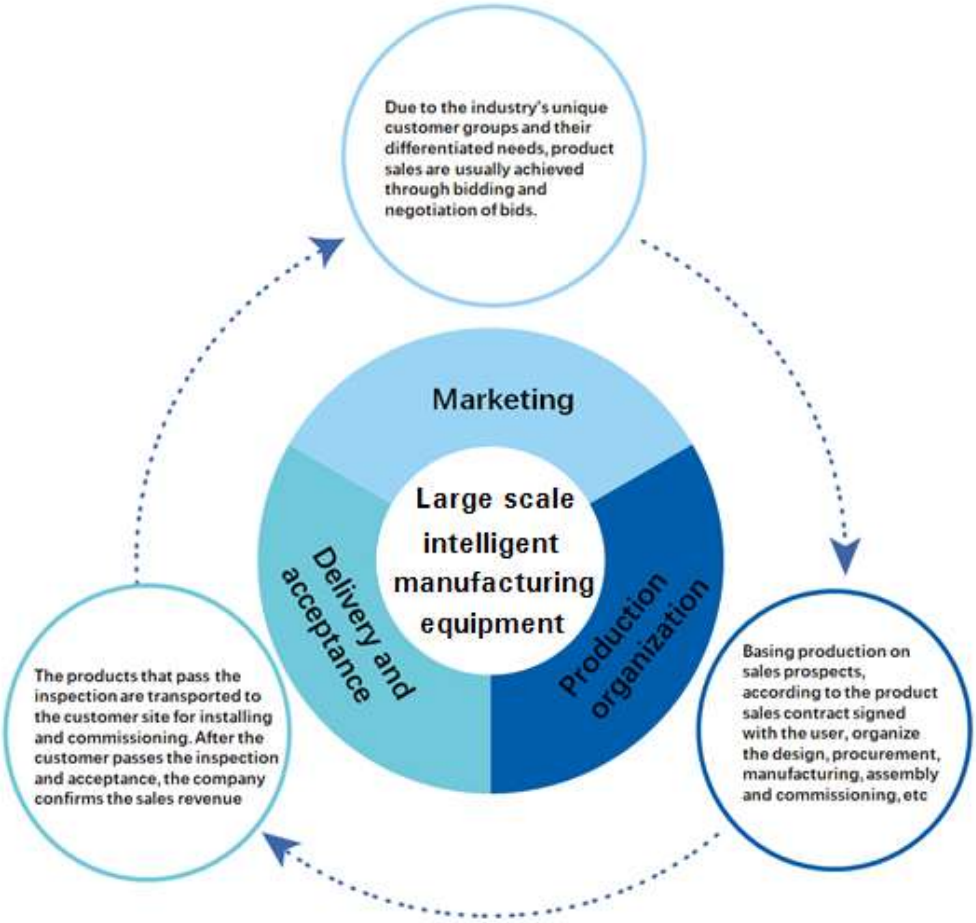
Industrial Services

The industrial services, extended from in the above-mentioned related fields of intelligent manufacturing equipment, are mainly integrated service, equipment maintenance and spare parts sales which facing the operation in the application fields of intelligent manufacturing equipment, after-sales industrial service, and supplementary industrial service.

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

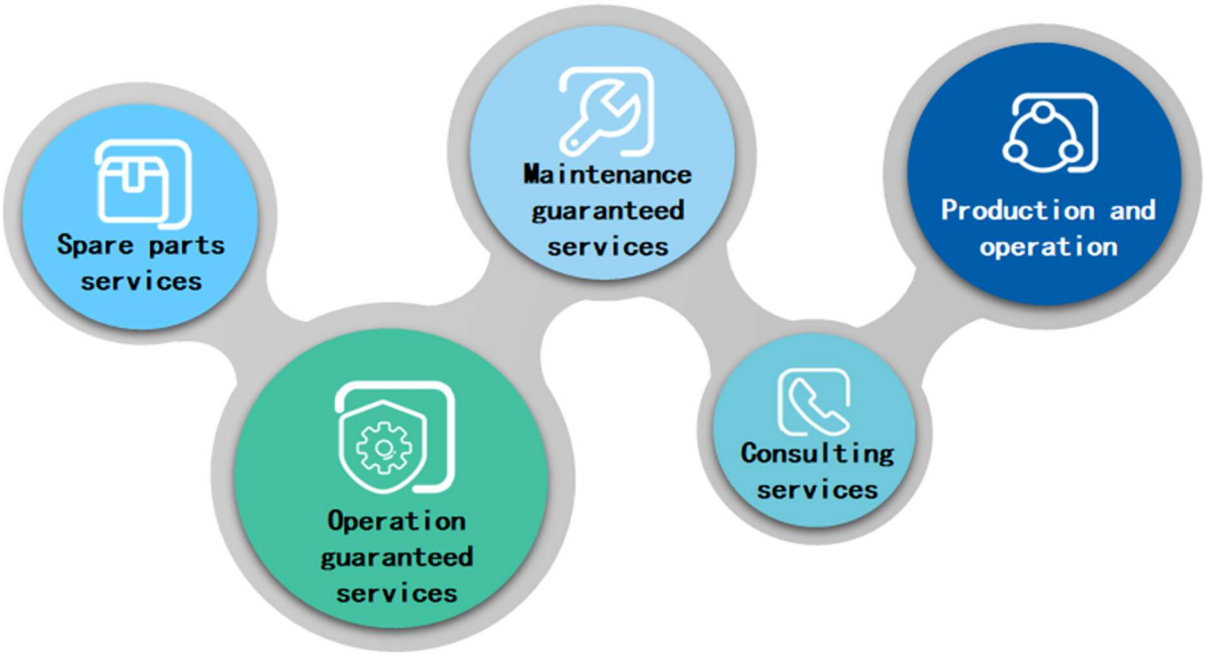
②Business model

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



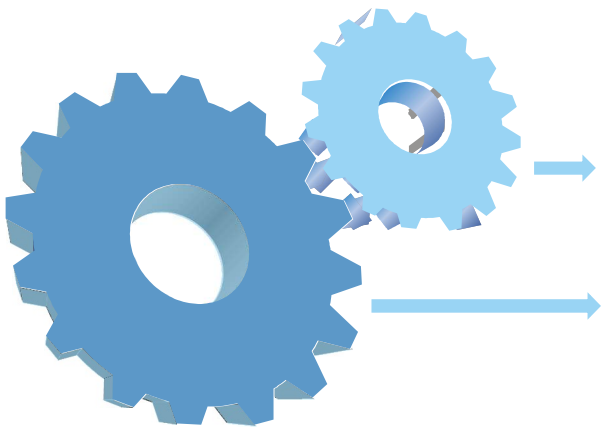
The content characteristics of the operation and maintenance aftermarket and complementary industrial services business models are summarized in the figure below:

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



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

Industrial Services——Supplementary Industrial Services and Miscellaneous



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

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

Energy saving, emission reduction and environmental protection process equipment field

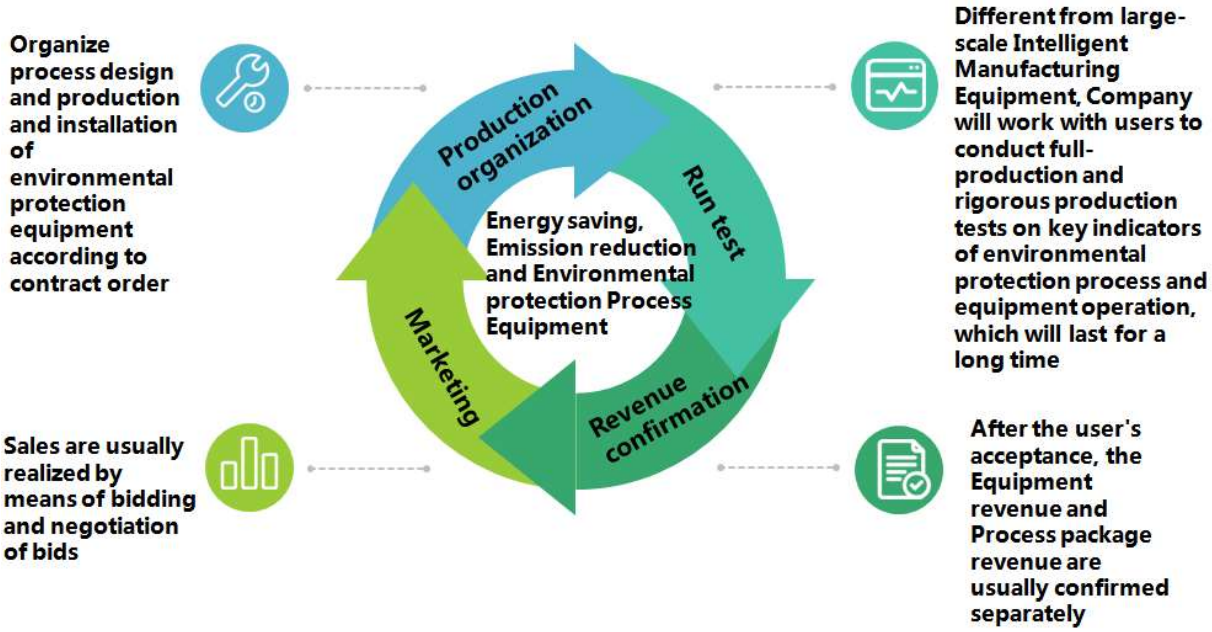
Industrial waste sulfuric acid, sulfur-containing acid gas

Collection → Catalysis → Heat exchange → Purification

High-purity sulfuric acid used for recycling production

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

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



③Develop new quality productivity to serve the national digitalization strategy.

As the outcome of revolutionary technological breakthroughs and innovative allocation of production factors, new quality productivity is reshaping the competitive landscape of the global intelligent equipment industry, promoting the evolution of China's industry from traditional manufacturing to intelligent manufacturing, and giving rise to changes in the industrial ecosystem. In the application field of intelligent manufacturing equipment products, the Company has achieved the ability and breakthrough to leap from single machine and automated production lines to digital workshops and overall solutions for intelligent factories, deeply serving the national digitalization strategy, industrial upgrading and the demand for cultivating future industries.

Following the successful implementation and delivery of two calcium carbide intelligent factory (workshop) projects in 2024, on April 24th, 2025, the Company held the "Intelligent Start of a New Journey, Intelligent Win of the Future: Calcium Carbide Intelligent Factory - Digital Transformation and Practical Application Conference" in the city of Wuhai, known as the "Pearl of the Yellow River". Many industry leaders, experts and enterprise representatives attending the conference jointly explored new paths for the digital and intelligent transformation of the calcium carbide industry, aiming to inject new impetus into the green and sustainable development of the industry. During the on-site visit to the Company's calcium carbide intelligent factory for customers, the production site of the intelligent factory was orderly and the equipment operated efficiently and precisely. The participants witnessed together the huge changes brought about by digital technology to calcium carbide production. The Company's overall intelligent factory solution for calcium carbide production has been fully recognized and positively responded to by the attending customers. In the future, it is expected to drive more potential customers to join the path of digital transformation and intelligent transformation, achieving green and sustainable development.

Legend: Calcium carbide intelligent factory –the scene of the Digital Transformation and Practical Application Conference

The intelligent factory for calcium carbide production has comprehensively revolutionized the traditional production process of calcium carbide electric furnaces, solving the industry's pain points such as environmental harm, high energy consumption, heavy pollution and low production efficiency. The Company integrates artificial intelligence technologies such as machine vision, deep learning, robot control algorithms, and expert control strategies with industrial Internet communication technologies, and applies them to the overall solutions of intelligent workshops and intelligent factories. This has overturned the traditional production process of calcium carbide electric furnaces, built an intelligent closed loop of "perception - decision-making - execution", and significantly improved production safety and operational efficiency. Realize precise control throughout the entire process and efficient intelligent production, and unlock the future manufacturing model.

④Key performance drivers

During the reporting period, although the environmental protection process and equipment business, which serves as a beneficial supplement to the performance, achieved a decrease of RMB 150 million in operating revenue compared to the same period of the previous year, the Company's two core growth businesses, "intelligent equipment" and "industrial Services", realized operating revenue increase by 5.30% and 3.38% respectively year-on-year, contributing the majority of the Company's RMB 277 million net profit attributable to the parent company. It is the main factor driving the Company's performance and the year-on-year growth

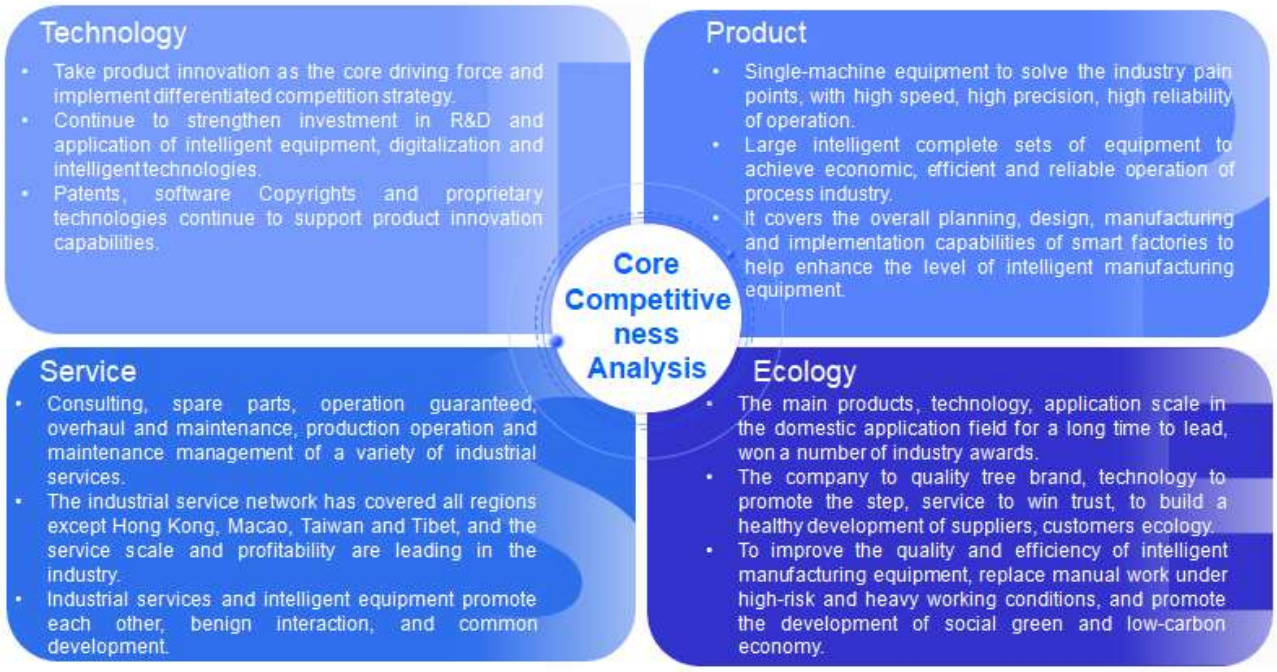
of net profit attributable to the parent company by 1.71%. In the intelligent manufacturing equipment business, the intelligent manufacturing equipment for solid material post-treatment achieved a revenue of RMB 785 million, representing a year-on-year growth of 8.60%. The revenue of this sub-business reached the best level of half year in history, and its gross profit margin also reached an outstanding 41.91%, demonstrating the Company’s core competitiveness.

The Company has long been committed to the innovation and development of intelligent manufacturing equipment, to achieve domestic equipment instead of imports and the independent control of major equipment core technology. With the technology leading differentiation competitive strategy, The Company emphasizes R&D investment and product innovation, continues to open up new markets and guides market demand. The Company’s solid core technical capabilities, rich industrial application practical experience, “point → line → whole” efficient technology development path, and focus on high-tech barriers to R&D positioning, constitute the main and important internal driving factor for the company's sustained and healthy development and the formation of core competitiveness. At the same time, the promotion and implementation of medium and long-term strategic plans such as China’s intelligent manufacturing 2025 and 2035, the intensive introduction of industrial promotion policies such as intelligent manufacturing, robotics and digital economy, and the strong internal demand of manufacturing enterprises for automation, digitalization and intelligent manufacturing have provided a strong external environment for the high-quality development of the Company.

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

2. Core Competitiveness Analysis

As an enterprise with product innovation as its core driving force, the Company adheres to a differentiated competitive strategy of leading technology. With a deep understanding of the development trend of China’s industrial automation and more than 20 years of industrial practice, the Company has built a coordinated development business pattern of intelligent manufacturing equipment and industrial service, environmental protection technology and equipment beneficial supplement, and formed a core competitiveness system of “technology– product – service – ecology”. In recent years, the Company’s business scale has grown rapidly, and its profitability has been greatly improved. Through continuous strengthening of digital and intelligent technology R&D and application investment, the Company has formed a complete product matrix covering “single equipment - complete production line - smart factory”, creating a global service capability, and its comprehensive competitiveness has continued to improve in the development of the industry.



(1) Technology - Technology leadership forge core competitiveness.

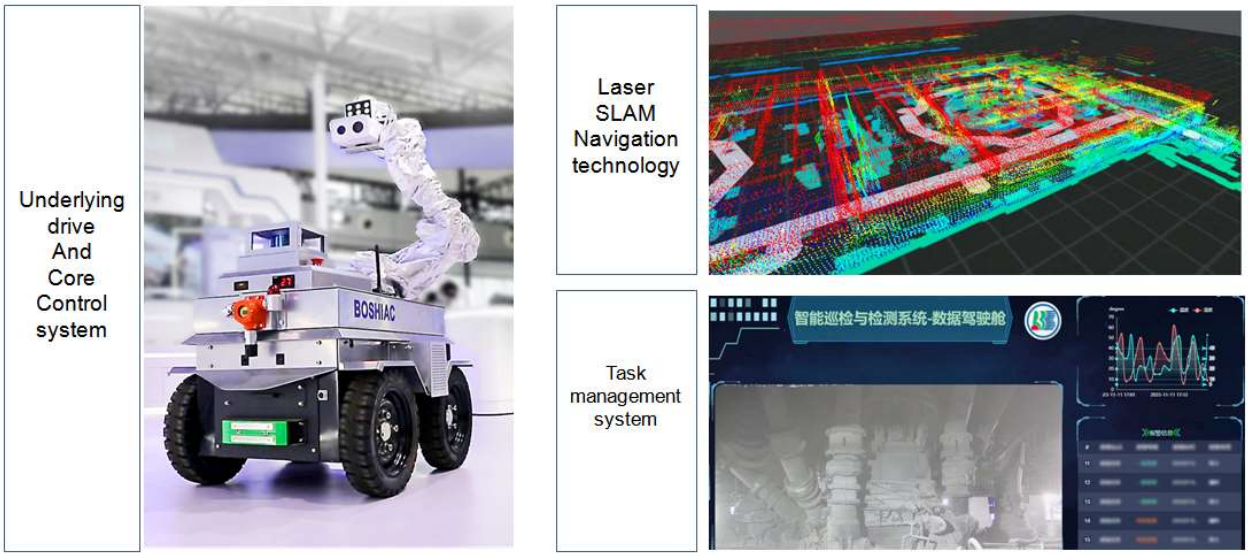
①Leadership in product innovation capabilities driven by technology.

Innovation is the core driving force for the development of science and technology enterprises, and technology leadership is the key to the Company's core competitiveness. The Company closely focuses on the needs of China's intelligent manufacturing industry, continues to increase R&D investment, accurately grasp development opportunities, actively expand market application fields, and constantly improve product innovation capabilities and application levels. With unremitting efforts, the Company continues to consolidate its technological lead and ranks at the forefront of the industry competition for a long time.

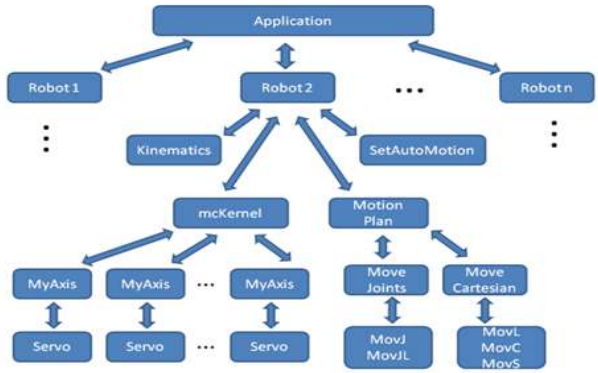
In terms of intelligent manufacturing equipment product line, the Company's products have significant technical advantages of high speed, high precision and high reliability, and accurately focus on the high-end intelligent manufacturing equipment market to meet customers' stringent requirements for efficient, safe and fine production. In the field of intelligent manufacturing overall solutions, the Company deeply integrates artificial intelligence technologies such as machine vision, deep learning, and robot control algorithms to create multi-category innovative product solutions and build digital and intelligent production scenarios for customers. The Company has successfully realized the overall intelligent manufacturing solutions such as solid material post-processing, electric stone furnace smelting operation intelligent workshop, helping customers realize the digital transformation and intelligent manufacturing upgrade of the factory, promoting the synchronous improvement of production efficiency and quality, and realizing intelligent manufacturing. In the domestic application field of the main products, the Company's products and technologies have long been in the leading position in China, reaching the international advanced level, and the application scale of some products has reached the international leading level.

② Master innovation and application capabilities driven by underlying technologies.

Mastering underlying technologies, algorithms and application platform technologies is the key for the Company to achieve independent control of core technologies, and it is also the core technical path to implement a technology-leading differentiated competition strategy and enhance competitiveness. Taking the Company's technological accumulation in the "robot plus" field as an example, with its in-depth control over the underlying technologies, the Company can quickly apply its technical capabilities in the field of special operation robots for high-temperature environments to the solutions of digital workshops and smart factories, forming a core competitiveness that promotes the digital transformation of industries.

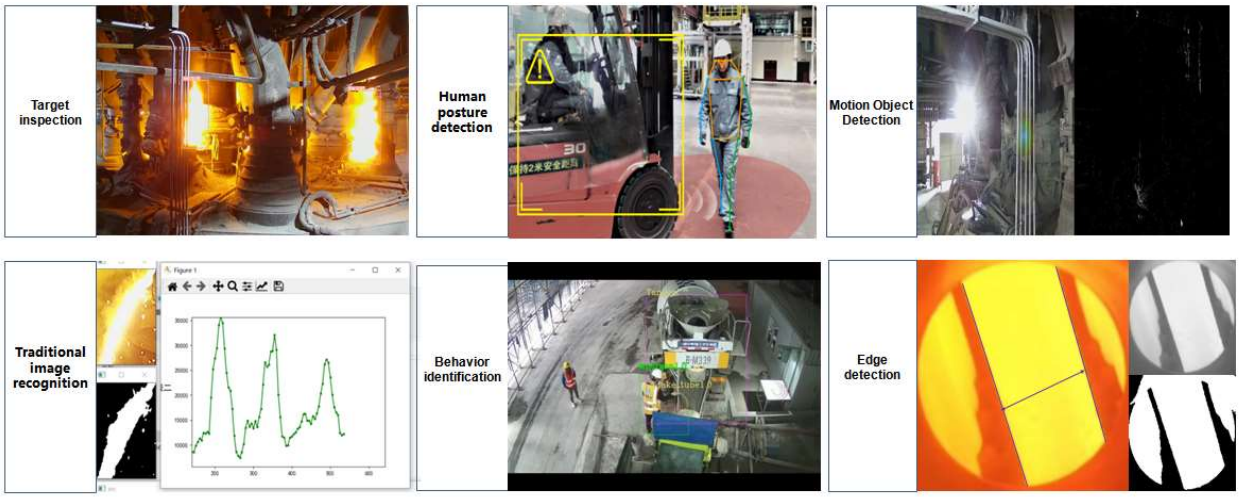


Legend：Development platform for mobile robot system based on autonomous navigation



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

Legend：Robot motion control system



Legend：R&D platform of AI system based on artificial intelligence

③Systematized innovation and integrated R&D capability through "point → line → whole" path.

Throughout the Company's technology, product development and industrialization process, the Company enters new industries and new fields, usually with key single unit equipment ("point") as the entry point; After breaking through the technical problems that have long restricted the development of the industry and solving the key pain points of the industry, the Company rapidly expanded the key single unit equipment to the automated production line ("line") to achieve vertical innovation of products; With the accumulation of technology and the in-depth understanding of the industry, the Company further builds the overall solution of intelligent manufacturing ("whole") to form an integrated technology and product capability. Taking the high-temperature special operation robots for smelting in submerged arc furnaces as an example, the Company, in response to the safety production and manual replacement demands of traditional calcium carbide submerged arc furnaces, has successfully developed a calcium carbide (high-temperature) furnace front operation robot ("point") based on industrial robot technology, which has the significance of revolutionizing manual operations. Subsequently, the Company successively developed key production operation systems such as the calcium carbide ramming furnace robot, inspection robot, and key production operation systems including intelligent pot transfer technology ("line"), and ultimately formed an epoch-making overall solution for intelligent workshops ("whole"). This "point → line → whole" systematized innovation and integrated R&D capability helps the Company concentrate technology, capital and resources, reduce product development risks, improve the output efficiency of R&D investment, open the ceiling of growth with new products, new fields, new applications and new markets, and enhance the Company's core competitiveness.

④Technology migration and cross-industry application capability.

The Company can achieve the horizontal expansion of product application by "redevelopment" and "re-application" the technological breakthroughs and accumulations in a certain field across industries. For example, the Company will be based on the technical breakthrough and technology accumulation in the direction of special operation robots in the high-temperature working environment of calcium carbide, for the horizontal redevelopment of a variety of high-temperature working environment of ferrosilicon, silicomanganese, industrial silicon, etc., has achieved phased application results, and signed product orders

successively. The Company's technological transfer and cross-industry application capabilities in the fields of technology and product innovation help accelerate the enhancement of its core competitiveness.

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

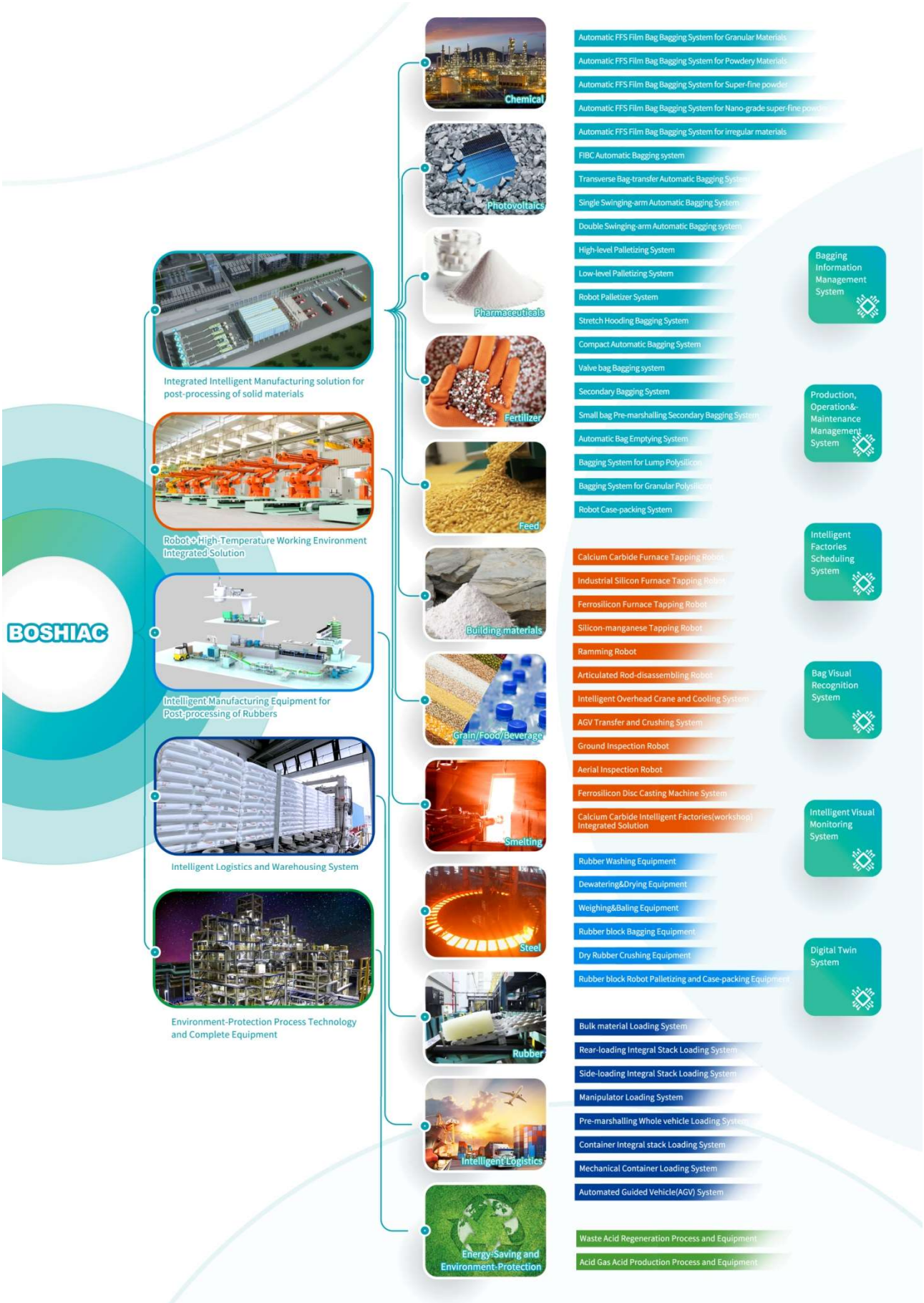
⑤Patents, software copyrights and proprietary technologies continue to support product innovation capabilities.

During the reporting period, the Company obtained 26 patents approved by the State Intellectual Property Office, including 13 invention patents and 13 utility model patents; 12 software copyrights were approved by the National Copyright Administration. In addition to patent technology, the Company has a considerable amount of core technical know-how that exists in the form of proprietary technology by relying on confidentiality measures. The patents, proprietary technology and software copyright owned and mastered by the Company are important carriers of its core competitiveness. (Note: The amount of intellectual property acquired during the reporting period may have a slight deviation due to the limitation of statistical time points, and is only for investors' trend reference. Investors are urged to pay special attention to relevant risk factors.)

(2) Product - A multi-category product matrix to establish market competitive advantage.

①A multi-category product matrix builds core competitiveness.

The Company's intelligent manufacturing equipment covers overall solutions for intelligent manufacturing in the post-treatment of solid materials, (high-temperature) "robots plus" and overall solutions, post-processing intelligent manufacturing equipment for rubber, and intelligent logistics and warehousing systems. It also supplements with environmental protection process technologies and complete sets of equipment. The Company's high-speed, high-precision, high-performance and highly reliable multi-category products are widely used in numerous industries and fields such as petrochemical and chemical engineering, electric arc furnaces, new energy, grain, feed, building materials, medicine, food, ports and logistics. The multi-category product matrix for the segmented markets within each industry is shown in the following figure.



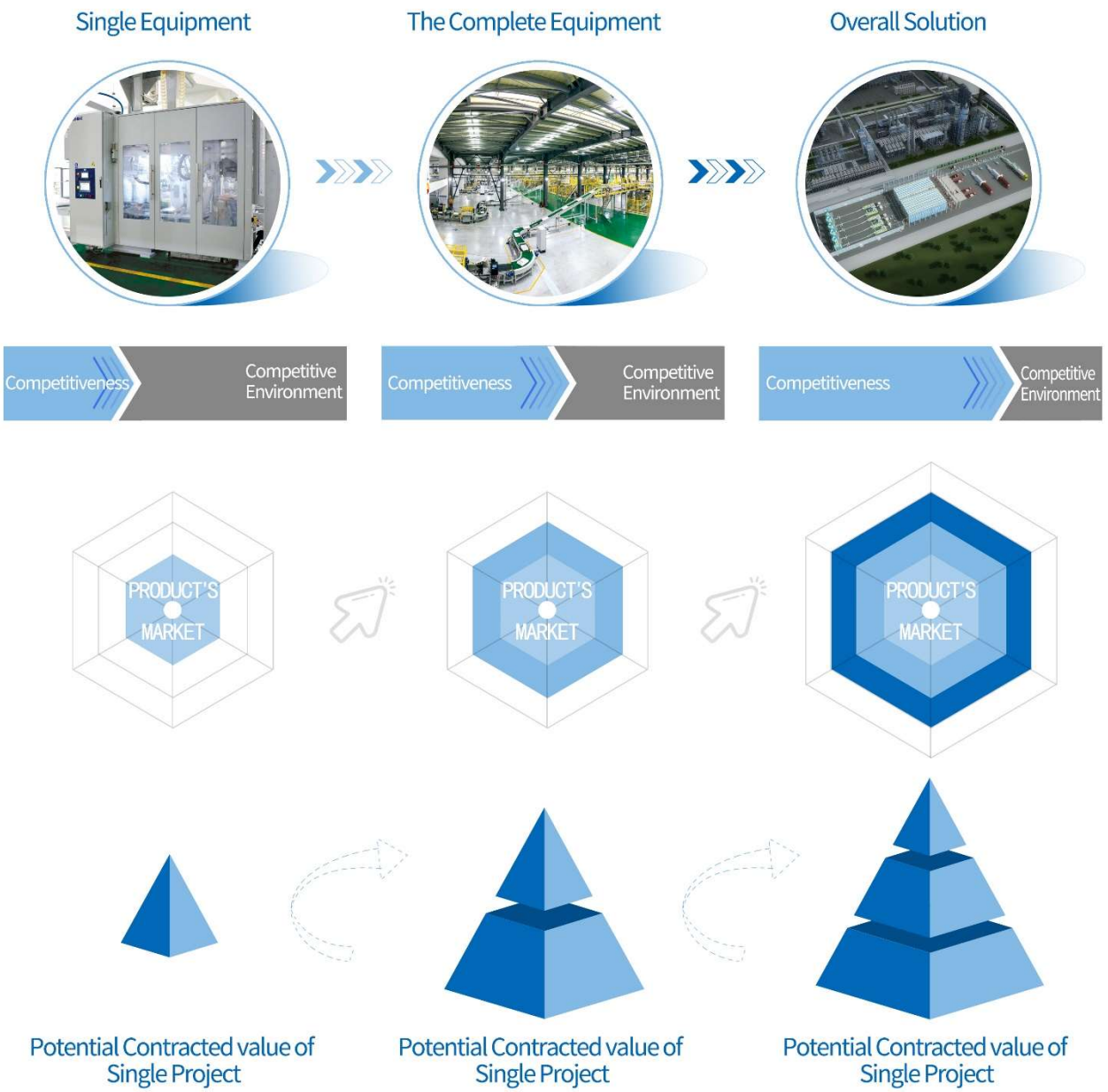
Legend: Product matrix diagram

②Intelligent workshop, intelligent factory, overall solution present substantial market opportunities.

The Company applies artificial intelligence technologies such as machine vision, deep learning, robot control algorithm, and expert control strategy, combined with industrial Internet communication technology, to the overall solution of intelligent factory/workshop, maximize the realization of minimal or unmanned operation in production scenarios. Customers rely on intelligent production decision-making management to achieve safe, reliable and refined production and improve overall operational efficiency.

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

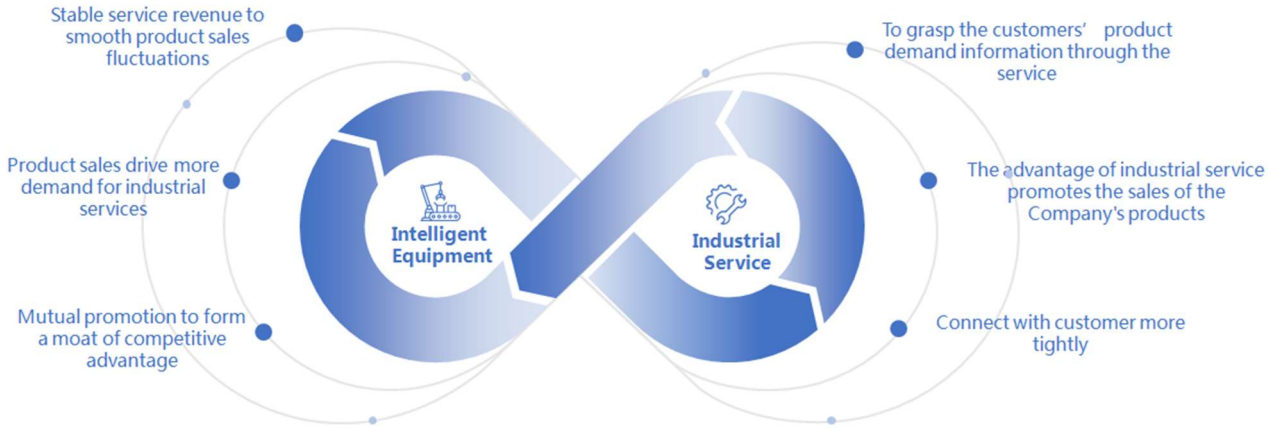
From the calcium carbide post-processing intelligent factory/workshop project delivered to customers by the Company, in the application side, the customer has realized the replacement of manual work under dangerous and heavy working conditions with high-tech products, innovated the traditional process method, and improved the safety and well-being of workers, which is of great significance to the calcium carbide industry; At the product sales end, compared with the sales of single machine products (“point”) and complete sets of equipment (“line”), the overall solution for intelligent factories (“whole”) has the potential to bring about a multiple increase in market space and contract value due to its strong product competitiveness and limited market competition pressure. This “whole” - the ability of the overall solution for smart factories - determines the core competitiveness of the Company in future market competition.



(3) Service – Integrated service capabilities to enhance competitive advantage.

The Company will closely combine the technology leading advantage in intelligent equipment and the scale advantage of product application with industrial services, and actively promote the implementation of the integration strategy of products and services. The Company's industrial services, covering consulting, spare parts sales, equipment transportation, inspection, maintenance and transformation, production operation and maintenance management and other full-scene application forms, has now covered all regions except Hong Kong, Macao, Taiwan, Xizang, service scale and capacity are industry-leading. The Company's service integration strategy provides customers with multi-dimensional, high-quality equipment operation support services and production operation and maintenance integrated solutions, helping customers focus on the main business, to achieve continuous, stable and efficient production. The Company's professional, high-quality and advanced service model has become the preferred choice for customers to improve quality and efficiency in a complex industrial production environment, creating value for customers and achieving a win-win situation. The mutual promotion and benign interaction between intelligent equipment and industrial services has formed

a good synergy effect and promoted the high-quality development of the Company’s business.



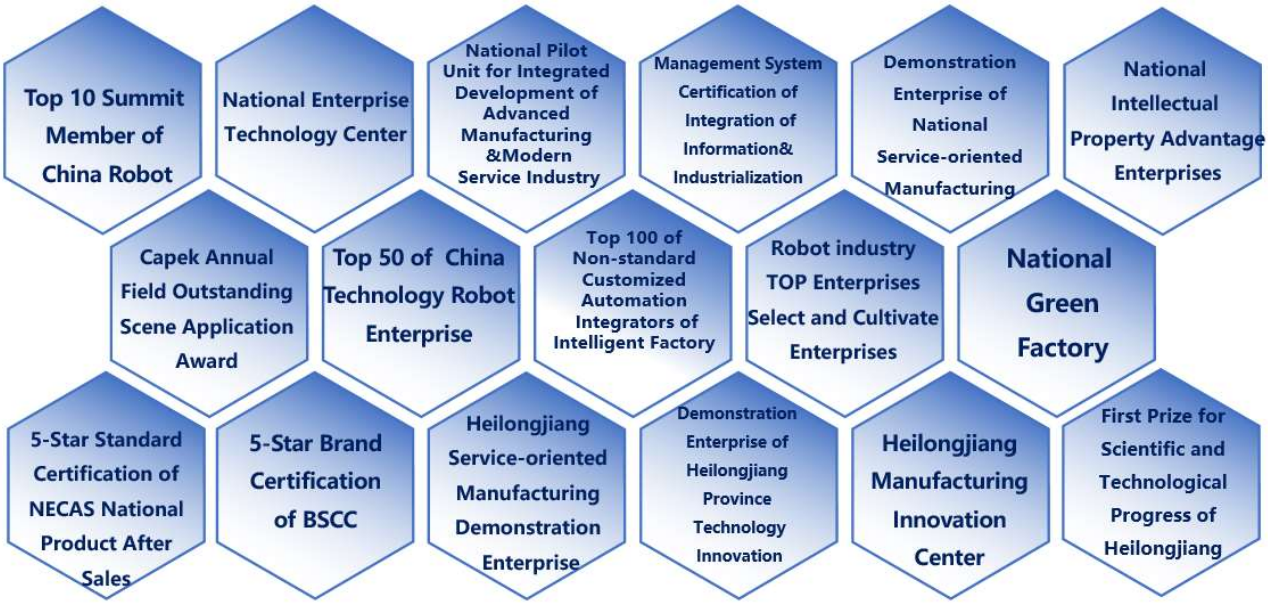
Legend: The coordinated development and positive interaction of intelligent equipment and industrial services

Industrial service revenue can steadily increase with the growth of intelligent equipment product sales and customer production and operation equipment base, the Company to undertake large-scale production operation and maintenance service projects will also bring a step wise increase in service revenue. This coordinated development model of services and products not only enhances customer stickiness but also effectively offsets the negative fluctuations in the intelligent equipment business, improves the Company’s overall risk resistance capacity in operation, and forms a core competitiveness.

(4) Ecology - The industrial ecological results stabilize the core competitiveness.

①Leading competitiveness in the industry driven by advanced technology.

In the core business areas of intelligent manufacturing equipment and industrial services, relying on its core technological capabilities and product innovation capabilities, the Company develop and apply intelligent equipment products with market competitiveness, enhance the dimension of industrial services, and continuously consolidate its competitive advantage position. The Company’s main products, technologies and application scale led the domestic related application fields in a long time period, and have won many industry honors, and has built an industrial ecosystem where customers, suppliers, social value, enterprise value and other multiple dimensions coexist, co-prosper, win together, develop healthily and sustainably.



②Brand competitiveness to enhance customer loyalty.

The Company establishes brand with quality, promotes progress with technology, and wins trust with service. Through high-quality products and efficient industrial services, the Company strives to achieve production automation, digital and intelligent manufacturing for customers. The Company enjoys continuous leading visibility, reputation and customer loyalty in the main product application fields in China as well as pursues excellence, leads the development of intelligent manufacturing equipment in the application industry, and builds a stable, cooperative and win-win customer base in the long term. High-quality customer resources and huge demand potential for intelligent manufacturing equipment are the foundation and fertile soil for the Company's long-term, sustained and rapid development.

③ Improving the quality and efficiency of intelligent manufacturing equipment, to promote the sustainable development of social green and low-carbon economy.

To transform traditional industries with high and new technology is the duty, mission and responsibility entrusted to innovative science and technology enterprises by the era. The Company's overall solution for intelligent manufacturing in the field of calcium carbide smelting in mineral furnace can be widely used in intelligent manufacturing equipment such as automatic loading logistics system in many industries, which has a transformative impact on replacing the field of manual production under high-risk and heavy working conditions, and has become the basis for customers to achieve safe, efficient and refined production. At the same time, the standardization of intelligent equipment will bring about the improvement of capacity utilization, help to achieve cost reduction and efficiency, and support the early achievement of the national double carbon goal.

The Company actively cultivates and develops new quality productivity. Through technological breakthroughs, product innovations and the continuous application of new technologies in the direction of large-scale intelligent manufacturing equipment and intelligent factories, it has achieved the automation and intelligence of process industry production, promoting the improvement of social production efficiency. The client applies

the Company’s intelligent manufacturing equipment to produce in an intensive manner, reducing reliance on labor. This effectively alleviates the structural labor shortage problem in society, enhances the safety and well-being of workers, and promotes the progress and development of social civilization. The continuous expansion of the company's intelligent equipment products and industrial service application scale has promoted the sustainable development of the green and low-carbon economy in society. It not only achieved good social benefits but also enhanced customer satisfaction and loyalty through the cost reduction and efficiency improvement results of customers, thereby promoting the stable development of the Company’s operating performance and the good performance of shareholder returns.

3. Main Businesses Analysis

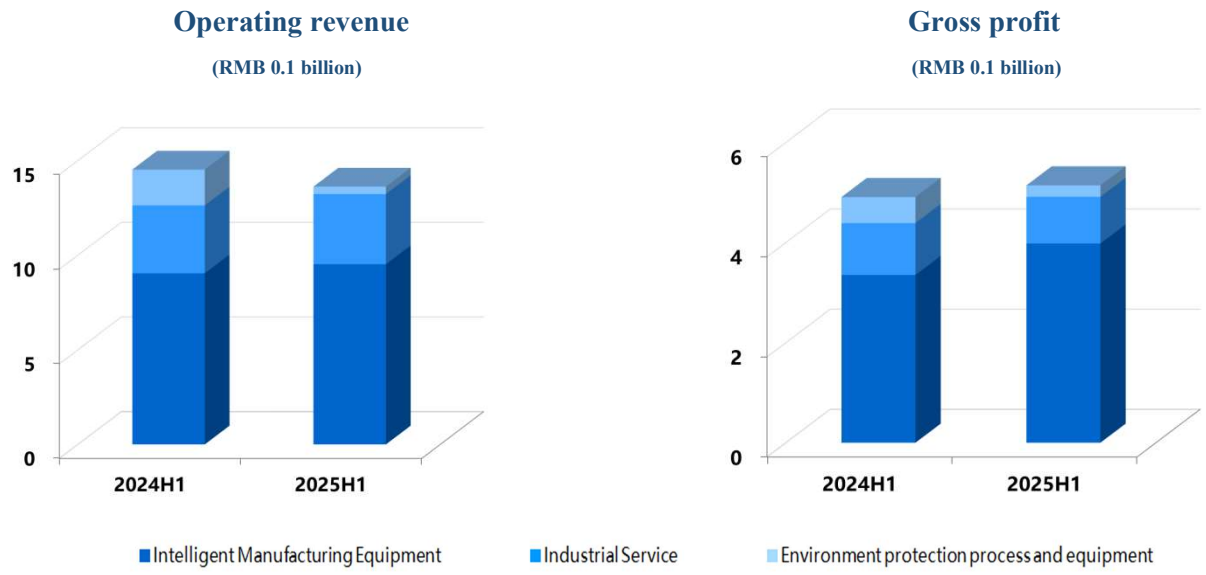
Overview

In the 2025 H1, the state adopted a more proactive fiscal policy and a moderately loose monetary policy, introduced supportive policies to boost consumption and investment, and comprehensively expanded domestic demand. The domestic macro-economy presented an overall stable and progressive development trend. In the first half of the year, the gross domestic product (GDP) reached RMB 66 trillion, increasing by 5.3% year-on-year, laying a solid foundation for the economic growth throughout the year.

During the reporting period, the Company achieved operating revenue of RMB1.362 billion, net profit attributable to shareholders of RMB 277 million, and a weighted average return on equity (ROE) of 7.05%. From the perspective of business composition, the Company’s core growth businesses, intelligent manufacturing equipment and industrial services, achieved revenues of RMB 952 million and RMB 371 million respectively, increasing by 5.30% and 3.38% year-on-year. The two businesses accounted for 69.88% and 27.24% of the Company’s total revenue respectively. The proportions of the Company’s overall gross profit were 77.47% and 18.07% respectively. The environmental protection process and equipment business, as a beneficial supplement, achieved a revenue of RMB 39 million, accounting for 2.88% of the Company’s total revenue and 4.46% of its gross profit.

The Company’s intelligent manufacturing equipment products are widely applied in pillar industries of the national economy such as petrochemicals and chemical engineering, new energy, arc furnaces, grain, feed, building materials, medicine, food, ports, and logistics. During the reporting period, the Company’s marketing work continued to make positive progress. As a leading enterprise in the application fields of the Company’s products, the long-term demand for quality improvement and upgrading in automation, digitalization and intelligent manufacturing is promising, providing a good platform and space for the Company’s medium and long-term sustainable and healthy development.

From the perspective of revenue and profit composition, the structure of revenue and contribution gross profit of the Company’s intelligent manufacturing equipment, industrial services, environmental protection technology and equipment is shown in the following figure.



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

During the reporting period, the main operating data and main financial indicators realized by the Company are listed as follows

Unit：RMB

Item	2025H1	2024H1	Year-on-year growth
Operating revenue	1,361,906,020.97	1,451,943,421.69	-6.20%
Operating profit	325,918,599.95	337,649,585.25	-3.47%
Total profit	325,558,005.49	337,709,578.78	-3.60%
Net profit	286,552,860.48	292,701,791.18	-2.10%
There of: Attributable to shareholders of the parent company	277,372,460.11	272,716,784.52	1.71%

Year-on-year changes to major financial data

Unit: RMB

	2025H1	2024H1	Increase/Decrease over the same period of previous year	Rationale
Operating revenue	1,361,906,020.97	1,451,943,421.69	-6.20%	
Cost of sales	848,278,273.31	965,112,696.34	-12.11%	
Selling and distribution expenses	59,500,518.45	66,433,203.00	-10.44%	
General and administrative expenses	57,346,796.33	47,254,478.23	21.36%	
Finance expenses	10,310,006.30	1,647,186.17	525.92%	Jointly influenced by interest expenses increased and interest income decreased.
Income tax expenses	39,005,145.01	45,007,787.60	-13.34%	
Research and development expenses	70,190,031.07	54,512,534.74	28.76%	Share-based payment led to an increase in R&D expenses year-on-year.
Net cash flows from operating activities	14,230,937.22	125,053,687.61	-88.62%	Affected by the reduction in software VAT refunds received, as well as the increase in various taxes and fees paid and cash paid for purchasing goods during this period.
Net cash flows from investing activities	958,322,159.35	56,462,233.83	1,597.28%	Mainly due to the impact of cash management activities.
Net cash flows from financing activities	-256,001,030.55	-358,426,518.17	28.58%	Mainly due to share buyback in the last period.
Net increase in cash and cash equivalents	716,871,196.84	-176,908,280.41	505.22%	It is jointly affected by the net cash flow from operating activities, investing activities and financing activities.

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

□ Applicable √ Not applicable

No such cases in the reporting period.

Breakdown of operating revenue:

Unit: RMB

	2025H1		2024H1		Increase/Decrease over the same period of previous year
	Amount	Proportion of revenue	Amount	Proportion of revenue	
Total	1,361,906,020.97	100%	1,451,943,421.69	100%	-6.20%
Categorized by industry					
Intelligent manufacturing equipment	951,645,232.63	69.88%	903,781,292.42	62.25%	5.30%
Industrial service	370,926,692.60	27.24%	358,816,558.08	24.71%	3.38%
Environmental protection process and equipment	39,334,095.74	2.88%	189,345,571.19	13.04%	-79.23%
Categorized by product					
Post-processing intelligent manufacturing equipment for solid material	785,182,652.20	57.65%	723,016,009.70	49.80%	8.60%
Post-processing intelligent manufacturing equipment for rubber	123,742,635.23	9.09%	30,472,291.84	2.10%	306.08%
Robots plus	21,327,691.29	1.57%	132,974,452.81	9.16%	-83.96%
Intelligent logistics, warehousing systems	21,392,253.91	1.57%	17,318,538.07	1.19%	23.52%
Operation, maintenance and after-sales type industrial services	328,880,442.12	24.15%	314,570,836.80	21.66%	4.55%
Supplementary industrial services and others	42,046,250.48	3.09%	44,245,721.28	3.05%	-4.97%
Environmental process and complete equipment	39,334,095.74	2.88%	189,345,571.19	13.04%	-79.23%
Categorized by region					
Region of east China	666,637,448.23	48.94%	438,191,938.28	30.17%	52.13%
Region of south China	71,717,421.39	5.27%	60,773,887.95	4.19%	18.01%
Region of central China	41,115,127.26	3.02%	86,665,287.81	5.97%	-52.56%
Region of north China	196,520,869.96	14.43%	381,367,261.55	26.27%	-48.47%
Region of northwest China	248,601,124.03	18.25%	303,855,685.33	20.93%	-18.18%
Region of southwest China	49,805,267.30	3.66%	48,213,414.19	3.32%	3.30%

Region of northeast China	69,134,760.52	5.08%	110,494,567.37	7.61%	-37.43%
Overseas	18,374,002.28	1.35%	22,381,379.21	1.54%	-17.90%

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

Unit: RMB

	Operating revenue	Cost of sales	Gross profit rate	Operating revenue increase/ decrease over the same period of previous year	Cost of sales increased or decreased over the same period of previous year	Gross profit rate increased or decreased over the same period of previous year
Categorized by industry						
Intelligent manufacturing equipment	951,645,232.63	553,757,165.96	41.81%	5.30%	-3.20%	5.11%
Industrial service	370,926,692.60	278,119,154.84	25.02%	3.38%	8.98%	-3.86%
Environmental protection process and equipment	39,334,095.74	16,401,952.51	58.30%	-79.23%	-88.10%	31.10%
Categorized by product						
Post-processing intelligent manufacturing equipment for solid material	785,182,652.20	456,128,759.83	41.91%	8.60%	1.64%	3.98%
Post-processing intelligent manufacturing equipment for rubber	123,742,635.23	65,544,349.19	47.03%	306.08%	305.79%	0.04%
Robots plus	21,327,691.29	17,365,362.04	18.58%	-83.96%	-81.49%	-10.86%
Intelligent logistics, warehousing systems	21,392,253.91	14,718,694.90	31.20%	23.52%	10.39%	8.19%
Operation, maintenance and after-sales type industrial services	328,880,442.12	241,167,571.39	26.67%	4.55%	12.04%	-4.91%
Supplementary industrial services and others	42,046,250.48	36,951,583.45	12.12%	-4.97%	-7.53%	2.43%
Environmental process and complete equipment	39,334,095.74	16,401,952.51	58.30%	-79.23%	-88.10%	31.10%
Categorized by region						
Region of east China	666,637,448.23	373,755,970.31	43.93%	52.13%	28.53%	10.29%
Region of south China	71,717,421.39	68,374,243.01	4.66%	18.01%	59.69%	-24.89%

Region of central China	41,115,127.26	31,512,325.59	23.36%	-52.56%	-45.79%	-9.57%
Region of north China	196,520,869.96	110,347,159.11	43.85%	-48.47%	-56.72%	10.71%
Region of northwest China	248,601,124.03	180,967,139.92	27.21%	-18.18%	-10.92%	-5.93%
Region of southwest China	49,805,267.30	32,964,516.23	33.81%	3.30%	5.03%	-1.09%
Region of northeast China	69,134,760.52	40,298,178.53	41.71%	-37.43%	-42.52%	5.16%
Overseas	18,374,002.28	10,058,740.61	45.26%	-17.90%	-26.85%	6.70%

Note: Due to changes in accounting policies, the cost of sales for the same period of last year have been retrospectively adjusted.

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

□Applicable √Not applicable

During the reporting period, the reasons of operating revenue and gross profit rate change are as follows:

During the reporting period, the revenue of intelligent manufacturing equipment reached RMB 952 million, with a year-on-year growth of 5.30%. Industrial services achieved a revenue of RMB 371 million, with a year-on-year growth of 3.38%, and continued to maintain a steady growth momentum. The revenue from environmental protection processes and equipment reached RMB 39 million, a year-on-year decrease of 79.23%.

Intelligent manufacturing equipment:

The post-processing intelligent manufacturing equipment for solid material achieved a revenue of 785 million, with a year-on-year growth of 8.60%. The gross profit rate was 41.91%, an increase of 3.98% compared with the same period of last year. The outstanding gross profit rate of the Company's core products in intelligent manufacturing equipment is attributed to the increase in the proportion of leading products with high gross profit rate in the revenue of the current period, demonstrating the Company's core competitiveness.

The post-processing intelligent manufacturing equipment for rubber was centrally delivered this period, achieving a revenue of RMB 124 million, a year-on-year increase of 306.08%, with a gross profit rate of 47.03%. The gross profit rate increased slightly year-on-year, maintaining an excellent level.

The revenue recognition level for the delivery of intelligent logistics and warehousing systems and "robot plus" products in this period were relatively low. Among them, the gross profit rate of intelligent logistics and warehousing systems increased by 8.19% year-on-year to 31.20%. The "robot plus" category mainly include (high temperature) operation robot for sub-merged arc furnace, inspection robots, and other "robot plus" products. The overall delivery in this period was relatively small and the profit level of this period was low. The Company is actively promoting and expanding in intelligent calcium carbide factory, and the future is worth looking forward to.

Industrial services: During the reporting period, industrial services achieved operating revenue of RMB 371 million, with a year-on-year growth of 3.38%. As one of the Company's core growth businesses, industrial services have maintained a long-term and steady growth. Due to the negative fluctuations in revenue settlement levels and costs, the overall gross profit rate of industrial services declined by 3.86% year-on-year to 25.02%. Among them, the revenue from operation, maintenance and after-sales industrial services reached RMB 329 million, increasing by 4.55% year-on-year, while the gross profit rate decreased by 4.91% to 26.67% year-on-year. The revenue from supplementary industrial services and others was RMB 42 million, a decrease of 4.97% compared with the same period. The gross profit rate increased by 2.43% to 12.12%.

Environmental protection technology and equipment: Compared with the same period of the previous year, no equipment or know-how packages of environmental protection technology and equipment were accepted and delivered in this period. The revenue decreased by 79.23% year-on-year to RMB 39 million, and the gross profit rate increased significantly to 58.30%, which was a beneficial supplement to the Company's overall performance.

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

4. Analysis of Non-Core Businesses

□Applicable √Not applicable

5. Analysis of Assets and Liabilities

(1) Significant Changes in Asset Composition

Unit: RMB

	End of current reporting period		End of previous year		Increase/ Decrease in proportion	Major changes
	Amount	Proportion of total asset	Amount	Proportion of total asset		
Cash at bank and on hand	770,277,016.91	11.35%	55,996,398.59	0.81%	10.54%	Mainly due to impacts on cash management activities.
Accounts receivable	1,198,354,788.82	17.66%	1,201,119,619.90	17.27%	0.39%	
Contract assets	183,711,499.99	2.71%	156,905,007.88	2.26%	0.45%	
Inventories	2,087,902,326.57	30.77%	2,072,436,762.83	29.80%	0.97%	
Investment properties	9,129,139.12	0.13%	11,072,140.54	0.16%	-0.03%	
Long-term equity investments	529,582,435.01	7.80%	523,324,767.86	7.52%	0.28%	
Fixed assets	364,028,135.42	5.36%	362,897,699.40	5.22%	0.14%	

Construction in progress	14,372,900.38	0.21%	2,023,251.20	0.03%	0.18%	The Company's real estate purchased for industrial service business.
Right-of-use assets	2,729,734.07	0.04%	4,223,259.80	0.06%	-0.02%	
Short-term loans	33,788,585.72	0.50%	36,873,798.71	0.53%	-0.03%	
Contract liabilities	1,639,630,342.52	24.16%	1,806,791,270.47	25.98%	-1.82%	

(2) Major Assets Overseas

□Applicable √Not applicable

(3) Assets and liabilities measured at fair value

√Applicable □Not applicable

Unit: RMB

Item	Opening balance	Profit or loss from change in fair value during the period	Cumulative fair value change charged to equity	Amount provided for impairment in the period	Purchased in the period	Sold in the period	Other changes	Closing balance
Financial assets								
Financial asset held for trading (excluding derivative financial)）	1,934,953,566.81	5,094,741.50			5,078,619,000.00	6,029,714,210.35		988,953,097.96
Investments in other equity instruments	61,002,054.39		33,974,208.57					61,002,054.39
Financing receivables	53,851,796.67						25,756,395.72	79,608,192.39
Sub-total of the above	2,049,807,417.87	5,094,741.50	33,974,208.57		5,078,619,000.00	6,029,714,210.35	25,756,395.72	1,129,563,344.74
Financial liabilities								

Note: the financial asset held for trading above-mentioned mainly are monetary fund and structural bank deposits, for cash management of temporarily unused self-owned and raised funds, based on the

resolution of the Board of Directors and the Board of Shareholders.

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

□ Yes √ No

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

Item	Book value at the end of period（RMB）	Limitation reason
Cash at bank and on hand	1,543,793.83	Bank deposit on letter of guarantee.
Cash at bank and on hand	7,300.00	Minimum deposit of ETC toll bank account.
Cash at bank and on hand	325,071.94	Litigation and judicial freeze due to sales contract disputes
Intangible assets	4,225,091.01	Mortgage of holding subsidiary land use right for bank loans.
Fixed assets	11,446,074.23	Mortgage of holding subsidiary real estate for bank loans.
Total	**17,547,331.01**	

6. Investment Made

(1) Total investment amount

√Applicable □Not applicable

Total investment amount of the Reporting Period (RMB)	Total investment amount of the same period of last year (RMB)	Change
529,582,435.01	490,225,600.66	8.03%

The above investments are equity investments of the Company’s ending balance in associated or joint venture companies.

(2) Significant equity investment made in the reporting period

□Applicable √Not applicable

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

□Applicable √Not applicable

(4) Financial investments

① Securities investments

□Applicable √Not applicable

No such cases in the reporting period.

② Derivatives investments

□Applicable √Not applicable

No such cases in the reporting period.

(5) Use of Raised Funds

① Overall usage of funds raised

Unit: RMB10,000

Year	Way of raising	Net funds raised	Total funds used in the current period	Accumulative fund used	Total funds with usage changed this period	Accumulative funds with usage changed	Proportion of accumulative funds with usage changed	Total unused funds	The usage and destination of unused funds	Amount of funds raised idle for over two years
2022	Issue convertible corporate bonds to unspecified objects	44,341.86[Note]	2,239.11	38,676.30	0	0	0.00%	5,665.56	The Company shall conduct special account management and cash management for the funds not yet used.	0
Total	--	44,341.86	2,239.11	38,676.30	0	0	0.00%	5,665.56	--	0
Explanation of overall usage of funds raised										
As of June 30th, 2025, net funds raised was RMB 443.4186 million, the raised fund used is a total amount of RMB 386.763 million, and the raised funds has not used of RMB56.6556million. In addition, RMB 9.6701 million of the accumulated interest and cash management income of the special account for raised funds, after deducting handling fees, was managed as raised funds and was unused.										

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

② Commitment projects of fund raised

Unit: RMB10,000

Committed investment project and super raise fund arrangement	Total of committed investment of raised capital	Total investment after modification (1)	Investment amount in the reporting period	Accumulative investment amount as of the period-end (2)	Investment schedule as the period-end (3)=(2)/(1)	Date of reaching intended use of the project
1. Robot and intelligent factory industrialization production project.	16,000.00	16,000.00	1,638.34	14,322.85	89.52%	July,2024

2. Sub-merged arc furnace smelting robot and its intelligent factory R & D demonstration project.	9,000.00	9,000.00	512.90	7,226.16	80.29%	June,2025
3.Project of technology innovation and service center (R&D center)	7,000.00	7,000.00	87.88	4,785.43	68.36%	December,2023
4.Supplementary working capital	12,341.86	12,341.86	--	12,341.86	100.00%	Not applicable
Total	**44,341.86**	**44,341.86**	**2,239.11**	**38,676.30**	**--**	--

(6) Collaborative R&D and other related investments progress

①Cooperative R&D project: Humanoid robot key technology and principle prototype industrialization R&D project

On August 18th, 2023, the Company signed the *Strategic Cooperation Framework Agreement* with HGD University, jointly establishing a R&D project for the industrialization of key technologies and principle prototypes of humanoid robots, and promoting the industrialization of related technological achievements and products. The R&D project plan to focus on breaking through key technologies such as the design of bionic motion structure mechanisms, achieving high explosive force and smooth drive, intelligent perception and navigation planning in complex scenes, full-body coordinated movement, human-like dexterous operation, highly adaptable dynamic balance control, and high-power-density batteries.

The project's R&D goals have relatively high requirements for the robot's movement ability, operational ability and intelligence level. Up to now, during the process of debugging the principle prototype, the overall machine scheme is optimizing, the structure and performance of key components are continuously optimizing and improving, and the performance of corresponding components are testing. Carrying out verification work such as dexterous operation, stable walking, impact resistance and rough terrain tests of the robot's dual-arm hands. The project is simultaneously conducting algorithm optimization and verification work for natural voice interaction, long sequence motion planning, and navigation planning. The project is planned to display 1-2 principle prototypes of humanoid robots in 2025 Q4. The actual progress of the project's R&D will be taken as the standard at that time.

Risk Warning: Investors are advised to pay special attention to the risk factors related to the industrialization R&D project of key technologies and principle prototypes of humanoid robots. Please refer to page 43 for details.

②Investment in high-end medical diagnosis and treatment equipment

Surgical system (endoscopic instrument control system with instruments and accessories): As of the end of the reporting period, the Company held a 13.46% stake in Harbin Sagerot Intelligent Medical Equipment Co., Ltd, an investment and equity participation enterprise. Its core product is the Kangduo Surgical Robots ® (laparoscopic surgical robot). The three products of Kangduo Surgical Robots ®, namely SR1000, SR1500 and SR2000, were respectively granted the Class III Medical Device registration certificates issued by the National Medical Products Administration in June 2022, April 2024 and July 2024. Endoscopic surgical robots are usually composed of a "doctor's console", a "patient's surgical platform" and an "imaging system". Doctors can operate (remotely) the control console, obtain the surgical field of view with the help of the endoscope

held by the mechanical arm on the “patient surgical platform”, and complete the surgical operation at the same time by using the surgical instruments held by the mechanical arm (such as needle driver, curved scissors, disposable ultrasound soft tissue scalpel, bipolar Forceps and cautery hook, etc.) Invasive abdominal surgery robots are suitable for various types of surgeries in various fields, such as urology, gynecologic, general surgery, thoracic surgery, etc. They have the advantages of small trauma, precise surgical operation, few postoperative complications, and the ability to complete surgeries remotely from different locations with the help of 5G communication technology. These advantages not only help to boost patients’ confidence, shorten the recovery time, but also reduce the surgical intensity of doctors and give full play to the greater benefits of medical resources.

Legend: Celiac minimally invasive surgical robot

Image-guided radiotherapy precise positioning: As of the end of the reporting period, the company held a 13.65% equity stake in Jiangsu Rayer Medical Technology Co., Ltd., an enterprise in which it has invested and participated. Rayer Medical obtained the medical Device registration certificate for image-guided Radiotherapy Positioning System (IGPS) issued by the former China Food and Drug Administration in March 2016. In February 2020, it obtained the medical device registration certificate for Optical Guidance Tracking System (OGTS) issued by the National Medical Products Administration. In September 2024, we obtained the medical device registration certificate for the X-ray stereotactic radiotherapy system (RayerKnife) issued by the National Medical Products Administration. The X-ray stereotactic radiotherapy system (RayerKnife) is used for stereotactic radiotherapy of tumors or other lesions throughout the body that are suitable for radiotherapy. The RayerKnife system adopts a number of innovative technologies, including a miniaturized X-band 6MV linear accelerator, a three-imaging unit X-ray image guidance system, an optical-guided motion tracking system, a robot precision motion control system, a six-degree-of-freedom treatment bed, and automatic optimization of treatment plans. It provides multi-field, non-coplanar and non-isocentric irradiation modes in a large spherical space. Through image guidance and robot motion control throughout the treatment process, it realizes the compensation treatment of positioning errors in static target areas and the synchronous tracking treatment of moving target areas in the chest and abdomen. This system is the only one of its kind in China. While breaking the monopoly of imports, it has achieved multiple breakthroughs and innovations in

technological applications, providing patients with more advanced options for radiosurgical treatment.

Legend：Image-guided radiotherapy precise positioning

Remote assisted minimally invasive pedicle implantation robot: the remote assisted minimally invasive pedicle implantation robot project of Suzhou Zoezen Robot Co., Ltd., invested and participated by the wholly-owned subsidiary of the Company, at the end of reporting period, the Company holds 5.56% of its equity. The main R&D product of the project, navigation and positioning equipment for spinal surgery has obtained medical device registration certificate issued by the State Drug Administration in February, 2022.

Legend：Remote assisted minimally invasive pedicle implantation robot

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

③Progress of the robot equity investment fund

In 2015, the Company participated in the establishment of Dongguan Boshi Ruidexin Robot Equity Investment Fund, and established Dongguan Boshi Ruidexin Robot Equity Investment Center (limited partnership). The capital contributed of Boshi was RMB 60 million, accounting for 30% of the subscribed investment of the fund. By the end of the reporting period, Boshi had received about RMB 73 million of project investment returns and profit distribution, the earnings are good.

④The Progress of enterprises invested by the Company in declaring to IPO

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

7. Sale of Major Assets and Equity Interests

(1) Sale of major assets

□Applicable √Not applicable

(2) Sale of major equity interests

□Applicable √Not applicable

8. Analysis of Major Subsidiaries and Participating Company

√Applicable □Not applicable

The situation of major subsidiaries and equity participation companies that have an impact of more than 10% on the Company's net profit.

Unit: RMB

Name	Company type	Main business	Registered capital	Total asset	Equity	Revenue	Operating profit	Net profit
Shanghai Bloom Technology Co., Ltd.	Equity participation company	Providing solutions for powder and granular material handling systems centered on pneumatic conveying	66,670,000	5,622,430,486.11	2,623,057,415.42	725,214,525.08	282,656,182.73	244,248,854.54

Note: The financial data of Bloom Technology in the above table is provided by Bloom Technology as of the date of the notice of the Company's board meeting. There may be differences between this data and the data disclosed in Bloom Technology's semi-annual report. The 2025 semi-annual report disclosed by Bloom

Technology shall prevail. The relevant differences do not have a significant impact on the Company's main financial data.

The situation of acquiring and disposing of subsidiaries during the reporting period.

□Applicable √Not applicable

9. Structured Bodies Controlled by the Company

□Applicable √Not applicable

10. Risks Facing by the Company and Countermeasures

(1) The risk that "robot plus" and China intelligent equipment demand are less than expected.

In 2025, the state will adopt a more proactive fiscal policy and a moderately easy monetary policy, as well as introduce supportive policies to promote consumption and investment, with the aim of comprehensively expanding domestic demand and promoting sustained economic recovery and improvement, in order to actively respond to internal economic pressure and external shocks represented by tariff wars. From a global perspective, the current global economic landscape is confronted with numerous challenges. The impact of tariff wars persists for a long time, the process of globalization is hindered, trade protection barriers are high, and the world's geopolitical and economic crises are continuous. The growth momentum of the world economy and trade is insufficient. External factors have been transmitted and superimposed, exerting an impact on the domestic market, and there is an urgent need to stimulate domestic demand. The Company's intelligent equipment products are primarily utilized in the basic raw materials industry. Demand for these products is generally not significantly influenced by short-term macroeconomic fluctuations. However, in the long term, if external demand—such as that driven by investment and consumption—fails to be effectively stimulated, sustained declines in customers' product prices may ultimately dampen the willingness of clients in the basic raw materials industry to invest in and upgrade their facilities. This, in turn, could reduce demand for high-end intelligent manufacturing equipment, thereby constraining the Company's medium- to long-term performance and representing one of the key risk factors currently facing the Company.

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

(2) The risks that the R&D of intelligent manufacturing equipment and the process of industrial digitalization are less than expected.

The Company has the ability to provide customers with overall solutions for intelligent manufacturing and intelligent factories in the main product application fields of large-scale intelligent complete sets of equipment. As China advances from a major manufacturing country to a powerful one, the demand for the transformation of digital workshops and intelligent factories continues to grow. According to *the "14th Five-Year Plan" for the Development of Intelligent Manufacturing*, in the coming period, intelligent manufacturing will focus on processes, equipment and data, relying on carriers such as manufacturing units, workshops, factories and supply chains, to promote the digital transformation, networked collaboration and intelligent transformation of the manufacturing industry. By 2025, most of the manufacturing enterprises above designated size will have achieved digitalization and networking, and the backbone enterprises in key industries will have initially applied intelligence. By 2035, digitalization and networking will be fully popularized among manufacturing enterprises above designated size, and key enterprises in major industries will basically achieve intelligence. Facing the huge market demand prospects of industrial digitalization, if the Company fails to promptly expand into new technological application fields or fails to effectively respond to, guide and meet market demands in product development, and the process of industrial digitalization falls short of expectations, it may miss out on market dividends, which will have an adverse impact on the Company's medium and long-term development and become one of the risk factors the Company is confronted with.

Solutions: First of all, the initiation of R&D project, the Company should choose projects with large market demand as well as can be copied. Meanwhile the Company has technical advantages in the R&D field, the risk is small. After the success of R&D, the market space of copy and promotion is large. Secondly, the selection areas of R&D project, the Company should choose areas with industry pain points and high technical difficulty, after key technology breakthroughs, the technical advantage is expanded from "point" to "line" to establish first-mover advantage. Then, expand to the "whole", in the process of forming the overall solution of intelligent manufacturing, for the non-key supporting technologies that are mature in the market, the Company makes optimal use of social resources, which is conducive to the Company to concentrate resources on the R&D of core technologies and accelerate the launch of product solutions. For mature non-critical supporting technologies in the market, the Company does not rule out the possibility of leveraging social resources to accelerate the launch of product solutions. Meanwhile, the Company has established standardized modules for its product solutions in intelligent manufacturing and factory digitalization, which is conducive to the replication and promotion of product technologies among different customers and industries, accelerating the industrialization process and effectively addressing related risk factors.

(3) The risk that artificial intelligence technology cannot be deeply applied in the Company's overall solution of intelligent manufacturing.

With the rapid development of digital infrastructure such as 5G and industrial Internet, the field of intelligent manufacturing is embracing unprecedented opportunities. Artificial intelligence technology not only provides technical convenience for the digitalization and intelligence of factories, but also determines the depth and level of future intelligent manufacturing. Although the Company has a prominent competitive edge in the field of product application, in the face of the industrial trend of artificial intelligence technology, if the Company fails to deeply integrate and apply artificial intelligence technology based on 5G and industrial Internet in the technical solutions of intelligent manufacturing products, it will restrict the speed and quality of the Company's

medium and long-term development, and constitute one of the risk factors.

Solutions: Enterprises above the designated size of China’s manufacturing industry generally have automated production lines, but low level in the proportion of digitalization, little factory data sharing, and few use of intelligent technology. The development of intelligent manufacturing in China still has a big gap compared with the United States, Japan and Germany, and the overall development space of the industry is broad. Based on years of technical accumulation and rich product line application advantages, in the main product application practices, the Company will integrate the application, accumulation and iteration of artificial intelligence technology based on 5G and industrial Internet in the overall solution of intelligent manufacturing. At the level of product R&D, the Company focuses on accelerating the application depth of artificial intelligence technology in the digitalization and intelligence of manufacturing industry, accumulates project experience, establishes technical reserves, accumulates competitive advantages, and copes with risk factors.

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

The industrial service business, as a booster for the Company’s performance growth and a buffer zone for fluctuations in equipment revenue, has been developing steadily and sustainably over the long term. From the perspective of the revenue scale of the production and operation and maintenance business in the Company’s industrial services, compared with the huge potential demand for production capacity in China, its market penetration rate is still at a relatively low level, and there is huge room for future development. However, if the company fails to continuously expand its industrial service business and adapt to the multi-level service demands of customers, it will constitute one of the risk factors restricting the company's medium and long-term development.
Solutions: The Company has implemented the service integration strategy for a long time, this coincides with the direction of the national service-oriented manufacturing industry. The Company has established industrial service team covering all provinces, regions and municipalities in the country except Hong Kong, Macao, Taiwan and Xizang over the years, forms timely response and national industrial service capacity, and contribute to profit. Industrial services are rooted in intelligent manufacturing equipment, industrial service and intelligent manufacturing equipment benign interacted and common developed. With the expansion of the Company’s intelligent manufacturing equipment application stock, the demand for the Company’s industrial services continues to grow, effectively promoting the development of industrial service business. In the face of the industrial opportunities of the integration of national advanced manufacturing industry and modern service industry, the Company has enough market opportunities and motivation to accelerate development and actively cope with risk factors.

(5) The risk that “robot plus” development opportunities cannot expanded industrial directions effectively

As early as 2005, the Company’s industrial robots with independent intellectual property rights had been successfully applied at customer sites. The company has continuously applied industrial robot perception and control technologies to large-scale intelligent complete sets of equipment. In the fields it is engaged in, it has maintained a leading technological edge for a long time. In recent years, the company has achieved remarkable results in the R&D, application and industrialization of high-temperature special operation robots in the field of calcium carbide electric furnaces. It has successfully implemented and completed two demonstration application projects of overall solutions for calcium carbide intelligent factories (workshops). The Company’s

concurrent research and development of special operation robots for high-temperature environments such as ferrosilicon, ferromanganese and industrial silicon submerged arc furnaces has achieved positive results one after another. In the future, if the company fails to make continuous progress in the “robot plus” field, replicate and implement the intelligent calcium carbide factory, and accelerate the promotion of technological achievements in new fields to expand the market, it will constitute one of the risk factors affecting the Company’s medium and long-term competitiveness.

Solutions: The Company’s two demonstration projects of intelligent factories (workshops) for calcium carbide production in the “robot plus” direction have been successfully delivered and put into operation, marking a major transformative breakthrough in this field for the Company. In April 2025, the Company held the Calcium Carbide Smart Factory — Digital Transformation and Practical Application Conference for customers in the calcium carbide industry, actively promoting it in the industry with the aim of generating future growth. “Robots are the jewels on the crown of manufacturing.” The Company will continue to combine its technological advantages, product application experience and market demands in this field, taking the high-temperature special operation environment of electric furnaces such as calcium carbide, ferrosilicon, fermanganese silicon and industrial silicon as the main direction, accelerate R&D and application, overcome adverse external environmental factors, seize opportunities and deal with risk factors.

(6)The risk that the progress of the industrialization R&D project of key technologies and principle prototypes of humanoid robots is less than expected.

In the new round of scientific and technological revolution and industrial change to accelerate the evolution of major cutting-edge technologies, disruptive technologies continue to emerge, in order to accelerate the development of new quality productivity, combined with the Company’s advantages in intelligent manufacturing equipment, high temperature special operation robots and smart factories and other product applications. On August 18th, 2023, the Company signed a *Strategic Cooperation Framework Agreement* with HGD to jointly establish a humanoid robot key technology and principle prototype industrialization R&D project, and jointly promote the relevant technological achievements and future industrialization work. The future industry of humanoid robots is driven by cutting-edge technologies, and the relevant R&D industrialization investment is inevitably accompanied by greater risks. The field of humanoid robots, different from the Company’s intelligent manufacturing equipment, high-temperature furnace operation robots and other industrial fields, is a new, cutting-edge, highly challenging field of technological innovation, therefore, so there is uncertainty risk factor; In cooperation with HGD, the Company has complementary advantages, multi-disciplinary crossover and multi-department participation, which is systematic, complex, phased and long-term. Whether and when the expected results can be achieved in R&D is highly uncertain, which constitutes one of the risk factors; During the R&D process of the project, the technological progress and iteration in the field of humanoid robots at home and abroad are rapid. There is a great deal of uncertainty as to whether the prototype of the R&D principle is advanced, which constitutes one of the risk factors. Even if there are expected R&D results, there is great uncertainty about whether industrialization can be smoothly carried out in the future, whether industrialization has comprehensive advantages, and whether it can quickly obtain market share, which constitutes one of the risk factors. If the first-generation principle prototype is launched in the future, it will inevitably face a continuous process of R&D and iteration. Whether the subsequent R&D can be smoothly implemented and the project still have great uncertainty, which constitutes one of the risk factors. One of the risk factors is that the principle prototype developed may not be advanced or have industrialization advantages and thus cannot be industrialized. The implementation of the project has

long-term characteristics and cannot have a positive impact on the Company's financial data in the short term. In the specific process of promotion, there are unforeseen factors that will affect the progress of R&D and the transformation of future results and constitute one of the risk factors; Due to the pioneering nature of the project, it will be subject to the limitations of the industry and the scientific and technological level of the industry. If there are key technologies yet to be improved in the industry as a whole, it will affect the R&D progress or industrialization process and constitute one of the risk factors. Considering the above risks, it is inevitable that in the implementation process of humanoid robot projects, there are still other unforeseen risk factors, which constitute one of the risk factors that the company needs to face.
Solutions: Over the years, the Company is one of the early industrial robot engineering applications in China, has formed a prominent competitiveness in the field of intelligent manufacturing equipment, high temperature special operation robots, and formed a good industrial foundation in "robot plus". For the cooperation with HGD in the direction of humanoid robots, the Company actively creates a good atmosphere of cooperation. Both parties have the same goal, and the personnel of both parties form a joint force to overcome difficulties; The Company fully evaluates the difficulties of R&D and future industrialization according to the progress of the project and phased results, and controls the investment of funds in stages and reduce R&D inputs risk. The Company strives to improve performance and returns, promotes related work in a positive and orderly manner, and deals with risk factors.

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

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

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

The aforementioned risk factors are of concern to the Company, which actively implements measures to effectively mitigate and manage these risks.

Ⅵ. Financial statements

(1) Consolidated Balance Sheet

Prepared by HARBIN BOSHI AUTOMATION CO., LTD. Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash at bank and on hand	770,277,016.91	55,996,398.59
Financial assets held for trading	988,953,097.96	1,934,953,566.81
Derivative financial assets		
Bills receivable	175,573,025.96	197,170,155.60
Accounts receivable	1,198,354,788.82	1,201,119,619.90
Financing receivables	79,608,192.39	53,851,796.67
Prepayments	112,539,101.36	69,344,997.81
Other receivables	38,188,984.39	36,340,345.23
Thereof: Interest receivable		
Dividend receivable	7,199,820.00	8,360,557.32
Financial assets purchased under resale agreements		
Inventories	2,087,902,326.57	2,072,436,762.83
Contract assets	183,711,499.99	156,905,007.88
Assets held for sale		
Non-current assets due within one year	5,003,479.19	8,666,821.13
Other current assets	19,755,625.52	20,661,815.01
Total current assets	5,659,867,139.06	5,807,447,287.46
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	14,460,571.52	12,520,693.35
Long-term equity investments	529,582,435.01	523,324,767.86
Other equity instruments investments	61,002,054.39	61,002,054.39
Other non-current financial assets		
Investment properties	9,129,139.12	11,072,140.54
Fixed assets	364,028,135.42	362,897,699.40
Construction in progress	14,372,900.38	2,023,251.20

Productive biological assets		
Oil and gas assets		
Right-of-use assets	2,729,734.07	4,223,259.80
Intangible assets	52,099,263.02	54,090,016.00
Goodwill	401,878.10	401,878.10
Long-term deferred expenses	59,773.56	75,344.58
Deferred tax assets	54,088,815.12	44,266,405.83
Other non-current assets	23,538,382.05	72,004,147.13
Total non-current assets	1,125,493,081.76	1,147,901,658.18
Total assets	6,785,360,220.82	6,955,348,945.64
Current liabilities:		
Short-term loans	33,788,585.72	36,873,798.71
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	255,386,226.02	287,672,496.07
Advances from customers		96,750.00
Contract liabilities	1,639,630,342.52	1,806,791,270.47
Employee benefits payable	20,858,210.94	77,703,338.35
Taxes payable	42,576,532.48	45,232,724.27
Other payables	54,474,178.57	54,407,824.55
Thereof: Interest payable		
Dividend payable	4,900,000.00	4,900,000.00
Liabilities held for sale		
Non-current liabilities due within one year	5,007,561.57	3,296,253.38
Other current liabilities	128,682,189.86	126,947,921.74
Total current liabilities	2,180,403,827.68	2,439,022,377.54
Non-current liabilities:		
Long-term loans		
Bonds payable	454,765,623.33	447,585,593.01
Thereof: Preference shares		
Perpetual debts		
Lease liabilities	327,987.26	752,611.54
Long-term payable		

Long-term employee benefits payable		
Provisions	4,482,290.98	9,906,258.47
Deferred income	21,498,000.00	1,340,000.00
Deferred tax liabilities	19,647,549.12	17,190,937.90
Other non-current liabilities	106,291,538.01	88,916,685.57
Total non-current liabilities	607,012,988.70	565,692,086.49
Total liabilities	2,787,416,816.38	3,004,714,464.03
Shareholders' equity:		
Share capital	1,022,560,873.00	1,022,559,197.00
Other equity instruments	27,206,208.04	32,093,192.04
Thereof: Preference shares		
Perpetual debts		
Capital reserve	357,605,995.80	333,197,886.86
Less: treasury shares	41,777,510.20	41,777,510.20
Other comprehensive income	29,261,494.41	28,344,422.67
Specific reserve	28,429,379.37	27,453,042.66
Surplus reserve	397,185,756.08	397,185,756.08
General risk reserve		
Retained earnings	2,013,108,567.71	1,991,376,325.85
Total equity attributable to shareholders of the parent company	3,833,580,764.21	3,790,432,312.96
Minority shareholder equity	164,362,640.23	160,202,168.65
Total shareholders' equity	3,997,943,404.44	3,950,634,481.61
Total liabilities and shareholders' equity	6,785,360,220.82	6,955,348,945.64

Legal representative: Deng Xijun Director of Finance: Sun Zhiqiang Prepared by: Wang Peihua

(2) Balance Sheet of Parent Company

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash at bank and on hand	651,337,465.45	35,616,101.82
Financial assets held for trading	921,250,500.31	1,728,098,242.83
Derivative financial assets		
Bills receivable	142,340,067.79	174,084,553.66
Accounts receivable	1,116,099,802.47	1,120,697,848.74

Financing receivables	67,211,900.79	44,527,080.67
Prepayments	98,453,213.72	69,728,931.68
Other receivables	38,454,273.59	36,036,592.13
Thereof: Interest receivable		
Dividend receivable	12,299,820.00	13,460,557.32
Inventories	1,868,639,473.48	1,858,098,626.70
Contract assets	166,637,614.82	128,266,570.20
Assets held for sale		
Non-current assets due within one year	5,003,479.19	8,666,821.13
Other current assets	6,155,169.23	10,424,684.77
Total current assets	5,081,582,960.84	5,214,246,054.33
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	14,460,571.52	12,520,693.35
Long-term equity investments	881,028,136.33	874,385,703.48
Other equity instruments investments	24,721,374.39	24,721,374.39
Other non-current financial assets		
Investment properties	5,331,352.20	5,484,683.52
Fixed assets	181,581,176.87	183,813,531.57
Construction in progress	14,372,900.38	19,591.16
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	39,715,512.88	40,251,223.26
Goodwill		
Long-term deferred expenses	59,773.56	75,344.58
Deferred tax assets	44,819,132.23	35,462,835.42
Other non-current assets	21,441,117.54	66,968,189.25
Total non-current assets	1,227,531,047.90	1,243,703,169.98
Total assets	6,309,114,008.74	6,457,949,224.31
Current liabilities:		
Short-term loans		8,780,890.70
Financial liabilities held for trading		

Derivative financial liabilities		
Bills payable		
Accounts payable	404,275,126.14	453,120,039.20
Advances from customers		
Contract liabilities	1,497,921,570.43	1,622,034,410.01
Employee benefits payable	16,368,738.65	56,654,254.53
Taxes payable	39,482,691.20	40,961,222.14
Other payables	52,829,311.32	52,483,457.80
Thereof: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	3,475,396.60	1,244,805.36
Other current liabilities	126,689,529.17	114,287,802.04
Total current liabilities	2,141,042,363.51	2,349,566,881.78
Non-current liabilities:		
Long-term loans		
Bonds payable	454,765,623.33	447,585,593.01
Thereof: Preference shares		
Perpetual debts		
Lease liabilities		
Long-term payable		
Long-term employee benefits payable		
Provisions	2,955,431.59	8,122,017.23
Deferred income	21,498,000.00	1,340,000.00
Deferred tax liabilities	10,047,661.57	9,450,676.43
Other non-current liabilities	90,627,738.00	66,671,927.93
Total non-current liabilities	579,894,454.49	533,170,214.60
Total liabilities	2,720,936,818.00	2,882,737,096.38
Shareholders' equity：		
Share capital	1,022,560,873.00	1,022,559,197.00
Other equity instruments	27,206,208.04	32,093,192.04
Thereof: Preference shares		
Perpetual debts		
Capital reserve	355,803,984.97	331,606,192.68

Less: treasury shares	41,777,510.20	41,777,510.20
Other comprehensive income	6,530,205.51	5,613,133.77
Specific reserve	21,471,712.52	22,026,982.37
Surplus reserve	397,185,756.08	397,185,756.08
Retained earnings	1,799,195,960.82	1,805,905,184.19
Total shareholders' equity	3,588,177,190.74	3,575,212,127.93
Total liabilities and shareholders' equity	6,309,114,008.74	6,457,949,224.31

(3) Consolidated Income Statement

Unit: RMB

Item	Current period	Last period
1. Total revenue	1,361,906,020.97	1,451,943,421.69
Thereof : Operating revenue	1,361,906,020.97	1,451,943,421.69
2. Total cost	1,059,353,053.65	1,145,749,202.56
Thereof : cost of sales	848,278,273.31	965,112,696.34
Taxes and surcharges	13,727,428.19	10,789,104.08
Selling and distribution expenses	59,500,518.45	66,433,203.00
General and administrative expenses	57,346,796.33	47,254,478.23
Research and development expenses	70,190,031.07	54,512,534.74
Financial expenses	10,310,006.30	1,647,186.17
Thereof : Interest expenses	9,893,461.58	6,661,373.59
Interest income	1,167,267.77	5,834,915.69
Add: Other income	16,969,893.49	54,159,699.69
Investment income ("-" for losses)	22,715,561.64	-7,492,725.79
Thereof: Income from investment in associates and joint ventures	11,525,414.05	-13,336,744.73
Gain from derecognition of financial assets measured at amortized cost		
Exchange income (Loss is listed with "-")		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	5,094,741.50	6,433,663.01
Credit impairment losses ("-" for losses)	-13,743,781.12	-15,530,274.10
Impairment losses ("-" for losses)	-8,236,461.47	-5,598,610.61
Gains from assets disposal ("-" for losses)	565,678.59	-516,386.08
3. Operating profit ("-" for losses)	325,918,599.95	337,649,585.25

Add: Non-operating income	25,382.27	85,673.06
Less: Non-operating expenses	385,976.73	25,679.53
4. Profit before income tax ("-" for losses)	325,558,005.49	337,709,578.78
Less: Income tax expenses	39,005,145.01	45,007,787.60
5. Net profit for the year ("-" for net losses)	286,552,860.48	292,701,791.18
(1) Classification according to operation continuity		
Net profit from continuing operations(loss is stated with “-”)	286,552,860.48	292,701,791.18
Net profit from discontinued operations(loss is stated with “-”)		
(2) Classified by ownership of the equity		
Attributable to shareholders of the parent company(loss is stated with “-”)	277,372,460.11	272,716,784.52
Minority interests(loss is stated with “-”)	9,180,400.37	19,985,006.66
6. Other comprehensive income, net of tax	917,071.74	7,146,913.56
Other comprehensive income attributable to shareholders of the Parent Company, net of tax	917,071.74	7,146,913.56
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss		7,378,686.01
1) Changes arising from re-measurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments		7,378,686.01
4)Changes in the fair value of the Company’s own credit risk		
5)Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	917,071.74	-231,772.45
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	917,071.74	-231,772.45
2)Changes in the fair value of other debt investments		
3)Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		

7)Others		
Other comprehensive income attributable to minority shareholders, net of tax		
7. Total comprehensive income	287,469,932.22	299,848,704.74
Attributable to shareholders of the parent company	278,289,531.85	279,863,698.08
Minority interests	9,180,400.37	19,985,006.66
8. Earnings per share		
(1) Basic earnings per share	0.2732	0.2684
(2) Diluted earnings per share	0.2714	0.2664

Legal representative: Deng Xijun Director of Finance: Sun Zhiqiang Prepared by: Wang Peihua

(4)Income Statement of Parent Company

Unit: RMB

Item	Current period	Last period
1. Total revenue	1,208,214,259.80	1,170,740,856.70
Less: cost of sales	773,863,242.40	824,950,377.19
Taxes and surcharges	11,385,062.35	7,652,514.08
Selling and distribution expenses	57,227,066.61	61,294,783.29
General and administrative expenses	40,423,162.36	32,648,895.79
Research and development expenses	55,479,430.97	42,657,698.39
Financial expenses	9,888,148.70	4,494,569.19
Thereof : Interest expenses	9,436,343.35	9,120,142.36
Interest income	1,022,996.53	5,359,579.22
Add: Other income	11,887,112.35	41,153,996.06
Investment income ("-" for losses)	26,842,916.62	-7,645,696.84
Thereof: Income from investment in associates and joint ventures	11,525,414.05	-13,336,744.73
Gain from derecognition of financial assets measured at amortized cost("-" for losses)		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	4,482,135.62	5,506,061.85
Credit impairment losses ("-" for losses)	-13,854,140.19	-17,047,126.83
Impairment losses ("-" for losses)	-6,662,942.77	-3,453,257.28
Gains from assets disposal ("-" for losses)	573,566.08	6,176.04
2. Operating profit ("-" for losses)	283,216,794.12	215,562,171.77

Add: Non-operating income	6,295.07	36,001.14
Less: Non-operating expenses	384,562.35	19,646.23
3. Profit before income tax ("-" for losses)	282,838,526.84	215,578,526.68
Less: Income tax expenses	33,907,531.96	27,814,148.46
4. Net profit for the year ("-" for net losses)	248,930,994.88	187,764,378.22
Net profit from continuing operations (loss is stated with “-”)	248,930,994.88	187,764,378.22
Net profit from discontinued operations (loss is stated with “-”)		
5. Other comprehensive income, net of tax	917,071.74	-231,772.45
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss		
1) Changes arising from remeasurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments		
4)Changes in the fair value of the Company’s own credit risk		
5)Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	917,071.74	-231,772.45
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	917,071.74	-231,772.45
2)Changes in the fair value of other debt investments		
3)Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		
7)Others		
6. Total comprehensive income	249,848,066.62	187,532,605.77
7. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

(5) Consolidated Cash Flow Statement

Unit: RMB

Item	Current period	Last period
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,120,339,970.19	1,115,802,342.91
Refund of taxes and surcharges	11,555,672.36	46,618,785.96
Other cash receipts relating to operating activities	31,769,864.45	13,955,563.11
Sub-total of cash inflows from operating activities	1,163,665,507.00	1,176,376,691.98
Cash paid for goods and services	599,866,239.16	564,557,802.22
Cash paid to employees and paid on behalf of employees	321,819,788.04	303,399,943.79
Payments of taxes and surcharges	156,838,340.99	110,906,189.29
Other cash payments relating to operating activities	70,910,201.59	72,459,069.07
Sub-total of cash outflows from operating activities	1,149,434,569.78	1,051,323,004.37
Net cash flows from operating activities	14,230,937.22	125,053,687.61
2. Cash flows from investing activities		
Cash received from withdrawing investments	6,019,936,121.39	2,602,858,000.00
Cash received from investment income	34,024,264.02	12,115,643.11
Net cash received from disposal of fixed assets, intangible assets and other long term assets	1,751,612.27	350,019.40
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	1,575,600.00	62,265.00
Sub-total of cash inflows from investing activities	6,057,287,597.68	2,615,385,927.51
Cash paid to acquire fixed assets, intangible assets and other long-term assets	19,656,930.33	63,200,865.18
Cash paid to acquire investments	5,078,619,000.00	2,495,160,000.00
Net increase of mortgaged loans		
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities	689,508.00	562,828.50
Sub-total of cash outflows from investing activities	5,098,965,438.33	2,558,923,693.68
Net cash flows from investing activities	958,322,159.35	56,462,233.83
3. Cash flows from financing activities		
Cash received from capital contributions	325,000.00	740,000.00
Thereof: Cash received by subsidiaries from minority shareholders' capital contributions	325,000.00	740,000.00

Cash received from borrowings	23,793,580.44	27,357,040.47
Other cash receipts from financing activities		200,000.00
Sub-total of cash inflows from financing activities	24,118,580.44	28,297,040.47
Cash repayments of borrowings	17,950,000.00	19,000,000.00
Distribution of dividends or profits and payments for interest expenses	261,451,190.99	274,450,215.27
Thereof: Cash payments for dividends or profit to minority shareholders by subsidiaries	5,400,000.00	20,212,500.00
Other cash payments relating to financing activities	718,420.00	93,273,343.37
Sub-total of cash outflows from financing activities	280,119,610.99	386,723,558.64
Net cash flows from financing activities	-256,001,030.55	-358,426,518.17
4. Effect of foreign exchange rate changes on cash and cash equivalents	319,130.82	2,316.32
5. Net increase in cash and cash equivalents	716,871,196.84	-176,908,280.41
Add: Cash and cash equivalents at the beginning of period	51,529,654.30	330,325,705.08
6. Cash and cash equivalents at the end of period	768,400,851.14	153,417,424.67

Legal representative: Deng Xijun Director of Finance: Sun Zhiqiang Prepared by: Wang Peihua

(6)Cash Flow Statement of Parent Company

Unit: RMB

Item	Current period	Last period
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,033,807,255.47	977,719,886.61
Refund of taxes and surcharges	8,652,809.30	35,374,013.47
Other cash receipts relating to operating activities	28,185,055.78	10,129,400.69
Sub-total of cash inflows from operating activities	1,070,645,120.55	1,023,223,300.77
Cash paid for goods and services	701,447,683.93	678,222,885.72
Cash paid to employees and paid on behalf of employees	132,975,703.70	127,625,777.80
Payments of taxes and surcharges	133,395,201.77	74,880,399.39
Other cash payments relating to operating activities	70,079,116.96	53,905,411.09
Sub-total of cash outflows from operating activities	1,037,897,706.36	934,634,474.00
Net cash flows from operating activities	32,747,414.19	88,588,826.77
2. Cash flows from investing activities		
Cash received from withdrawing investments	5,320,867,121.39	2,406,448,000.00
Cash received from investment income	37,223,255.42	56,714,272.77

Net cash received from disposal of fixed assets, intangible assets and other long term assets	1,784,984.63	60,679.95
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	1,115,600.00	
Sub-total of cash inflows from investing activities	5,360,990,961.44	2,463,222,952.72
Cash paid to acquire fixed assets, intangible assets and other long-term assets	2,035,924.57	32,561,085.58
Cash paid to acquire investments	4,518,350,000.00	2,244,100,000.00
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities		562,828.50
Sub-total of cash outflows from investing activities	4,520,385,924.57	2,277,223,914.08
Net cash flows from investing activities	840,605,036.87	185,999,038.64
3. Cash flows from financing activities		
Cash received from capital contributions		
Cash received from borrowings		4,232,040.47
Other cash receipts from financing activities		
Sub-total of cash inflows from financing activities		4,232,040.47
Cash repayments of borrowings		0.00
Distribution of dividends or profits and payments for interest expenses	255,640,218.25	253,900,094.44
Other cash payments relating to financing activities		91,268,787.32
Sub-total of cash outflows from financing activities	255,640,218.25	345,168,881.76
Net cash flows from financing activities	-255,640,218.25	-340,936,841.29
4. Effect of foreign exchange rate changes on cash and cash equivalents	319,130.82	2,316.32
5. Net increase in cash and cash equivalents	618,031,363.63	-66,346,659.56
Add: Cash and cash equivalents at the beginning of period	33,298,801.82	169,828,657.63
6. Cash and cash equivalents at the end of period	651,330,165.45	103,481,998.07

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

August 28th, 2025

致力成为全球领先的
机器人及智能工厂整体解决方案提供商

DEDICATE TO BECOMING

A WORLD-LEADING PROVIDER OF INTEGRATED SOLUTIONS FOR ROBOTS AND SMART FACTORIES