

Shenzhen China Bicycle Company (Holdings) Co., Ltd.

Annual Report 2025

April 2026

Annual Report 2025

Section I. Important Notice, Contents and Interpretation

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Shenzhen China Bicycle Company (Holdings) Limited(hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

Wang Shenghong, Principal of the Company, Sun Longlong, person in charge of accounting works and Tan Ningjie, person in charge of accounting organ (accounting principal) hereby confirm that the Financial Report of 2025 Annual Report is authentic, accurate and complete.

All directors are attended the Board Meeting for report deliberation.

The Company plans not to distribute cash dividends, not to send bonus shares, and no reserve capitalizing.

As of the end of the reporting period, the parent company had unabsorbed losses. The undistributed profits in the parent company's balance sheet amount to -1,172,002,115.27 yuan, and the undistributed profits in the consolidated balance sheet amount to -1,134,676,946.45 yuan. According to the Company's articles of association and cash dividend policy, the conditions for profit distribution are not met. Therefore, the Company's profits for 2025 will not be distributed, nor will capital reserve be converted into share capital.

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Documents Available for Reference

1. Accounting statement carrying the signatures and seals of the legal representative, person in charge of accounting and person in charge of accounting organ.
2. Originals auditing report carried with the seal of accounting firm and signature & seal of the CPA.
3. Originals documents of the Company and manuscripts of public notices that disclosed in the newspaper designated by CSRC during the reporting period.
4. English version of the Annual Report 2025

Interpretation

Item	Refers to	Contents
Company, the Company, the listed company, CBC Group	Refers to	Shenzhen China Bicycle Company (Holdings)Co., Ltd.
Wansheng Industrial	Refers to	Wansheng Industrial Holdings (Shenzhen) Co., Ltd.
Guosheng Energy	Refers to	Shenzhen Guosheng Energy Investment Development Co., Ltd.
Xinsen Precision	Refers to	Shenzhen Xinsen Precision Manufacturing Co., Ltd.
SGE	Refers to	Shanghai Gold Exchange
CNY	Refers to	RMB/CNY

Section II. Company Profile and Main Financial Indexes

I. Company information

Short form of the stock	Zhonghua A, Zhonghua B	Stock Code	000017,200017
Short form of the Stock before changed (if applicable)	N/A		
Stock Exchange for listing	Shenzhen Stock Exchange		
Name of the Company (in Chinese)	深圳中华自行车（集团）股份有限公司		
Short form of the Company (in Chinese)	深中华		
Foreign name of the Company (if applicable)	Shenzhen China Bicycle Company (Holdings)Co., Ltd.		
Short form of foreign name of the Company (if applicable)	CBC		
Legal representative	Wang Shenghong		
Registrations add.	No. 3008, Buxin Rd., Luohu District, Shenzhen		
Code for registrations add	518019		
Historical changes of registered address	Not applicable		
Offices add.	8/F ShuibeiJinzuo Building, No.89 Beili North Road, Cuizhu Street, Luohu District, Shenzhen		
Codes for office add.	518020		
Internet Web Site	www.szcbc.com		
E-mail	dmc@szcbc.com		

II. Person/Way to contact

	Secretary of the Board	Rep. of security affairs
Name	Sun Longlong	Yu Xiaomin, Zhong Xiaojin
Contact Address	8/F ShuibeiJinzuo Building, No.89 Beili North Road, Cuizhu Street, Luohu District, Shenzhen	8/F ShuibeiJinzuo Building, No.89 Beili North Road, Cuizhu Street, Luohu District, Shenzhen
Tel.	0755-28181688	0755-28181688
Fax	0755-28181009	0755-28181009
E-mail	dmc@szcbc.com	dmc@szcbc.com

III. Information disclosure and preparation place

Website of the Stock Exchange where the annual report disclosed	Shenzhen Stock Exchange(http://www.szse.cn)
Media and Website where the annual report disclosed	<i>Securities Times</i> , Juchao Website (http://www.cninfo.com.cn)

Preparation place for annual report	8/F Shuibeijinzuo Building, No.89 Beili North Road, Cuizhu Street, Luohu District, Shenzhen
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IV. Registration changes of the Company

Uniform Social Credit Code	914403006188304524
Changes of main business since listing (if applicable)	Main products or services provided at present: Emmelle bicycle, electric bicycle, and gold jewelry.
Previous changes for controlling shareholders (if applicable)	<p>1. In March 1992, the Stock of the Company was listed in Shenzhen Stock Exchange, and 23.28% equity of the Company was held by Shenzhen Lionda Holding Co., Ltd. and Hong Kong Dahuan Bicycle Co., Ltd respectively. 2. In March 2002, legal shares 13.58% A-stock of the Company was obtained by China Huarong Asset Management Co., Ltd. through court auction, and became the first majority shareholder of the Company. 3. On 13 November 2006, the 65,098,412 legal shears of CBC held by Huarong Company was acquired by Shenzhen Guosheng Energy Investment Development Co., Ltd. via the “Equity Transfer Agreement” signed, and first majority of the Company comes to Guosheng Energy. Guosheng Energy is the wholly-owned subsidiary of National Investment, actual controller was Zhang Yanfeng. 4. In January 2011, controlling shareholder of Shenzhen Guosheng Energy Investment Development Co., Ltd.—Shenzhen National Investment Development Co., Ltd. entered into equity transfer agreement with Mr. Ji Hanfei, 100% equity of Guosheng Energy was transfer to Mr. Ji Hanfei with price of 70 million. Shenzhen Guosheng Energy Investment Development Co., Ltd. Shenzhen Guosheng Energy Investment Development Co., Ltd. holds 63,508,747 A-stock of the Company with 11.52% in total share capital of the Company. 5. On February 20, 2017, Ji Hanfei and Guosheng Energy made an “Explanation” to abandon the actual control of the Company, after Ji Hanfei made the declaration to abandon the actual control of the Company, the investment from CBC by Mr. Ji changed to general investment instead of actual controlling, and the actual controller of the Company changed from Ji Hanfei to no actual controller.6. On November 7, 2022, the newly added non-public offering of shares of the company were listed on the Shenzhen Stock Exchange. Wansheng Industrial holds 137,836,986 shares of the company through the subscription of non-public offering of shares, accounting for 20% of the total share capital after the completion of the non-public offering. On November 28, 2022, the company held the second interim general meeting of shareholders in 2022 to review and approve the Proposal on Nominating Candidates for Non-Independent Director and the Proposal on Nominating Candidates for Independent Director, and the board of directors of the company completed the change of the term of office. Given that Wansheng Industrial holds 20% of the stock equity of the company and determines more than half of the seats on the board of directors of the company, Wansheng Industrial can therefore have a significant influence on the resolutions of the company's general meeting of shareholders and the board of directors. Therefore, the company was changed from a company without controlling shareholder and actual controller to a company with controlling</p>

	shareholder and actual controller, the controlling shareholder of the company was changed to Wansheng Industrial, and the actual controller of the company was changed to Mr. Wang Shenghong.
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V. Other relevant information

Accounting firm engaged by the Company

Name of the accounting firm	Huaxing Certified Public Accountants (LLP)
Offices add. for CPA	7-9 /F, Block B, Zhongshan Bulding, No.152, Hudong Road, GulouDistrict ,Fuzhou ,Fujian
Signatory accountant	Huang Guoxiang, Fu Zhitao, Yang Wangxiang

Sponsor engaged by the Company for performing continuous supervision duties in reporting period

Applicable Not applicable

Financial consultant engaged by the Company for performing continuous supervision duties in reporting period

Applicable Not applicable

VI. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	2025	2024	Changes in the current year over the previous year (+,-)	2023
Operation revenue(RMB)	735,877,268.75	579,869,315.88	26.90%	568,481,907.92
Net profit attributable to shareholders of the listed company (RMB)	41,129,172.17	16,845,245.59	144.16%	17,901,948.24
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	40,804,629.49	15,219,725.25	168.10%	18,493,684.11
Net cash flow arising from operating activities(RMB)	-19,515,276.55	-17,152,733.19	-13.77%	29,972,830.62
Basic EPS(RMB/Share)	0.06	0.02	200.00%	0.03
Diluted EPS(RMB/Share)	0.06	0.02	200.00%	0.03
Weighted average ROE	11.30%	5.31%	5.99%	6.22%
	Year-end of 2025	Year-end of 2024	Changes at end of the current year compared with the end of previous year (+,-)	Year-end of 2023
Total assets(RMB)	478,004,242.28	434,452,097.75	10.02%	369,677,494.32

Net assets attributable to shareholder of listed company (RMB)	384,260,187.21	343,761,246.16	11.78%	308,761,246.16
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The lower of the company's net profit before or after deduction of non-recurring profit (gain)/loss for the last three financial years is negative, and the audit report for the latest year indicates that there is uncertainty about the company's ability to continue as a going concern

Yes No

The lower of the net profit before or after deduction of non-recurring profit (gain)/loss is negative

Yes No

VII. Difference of the accounting data under accounting rules in and out of China

1. Difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

The Company had no difference of the net profit or net assets disclosed in financial report, under either IAS (International Accounting Standards) or Chinese GAAP (Generally Accepted Accounting Principles) in the period.

2. Difference of the net profit and net assets disclosed in financial report, under both foreign accounting rules and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

The Company had no difference of the net profit or net assets disclosed in financial report, under either foreign accounting rules or Chinese GAAP (Generally Accepted Accounting Principles) in the period.

VIII. Quarterly main financial index

	In RMB			
	Q 1	Q 2	Q 3	Q 4
Operation revenue	160,342,458.39	159,601,158.24	257,730,546.79	158,203,105.33
Net profit attributable to shareholders of the listed company	5,904,967.75	12,665,809.89	12,366,492.72	10,191,901.81
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	5,368,618.84	12,567,128.96	11,961,858.82	10,907,022.87
Net cash flow arising from operating activities	-44,880,425.54	6,377,003.05	-16,510,066.85	35,498,212.79

Whether there are significant differences between the above-mentioned financial index or its total number and the relevant financial index disclosed in the company's quarterly report and semi-annual report

Yes No

IX. Items and amounts of extraordinary profit (gains)/loss

☑Applicable ☐Not applicable

In RMB

Item	2025	2024	2023	Note
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-13,461.54		-12,298.94	
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	1,000.00	5,771.92	120,500.00	
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company's normal business	-180,799.89			
Gain or loss on assets entrusted to other entities for investment or management		1.19		
Switch-back of provision of impairment of account receivable which are treated with separate depreciation test	129,298.13	81,064.00	193,430.29	
Net amount of non-operating income and expense except the aforesaid items	491,962.36	2,076,599.07	-300,037.34	
Other non-recurring Gains/loss items			2,092.35	
Less :Influenced amount of income tax	77,994.40	536,373.13	210,783.69	
Influenced amount of	25,461.98	1,542.71	384,638.54	

minor shareholders' equity (after tax)				
Total	324,542.68	1,625,520.34	-591,735.87	--

Details of other gains/losses items that meets the definition of non-recurring gains/losses:

Applicable Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

Explain the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - -- Extraordinary Profit/loss

Applicable Not applicable

The Company does not have any non-recurring profit(gain)/loss listed under theQ&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary (non-recurring) Profit(gain)/lossdefined as recurring profit(gain)/loss

Section III Management Discussion and Analysis

I. Main businesses of the Company during the reporting period

The Company shall comply with the disclosure requirement of Jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

(I) Main businesses of the Company during the reporting period

The Company shall comply with the disclosure requirement of Jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

During the reporting period, the company mainly engaged in jewelry gold business, bicycle and new-energy lithium battery material business: (1) Gold jewelry business -The company connected with downstream gold jewelry brands, purchased gold,silver and diamonds according to their product needs, and then entrusted gold jewelry processing plants for processing, and delivered the inspected and qualified finished products to downstream customers after making product certificate for them. Through the integration of upstream supplier resources and downstream customer resources, the turnover speed of gold jewelry products in upstream and downstream has been improved, the cost of circulation has been reduced, and the overall competitive advantage of upstream and downstream has formed.(2) Bicycle and new-energy lithium battery material business includes production, assembly, procurement, and sales of bicycles and electric bicycles, etc.

(II) Main business models during the reporting period

1. Sales model

According to the market demand and customer demand, the Company carries out raw material procurement, product development design and processing/outsourcing processing, and then forms finished products to sell to customers.

Purchasing and processing: After the customer places an order with the company according to their own requirements, the company will purchase raw materials and perform outsourced processing to form finished products for sale to the customer;

Customized development: The customer entrusts the company to develop and design product styles according to the characteristics of the customer's own brand and future development requirements, and deliver the processed products to the customer.

Group sales: Group the products by integrating the product styles and spot resources of suppliers such as upstream factories and exhibition halls, and provide corresponding product structure according to the brand characteristics of customers and the requirements of the end market.

2.Procurement model

The upstream raw material suppliers of the company’s gold jewelry supply chain business were mainly diamonds, silver and gold, of which, the gold is mainly purchased from the Shanghai Gold Exchange through the company's membership qualification of the Shanghai Gold Exchange, Silver is mainly purchased through qualified suppliers, the diamond suppliers were mainly source producers or wholesalers from India or Hong Kong, and domestic mature diamond wholesalers (generally members of the Shanghai Diamond Exchange) , gold was mainly

purchased from the Shanghai Gold Exchange through the company's membership qualifications at Shanghai Gold Exchange. The company has established professional procurement department and team to be responsible for the procurement of diamond products and jewellery. The specific procurement models varied according to customer needs.

3. Production model

By integrating upstream commissioned processing plants, the company outsourced the production of products ordered by customers to professional jewelry manufacturers to give full play to their professional and scale effect. In view of the current situation and characteristics of domestic jewelry processing enterprises, the company established a set of effective supplier management mechanisms and evaluation standards to achieve a benign interaction between the production system of outsourced manufacturers and the company's business development.

(III) Operation of the physical store during the reporting period

During the reporting period, gold and jewelry business of the Company mainly provides supply chain management and services in the vertical field of gold and jewelry, it connects with the downstream gold jewelry brand and does not have the physical stores.

(IV) Operation of online sales of jewelry business during the reporting period

During the reporting period, the company's online sales accounted for a relatively small proportion, The Company's jewelry business achieved sales revenue online through third-party platforms, which accounts for less than 1% of the total operating income.

(V) Inventory of jewelry business during the reporting period

As of the end of the report,, inventory of the jewelry business was 184,650,244.11 yuan, an increase of 119% from the beginning of the period. Type of the inventories including:

In RMB

Item	Types	Amount	Proportion
Finished goods	Jewelry	6,859,939.59	3.72%
	Gold jewelry	50,355,519.37	27.27%
	Other	347,897.89	0.19%
	Total	57,563,356.85	31.17%
Raw materials	Gold	89,747,988.67	48.60%
	Silver	401,377.41	0.22%
	Diamond	3,130,962.57	1.70%
	Total	93,280,328.65	50.52%
Goods in process		33,806,558.61	18.31%
Total		184,650,244.11	100%

II. Industry of the Company during the reporting period

(1) Industry development

China is one of the most important jewelry producer and consumer in the world at present. With the growth of national economy and the accumulation of residents' wealth, people gradually increase their consumption of high-

end consumer goods after meeting the basic living needs. Jewelry with the property of preserving value and showing personality has become the consumption hotspots of Chinese residents. At the same time, with the rise of young consumers and emerging middle class, the demand for quality personal consumption is gradually upgrading, and the young generation's consumption of jewelry tends to be more routine, which can improve the repurchase rate of jewelry products under various occasions, providing greater development space for the jewelry industry.

Under the background of slowdown in economic growth or increased uncertainty, people tend to spend more rationally and pay more attention to the safety and reliability of family asset allocation. Compared with other consumer goods, gold and silver jewelry can not only beautify our life, but also be accepted by more and more consumers for its strong functions of preserving wealth, dispersing investment risks and protecting property safety. On the other hand, the jewelry industry has continuously increased its efforts in style design, craft materials, cultural marketing and consumption experience, which has also become an important driving force for consumption growth.

(2) Industry development trend analysis

1. Intensified market segmentation and consumption tiering

The jewelry market will witness further consumption tiering in the future, with the high-end jewelry market poised for sustained growth while competition in the mass jewelry market increasingly centers on cost-performance ratios, product diversity, and personalized expression. On one hand, the expanding new middle class and high-net-worth individuals will drive growth in art investments and luxury consumption. Fine jewelry, leveraging its advantages as an asset-preservation vehicle, cultural-artistic value, and high liquidity, will gain greater development space in the high-end consumer market. On the other hand, younger consumers, guided by rational spending principles, prioritize cost performance, design innovation, and emotional resonance, and favor jewelry products that combine quality craftsmanship, social attributes, and personalized expression, making fast-fashion jewelry a potential new market hotspot.

2. Digitalization and artificial intelligence as new growth drivers

The accelerated development of AI and digital technologies is reshaping the jewelry industry's business models. AI empowers jewelry design and supply chains through intelligent algorithms to analyze consumption trends, accurately predict market demand, and achieve efficient production with precise inventory management, thus significantly enhancing overall operational efficiency. Social commerce has become the primary purchasing channel for younger consumers, with short videos and livestream shopping emerging as critical brand touch points. By leveraging digital social tools, brands construct multi-dimensional interactive scenarios to amplify communication and topic marketing, further increasing brand visibility and influence while creating higher premium potential. The proliferation of virtual try-on, AR/VR experiences, and other innovative technologies delivers more immersive shopping experiences, which not only boosts online conversion rates but also helps brands build digital assets and strengthens market competitiveness.

3. Design and craftsmanship innovation as key drivers

Driven by technological advancement and growing consumer demand for high-quality intricate designs, innovation in design and craftsmanship has become a pivotal force propelling the gold jewelry industry forward.

Brands are increasingly emphasizing artisanal techniques, combining traditional goldsmithing skills with modern aesthetics to preserve cultural heritage while infusing products with uniqueness. China's gold jewelry market is undergoing a significant transformation, with designs becoming younger and more avant-garde under the influence of younger consumers' distinctive tastes. This demographic merges traditional values with contemporary fashion trends, creating strong demand for designs that balance modern fashion with cultural significance. Intellectual property (IP) serves both as a protective shield for innovative achievements and a catalyst for new quality productive forces. The protection and commercialization of IP not only incentivize gold jewelry enterprises to deepen product R&D and creative design but also elevate the industry's overall design standards and brand value.

4. Channel strength will be regarded as the core competitiveness of enterprises for a long time

The internal competition in the jewelry industry is relatively large, and the fierce market competition makes the construction and control of sales channels for jewelry companies crucial. At the same time, due to the high value of jewelry, consumers are often worried about the quality of the product and the reasonableness of the price when purchasing, which often prompts them to purchase through physical channels. There is a certain scarcity of high-quality physical channels, and the number of high-quality shops in a region's high-quality business districts is scarce. Such high-quality shops can not only provide higher traffic, improve the retail performance of jewelry, but also have the important value of brand promotion. Therefore, in the fierce market competition, it is very important for jewelry enterprises to control high-quality physical channels, which reflects the core competitiveness of enterprises on the other side.

5. The rapid development of e-commerce market creates omni-channel marketing model

The Internet has provided more convenient and more widely spread way of information sharing, guiding the consumers' demands and choices. In recent years, jewelry retail enterprises have further strengthened online layout, built new media matrix through various social communication platforms, formed multi-channel customer sources, realized rapid spread of online brands and drainage and sales of offline stores, and created a new mode of omni-channel marketing. The development of sharing platforms and e-commerce platforms has changed the consumption habits of consumers, especially the young generation. Online consumers can more conveniently understand product features and share user experience, which has become an important trend of product promotion and future sales. Especially with the rise of live streaming platforms of e-commerce and social contact, the market share of live streaming e-commerce is increasing rapidly.

6. Supply chain management has become an important business method for jewelry enterprises

From the perspective of supply chain in the jewelry industry, it mainly involves raw material mining, processing and smelting, blank processing, jewelry production, warehousing, distribution and sales. The jewelry enterprise continue to optimize their supply chain management in order to shorten the supplying cycle and lower operating costs while guarantee the quality. More and more well-known domestic jewelry brands have outsourced part or all of the intermediate processing links with low gross profit and large investment over recent years, focusing on premium front-end design, brand operation and back-end marketing network construction. Supply chain management has become a major means for Jewelry enterprise to improving their operational efficiency.

III. Core Competitiveness Analysis

Jewelry and gold business is the core business of the Company. The Company pays attention to both the economic situation and the fluctuation of raw material prices at home and abroad. During the reporting period, the Company strove to develop new customers, maintain old customers, select the superior and eliminate the inferior, and further enrich and expand the customer base; With subsidiaries including Xinsen Company and the Group headquarters as core suppliers, it pursued supplier qualification certification for jewelry brands to become their multi-category approved suppliers; enhanced product development and quality management; promoted innovative craftsmanship applications; strengthened IP protection and commercialization to boost differentiated advantages and market competitiveness of the company; It strengthened product development and quality management; It supplied raw materials such as gold purchased from Shanghai Gold Exchange and diamonds purchased from qualified suppliers to brands, wholesalers and distributors in batches through product design, processing/commissioned processing and quality inspection and acceptance. During the reporting period, the Company continued to operate the bicycle and electric bicycle business, followed the development of new energy industries, strove to develop new products, and carried out online and offline sales and brand management, etc.

Competitive advantage of the Company in jewelry and gold business:

1. High-quality upstream supplier system

At present, the company has established stable cooperative relations with major diamond suppliers and processors at home and abroad, and has advantages in raw material purchase cost, order production cycle and product quality control, which can continuously reduce the supply cost and operation efficiency.

2. Diversified downstream market channels and customer resources

At present, the company is actively developing gold and jewelry customers. In addition to customers placed orders, the company is negotiating business cooperation with many domestic jewelry brands. There are three types of customers, type A customers are national well-known brand customers with more than 500 retail stores; type B customers are small and medium-sized/regional/segmented brands with 300-500 retail stores; type C customers are small and medium-sized brands with 50-100 retail stores.

3. Industrial chain improvement of production and design links

The company has an industrial chain process coordinating design, production, processing, inspection and wholesale. Brand owners can rely on our jewelry processing resource advantages and hand over low value-added links such as manufacturing and distribution to the company, so as to focus on the brand operation and sales links with higher added value. Outsourcing of production and design can improve the homogeneity of gold and jewelry products.

4. Closed-loop business process and risk control system

The company has developed strict internal business control processes such as supplier admittance criterion, customer evaluation system, whole-process order tracking system and purchase price comparison system. Through integrated service platform of supply system and integrated solution of fund management, the company has realized closed-loop control of capital flow, information flow and logistics, and realized multi-level risk control.

IV. Main business analysis

1. Overview

The jewelry and gold business is the Company's core business. The Company pays attention to the economic situation at home and abroad, and pays attention to the fluctuations in the price of raw materials at home and abroad. During the reporting period, the Company made great efforts to expand new customers, maintain old customers, select the fittest, and further enrich and expand the customer base; With subsidiaries including Xinsen Company and the Group headquarters as core suppliers, it pursued supplier qualification certification for jewelry brands to become their multi-category approved suppliers; enhanced product development and quality management; promoted innovative craftsmanship applications; strengthened IP protection and commercialization to boost differentiated advantages and market competitiveness of the company; purchased gold from the Shanghai Gold Exchange and purchased diamonds and other raw materials from qualified suppliers, and then supplied products in batches to various brands. During the reporting period, the Company continued to adhere to the business of bicycles and electric bicycles, tracked the development of new energy industries, strived to carry out new product research and development, and carried out online and offline sales and brand management.

Through various efforts, in 2025, the Company achieved an operating income of RMB 735.88 million (including 99% from jewelry and gold business), an operating profit of RMB 55.67 million and a net profit of RMB 41.40 million, of which the net profit attributable to shareholders of listed companies was RMB 41.13 million.

In RMB

Item	End of period or current period	Beginning of period or previous period	Y-o-y changes (+,-)	Reasons
Operation revenue	735,877,268.75	579,869,315.88	26.90%	Revenue from jewelry and gold business increased in the current period
Operation cost	657,982,700.68	545,432,979.84	20.63%	The cost of jewelry and gold business increased accordingly in the current period
Sales expenses	7,781,965.50	4,570,304.44	70.27%	Business revenue increased in the current period, and selling expenses increased accordingly.
Administration expenses	9,155,180.33	6,736,713.22	35.90%	Business revenue increased in the current period, and management expenses selling expenses increased accordingly.
Finance expenses	737,858.22	335,795.63	119.73%	
Operating profit	55,671,923.78	19,951,480.25	179.04%	Revenue from gold business increased in the current period
Total profit	56,150,424.60	22,028,079.32	154.90%	Revenue from jewelry and gold business increased in the current period
Net profit attributable to shareholders of the parent company	41,129,172.17	16,845,245.59	144.16%	Revenue from jewelry business increased in the current period

2. Revenue(income) and cost

(1)Constitute of operation revenue

In RMB

	2025		2024		Y-o-y changes (+,-)
	Amount	Ratio in operation revenue	Amount	Ratio in operation revenue	

Total operation revenue	735,877,268.75	100%	579,869,315.88	100%	26.90%
On industries					
Gold jewelry	735,160,579.53	99.36%	578,195,368.11	99.71%	27.15%
Bicycles, electric bicycles, lithium battery materials and others	716,689.22	0.09%	1,673,947.77	0.29%	-57.19%
On products					
Gold jewelry	735,160,579.53	99.36%	578,195,368.11	99.71%	27.15%
Bicycles, electric bicycles, lithium battery materials and others	716,689.22	0.09%	1,673,947.77	0.29%	-57.19%
According to region					
Domestic	735,877,268.75	100.00%	579,869,315.88	100.00%	26.90%
According to sale model					
Wholesale	735,865,868.99	100.00%	579,869,315.88	100.00%	26.90%

(2) Industries, products, regions and sales model that account for more than 10% of the operating revenue or operating profit of the Company

Applicable Not applicable

In RMB

	Operation revenue	Operation cost	Gross profit ratio	Change of operation revenue y-o-y(+,-)	Change of operation cost y-o-y(+,-)	Change of gross profit ratio y-o-y(+,-)
On industries						
Jewelry and gold	739,160,579.53	657,858,136.22	10.52%	27.15%	20.78%	4.72%
On products						
Jewelry and gold	739,160,579.53	657,858,136.22	10.52%	27.15%	20.78%	4.72%
According to region						
Domestic	739,160,579.53	657,858,136.22	10.52%	27.15%	20.78%	4.72%
According to sale model						
Wholesale	735,148,997.77	657,858,136.22	10.51%	27.15%	20.78%	4.71%

Under circumstances of adjustment in reporting period for statistic scope of main business data, adjusted main business based on latest one year's scope of period-end

Applicable Not applicable

(3) Income from physical sales larger than income from labors

Yes No

Industries	Item	Unit	2025	2024	Y-o-y changes (+,-)
Jewelry (inlaid/Gold Jewelry)	Sales volume	Piece	186,654.00	213,997.00	-12.78%
	Output	Piece	0.00	0	0.00%
	Inventory	Piece	17,676.00	40,058.00	-55.87%
	Purchasing volume	Piece	164,272.00	244,655.00	-32.86%

Jewelry (Gold Jewelry)	Sales volume	kg	1,150,190.74	968,021.08	18.82%
	Output	kg	1,166,024.74	532,050.00	119.16%
	Inventory	kg	30,380.00	14,546.00	108.85%
	Purchasing volume	kg	0.00	446,480.08	
Jewelry (Silver products)	Sales volume	kg	431,400.00		
	Output	kg	431,400.00		
	Inventory	kg	0.00		
	Purchasing volume	kg	0.00		

Reasons for y-o-y relevant data with over 30% changes

Applicable Not applicable

(4) Performance of significant sales contracts, major procurement contract entered into by the company up to the current reporting period

Applicable Not applicable

(5) Constitute of operation cost

Classification of industries

In RMB

Industries	Item	2025		2024		Y-o-y changes (+,-)
		Amount	Ratio in operation cost	Amount	Ratio in operation cost	
Gold jewelry	Gold jewelry	657,858,136.22	99.98%	544,685,137.81	99.86%	0.12%
Bicycles, electric bicycles and others	Bicycles, electric bicycle others	124,564.46	0.02%	747,842.03	0.14%	-0.12%

Note

None

(6) Whether the changes in the scope of consolidation in Reporting Period

Yes No

(7) Major changes or adjustment in business, product or service of the Company in Reporting Period

Applicable Not applicable

(8) Major sales and main suppliers

Major sales client of the Company

Total top five clients in sales (RMB)	513,375,029.24
Proportion in total annual sales volume for top five clients	69.42%
Ratio of related parties in annual total sales among the top five clients	0.00%

Information of top five clients of the Company

Serial	Name	Sales (RMB)	Proportion in total annual sales
1	Client 1	182,294,050.20	24.65%
2	Client 2	98,953,013.41	13.38%
3	Client 3	89,165,556.06	12.06%
4	Client 4	78,501,976.83	10.61%

5	Client 5	64,460,432.74	8.72%
Total	--	513,375,029.24	69.42%

Other notes of main clients

Applicable Not applicable

Main suppliers of the Company

Total purchase amount from top five suppliers (RMB)	752,905,008.65
Proportion in total annual purchase amount for top five suppliers	99.49%
Ratio of related parties in annual total sales among the top five suppliers	0.00%

Information of top five suppliers of the Company

Serial	Name	Purchase (RMB)	Proportion in total annual purchase
1	Shanghai Gold Exchange	729,254,337.75	96.36%
2	Supplier 2	20,031,930.32	2.65%
3	Supplier 3	1,655,851.45	0.22%
4	Supplier 4	1,182,338.27	0.16%
5	Supplier 5	780,550.86	0.10%
Total	--	752,905,008.65	99.49%

Other notes of main suppliers

Applicable Not applicable

The gold materials required during the reporting period were mainly purchased through Shanghai Gold Exchange, and there is no affiliation between the Company and top five suppliers.

3. Expenses

In RMB

	2025	2024	Y-o-y changes (+,-)	Note of major changes
Sales expenses	7,781,965.50	4,570,304.44	70.27%	Revenue growth with a corresponding rise in expenses
Administrative expenses	9,155,180.33	6,736,713.22	35.90%	Revenue growth with a corresponding rise in expenses
Financial expenses	737,858.22	335,795.63	119.73%	New loans in the year
R&D expenses	620,019.89	644,200.69	-3.75%	

4. R&D investment

Applicable Not applicable

Name of Main R&D Projects	Project Purpose	Project Progress	Goal to Achieve	Estimated Impact on the Company's Future Development
Development of a new support for mountain bikes	For complex mountain environments, improve the existing bicycle support technology to enhance the stability and durability of the	The project has been accepted and completed.	Reduce the impact force when parking the bicycle, protect key components such as the frame, hub, and rim, prevent them from	Enhance the reliability and comfort of mountain bike products, improve the brand's competitiveness in the

	whole vehicle on rugged terrain.		deforming or breaking due to excessive force, and at the same time improve the rider's comfort.	professional off-road cycling field, and attract more outdoor sports users.
A new type of four-link bicycle frame	In response to the shortcomings of the existing outer-ring buckle frame stress-bearing structure, develop a four-link frame to improve load-bearing performance and shock absorption.	The project has been accepted and completed.	Effectively reduces vibrations during riding using a four-link shock absorption system, enhancing comfort; improves the vehicle's stability and safety during high-speed driving, sharp turns, or jumps.	Master the core technology of the four-bar frame, improve the performance of high-end sports bicycle product lines, consolidate technological advantages, and expand market share in the sports bicycle market.
Research and development of new carbon fiber rims (wheel rims) for bicycles	In response to the shortcomings of the stress-bearing structure of the existing external ring buckle frame, a four-link frame is developed to improve load-bearing performance and shock absorption.	The project has been accepted and completed.	Develop lightweight, low-drag carbon fiber rims to reduce the force required for starting and enhance aerodynamic performance and speed retention during high-speed riding.	Launch high-performance carbon fiber wheelsets to meet the needs of competitions and the high-end market, enhance product added value and brand image, and is expected to bring higher profit margins and expand the high-end component market.

Personnel of R&D

	2025	2024	Change ratio(+,-)
Number of R&D (people)	5	7	-28.57%
Ratio of number of R&D	5.56%	8.64%	-3.08%
Educational background			
Undergraduate	1	3	-66.67%
Master	0	0	0.00%
Below bachelor's degree	4	4	0.00%
Age composition			
Under 30	0	1	-100.00%
30~40	1	1	0.00%
Over 40	4	5	-20.00%

Investment of R&D

	2025	2024	Change ratio(+,-)
R&D investment (RMB)	620,019.89	644,200.69	-3.75%
R&D investment/Operating revenue	0.08%	0.11%	-0.03%
Capitalization of R&D investment (RMB)	0.00	0.00	0.00%
Capitalization of R&D investment/R&D investment	0.00%	0.00%	0.00%

Reasons and effects of significant changes in composition of the R&D personnel

Applicable Not applicable

The reason of great changes in the proportion of total R&D investment accounted for operation revenue than

last year

Applicable Not applicable

Reason for the great change in R&D investment capitalization rate and rational description

Applicable Not applicable

5. Cash flow

In RMB

Item	2025	2024	Y-o-y changes (+,-)
Subtotal of cash in-flow arising from operation activity	875,010,402.10	635,368,111.52	37.72%
Subtotal of cash out-flow arising from operation activity	894,525,678.65	652,520,844.71	37.09%
Net cash flow arising from operating activities	-19,515,276.55	-17,152,733.19	-13.77%
Subtotal of cash in-flow arising from investment activity		410,001.19	-100.00%
Subtotal of cash out-flow arising from investment activity	229,257.48	1,910,690.86	-88.00%
Net cash flow arising from investment activities	-229,257.48	-1,500,689.67	84.72%
Subtotal of cash in-flow arising from financing activity	33,154,754.41	46,843,051.76	-29.22%
Subtotal of cash out-flow arising from financing activity	18,391,652.75	1,538,808.73	1,095.19%
Net cash flow arising from financing activities	14,763,101.66	45,304,243.03	-67.41%
Net increased amount of cash and cash equivalent	-5,324,860.92	26,650,820.17	-119.98%

Main reasons for y-o-y major changes in aspect of relevant data

Applicable Not applicable

1. The total cash inflow from operating activities increased, mainly due to the revenue growth in the jewelry and gold business during in the current period, which led to an increase in received payments.
2. The total cash outflow from operating activities increased, mainly due to the revenue growth in the jewelry and gold business during in the current period, which led to an increase in raw material purchases

Explanation of significant difference between cash flow from operating activities and net profit during the reporting period

Applicable Not applicable

V. Analysis of the non-main business

Applicable Not applicable

VI. Analysis of assets and liability

1. Major changes of assets composition

In RMB

	Year-end of 2025		Year-begin of 2023/2024		Ratio changes(+,-)	Note of major changes
	Amount	Ratio in total assets				
Monetary fund	75,474,633.65	15.79%	80,974,360.59	18.64%	-2.85%	
Account receivable	204,782,335.88	42.84%	233,608,634.59	53.77%	-10.93%	
Inventory	184,690,307.34	38.64%	84,349,675.00	19.42%	19.22%	Increase in inventory reserves for the current period

Foreign assets account for a relatively high proportion

Applicable Not applicable

2. Assets and liability measured by fair value

Applicable Not applicable

3. The assets rights restricted till end of the period

1. At the end of the current period, the total fixed output value included six suites of house properties at Lianxin Jiayuan, Luohu District, Shenzhen purchased in 2016, with original value of 2,959,824.00 Yuan, which were affordable housing purchased from the Housing and Construction Bureau of Luohu District to provide to enterprise talents for living. The contract stipulated that the purchasing enterprise is not allowed to conduct any form of property rights transaction with any units or individual other than the government.

VII. Investment analysis

1. Overall situation

Applicable Not applicable

Investment in the Period(RMB)	Investment at same period last year (RMB)	Changes
20,700,690.00	6,485,000.00	219.21%

2. The major equity investment obtained in the reporting period

Applicable Not applicable

3. The major non-equity investment doing in the reporting period

Applicable Not applicable

4. Financial assets investment

(1) Securities investment

Applicable Not applicable

The company had no securities investment in the Period.

(2) Derivative investment

Applicable Not applicable

5. Application of raised proceeds

Applicable Not applicable

The Company had no application of raised proceeds in the Period

1) Derivative investments held for hedging purposes during the reporting period

Applicable Not applicable

2) Derivative investments held for speculative purposes during the reporting period

Applicable Not applicable

During the reporting period, the Company did not engage in derivative investments for speculative purposes.

VIII. Sales of major assets and equity**1. Sales of major assets**

Applicable Not applicable

The Company had no major assets sold in the Period.

2. Sales of major equity

Applicable Not applicable

IX. Analysis of main holding company and stock-jointly companies

Applicable Not applicable

Particular about main subsidiaries and stock-jointly companies net profit over 10%

Company name	Type	Main business	Register capital	Total assets	Net assets	Operation revenue	Operation profit	In RMB
								Net profit
Shenzhen Xinsen Jewelry Gold Co., Ltd.	Subsidiary	Business of jewelry and gold	200,000,000	224,950,785.47	148,739,402.55	381,711,423.85	29,062,193.66	21,214,164.05

Particular about subsidiaries obtained or disposed in report period

Applicable Not applicable

Description of Major Holding and Participating Companies

X. Structured vehicle controlled by the Company

Applicable Not applicable

XI. Future Development Prospects

Jewelry and gold business is the core business of the Company. The Company pays attention to both the economic situation and the fluctuation of raw material prices at home and abroad. During the reporting period, the Company strove to develop new customers, maintain old customers, select the superior and eliminate the inferior, and further enrich and expand the customer base; It strengthened product development and quality management; promoted innovative craftsmanship applications; strengthened IP protection and commercialization to boost differentiated advantages and market competitiveness of the company; It supplied raw materials such as gold purchased from Shanghai Gold Exchange and diamonds purchased from qualified suppliers to brands, wholesalers and distributors in batches through product design. During the reporting period, the Company continued to operate the bicycle and electric bicycle business, followed the development of new energy industries, strove to develop new products, and carried out online and offline sales and brand management.

II. Operation plan for the new year:

On the basis of business work over the past few years, the business plan of the Company for 2026 is:

(1) Enhancing corporate governance, standardize operations, further reform and improve the internal operation management system, assessment mechanism, strengthen the construction of management teams, business teams and technical teams. Perfected the development plan of the Company.

(2) In terms of gold and jewelry business, further establish supplier systems and expand customer resources, the business cooperation between the well-known brands and listed company in particular, expanding international business, strengthen product development and quality management, promoted innovative craftsmanship applications; strengthened IP protection, improve internal business processes and internal control system construction, promote the construction of a supply chain system platform to improve operational quality and efficiency, and Promote the development of jewelry business operations.

(3) In terms of bicycle, electric bicycle and new energy business, with the goal of brand maintenance and national market expansion, expanded sales networks, strengthen brand management, and promote the growth of order business. Continue to follow up the development of new energy and new material of lithium battery, and explore and seek new breakthroughs.

(4) Continue to cooperate with the manager to carry out asset custody business and relevant litigation response, ensure asset safety and protect the rights and interests of interested parties. Continue to follow up the execution of Guangshui Jiayu's lawsuit.

(5) Strengthen the background management and office automation, and improve the support of the back office to the front desk business.

III. Risks for the Company:

(1) Price fluctuation risk of major raw materials

The main raw materials of the company are gold, diamonds, etc. In recent years, affected by changes in the international and domestic economic situation, the listed price of gold at the gold exchange fluctuates greatly. The market price of platinum is generally positively correlated with the market price of gold. In the long run, the

market price of diamond is in a moderate rising trend. The selling price of the company's gold products calculated by gram is linked with the listed price of gold and platinum at the gold exchange. If the market prices of gold, platinum, diamonds and other raw materials fall significantly during the inventory turnover period of the company, on the one hand, the company has the risk of gross profit margin decline due to the decline in product selling price; on the other hand, the company will also face the risk of decline in operating performance due to the provision for inventory write down. At the same time, the rise in selling price caused by the sharp rise in the market price of raw materials such as gold and diamonds may lead to the decrease of consumers' willingness and the decline of sales volume, thus adversely affecting the business performance.

(2) The risk of intensifying market competition

In recent years, the jewelry market in China has been developing continuously, and the consumption demand of jewelry has been developing in the direction of individuation and diversification. At present, China's jewelry industry has presented diversified competitions. Excellent enterprises in the industry have formed competitive advantages in a certain segment by deeply exploring the consumption preferences of specific groups. The market competition has gradually changed from price competition to comprehensive competition among brand, business model, marketing channel, product design and quality, the competition tends to be fierce. In the future development, if the company cannot continue to give full play to its advantages, there will be a risk of profitability decline due to intensified competition in the industry.

(3) Risk of market demand decline

As an optional consumption, jewelry is especially sensitive to market demand, economic outlook and consumer preference. China has become one of the countries with the most obvious growth in the jewelry and jade jewelry industry in the world. If the economic growth rate declines in the future, the growth of market consumption demand may slow down accordingly, which will adversely affect the company's business condition.

XII. Reception of research, communication and interview during the reporting period

Applicable Not applicable

Time	Reception location	Way	Reception type	Object	Main content and information provided	Basic situation index of investigation
May 15,2025	The on-line platform of "Value On-Line" (www.ir-online.cn)	Online communication on the network platform	Other	The investors participated in the online performance briefing for year of 2023 through the internet	Company operations, future development plans, etc.	Found more in "Investors Relations Activities Sheet"(No.: 2025-001) released on Juchao Website (www.cninfo.com.cn)
November 20,2025	The "Interactive Platform for Investor Relations" on (https://ir.p5w.net)	Online communication on the network platform	Other	The investors participated in group reception day for investors of the listed companies in	Operational status, corporate governance, etc.	Found more in "Investors Relations Activities Sheet"(No.: 2025-002) released on

				Shenzhen for year of 2024 through (https://ir.p5w.net)		Juchao Website (www.cninfo.com.cn)
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XIII. Formulation and implementation of market value management system and valuation boost plan

Whether the Company has established a market value management system

Yes No

Whether the Company has disclosed plans for valuation boost.

Yes No

XIV. The implementation of the action plan of "Double improvement of quality and return".

Whether the Company has disclosed the action plan of "Double improvement of quality and return".

Yes No

Section IV Corporate Governance, Environmental and Social Responsibility

I. Overview of Corporate Governance

During the reporting period, the company strictly complied with the Company Law, the Securities Law, the Governance Code for Listed Companies, the Rules for Listing Stocks of Shenzhen Stock Exchange, the Guidelines for the Self-Regulation of Listed Companies of Shenzhen Stock Exchange No. 1 -- Standardized Operation of Listed Companies on the Main Board, and other relevant laws and regulations, constantly improved the corporate governance structure, improved the enterprise management and internal control system, deeply and meticulously carried out corporate governance activities, and constantly improved the corporate governance level. The general meeting of shareholders, the board meeting and the meeting of supervisors of the company were held in strict accordance with relevant rules and regulations, and the directors and supervisors can diligently perform their duties. During the reporting period, the actual situation of corporate governance met the requirements of the regulatory documents on corporate governance issued by China Securities Regulatory Commission and Shenzhen Stock Exchange.

1. Shareholders and general meeting of shareholders

The company convened and held the general meeting of shareholders in strict accordance with the Company Law, the Securities Law and other laws and regulations, and the stipulations of the Articles of Association and the Rules of Procedure of the General Meeting of shareholders, sent out meeting notice at the prescribed time before the general meeting of shareholders, and employed lawyers to witness the meeting and give legal opinions on the convening and holding of the meeting and the validity of the resolution, ensured that all shareholders, especially minority shareholders, enjoy equal status and fully exercise their rights. During the reporting period, the company held 2 general meetings of shareholders and considered 17 proposals(Including sub-proposals).

2. Controlling shareholders and the listed company

The company's controlling shareholders exercised their rights and undertook corresponding obligations in accordance with the law, there was no direct or indirect interference in the company's decision-making and business activities beyond the company's general meeting of shareholders. The company had an independent and complete operating system and independent operating ability, and was independent and separated from the controlling shareholders, actual controllers and other enterprises controlled by them in terms of business, personnel, assets, institutions and finance. The company's board of directors, board of supervisors and other internal organs operated independently, and major decisions were made by the general meeting of shareholders and the board of directors in accordance with the law.

3. Directors and the board of directors

The board of directors of the company has 9 members, including 3 independent directors. The number and composition of the board of directors meet the relevant laws and regulations and the requirements of the Articles of Association. During the reporting period, all directors of the company performed their duties diligently and responsibly in strict accordance with relevant laws and regulations, the Articles of Association, Rules of Procedure of the Board of Directors and other relevant provisions, attended the board meetings and the general

meeting of shareholders on time, carefully deliberated various proposals, and ensured the standard, efficient operation and prudent and scientific decision-making of the board of directors. In order to further improve the corporate governance structure, the board of directors of the company has set up four special committees, namely strategy, audit, nomination, compensation and assessment, to provide scientific and professional opinions for the decision-making of the board of directors. During the reporting period, the board of directors held 6 meetings and deliberated 27 proposals(Including sub-proposals).

4. Performance appraisal and incentive and constraint mechanism

The company has gradually established and improved the fair and transparent performance appraisal standards and incentive and restraint mechanisms for directors, supervisors and senior managers, and the appointment of senior managers of the company is open and transparent, and in line with the provisions of laws and regulations.

5. Stakeholders

The company fully respected the legitimate rights and interests of stakeholders, treated suppliers and customers in good faith, carefully cultivated every employee, strengthened the communication and exchange among all parties, jointly promoted the sustainable and healthy development of the company, and achieved the coordination and balance of the interests of shareholders, employees and the society while maximizing the profits of the company.

6. Information disclosure and transparency

The company attached great importance to information disclosure and investor relationship management, strictly implemented the Information Disclosure Management System, and designated Securities Times and <http://www.cninfo.com.cn> as the company's legal information disclosure media and website, fairly treated all investors, and truly, accurately, completely and timely made information disclosure, improved the transparency of the company, and protected the legitimate rights and interests of all shareholders.

7. Investor relations

The Company lays great stress on maintaining the good communication with investors. During the reporting period, by means of the performance communication meeting and various means such as online group reception days for listed companies, the Company introduce the development strategy and business development to the investors; the Company actively uses the investor relations interactive platform as an important channel of communication with investors, especially small and medium-sized investors, and answers investor's questions on the platform in a timely and serious manner.

Is there any difference between the actual condition of corporate governance and relevant regulations about corporate governance for listed company from CSRC?

Yes No

There are no differences between the actual condition of corporate governance and relevant regulations about corporate governance for listed company from CSRC.

II. Independence of the Company relative to controlling shareholder and the actual controller in ensuring the Company's assets, personnel, finance, organization and businesses

The company has an independent supply and marketing system, and is independent and separated from the controlling shareholders, actual controllers and other enterprises controlled by them in terms of business,

personnel, assets, institutions and finance, and has the independent and complete business system and the ability to operate independently in the market.

1. Independent business

The company has an independent supply and marketing system, and has the ability to operate independently and directly to the market. There is no other situation that needs to rely on the controlling shareholders for production and operation activities. There is no horizontal competition between the company and the controlling shareholders, and the controlling shareholders do not directly or indirectly interfere in the operation of the company.

2. Independent personnel

The company is independent of the controlling shareholders in labor, personnel and salary management. The general manager, deputy general manager, chief financial officer, secretary of the board and other senior executives of the company neither hold other positions except directors and supervisors in the controlling shareholders, actual controllers and other enterprises controlled by them, nor receive salary from the controlling shareholders, actual controllers and other enterprises controlled by them; The company's directors, supervisors, general manager and other senior executives are selected through legal procedures, and there is no controlling shareholder, any other unit, department or person violating the relevant provisions of the Articles of Association to interfere in the appointment and removal of the company's personnel.

3. Independent assets

The company has a complete supply, production and marketing system and supporting facilities required for production and operation, and legally owns land use rights, housing property rights, ownership of trademark and other assets related to production and operation, and does not rely on the assets of controlling shareholders for production and operation. The company has registered, established accounts, checked and calculated and managed all assets, and the property rights of all assets are clearly defined and the ownership is clear.

4. Independent institutions

The company has set up necessary functional departments in line with its own characteristics, and each department operates according to the company's management system and under the leadership of the company management. There is no confusion with the controlling shareholders, the actual controllers and other enterprises controlled by them, and there is no subordinate relationship with the controlling shareholders.

5. Independent finance

The company has set up an independent finance department, allocated full-time financial personnel, and established a complete accounting system, which enable it to make financial decisions independently, possess normative financial and accounting system and financial management system for subsidiaries. The company has independent bank accounts and pays taxes independently in accordance with the law. There is no situation of sharing bank accounts or tax payments with the controlling shareholders.

III. Horizontal competition

Applicable Not applicable

IV. Directors and senior executives

1. Basic information

Name	Sex	Age	Title	Working status	Start dated of office term	End date of office term	Shares held at period-begin (Share)	Amount of shares increased in this period (Share)	Amount of shares decreased in this period (Share)	Other changes (share)	Shares held at period-end (Share)	Reasons for increase or decrease of shares	
Wang Shenghong	Male	44	Chairman	Currently in office	November 28, 2022	November 27, 2025	0	0	0	0	0	Not applicable	
Li Hai	Male	57	Director	Currently in office	August 26, 2010	November 27, 2025	0	0	0	0	0	Not applicable	
			President	Currently in office	September 26, 2013	November 27, 2025	0	0	0	0	0	0	Not applicable
Sun Longlong	Male	53	Director	Currently in office	June 29, 2017	November 27, 2025	0	0	0	0	0	Not applicable	
			Secretary of the Board	Currently in office	May 17, 2012	November 27, 2025	0	0	0	0	0	0	Not applicable
			CFO	Currently in office	May 22, 2017	November 27, 2025	0	0	0	0	0	0	Not applicable
Yao Zhengwang	Male	51	Director	Currently in office	August 26, 2010	November 27, 2025	0	0	0	0	0	Not applicable	
Yuan Kang	Male	47	Director	Currently in office	November 28, 2022	November 27, 2025	0	0	0	0	0	Not applicable	
Wang Guoxian	Male	72	Director	Currently in office	November 28, 2022	November 27, 2025	0	0	0	0	0	Not applicable	
Guo Qiuquan	Male	43	Independent director	Currently in office	November 28, 2022	November 27, 2025	0	0	0	0	0	Not applicable	
Zhan Qiyong	Male	44	Independent director	Currently in office	November 28, 2022	November 27, 2025	0	0	0	0	0	Not applicable	
Yuan Qinghui	Male	47	Independent director	Currently in	November	November	0	0	0	0	0	Not applicable	

				office	28,202 2	27,202 5						ble
Total	--	--	--	--	--	--	0	0	0	0	0	--

During the reporting period, whether there was any departure of directors and supervisors and dismissal of Senior executives

Yes No

Changes of directors, supervisors and senior executives

Applicable Not applicable

2. Post-holding

Professional background, major working experience and present main responsibilities in Company of directors and senior executive

Mr. Wang Shenghong, born in 1982, is a Chinese national without the right of permanent residence abroad. Mr. Wang Shenghong is currently the general manager of Wansheng Industrial Holdings (Shenzhen) Co., Ltd., the general manager of Shenzhen HuaxiaJunyong Robot Technology Co., Ltd., Shenzhen Wansheng Kejiao Holding Co., Ltd., The Chairman of Shenzhen Youkaile Robot Co., Ltd. and the Chairman of the company.

Mr. Li Hai, born in 1969, graduated from Economic department of Shenzhen University in major of accounting; Mr. Li took the turns of deputy manager of finance department, assistant CFO, secretary of the Board and vice president, etc. of the Company, and now he serves as President of the Company.

Mr. Sun Longlong, born in 1973, graduated from Shanghai University of Finance and Economics in 1995 with a bachelor degree, a bachelor of Economics. Mr. Sun successively worked as financial affairs in Shenzhen Qiongjiao Industry Co., Ltd. and Shenzhen Solar Pipe Co., Ltd.; he worked in the Company since May 1999, and successively served as Deputy Manager of financial department, Manager, manager of comprehensive management department, manager of enterprise management department, now he serves as Director, secretary of the Board and CFO of the Company.

Mr. Yao Zhengwang, born in 1975, received a Bachelor of Law degree. Mr. Yao Zhengwang is currently a director of Shenzhen China Bicycle Company (Holdings) Limited, the general manager of Jilin Fude Investment Holding Co., Ltd., a director of Jiaxing Zhishifang Food Technology Co., Ltd., the General Manager of Dalian Fude Jinyu New Energy Co., Ltd. and a director of the Company.

Mr. Yuan Kang, born in 1979, graduated from Seneca College in Toronto, Canada, served as a supervisor of Fujian Fenghe Group Co., Ltd., now he serves as Director of the company.

Mr. Wang Guoxiang, born in 1954, is a Chinese national without the right of permanent residence abroad. He is currently a supervisor of Wansheng Industrial Holdings (Shenzhen) Co., Ltd., a supervisor of Shenzhen HuaxiaJunyong Robot Technology Co., Ltd., a director supervisor of Shenzhen Youkaile Robotics Co., Ltd. and a director of the Company.

Mr. Guo Qiuquan, born in 1983, is a member of the Communist Party of China and a Chinese national, a PhD of Biomedical Engineering, the University of Western Ontario, Canada, a bachelor of Engineering Mechanics and a master of Physical Electronics from Beijing Institute of Technology, and he belongs to Class-C in the peacock plan of recruiting high-level overseas talents of Shenzhen. In 2016, he was sponsored by the Ministry of Human Resources and Social Security for overseas students. So far, he has published more than 70 papers in international advanced journals, and has 12 authorized invention patents and 12 authorized utility model patents. Some of his patented technologies won the technology transformation award of WorldDiscovery of the University of Western Ontario. Mr. Guo Qiuquan is currently an associate researcher of the Institute for Advanced Study of University of Electronic Science and Technology of China (Shenzhen), general manager of Jiangsu Xinchengrui Material Technology Co., Ltd., the president and general manager of Shenzhen Topmembranes Technology Co., Ltd. An Independent director of Zhou Liu Fu Jewelry Co., Ltd. and an independent director of the Company.

Mr. Zhan Qiyong, born in 1982, is a member of the Communist Party of China and a Chinese national. He has a master's degree in accounting from Jiangxi University of Finance and Economics. He is a certified public accountant and a certified tax agent. now he serves as an Independent Director of the company.

Mr. Yuan Qinghui, born in 1979, is a Chinese national, has a bachelor's degree in law, and is a lawyer. He passed the China Judicial Examination in 2002 and began practicing law in 2003. Now he is the director of Fujian Luyuan Laws Firm. now he serves as an Independent Director of the company.

Cases where the controlling shareholder or actual controller concurrently serves as both Chairman and General Manager of the listed company

Applicable Not applicable

Office taking in shareholder companies

Applicable Not applicable

Name	Name of shareholder's unit	Position in shareholder's unit	Start dated of office term	End date of office term	Received remuneration from shareholder's unit (Y/N)
Wang Shenghong	Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	Executive Director and GM	June 13,2017		No
Wang Guoxiang	Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	Supervisor	August 13,2018		No
Explanation of position s held in the shareholder's entity	N/A				

Post-holding in other unit

Applicable Not applicable

Name	Name of other units	Position in other unit	Start dated of office term	End date of office term	Received remuneration from other unit (Y/N)
Wang	Shenzhen Huaxia Junyong Robot	GM	May 9,2020		No

Shenghong g	Technology Co., Ltd.				
Wang Shenghong g	Shenzhen Youkaile Robot Co., Ltd.	Chairman	October 23,2025		No
Wang Shenghong g	Shenzhen Chanjuan Holding Development Co., Ltd.	GM	January 7,2020		No
Wang Shenghong g	Shenzhen Chanjuan Industrial Co., Ltd.	GM	December 21,2017		No
Wang Shenghong g	Shenzhen Chanjuan Jewelry Co., Ltd.	Director	August 22,2022		No
Sun Longlong	Huizhou Daya Bay Longzhen Trading Firm	Merchant in charge	November 10,2021		No
Yao Zhengwan g	Jilin Fude Investment Holding Co., Ltd.	GM	November 21,2014		No
Yao Zhengwan g	Jiaxing Zhishifang Food Tech. Co., Ltd.	Director	December 24,2012		No
Yao Zhengwan g	Lingxiong Technology Group Co., Ltd.	Independent non-executive director	April 11,2023		No
Yao Zhengwan g	Zhengda Energy Development (China) Co., Ltd.	Supervisor	February 9,2017		No
Yao Zhengwan g	Shenzhen Guosheng Energy Investment Development Co., Ltd.	Supervisor	October 12,2006		Yes
Yao Zhengwan g	Shenzhen Longpeng Investment Co., Ltd.	Supervisor	July 21,2009		No
Yao Zhengwan g	Shenzhen Zhengrui Energy Tech. Co., Ltd.	Supervisor	February 25,2016		No
Yao Zhengwan g	Dalian Qingyi New Energy Co., Ltd.	Supervisor	December 26,2023		No
Yao Zhengwan g	Fude Jinyu (Huzhou) Hydrogen Energy Technology Research Co., Ltd	Supervisor	March 28,2024		No
Yuan Kang	Fujian Chanjuan Jewelry Co., Ltd.	GM	December 22,2020		No
Wang Guoxiang	Shenzhen HuaxiaJunyong Robot Technology Co., Ltd.	Supervisor	May 9,2020		No
Wang Guoxiang	Shenzhen Youkaile Robot Co., Ltd.	Director	October 23,2025		No
Guo Qiuquan	Shenzhen Topmembranes Tech. Co., Ltd.	Chairman and GM	August 25,2015		No
Guo Qiuquan	Zhouliufu Jewelry Co., Ltd.	Independent director	April 26,2024		No
Zhan Qiyong	Shenzhen Gold Coin Co., Ltd.	Deputy financial manager	May 1,2015		Yes

Yuan Qinghui	Fujian Luyuan Laws Firm	Chief lawyer	September 1,2008		Yes
Explanation of positions held in other entities	N/A				

Punishment of securities regulatory authority in recent three years to the company's current and outgoing directors, supervisors and senior management during the reporting period

Applicable Not applicable

3. Remuneration for directors, supervisors and senior executives

Decision-making procedures, recognition basis and payment for directors, supervisors and senior executives

Decision procedure of remuneration of directors, supervisors, senior management	According to relevant rules of the Article of Association, the general meeting of shareholders decides remuneration of directors and supervisors. The Board of Directors decides senior management's.
Confirmation basis of remuneration of directors, supervisors and senior management	The Company refers to the position rank and comprehensive industry level. And then general meeting of shareholders approves compensation standard and allowance of independent directors. According to the "Interim Measures to Annual Performance Assessment of Executives" and performance evaluation standards the Company issues annual performance salary.
Actual payment of remuneration of directors, supervisors and senior management	The Company strictly paid remuneration of directors, supervisors and senior management accordingly with decision procedure and confirmation basis. Total payment for remuneration of directors, supervisors and supervisors amounted to 1.9559 million yuan from January to December in 2025.

Remuneration for directors, supervisors and senior executives in reporting period

In RMB 10,000

Name	Sex	Age	Title	Post-holding status	Total remuneration obtained from the Company (before taxes)	Whether remuneration obtained from related party of the Company
Wang Shenghong	Male	44	Chairman	Currently in office	68.68	No
Li Hai	Male	57	Director, President	Currently in office	81.43	No
Sun Longlong	Male	53	Director, Secretary of the Board, CFO	Currently in office	31.2	No
Guo Qiuquan	Male	43	Independent director	Currently in office	4.76	No
Zhan Qiyong	Male	44	Independent director	Currently in office	4.76	No
Yuan Qinghui	Male	47	Independent director	Currently in office	4.76	No
Total	--	--	--	--	195.59	--

Basis for assessing the actual remuneration received by all directors and senior management at the end of the reporting period	Determined according to the Company's concrete rules and regulations, remuneration system, and performance evaluation system.
Completion of the assessment for the actual remuneration received by all directors and senior management at the end of the reporting period	The independent directors' allowance paid to independent directors are not subject to performance evaluation; non-independent directors and senior executives receive corresponding remuneration based on the Company's performance evaluation regulations. The performance evaluation process is effectively executed and completed in accordance with the Company's performance evaluation regulations.
Deferred payment arrangements for the actual remuneration	Not applicable

received by all directors and senior management at the end of the reporting period	
Claw back status of the actual remuneration received by all directors and senior management at the end of the reporting period	Not applicable

Other

Applicable Not applicable

V. Performance of duties by directors during the reporting period

1. Attendance of directors at the board meetings and the general meeting of shareholders

Attendance of directors at the board meetings and the general meeting of shareholders							
Name of director	Number of board meetings attended during the reporting period	Number of board meetings attended in person	Number of board meetings attended by means of communication	Number of board meetings attended by proxy	Number of board meetings absent from	Whether to attend the board meeting in person twice in a row	General meetings of shareholders attended
Wang Shenghong	6	3	3	0	0	No	2
Li Hai	6	3	3	0	0	No	2
Sun Longlong	6	3	3	0	0	No	2
Yao Zhengwang	6	0	6	0	0	No	2
Yuan Kang	6	0	6	0	0	No	2
Wang Guoxiang	6	0	6	0	0	No	2
Guo Qiuquan	6	0	6	0	0	No	2
Zhan Qiyong	6	1	5	0	0	No	2
Yuan Qinghui	6	0	6	0	0	No	2

Explanation of failure to attend the board meeting in person twice in a row

Not applicable

2. Objection for relevant events from directors

Directors come up with objection about Company's relevant matters

Yes No

No directors come up with objection about Company's relevant matters in the Period

3. Other explanation about responsibility performance of directors

The opinions from directors have been adopted

Yes No

Director's statement to the Company that a proposal has been or has not been adopted

During the reporting period, the directors carefully deliberated all proposals submitted to the BOD and voted in favour of the proposals that required voting, without any opposition or abstention, and raised no objection to the

VI. Performance of Duties by Specialized Committees under the Board Meeting in the Reporting Period

Committee name	Members	Number of meetings held	Date of meeting	Meeting content	Important comments and suggestions made	Other performance of duties	Specific circumstances of the objection (if applicable)
Audit Committee of the Eleventh Board of Directors	Zhan Qiyong, Guo Qiuquan, Yuan Kang	6	February 17, 2025	Regarding pre-audit communication for the 2024 annual report and related matters	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully communicate and discuss the related matters	Not applicable	N/A
			April 11, 2025	Communication with the governance layer and auditors regarding the matters of the 2024 annual report	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully communicate and discuss the related matters	Not applicable	N/A
			April 15, 2025	Matters regarding reappointment of 2024 audit firm	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully	Not applicable	N/A

					communicate and discuss the related matters		
			April 27,2025	The first quarter report of 2025 and other matters	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully communicate and discuss the related matters	Not applicable	N/A
			August 12,2025	Matters involved in the 2025 semi-annual report	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully communicate and discuss the related matters	Not applicable	N/A
			October 27,2025	Relevant items concerning 2025 Q3 financial reports, etc.	Work in strict accordance with the Company Law, Articles of Association, Working Rules of the Audit Committee of the Board of Directors and other relevant laws, regulations and systems, be diligent and dutiful, and fully communicate and discuss the related matters	Not applicable	N/A

VII. Work of the Audit Committee

Whether the Audit Committee identified any risks at the Company during its supervisory activities in the reporting period

Yes No

The Audit Committee raised no objections to the matters supervised during the reporting period.

VIII. Particulars of workforce

1. Number of Employees, Professional composition, Education background

Employee in-post of the parent Company at period-end(people)	26
Employee in-post of main Subsidiaries at period-end (people)	64
The total number of current employees at period-end(people)	90
The total number of current employees to receive pay (people)	90
Retired employee' s expenses borne by the parent Company and main Subsidiaries(people)	0
Professional composition	
Category of professional composition	Numbers of professional composition (people)
Production personnel	11
Salesperson	31
Technicians	17
Financial personnel	12
Administrative personnel	19
Total	90
Education background	
Type of Education	Numbers (people)
Master	1
Undergraduate	29
Junior college	33
Below junior college	27
Total	90

2. Remuneration Policy

Formulated the remuneration policy according to the position title and comprehensive industry salary standards

3. Training programs

In order to improve the quality of staff, the company has planned and targeted training activities every year. The training activities for administrative personnel and technical staff mainly to improve their professional skills, management quality and ability

4. Labor outsourcing

Applicable Not applicable

IX. Profit distribution plan and capitalizing of common reserves plan

Formulation, Implementation and Adjustment of common stock Profit Distribution Policy Especially Cash Dividend policy during the Reporting Period

Applicable Not applicable

The company is profitable during the reporting period and the parent company has positive profit available for distribution to shareholders but no cash dividend distribution plan has been proposed

Applicable Not applicable

Profit distribution plan and capitalizing of reserves for the Period

Applicable Not applicable

The Company has no plans of cash dividend distributed, no bonus shares and has no share converted from capital reserve either for the year.

X. Implementation of the Company's stock incentive plan, employee stock ownership plan or other employee incentives

Applicable Not applicable

During the reporting period, the Company has no stock incentive plan, employee stock ownership plan or other employee incentives that have not been implemented.

XI. Construction and implementation of internal control system during the reporting period**1. Construction and implementation of internal control**

In accordance with the provision of Basic Standards for Enterprise Internal Control and its supporting guidelines, the Company renewal and improve the internal control system of the Company during the reporting period. Established a set of internal control system with scientific design, simple application and effective operation. Regularly, the Company carried out special work of system combing and optimization every year, and the work is effectively integrated with the internal control assessment of the Company. Through the system evaluation, achieved the improvement of the system, standardization of the effectiveness of the establishment and optimization of the process, and full implementation.

2. Details of major defects in internal control identified during the reporting period

Yes No

XII. Management and controls on the subsidiary during reporting period

Name	Integration plans	Integration progress	Problems encountered in integration	Measures taken to resolve	Progress in solution	Follow-up solution plan
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Anomalies in the management and control of subsidiaries

Yes No

XIII. Internal control self-appraisal report or internal control audit report

1. Self-appraisal Report of Internal Control

Disclosure date of full internal control evaluation report	April 21,2026	
Disclosure index of full internal control evaluation report	Self-Appraisal Report of Internal Control 2025 of CBC released on Juchao website	
The ratio of the total assets of units included in the scope of evaluation accounting for the total assets on the company's consolidated financial statements	100.00%	
The ratio of the operating income of units included in the scope of evaluation accounting for the operating income on the company's consolidated financial statements	100.00%	
Defects Evaluation Standards		
Category	Financial Reports	Non-financial Reports
Qualitative criteria	Material defect: (1) inefficiency of environment control; (2) inefficiency of internal supervision; (3) direct impact on major mistakes of investment decisions; (4) directly make the significant error in the financial statements; (5) violation of the laws, regulations, rules and other normative documents, resulting in investigation of the central government and regulatory agencies, and being sentenced to a fine or penalty, being restricted industry exit, canceling business license and being forced the closure of etc. Major defect: (1) indirect impact on major mistakes of investment decisions; (2) indirectly make the significant error in the financial statements; (3) Lack of important system; (4) violation of the laws, regulations, rules and other normative documents, resulting in investigation of the local government and regulatory agencies, and being sentenced to a fine or penalty, and being ordered to suspend business for rectification and cause the Company's business stop of etc. General defect: other control defect besides material defect and major defect.	Material defect: (1) inefficiency of environment control; (2) inefficiency of internal supervision; (3) direct impact on major mistakes of investment decisions; (4) directly make the significant error in the financial statements; (5) violation of the laws, regulations, rules and other normative documents, resulting in investigation of the central government and regulatory agencies, and being sentenced to a fine or penalty, being restricted industry exit, canceling business license and being forced the closure of etc. Major defect: (1) indirect impact on major mistakes of investment decisions; (2) indirectly make the significant error in the financial statements; (3) Lack of important system; (4) violation of the laws, regulations, rules and other normative documents, resulting in investigation of the local government and regulatory agencies, and being sentenced to a fine or penalty, and being ordered to suspend business for rectification and cause the Company's business stop of etc. General defect: other control defect besides material defect and major defect.
Quantitative standard	1. Potential loss or potential error of total profit: (1) General defect: less than or equal to pre-tax total profit of 3%, (2) Major defect: more than pre-tax total profit of 3%(and absolute amount more than RMB 0.5 million), (3) Material defect:: more than 5% of pre-tax total profit and absolute amount more than RMB 1 million; 2. Potential loss or potential error of operating income: (1) General defect: less than or equal to operating income of 1%, (2) Major defect: more than 1% of operating income and less than or equal to 3% of operation income, (3) Material defect:: more than 3% of operating income; 3. Potential loss or potential error of total	1. Potential loss or potential error of total profit: (1) General defect: less than or equal to pre-tax total profit of 3%, (2) Major defect: more than pre-tax total profit of 3%(and absolute amount more than RMB 0.5 million), (3) Material defect:: more than 5% of pre-tax total profit and absolute amount more than RMB 1 million; 2. Potential loss or potential error of operating income: (1) General defect: less than or equal to operating income of 1%, (2) Major defect: more than 1% of operating income and less than or equal to 3% of operation income, (3) Material defect:: more than 3% of operating income; 3. Potential loss or potential error of total

	assets: (1) General defect: less than or equal to 1% of total assets, (2) Major defect: more than 1% of total profit and less than or equal to 3% of total profit, (3) Material defect:: more than 3% of total profit	assets: (1) General defect: less than or equal to 1% of total assets, (2) Major defect: more than 1% of total profit and less than or equal to 3% of total profit, (3) Material defect:: more than 3% of total profit
Amount of significant defects in financial reports		0
Amount of significant defects in non-financial reports		0
Amount of important defects in financial reports		0
Amount of important defects in non-financial reports		0

2. Auditing report of internal control

Applicable Not applicable

Deliberations in Audit Report of Internal Control	
We considers that China Bicycle Company (Holdings)Co., Ltd. in line with Basic Norms of Internal Control and relevant regulations, shows an effectiveness internal control of financial report in all major aspects dated 31 December 2025	
Disclosure details of audit report of internal control	Disclosed
Disclosure date of audit report of internal control (full-text)	April 21,2026
Type of audit report on internal control	Unqualified auditor's report
Whether there is significant defect in non-financial report	No

Whether the accounting firm has issued a non-standard opinion on the internal control audit report

Yes No

Whether the opinion in the internal control audit report issued by the accounting firm is consistent with that in the Board of Directors' self-evaluation report

Yes No

Whether a non-standard internal control audit opinion was issued for the reporting period or the previous year

Yes No

XIV. Rectification of issues identified in the self-inspection of the special action on corporate governance of listed companies

Not applicable

XV.Environmental information disclosure situation

Whether the listed companies and their main subsidiaries are included in the list of enterprises that disclose environmental information according to law

Yes No

XVI. Social responsibility

During the reporting period, the company conscientiously fulfilled its corporate social responsibility, paid attention to protecting the interests of shareholders, especially minority shareholders; Treated suppliers, customers and consumers with integrity; Earnestly fulfilled the responsibilities and obligations to the society, shareholders, employees and other stakeholders, created a harmonious environment for enterprise development, and realized the

common development of the enterprise and stakeholders.

1. Protection of shareholders' rights and interests

The company strictly complies with the provisions of relevant laws and regulations such as the Company Law, the Securities Law and the Governance Code for Listed Companies, continuously improves the corporate governance structure, adheres to handing over the important matters to the resolutions of the shareholders' meeting, provides convenience for medium and small investors to participate in the shareholders' meeting, fully listens to the small and medium-sized investors' reasonable advice on the company's development and governance, and safeguards the legitimate rights and interests of shareholders.

In 2025, the board of directors of the company convened 2 shareholders' meetings, the meeting adopted the combination of on-site voting and online voting, the votes of small and medium investors were counted separately, provided convenience for the majority of investors to participate in the voting at the shareholders' meeting, and ensured the participation right and supervision right of the small and medium-sized investors.

In 2025, the company strengthened communication with investors, especially investors from the public, answered questions about which the public and investors concerned, and ensured the investors' right to know in line with the Information Disclosure Affairs Management System and Reception and Promotion Work System and by means of various forms such as the interactive platform of Shenzhen Stock Exchange, hotline of the company's securities affairs department, and so on.

On 15 May 2025, the company held the 2024 annual performance briefing, in which the company made online communication with investors on the company's performance, operating conditions and other issues of concern to investors. A total of questions were raised by investors during the briefing, which were answered by directors and senior management personnel.

On November 20, 2025, the Company participated in the collective reception day for investors of the listed companies in Shenzhen in 2025, and had an online exchange with investors on issues such as operating conditions and performance commitments that investors concern about. During the reception day, all the directors and senior management responded to the questions raised by investors.

The Company is committed to effectively protecting the rights and interests of investors by improving the corporate governance structure, improving the level of information disclosure and investor relation management, and carrying out investor education, and guiding investors to form a value investment concept through true and effective communication. In order to effectively ensure the smooth service channels for investors, the Company has arranged full-time staff to answer investors' hotline calls and answer questions from the interactive platform. Relevant staff patiently analyze the announcement information to help investors keep abreast of the Company's situation.

2. Protection of workers' rights and interests

The company adheres to the people-oriented, comprehensively implements the Labor Law and Labor Contract Law, attaches great importance to guarantee of the employees' rights and interests, at the same time, establishes good communication channels throughout the whole process of staff management and care, pays attention to staff growth, improves the staff overall quality, cultivates excellent internal training culture system, creates a good learning environment. Meanwhile, the company pays attention to enriching the spiritual life of employees, regularly carries out staff activities, and improves team cohesion. In accordance with the Labor Contract Law of the People's Republic of China and other relevant national and local labor laws and regulations, the company signs

labor contracts with employees to protect their rights and interests. The company and its subsidiaries strictly implement the national employment system, labor protection system, social security system and medical security system, and pay the housing provident fund, medical insurance, endowment insurance, unemployment insurance, work-related injury insurance and maternity insurance for employees according to the state regulations. The company adheres to corporate culture of efficient coordination, people-oriented, on-demand training, training by level, and echelon training. The company establishes internal knowledge sharing system, promotes information and knowledge exchange among various modules of the company, and improves team coordination ability. It encourages employees to participate in continuing education and enhances the knowledge structure optimization and professional quality promotion of workers at various positions.

3. Protection of rights and interests of suppliers, customers and consumers

The company actively organizes and carries out customer management, takes measures to ensure the rights and interests of customers and actively promotes customer satisfaction and service excellence. It makes full use of the rich social resources in the market, and establishes a good partnership with suppliers. The company promises not to abuse or misuse consumer information for the protection of rights and interests of consumers.

XVII. Consolidating and expanding the achievements of poverty alleviation and rural revitalization

None

Section V. Important Events

I. Implementation of commitment

1. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

Applicable Not applicable

Commitment	Commitment party	Type	Content	Date	Term	Implementation
Commitments made in acquisition report or report on changes in equity	Wansheng Industrial Holdings (Shenzhen) Co., Ltd. and Wang Shenghong	Commitment to maintain the independence of listed company	<p>After the completion of the non-public offering, within the scope of shareholder rights that can be exercised by Wansheng Industrial \ I myself, the independence of the listed company in terms of personnel, assets, finance, organization and business will be guaranteed as follows:</p> <p>I Personnel independence</p> <p>1. Ensure that the general manager, deputy general manager, chief financial officer, secretary of the board and other senior executives of the listed company work full-time in the listed company and do not hold other positions except director and supervisor in other enterprises controlled by Wansheng Industrial \ I myself and do not receive salary in other enterprises controlled by Wansheng Industrial \ I myself.</p> <p>2. Ensure that the financial personnel of the listed company are independent and do not take part-time jobs or receive remuneration in other enterprises controlled by Wansheng Industrial \ I myself.</p> <p>3. Ensure that the listed company has a complete and independent labor, personnel and salary management system, which is completely independent from other enterprises controlled by Wansheng Industrial \ I myself.</p> <p>II Assets independence</p> <p>1. Ensure that the listed company has independent and complete assets, all assets of the listed company are under the control of the listed company, and are</p>	November 7,2022	Valid for long term	Normal performance

		<p>independently owned and operated by the listed company. Ensure that other enterprises controlled by Wansheng Industrial \I myself shall not occupy the funds and assets of the listed company in any illegal way.</p> <p>2. Ensure that the assets of the listed company will not be used to illegally guarantee the debts of other enterprises controlled by Wansheng Industrial \I myself .</p> <p>III Financial independence</p> <p>1. Ensure that the listed company establishes independent financial departments and independent financial accounting systems.</p> <p>2. Ensure that the listed company has a normative and independent financial accounting system and a financial management system for its subsidiaries.</p> <p>3. Ensure that the listed company opens bank accounts independently and does not share bank accounts with Wansheng Industrial \ I myself and other enterprises under my control.</p> <p>4. Ensure that the listed company can make independent financial decisions, and Wansheng Industrial \ I myself and other enterprises under my control do not interfere in the use and procurement of funds of the listed company through illegal means.</p> <p>5. Ensure that the listed company pays taxes independently according to law.</p> <p>IV Business independence</p> <p>1. Ensure that the listed company has the assets, personnel, qualifications and ability to carry out business activities independently, and has the ability to operate independently and sustainably in the market.</p> <p>2. Guarantee to minimize related transactions between Wansheng Industrial \ I myself and other enterprises controlled by myself and the listed company. Related transactions that cannot be avoided or have reasonable reasons shall be conducted in accordance with the the law and the principle of openness, fairness and justice.</p> <p>V Institutional independence</p> <p>1. Ensure that the listed company establishes and improves the corporate</p>			
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			<p>governance structure of the joint-stock company in accordance with the law and has an independent and complete organizational structure.</p> <p>2. Ensure that the shareholders' meeting, board of directors, independent directors, board of supervisors and senior executives of the listed company independently exercise their functions and powers in accordance with laws, regulations and the company's articles of association.</p> <p>3. Ensure that the listed company has an independent and complete organizational structure, and there is no confusion between the listed company and other enterprises controlled by Wansheng Industrial \ I myself .</p> <p>VI Ensure that the listed Company is otherwise independent from Wansheng Industrial \ I myself and other enterprises under my control</p> <p>In case of any breach of the above commitments, thus causing economic losses to the listed company, Wansheng Industrial \ I myself will indemnify the listed company.</p>			
Commitments made in acquisition report or report on changes in equity	Wansheng Industrial Holdings (Shenzhen) Co., Ltd and Wang Shenghong	Commitment to avoid competition in the same industry	<p>1. Wansheng Industrial \ I myself do not, and will not, directly or indirectly engage in any business or activity at home and abroad which is the same, or similar to the existing business of the listed company and which constitutes or may constitute direct or indirect competition to the existing business of the listed company in any aspect in any way (including but not limited to sole proprietorship, joint venture, cooperation and joint venture), nor provides any assistance in fund, business and management or provides any technical information, business operation, sales channels and other trade secrets to enterprises, institutions or other economic organizations competing with the listed company's existing business in any way;</p> <p>2. Wansheng Industrial \ I myself do not establish or acquire any business entity that is engaged in the same or similar business as the listed company's existing business, or any company, enterprise or other institution or organization that competes with the listed company's existing business in any aspect;</p> <p>3. From the date of issuance of this letter of commitment, if any business opportunity obtained by Wansheng Industrial \ I myself from any third party</p>	November 7,2022	Valid for long term	Normal performance

			<p>constitutes or may constitute material competition with the existing business of the listed company, Wansheng Industrial \ I myself will immediately notify the listed company and try its best to transfer such business opportunity to the listed company;</p> <p>4. This letter of commitment takes effect from the date of issuance and remains valid and irrevocable during the period when Wansheng Industrial \ I myself am a shareholder holding more than 5% equity of the list company.</p> <p>5. In case of direct or indirect economic losses caused to the listed company due to its failure to fulfill the above commitments, Wansheng Industrial \ I myself shall compensate the listed company for all the losses suffered thereby.</p>			
Commitments made in acquisition report or report on changes in equity	Wansheng Industrial Holdings (Shenzhen) Co., Ltd and Wang Shenghong	Commitment on regulating the related transactions	<p>1. As of the date of issuance of this letter of commitment, there was no related transaction between Wansheng Industrial/I myself and other companies controlled by Wansheng Industrial/I myself and the listed company or any related transaction that should be disclosed in accordance with laws and regulations but not disclosed .</p> <p>2.Upon completion of the transaction, Wansheng Industrial/I myself and other companies controlled by Wansheng Industrial/I myself will avoid and reduce related transactions with the listed company as far as possible in accordance with laws, regulations and other normative documents. For related transactions that cannot be avoided or occur for reasonable reasons, Wansheng Industrial/I myself and other companies controlled by Wansheng Industrial/I myself will follow the market principles of justice, fairness and openness, sign agreements with the listed company according to law, perform legal procedures, comply with relevant laws, regulations, other normative documents and the articles of association of the listed company, and perform relevant internal decision-making procedures in accordance with the law and timely fulfill the obligations of information disclosure, ensure that the pricing of related transactions is fair and reasonable and the trade terms are fair, guarantee not to use related transactions to illegally transfer the funds and profits of the listed company nor to use such transactions to engage in any behavior that damages the legitimate rights and interests of the</p>	November 7, 2022	Valid for long term	Normal performance

			<p>listed company and other shareholders.</p> <p>3. This Commitment shall remain valid during the period when Wansheng Industrial/I myself serve as the direct/indirect controlling shareholder/actual controller of the listed company. Wansheng Industrial/I myself guarantee to strictly fulfill all commitments in this letter of commitment. If any loss is caused to the listed company due to violation of such commitments, Wansheng Industrial/I myself will bear the corresponding liability for compensation.</p>			
Commitments made at IPO or refinancing	Wansheng Industrial Holdings (Shenzhen) Co., Ltd and Wang Shenghong	Commitment on shares restriction	<p>After the completion of this non-public offering, the shares subscribed by Wansheng Industrial is not allowed to be transferred within 36 months from the date of listing of this stock issue. The non-public offering of shares of the company acquired by the issuing object and the shares acquired as a result of the company's allocation of stock dividends and the capital reserve converted into share capital shall also comply with the above share lock-in arrangement. After the expiration of the restriction period, it will be subject to the relevant regulations of China Securities Regulatory Commission and Shenzhen Stock Exchange.</p>	November 7,2022	36 months	Normal performance
Commitments made at IPO or refinancing	Wansheng Industrial Holdings (Shenzhen) Co., Ltd and Wang Shenghong	Performance compensation commitment	<p>For the next three years after the completion of the non-public offering of shares and the completion of the adjustment of the board of directors and the board of supervisors of Shenzhen China Bicycle by Wansheng Industrial, the net profit of the listed company shall be no less than 30 million yuan, 35 million yuan and 40 million yuan respectively, that is, the cumulative net profits shall be 105 million yuan.</p> <p>If the actual cumulative net profits of the listed company fails to reach the cumulative net profits of the listed company in any year within the performance commitment period, Wansheng Industrial shall compensate the listed company in cash within ten working days after the issuance of audit report of the listed company in the current year within the performance commitment period.</p> <p>The amount of compensation for the current year shall be calculated as follows: Amount payable in the current year = Cumulative net profit committed by the end of the current period - Cumulative net profit realized by the end of the</p>	November 7,2022	January 1, 2023- December 31,2025	Normal performance

			current period - Cumulative amount compensated (if any)			
Commitments made at IPO or refinancing	Wansheng Industrial Holdings (Shenzhen) Co., Ltd and Wang Shenghong	Commitment on dilution of the immediate return on non-public offering of A share and measures to be taken	<p>1. Do not interfere with the company's operation and management activities beyond its authority, and do not occupy the company's interests;</p> <p>2. Effectively perform the relevant measures formulated by the company to fill out the returns and fulfill any commitments made to fill out the returns.</p> <p>3. From the issuance date of this Commitment to the completion of the non-public offering of shares of the company, if the China Securities Regulatory Commission makes other new regulations on filling out the return measures and commitments, and the above-mentioned commitments cannot meet such regulations of the China Securities Regulatory Commission, I myself promise to issue supplementary commitments in accordance with the latest regulations of the China Securities Regulatory Commission at that time;</p> <p>4. As one of the subjects responsible for filling out the return measures, if I myself violate the above commitments or refuse to perform the above commitments, I myself agree that China Securities Regulatory Commission, Shenzhen Stock Exchange and other securities regulatory authorities punish me or take relevant management measures according to the relevant regulations and rules formulated or issued by them.</p>	November 7,2022	Valid for long term	Normal performance
Commitments made at IPO or refinancing	Director and senior executive of the Company	Commitment on dilution of the immediate return on non-public offering of A share and measures to be taken	<p>1. Promise not to transfer benefits to other units or individuals free of charge or under unfair conditions, and not to damage the interests of the company by other means;</p> <p>2. Promise to restrict my position-related consumption behavior;</p> <p>3. Promise not to use the company's assets to engage in investment and consumption activities unrelated to the performance of duties;</p> <p>4. Promise that the remuneration system formulated by the board of directors or the compensation committee will be linked to the implementation of the company's measures to fill out the returns;</p> <p>5. Promise that the venting conditions of the future equity incentive plan will be linked to the implementation of the company's measures to fill out the returns if the company implements the equity incentive plan in the future, ;</p>	November 7,2022	Valid for long term	Normal performance

			<p>6. From the issuance date of this Commitment to the completion of the non-public offering of shares of the company, if the China Securities Regulatory Commission makes other new regulations on filling out the return measures and commitments, and the above-mentioned commitments cannot meet such regulations of the China Securities Regulatory Commission, I myself promise to issue supplementary commitments in accordance with the latest regulations of the China Securities Regulatory Commission at that time;</p> <p>7. As one of the subjects responsible for filling out the return measures, if I myself violate the above commitments or refuse to perform the above commitments, I myself agree that China Securities Regulatory Commission, Shenzhen Stock Exchange and other securities regulatory authorities punish me or take relevant management measures according to the relevant regulations and rules formulated or issued by them.</p>			
Other	Wansheng Industrial Holdings (Shenzhen) Co., Ltd	Commitment to voluntarily not reduce shareholdings	<p>1. From the date when the shares of the listed company held by the Company are no longer subject to trading restrictions until the day prior to the fulfillment of the performance commitment under the "Cooperation Agreement," the Company will not reduce the shares held in the listed company; if the performance compensation is involved, the Company will not reduce the shares held in the listed company until the fulfillment of the performance compensation obligations.</p>	November 7, 2025	Until the date when the performance commitment for the year 2025 is fulfilled	Performance completed
Whether commitments are fulfilled on time	Yes					
If any commitments remain unfulfilled beyond the agreed period, the specific reasons for no fulfillment and the next steps shall be detailed	Not applicable					

2. Concerning assets or project of the Company, which has profit forecast, and reporting period still in forecasting period, explain reasons of reaching the original profit forecast

Applicable Not applicable

3.The Company's performance commitments

Applicable Not applicable

Commitment Background	Promising Party	Commitment Period	Commitment indicator	Committed Amount (in 10 thousand Yuan)	Actual Amount Completed (in 10 thousand Yuan)	Completion Rate (%)
Matter of Private Placement of A Shares	Wansheng Industrial Holdings (Shenzhen) Co., Ltd	Year 2025	Net profit	4,000	4,532.45	113.31%

Change in the Performance Commitment

Applicable Not applicable

Commitments made by the Company shareholders and transaction counterparts regarding the operating performance in the reporting year

Applicable Not applicable

According to the unqualified audit report No. 25016130011(2026)Huaxing Audit-issued by Huaxing Certified Public Accountants (LLP) on April 17, 2026, the Shenzhen China Bicycle's net profit attributable to owners of the parent company for 2025 was RMB 45,324,500, exceeding the performance commitment of RMB 40.00 million, with the performance commitment completion rate of 113.31%. Wansheng Industry has fulfilled its 2025 performance commitment, and the cumulative net profit attributable to owners of the parent company during the performance commitment period has been fully completed.

Completion of Performance Commitment and Its Impact on Goodwill Impairment Testing

Not applicable

II. Non-operational fund occupation from controlling shareholders and its related party

Applicable Not applicable

No non-operational fund occupation from controlling shareholders and its related party in period.

III. External guarantee out of the regulations

Applicable Not applicable

No external guarantee out of the regulations occurred in the period.

IV. Statement on the latest “modified audit report” by BOD

Applicable Not applicable

V. Explanation from Board of Directors, Supervisory Committee and Independent Directors (if applicable) for “Qualified Opinion” that issued by CPA

Applicable Not applicable

VI. Explanation of the changes in accounting polices, accounting estimates or correction of significant accounting errors compared with the financial report of the previous year

Applicable Not applicable

No such cases in the reporting period.

VII. Compare with last year’s financial report; explain changes in consolidation statement’s scope

Applicable Not applicable

No such cases in the reporting period.

VIII. Appointment and non-reappointment (dismissal) of CPA

Accounting firm appointed

Name of domestic accounting firm	Huaxing Certified Public Accountants (LLP)
Remuneration for domestic accounting firm (in 10 thousand Yuan)	45
Continuous life of auditing service for domestic accounting firm	3 years
Name of domestic CPA	Huang Guoxiang, Fu Zhitao, Yang Wangxiang
Continuous life of auditing service for domestic accounting firm	The continuous years of audit service by certified public accountants Huang Guoxiang and Fu Zhitao are 3 years, and the continuous years of audit service by certified public accountant Yang Wangxiang are 1 year.

Re-appointed accounting firms in this period

Yes No

Appointment of internal control auditing accounting firm, financial consultant or sponsor

Applicable Not applicable

During the reporting period, the company engaged Huaxing Certified Public Accountants (LLP) as the auditing organ for internal control of the Company, and it is expected to pay 150,000 yuan for internal control auditing.

IX. Particular about delisting after annual report disclosed

Applicable Not applicable

X. Bankruptcy reorganization

Applicable Not applicable

No bankruptcy reorganization for the Company in reporting period

XI. Significant lawsuits and arbitration of the CompanyApplicable Not applicable

Litigation (arbitration) overview	Amount involved (in 10 thousand Yuan)	Whether an estimated liability is recognized	Progress of litigation (arbitration)	Litigation (arbitration) ruling result and impact	Execution of litigation (arbitration)	Disclosure date	Disclosure reference
Other lawsuits and arbitrations (with the company and its subsidiaries as defendants) that did not meet the threshold for significant litigation disclosure during the reporting period	1,103.5	No	Not yet in session	No significant impact	Not applicable		Not applicable

XII. Penalty and rectificationApplicable Not applicable

The Company had no penalty and rectification in the Period

XIII. Integrity of the company and its controlling shareholders and actual controllersApplicable Not applicable**XIV. Major related transaction****1. Related transaction with routine operation concerned**Applicable Not applicable

No such cases in the reporting period.

2. Related transactions by assets acquisition and soldApplicable Not applicable

No related transactions by assets acquisition and sold for the Company in reporting period.

3. Main related transactions of mutual investment outsideApplicable Not applicable

No main related transactions of mutual investment outside for the Company in reporting period.

4. Contact of related credit and debtApplicable Not applicable

Whether exist non-operating contact of related credit and debt or not

Yes No

Claim receivable from related party

Related party	Relationship	Causes of formation	Whether has non-business capital occupying or not	Balance at period-begin(in 10 thousand Yuan)	Current amount increased(in 10 thousand Yuan)	Current recovery(in 10 thousand Yuan)	Interest rate	Current interest (in 10 thousand Yuan)	Balance at period-end((in 10 thousand Yuan)
Wansheng Industrial Holdings(Shenzhen) Co., Ltd.	Controlling shareholder	Performance commitment	No	1,815.48	0	1,815.48	0.00%	0	0
The impact of the related claims on the company's operating results and financial position		Not applicable							

Debts payable to related party

Related party	Relationship	Causes of formation	Balance at period-begin(in 10 thousand Yuan)	Current amount increased(in 10 thousand Yuan)	Current amount returned (in 10 thousand Yuan)	Interest rate	Current interest(in 10 thousand Yuan)	Balance at period-end(in 10 thousand Yuan)
Shenzhen Guosheng Energy Investment Development Co., Ltd.	Shareholder with over 5% shares held	Subsidiary Emmelle loan	650	0	0	0.00%	0	650
Influence on operation result and financial statue of the Company from related debts		Not applicable						

5. Contact with the related finance companies

Applicable Not applicable

There are no deposits, loans, credits or other financial business between the finance companies with associated relationship and related parties

6. Transactions between the finance company controlled by the Company and related parties

Applicable Not applicable

There are no deposits, loans, credits or other financial business between the finance companies controlled by the Company and related parties

7. Other material related transactions

Applicable Not applicable

The company had no other material related transactions in reporting period.

XV. Significant contract and implementations**1. Trusteeship, contract and leasing****(1) Trusteeship**

Applicable Not applicable

No trusteeship occurred in reporting period.

(2) Contract

Applicable Not applicable

No contract occurred in reporting period.

(3) Leasing

Applicable Not applicable

No leasing occurred in reporting period.

2. Major guarantee

Applicable Not applicable

No major guarantee occurred in reporting period.

3. Entrust others to cash asset management**(1) Trust financing**

Applicable Not applicable

No trust financing occurred in reporting period.

(2) Entrusted loans

Applicable Not applicable

No entrusted loans occurred in reporting period.

4. Other material contracts

Applicable Not applicable

No other material contracts occurred in reporting period.

XVI. Explanation on other significant events

Applicable Not applicable

No explanation of other important events in reporting period.

XVII. Significant event of subsidiary of the Company

Applicable Not applicable

1.Regarding the Adjustment of the Company's Organizational Structure and the Amendment of the Articles of Association

On December 3 and December 19, 2025, the Company held the 22nd (extraordinary) meeting of the 11th Board of Directors and the first extraordinary general meeting of shareholders in 2025 respectively, in which the proposals regarding the adjustment of the Company's organizational structure, the amendment of the Articles of

Association, and the revision of other related systems were reviewed and approved. In accordance with the requirements of The Company Law, the "Transitional Arrangements for the Implementation of Supporting System Rules of the New Company Law," the Guidelines for Articles of Association of Listed Companies, the Shenzhen Stock Exchange Listing Rules, and the Shenzhen Stock Exchange's Self-Regulatory Guidelines No. 1 – Standardized Operations of Main Board Listed Companies, and in consideration of the Company's actual situation, the Company decided that the Audit Committee would exercise the powers of the Supervisory Board as stipulated by The Company Law, and adjustments would be made to the organizational structure. Meanwhile, the relevant provisions of the Articles of Association and the corresponding systems were amended. For details, please refer to the relevant announcements disclosed by the Company on Cninfo website on December 4 and December 20, 2025.

2.. Matters Regarding the Performance Commitment

According to the "Cooperation Agreement" signed by the Company with Wansheng Industry and Guosheng Energy on December 14, 2020, and the unqualified audit report with report No. 25016130011(2026)Huaxing Audit-issued by Huaxing Certified Public Accountants (LLP) on April 17, 2026, the net profit attributable to the owners of the parent company of Shenzhen China Bicycle for the year 2025 was RMB 45,324,500, which exceeded the performance commitment of RMB 40.00 million. The performance commitment completion rate was 113.31%, and Wansheng Industry has fulfilled the 2025 performance commitment target. For details, please refer to the Company's announcement titled "Announcement on the Completion of the 2025 Performance Commitment of Wansheng Industry Holdings (Shenzhen) Co., Ltd." disclosed on Cninfo website on April 21, 2026.

Given that Wansheng Industrial has fulfilled the performance commitment (including performance compensation) under the "Cooperation Agreement," as of the date of this announcement, Wansheng Industrial's voluntary commitment made in November 2025 not to reduce its shareholding has been fully performed. For details, please refer to the "Announcement on the Voluntary Commitment of the Controlling Shareholder Not to Reduce the Company's Shares" disclosed by the Company on Cninfo website on November 5, 2025.

3.Matters Regarding the Lifting of Restrictions on Restricted Shares

According to the approval from the China Securities Regulatory Commission on 'Approval for the Non-Public Issuance of Shares by Shenzhen China Bicycle (Group) Co., Ltd.' (No. 3552[2021]CSRC 'Approval), the Company non-publicly issued 137,836,986 RMB ordinary shares to Wansheng Industrial, with a lock-up period of 36 months from the listing date of the issued shares. The restricted shares from this issuance were lifted for trading on November 7, 2025. For details, please refer to the Company's Prompting Announcement on the Lifting of Lock-Up and Circulation of Non-Publicly Issued Shares' disclosed on November 5, 2025.

4. Regarding the Pledge of Shares by Shareholders Holding More than 5% of the Company

In late November 2025, the Company received a notification from Guosheng Energy, a shareholder holding more than 5% of the Company's shares, informing that it had completed the pledge procedures for its shares in the Company at the Shenzhen Branch of Shanghai Pudong Development Bank Co., Ltd. For details, please refer to the Company's "Announcement on the Pledge of Shares by the Shareholder Holding More than 5% shares of the Company" disclosed on Cninfo website on November 27, 2025. During the current reporting period, the contract has been normally fulfilled.

XVIII. Significant event of subsidiary of the Company

Applicable Not applicable

1. Matters concerning the signing of a patent licensing contract

The Company places high importance on intellectual property rights, actively fostering industry consensus on IP protection and promoting continuous innovative breakthroughs and commercialization in gold jewelry design and processing, thereby continuously enhancing its differentiated advantages and market competitiveness. On December 31, 2024, the Company's wholly-owned sub-subsidiary Xinsen Precision entered into a patent licensing contract with Shenzhen Saturday Jewellery, granting non-exclusive product sales rights specified in the Patent Certificate of Utility Model (Certificate No. 17165569, 17645124, 18632060, 19511377, 20788110, 21771571, 21772343) within mainland China for sales of gold ring category, with a license term effective from the agreement date until May 30, 2025. This transaction aims to leverage Saturday Jewellery's brand strength and market channels to facilitate widespread adoption of new processes and realize efficient commercialization of IP achievements, creating synergistic advantages and enhancing competitiveness in the gold jewelry industry. For details, please refer to the Announcement on Signing Patent License Contract (No. 2024035) disclosed on CNINF on January 2, 2025. The contract is performed normally during the reporting period.

Section VI. Changes in Shares and Particulars about Shareholders

I. Changes in Share Capital

1. Changes in Share Capital

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Capitalization of public reserve	Others	Subtotal	Amount	Proportion
I. Restricted shares	137,836,986	20.00%	0	0	0	- 137,836,986	- 137,836,986	0	0.00%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. State-owned legal person's shares	0	0.00%	0	0	0	0	0	0	0.00%
3. Other domestic shares	137,836,986	20.00%	0	0	0	- 137,836,986	- 137,836,986	0	0.00%
Including: Domestic legal person's shares	137,836,986	20.00%	0	0	0	- 137,836,986	- 137,836,986	0	0.00%
Domestic natural person's shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
Including: Foreign legal person's shares	0	0.00%	0	0	0	0	0	0	0.00%
Foreign natural person's shares	0	0.00%	0	0	0	0	0	0	0.00%
II. Unrestricted shares	551,347,947	80.00%	0	0	0	137,836,986	137,836,986	689,184,933	100.00%
1. RMB Ordinary shares	302,984,965	43.96%	0	0	0	137,836,986	137,836,986	440,821,951	63.96%
2. Domestically listed foreign shares	248,362,982	36.04%	0	0	0	0	0	248,362,982	36.04%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total	689,184,933	100.00%	0	0	0	0	0	689,184,933	100.00%

shares	33							33
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Reasons for share changed

Applicable Not applicable

Completion of Performance Commitment and Its Impact on Goodwill Impairment Testing According to the China Securities Regulatory Commission's "Approval of the Non-Public Issuance of Shares by Shenzhen China Bicycle (Group) Co., Ltd." (No. 3552 [2021] CSRC Approval), the Company issued 137,836,986 RMB ordinary shares to Wansheng Industrial through a non-public issuance, with a lock-up period of 36 months from the date of listing of the issued shares. The lock-up shares were released and became tradable on November 7, 2025. For details, please refer to the Company's prompting announcement "Regarding the Lifting of Lock-Up and Circulation of Non-Publicly Issued Shares" disclosed on November 5, 2025.

Applicable Not applicable

Approval of share changed

Applicable Not applicable

Ownership transfer of share changed

Applicable Not applicable

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

Applicable Not applicable

Other information necessary to disclose or need to disclosed under requirement from security regulators

Applicable Not applicable

2. Changes of lock-up(restricted) shares

Applicable Not applicable

Shareholder	Number of restricted shares at the beginning	Number of restricted shares in increased this period	Number of restricted shares released in this period	Number of restricted shares at the end of the period	In Shares	
					Reasons for sales restriction	Release date of sales restriction
Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	137,836,986	0	137,836,986	0	Expiration of the lock-up period for non-publicly issued shares	November 7, 2025
Total	137,836,986	0	137,836,986	0	--	--

II. Securities issuance and listing

1. Security offering (without preferred stock) in Reporting Period

Applicable Not applicable

2. Changes of total shares and shareholders structure as well as explanation on changes of assets and

liability structure

Applicable Not applicable

3. Existing internal staff shares

Applicable Not applicable

III. Shareholders and actual controller of the Company**1. Amount of shareholders and particulars about shares holding**

In Shares

Full name of Shareholders	Nature of shareholder	Proportion of shares held	Total shareholders at the end of report period	Changes in report period	Amount of restricted shares held	Amount of unrestricted shares held	Information of shares pledged, tagged or frozen	
							State of share	Amount
Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	Domestic non-state-owned legal person	20.00%	137,836,986	0	0	137,836,986	Not applicable	0
Shenzhen Guosheng Energy Investment Development Co., Ltd.	Domestic non-state-owned legal person	9.22%	63,508,747	0	0	63,508,747	Pledge	63,508,747
UOB Kay Hian (Hong Kong) Limited	Foreign legal person	5.92%	40,817,329	0	0	40,817,329	Not applicable	0
China Merchants Securities (HK) Co., Ltd	Foreign legal person	3.83%	26,425,174	6,131,082	0	26,425,174	Not applicable	0
Guosen Securities (HK) Brokerage Co., Ltd.	Foreign legal person	3.04%	20,983,693	0	0	20,983,693	Not applicable	0
ShenwanHongyuan Securities (Hong Kong) Co., Ltd.	Foreign legal person	1.20%	8,279,256	0	0	8,279,256	Not applicable	0
Li Huili	Domestic nature	0.56%	3,891,124	0	0	3,891,124	Not applicable	0

	person							
BARCLAYS BANK PLC	Foreign legal person	0.56%	3,862,700	1,758,560	0	3,862,700	Not applicable	0
Goldman Sachs International – Self-fund	Foreign legal person	0.51%	3,528,234	3,528,234	0	3,528,234	Not applicable	0
China Agricultural Bank Co., Ltd. – Yongying CSI SHSZHK Gold Industry Stock Exchange-Trading Open-Ended Index Securities Investment Fund	Other	0.50%	3,460,000	2,967,200	0	3,460,000	Not applicable	0
Strategy investors or general corporation comes top 10 common stock shareholders due to placement of new shares(if any) (see note 3)	N/A							
Explanation on associated relationship among the aforesaid shareholders	Li Huili, spouse of Ji Hanfei, the actual controller of Shenzhen Guosheng Energy Investment Development Co., Ltd., holding B-share of the Company on behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., other than that, the Company does not know whether the other outstanding shareholders are related and whether the shareholders belong to persons acting in concert regulated in the Administration of Disclosure of Information on the Change of Shareholders in Listed Companies.							
Description of the above shareholders in relation to delegate/entrusted voting rights and abstention from voting rights.	N/A							
Special note on the repurchase account among the top 10 shareholders (if any) (see note 10)	N/A							
Shareholding of top 10 shareholders of unrestricted shares(Excluding shares lent through refinancing and Top management lock-in stock)								
Shareholders' name	Amount of un-restrict shares held at Period-end	Type of shares						
		Type	Amount					
Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	137,836,986	RMB common shares	137,836,986					
Shenzhen Guosheng Energy Investment Development Co., Ltd.	63,508,747	RMB common shares	63,508,747					
UOB Kay Hian (Hong Kong) Limited	40,817,329	Domestically listed foreign shares	40,817,329					
China Merchants Securities (HK) Co., Ltd	26,425,174	Domestically listed foreign shares	26,425,174					
Guosen Securities (HK) Brokerage Co., Ltd.	20,983,693	Domestically listed foreign shares	20,983,693					
Shenwan Hongyuan Securities	8,279,256	Domestically listed foreign shares	8,279,256					

(Hong Kong) Co., Ltd.		lly listed foreign shares	
Li Huili	3,891,124	Domestically listed foreign shares	3,891,124
BARCLAYS BANK PLC	3,862,700	RMB common shares	3,862,700
Goldman Sachs International – Self-fund	3,528,234	RMB common shares	3,528,234
China Agricultural Bank Co., Ltd. – Yongying CSI SHSZHK Gold Industry Stock Exchange-Trading Open-Ended Index Securities Investment Fund	3,460,000	RMB common shares	3,460,000
Expiation on associated relationship or consistent actors within the top 10 un-restrict shareholders and between top 10 un-restrict shareholders and top 10 shareholders	Li Huili, spouse of Ji Hanfei, the actual controller of Shenzhen Guosheng Energy Investment Development Co., Ltd., holding B-share of the Company on behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., other than that, the Company does not know whether the other outstanding shareholders are related and whether the shareholders belong to persons acting in concert regulated in the Administration of Disclosure of Information on the Change of Shareholders in Listed Companies.		
Explanation on top 10 shareholders involving margin business (if any) (see note 4)	N/A		
<p>Note 1: UOB Kay Hian (Hong Kong) Limited is a licensed corporation under the Hong Kong Securities and Futures Ordinance, providing securities brokerage services to retail and institutional clients. Its main business is brokerage of Hong Kong stocks, and it also provides securities brokerage and services in overseas markets. According to the email sent by UOB Kay Hian (Hong Kong) Limited, as of December 31, 2025, UOB Kay Hian (Hong Kong) Limited held 40,817,329 B shares of Shenshen China Bicycle for three retail customers. Although the shareholding ratio has reached 5.92%, that of a single customer did not exceed 5%, and the three retail customers were not acting in concert and did not hold the shares of Shenzhen China Bicycle on other platforms.</p>			

Information of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares participating in the lending of shares in securities lending and borrowing business

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of unrestricted tradable shares have changed compared with the previous period due to the securities lending/returning of shares in securities lending and borrowing business

Applicable Not applicable

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

Yes No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

2. Controlling shareholder of the Company

Nature of controlling shareholders: controlled by natural person

Type of controlling shareholders: Legal person

Controlling shareholder	Legal person /Responsible person	Establishment date	Organizational Code	Main business
Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	Wang Shenghong	May 10, 2016	91440300MA5DCB5K9A	Investment in industry (Separately declared for specific item) Jewelry manufacturing; Jewelry wholesale; Jewelry retail; Gold and silver products sales; Domestic trade agency (except for projects subject to approval in accordance with the law, independently carry out business activities with a business license in accordance with the law)
Shareholdings in other listed companies in and out of China that controlled and participated by the controlling shareholder during reporting period	N/A			

Changes of controlling shareholder in reporting period

Applicable Not applicable

No changes of controlling shareholder for the Company in reporting period.

3. Actual controller and persons acting in concert

Nature of actual controller: Domestic nature person

Type of actual controller: Natural person

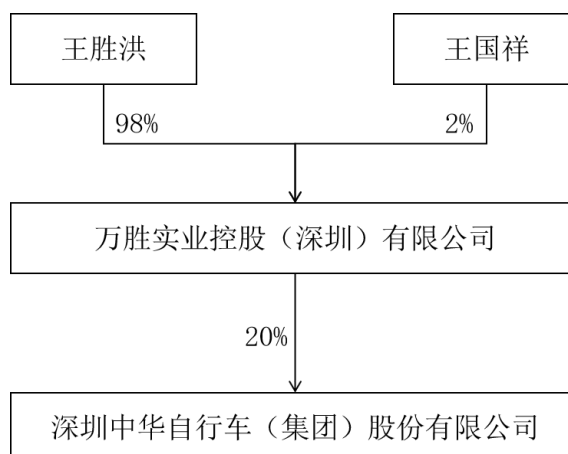
Actual controller	Relationship with the actual controller	Nationality	Whether to obtain the residency in other countries or regions
Wang Shenghong	The person himself	P.R.C	No
Principal occupation and position	Wang Shenghong currently is the Chairman of the Company		
The listed companies in and out of China that controlled by Wang in the past 10 years	N/A		

Changes of actual controller in reporting period

Applicable Not applicable

No changes of controlling shareholder for the Company in reporting period

Block Diagram of the ownership and control relations between the company and the actual controller



Actual controller controlling the Company by entrust or other assets management

Applicable Not applicable

4. The total number of shares pledged by controlling shareholders or the first majority shareholder and its persons acting in concert accounts for 80% of the shares held by them

Applicable Not applicable

5. Particulars about other legal person shareholders with over 10% shares held

Applicable Not applicable

6. Limitation and reducing the holdings of shares of controlling shareholders, actual controllers, restructuring side and other commitment subjects

Applicable Not applicable

IV. The specific implementation of shares buy-back during the reporting period

Implementation progress of shares buy-back

Applicable Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable Not applicable

V. Preferred stock

Applicable Not applicable

The Company had no preferred stock in the Period.

Section VII. Preferred Stock

Applicable Not applicable

Section VIII. Financial Report

I. Audit Report

Type of audit opinion	Standard Unqualified Opinion
Signing date of audit report	April 17, 2026
Name of audit institute	HuaxingCertified Public Accountants (LLP)
Name of the CPA	Huang Gluoxiang, Fu Zhitao, Yang Wangxiang

Audit report

To Shareholders of Shenzhen China Bicycle Company (Holdings) Co., Ltd.

I. Auditor's opinion

We have audited the financial statements under the name of Shenzhen China Bicycle Company (Holdings) Co., Ltd. (hereinafter the "CBC Company"), which included the consolidated and parent company's balance sheet as of December 31, 2025, the consolidated and parent company's profit statement, the consolidated and parent company's statement of cash flow and the consolidated statement of changes in equity of the Company and parent company's for the year of 2025, together with the relevant annotations thereto.

We have the view that the attached financial statements are prepared in accordance with the Accounting Standards for Business Enterprises in all material aspects, which reflect fairly the consolidated financial position of the Company and parent company's as of 31 December 2025 and the operating results and cash flow of the Company and parent company's for the year of 2025.

II. Basis for audit opinions

We conducted this audit under the requirements of the Auditing Standards of the Certified Public Accountant of the PRC. The section headed "Certified Public Accountant's responsibility for audit of financial statement" in the audit report has further clarified our responsibilities under these standards. Pursuant to the code of professional conduct as certified public accountant in the PRC, we are independent of the CBC Company and have performed other responsibility as required by our professional ethics. We believe that the audit evidence obtained by us is sufficient and adequate, which provides foundation for us to issue audit opinion.

III. Key audit items

Key audit items refer to those which in our opinion based on our professional judgment are the most important issues in respect of audit for the current financial statements. We issue audit opinions on these issues in their entity and provide no opinions separately for each of them.

Key audit items identified in our audit:

1. Revenue recognition

(1) Description of items

Shenzhen China Bicycle Company is mainly engaged in businesses such as gold jewelry, bicycles and electric vehicles, and lithium battery materials. In 2025, the main business income of Shenzhen China Bicycle Company was RMB 735,877,268.75, all of which was generated by domestic sales. Due to the large amount of operating income, there may be potential misstatement in the authenticity of income and whether it is included in the appropriate accounting period have a significant impact on the operating results of Shenzhen China Bicycle Company in 2025. Therefore, we regard revenue recognition as a key audit item.

Please refer to the accounting policies described in Note III. (XXXIII) Income and Note V (XXVI) Operating Income and Operating Costs to the financial statements.

(2) Audit response

For this key audit item, we have mainly implemented the following procedures:

① Understand, evaluate and test the effectiveness of the internal control design and operation related to sales and collection in Shenzhen China Bicycle Company;

② Check the relevant clauses of customer contracts, pay attention to whether the pricing method, acceptance method, delivery place and time limit, and settlement method have changed, and evaluate whether the income recognition of Shenzhen China Bicycle Company conforms to the provisions of the Accounting Standards for Business Enterprises and the disclosed accounting policies;

③ Inquire and understand the background information of major customers through open channels, such as industrial and commercial registration materials, to confirm whether there is a potential unidentified related-party relationship between customers and Shenzhen China Bicycle Company and related parties;

④ Implement substantive analysis procedures, such as the analysis of income growth changes and the analysis of income, cost and gross profit margin of various products compared with the previous period, and compare them with the same industry to judge whether the income amount in the current period fluctuates abnormally;

⑤ Combined with the audit of accounts receivable, confirm with the main customers the current transaction amount and balance by writing, and visit the important customers to verify the authenticity of the income recognition of Shenzhen China Bicycle Company;

⑥ Carry out detail test, check major customer contracts, inbound and outbound orders, delivery notes and delivery receipt records, etc.;

⑦ For the sales revenue recognized before and after the balance sheet date, sample the supporting documents such as the outbound order and the customer's receipt form to evaluate whether the revenue is included in the appropriate accounting period.

2. Impairment of accounts receivable

(1) Description of items

As of December 31, 2025, the balance of accounts receivable of Shenzhen China Bicycle Company was RMB232,662,589.35, and the balance of bad debt provision was RMB 27,880,253.47. Because the balance of accounts receivable is significant and the assessment of bad debt provision involves the management's great judgment, we regard the impairment of accounts receivable as a key audit item.

Please refer to the accounting policies stated in Note III. (XIII) Accounts Receivable and Note V. (II) Accounts Receivable to the financial statements.

(2) Audit response

For this key audit item, we have mainly implemented the following procedures:

1. Understand and test the design and operation effectiveness of internal control related to internal control of accounts receivable management.

2. Review the rationality and consistency of the management's accounting policies on the accrual of bad debt provision of accounts receivable, and review whether the major standards of single amount determined by the management are reasonable.

3. For accounts receivable with bad debt provision accrued individually, select samples to obtain the basis for management to estimate the estimated future recoverable amount, including customer credit records, default or delayed payment records and actual repayment after the period, and review the rationality.

4. For the accounts receivable with bad debt provision accrued according to the aging analysis method, analyze the rationality of accounting estimation of bad debt provision for accounts receivable in Shenzhen China Bicycle Company, and select samples to test the accuracy of aging.

IV. Other information

The management of CBC Company (hereinafter, the Management) is responsible for other information, which includes the information covered in the Annual Report of 2024 except for the financial statements and our audit report.

Our audit opinion issued on financial statement does not cover other information, and we would not issue any form of verification conclusion for those information.

To prepare our audit on financial statement, we are required to read other information, and during the procedure, to consider that whether other information differs materially from the financial statement or the information obtained by us during the audit or whether there exists material error.

Based on the works done by us, in case we find any material error in other information, we shall report this fact. In this regard, we have nothing to report.

V. Management's responsibility for financial statement

The Management is responsible for preparing financial statements according to the Business Accounting Standards which make fair reflection, and for designing, implementing and maintaining necessary internal control system to make sure that there is no material misstatement in the financial statements due to fraud or mistake.

When preparing the financial statements, the management is responsible for assessing the Company's ability of continuous operation, disclosing the matters relating to continuous operation(if applicable) and applying the assumption of continuous operation, unless the management plans to liquidate the Company, terminate operation or has no other practicable choice.

The governance is responsible for monitoring the financial reporting process of the CBC Company.

VI. Auditor's responsibility for audit of the financial statements

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always be found in the presence of a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, we have to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain adequate and appropriate audit evidence in relation to the financial information of the entities or

business transactions of the Company, in order to issue audit opinion on the financial statement. We are responsible for guiding, supervising and executing the audit for the Group, and we accept full responsibility for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and related safeguards (if applicable).

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

II. Financial statement

Unit in note of financial statement refers to CNY: RMB (Yuan)

1. Consolidated Balance Sheet

Prepared by Shenzhen China Bicycle Company (Holdings)Co., Ltd.
December 31, 2025

Item	In RMB	
	December 31,2025	January 1,2025
Current assets:		
Monetary fund	75,474,633.65	80,974,360.59
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable	0.00	0.00
Account receivable	204,782,335.88	233,608,634.59
Receivable financing		
Accounts paid in advance	1,095,681.96	931,762.60
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	818,967.94	18,883,650.76
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventory	184,690,307.34	84,349,675.00

Including: Data resources		
Contractual assets	0.00	0.00
Assets held for sale		
Non-current asset due within one year		
Other current assets	372,060.27	2,934,787.58
Total current assets	467,233,987.04	421,682,871.12
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	325.34	830,481.86
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate		
Fixed assets	2,792,361.64	2,931,163.10
Construction in progress		
Productive biological asset		
Oil and gas asset		
Right-of-use assets	2,299,304.81	3,836,085.90
Intangible assets		
Including: Data resources		
Expense on Research and Development		
Including: Data resources		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	5,678,263.45	5,171,495.77
Other non-current asset		
Total non-current asset	10,770,255.24	12,769,226.63
Total assets	478,004,242.28	434,452,097.75
Current liabilities:		
Short-term loans	23,450,000.00	9,900,000.00
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	3,367,256.93	7,636,699.51
Accounts received in advance		
Contract liability	67,520.83	4,868,279.05
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	1,428,188.47	807,688.20
Taxes payable	9,443,636.36	4,490,392.21

Other account payable	43,263,973.18	33,704,488.43
Including: Interest payable		
Dividend payable		
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	1,432,886.46	1,389,819.85
Other current liabilities	8,777.82	302,687.60
Total current liabilities	82,462,240.05	63,100,054.85
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	1,662,092.35	3,212,882.77
Long-term account payable		
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,662,092.35	3,212,882.77
Total liabilities	84,124,332.40	66,312,937.62
Owner's equity:		
Share capital	689,184,933.00	689,184,933.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	797,709,204.77	797,709,204.77
Less: Inventory shares		
Other comprehensive income	-630,231.12	
Reasonable reserve		
Surplus public reserve	32,673,227.01	32,673,227.01
Provision of general risk		
Retained profit	-1,134,676,946.45	-1,175,806,118.62
Total owner's equity attributable to parent company	384,260,187.21	343,761,246.16
Minority interests	9,619,722.67	24,377,913.97
Total owner's equity	393,879,909.88	368,139,160.13
Total liabilities and owner's equity	478,004,242.28	434,452,097.75

Legal Representative: Wang Shenghong

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Tan Ningjie

2. Balance Sheet of Parent Company

In RMB

Item	December 31, 2025	January 1, 2025
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Current assets:		
Monetary fund	51,969,396.29	43,100,182.78
Trading financial assets		
Derivative financial assets		
Note receivable		
Account receivable	77,351,682.63	96,617,648.86
Receivable financing		
Accounts paid in advance	60,726.93	38,433.55
Other account receivable	47,383,281.34	59,769,403.49
Including: Interest receivable		
Dividend receivable		
Inventory	86,834,671.79	48,492,400.18
Including: Data resources		
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets		410,718.01
Total current assets	263,599,758.98	248,428,786.87
Non-current assets:		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	147,696,069.73	126,995,379.73
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate		
Fix assets	2,199,853.55	2,455,032.62
Construction in progress		
Productive biological asset		
Oil and gas asset		
Right-of-use assets	903,638.19	
Intangible assets		
Including: Data resources		
Expense on Research and Development		
Including: Data resources		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	5,128,532.35	4,747,908.10
Other non-current asset		
Total non-current asset	155,928,093.82	134,198,320.45
Total assets	419,527,852.80	382,627,107.32
Current liabilities:		
Short-term loans	18,800,000.00	9,900,000.00
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	320,838.71	943,733.90

Accounts received in advance		
Contract liability	10,518.03	3,539,823.01
Wage payable	439,896.05	429,873.60
Taxes payable	5,563,506.55	1,623,423.76
Other account payable	34,529,910.61	26,994,291.79
Including: Interest payable		
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year	429,865.94	
Other current liabilities	1,367.35	460,176.99
Total current liabilities	60,095,903.24	43,891,323.05
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	498,627.70	
Long-term account payable		
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	498,627.70	
Total liabilities	60,594,530.94	43,891,323.05
Owner's equity:		
Share capital	689,184,933.00	689,184,933.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	809,077,277.12	809,077,277.12
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	32,673,227.01	32,673,227.01
Retained profit	-1,172,002,115.27	-1,192,199,652.86
Total owner's equity	358,933,321.86	338,735,784.27
Total liabilities and owner's equity	419,527,852.80	382,627,107.32

3. Consolidated Profit Statement

In RMB

Item	2025	2024
I. Total operation revenue	735,877,268.75	579,869,315.88
Including: Operation revenue	735,877,268.75	579,869,315.88
Interest income		
Insurance gained		
Commission charge and commission income		

II. Total operation cost	677,126,803.09	558,182,737.82
Including: Operation cost	657,982,700.68	545,432,979.84
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and surcharge	849,078.47	462,744.00
Sales expenses	7,781,965.50	4,570,304.44
Administrative expenses	9,155,180.33	6,736,713.22
R&D expenses	620,019.89	644,200.69
Financial expenses	737,858.22	335,795.63
Including: Interest expenses	722,837.20	359,642.09
Interest income	11,368.01	49,490.86
Add: Other income	1,000.00	5,771.92
Investment income (Loss is listed with “-”)	-250,956.41	-169,516.95
Including: Investment income on affiliated company and joint venture	-70,156.52	-169,518.14
The termination of income recognition for financial assets measured by amortized cost		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)	-1,729,744.47	-1,196,122.15
Impairment loss on assets(Loss is listed with “-”)	-1,098,841.00	-375,230.63
Income from assets disposal (Loss is listed with “-”)		
III. Operation profit (Loss is listed with “-”)	55,671,923.78	19,951,480.25
Add: Non-operating income	5,359,322.51	7,625,835.03
Less: Non-operating expense	4,880,821.69	5,549,235.96
IV. Total profit (Loss is listed with “-”)	56,150,424.60	22,028,079.32
Less: Income tax expense	14,754,443.73	6,189,827.79
V. Net profit (Net loss is listed with “-”)	41,395,980.87	15,838,251.53
(i) Classify by business continuity		
1.Continuous operating net profit (net	41,395,980.87	15,838,251.53

loss listed with ‘-’)		
2.Termination of net profit (net loss listed with ‘-’)		
(ii) Classify by ownership		
1.Net profit attributable to shareholders of parent company	41,129,172.17	16,845,245.59
2.Minority shareholders’ gains and losses	266,808.70	-1,006,994.06
VI. Net other comprehensive income after taxation	-630,231.12	
Net other comprehensive income attributable to owners of parent company after taxation	-630,231.12	
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-630,231.12	
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	-630,231.12	
7.Other		
Net other comprehensive income attributable to minority shareholders after taxation		
VII. Total comprehensive income	40,765,749.75	15,838,251.53
Total comprehensive income attributable to owners of parent Company	40,498,941.05	16,845,245.59
Total comprehensive income attributable to minority shareholders	266,808.70	-1,006,994.06
VIII. Earnings per share:		
(i)Basic EPS	0.06	0.02
(ii)Diluted EPS	0.06	0.02

As for the enterprise combined under the same control, net profit of 0 Yuan achieved by the merged party before combination while 0 Yuan achieved last period.

Legal Representative: Li Hai Person in charge of Accounting Works: Sun Longlong Person in charge of Accounting Institution: Tan Ningjie

4. Profit Statement of Parent Company

In RMB

Item	2025	2024
I. Operation revenue	320,038,466.38	177,481,391.93
Less: Operation cost	286,159,534.67	161,790,608.12
Tax and surcharge	443,315.65	114,764.44
Sales expenses	157,172.49	116,466.22
Administrative expenses	3,563,451.05	2,733,926.53
R&D expenses	620,019.89	584,420.62
Financial expenses	528,281.71	25,239.93
Including: Interest expenses	522,155.29	20,626.67
Interest income	5,534.34	9,585.18
Add: Other income		1,590.64
Investment income (Loss is listed with “-”)	-180,799.89	
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)	-1,117,282.02	-311,125.75
Impairment loss on assets(Loss is listed with “-”)	-590,016.98	-330,239.39
Income from assets disposal (Loss is listed with “-”)		
II. Operation profit(Loss is listed with “-”)	26,678,592.03	11,476,191.57
Add: Non-operating income	5,099,570.47	6,019,620.16
Less: Non-operating expense	4,876,700.86	5,533,145.30
III. Total profit (Total losses are listed with “-”)	26,901,461.64	11,962,666.43
Less: Income tax expense	6,703,924.05	2,932,707.50
IV. Net profit (Net loss is listed with “-”)	20,197,537.59	9,029,958.93
(i)Continuous operating net profit (net loss listed with “-”)	20,197,537.59	9,029,958.93
(ii)Termination of net profit (net loss listed with “-”)		
V. Net other comprehensive income after taxation		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		

1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	20,197,537.59	9,029,958.93
VII. Earnings per share:		
(i)Basic EPS		
(ii)Diluted EPS		

5. Consolidated Cash Flow Statement

In RMB

Item	2025	2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	857,214,941.86	628,120,766.22
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of capital from repurchase business		
Net cash received by agents in sale and purchase of securities		

Write-back of tax received	258.19	193,128.35
Other cash received concerning operating activities	17,795,202.05	7,054,216.95
Subtotal of cash in-flow arising from operation activity	875,010,402.10	635,368,111.52
Cash paid for purchasing commodities and receiving labor service	851,546,839.15	623,374,953.08
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, handling charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff	11,549,361.62	10,116,025.23
Taxes paid	15,712,068.58	9,198,987.28
Other cash paid concerning operating activities	15,717,409.30	9,830,879.12
Subtotal of cash out-flow arising from operation activity	894,525,678.65	652,520,844.71
Net cash flow arising from operating activities	-19,515,276.55	-17,152,733.19
II. Cash flows arising from investing activities:		
Cash received from recovering investment		10,000.00
Cash received from investment income		1.19
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		400,000.00
Subtotal of cash in-flow arising from investment activity		410,001.19
Cash paid for purchasing fixed, intangible and other long-term assets	229,257.48	900,690.86
Cash paid for investment		1,010,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash out-flow arising from investment activity	229,257.48	1,910,690.86
Net cash flow arising from investment activities	-229,257.48	-1,500,689.67
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		24,745,000.00
Including: Cash received from absorbing		24,745,000.00

minority shareholders' investment by subsidiaries		
Cash received from loans	15,000,000.00	10,000,000.00
Other cash received concerning financing activities	18,154,754.41	12,098,051.76
Subtotal of cash in-flow arising from financing activity	33,154,754.41	46,843,051.76
Cash paid for settling debts	1,450,000.00	100,000.00
Cash paid for dividend and profit distributing or interest paying	577,850.49	20,626.67
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	16,363,802.26	1,418,182.06
Subtotal of cash out-flow arising from financing activity	18,391,652.75	1,538,808.73
Net cash flow arising from financing activities	14,763,101.66	45,304,243.03
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-343,428.55	
V. Net increased amount of cash and cash equivalent	-5,324,860.92	26,650,820.17
Add: Balance of cash and cash equivalents at the period -begin	80,799,494.57	54,148,674.40
VI. Balance of cash and cash equivalents at the period -end	75,474,633.65	80,799,494.57

6. Cash Flow Statement of Parent Company

In RMB

Item	2025	2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	375,696,872.62	291,842,590.75
Write-back of tax received		
Other cash received concerning operating activities	116,867,461.19	118,680,029.23
Subtotal of cash in-flow arising from operation activity	492,564,333.81	410,522,619.98
Cash paid for purchasing commodities and receiving labor service	364,943,563.01	173,584,874.56
Cash paid to/for staff	4,862,883.89	3,498,051.52
Taxes paid	5,935,073.24	6,589,806.72
Other cash paid concerning operating activities	113,674,791.55	212,420,372.66
Subtotal of cash out-flow arising from operation activity	489,416,311.69	396,093,105.46
Net cash flow arising from operating activities	3,148,022.12	14,429,514.52
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		

Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		400,000.00
Subtotal of cash in-flow arising from investment activity		400,000.00
Cash paid for purchasing fixed, intangible and other long-term assets	23,150.44	600,600.00
Cash paid for investment	20,700,690.00	6,485,000.00
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash out-flow arising from investment activity	20,723,840.44	7,085,600.00
Net cash flow arising from investment activities	-20,723,840.44	-6,685,600.00
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans	10,000,000.00	10,000,000.00
Other cash received concerning financing activities	18,154,754.41	12,098,051.76
Subtotal of cash in-flow arising from financing activity	28,154,754.41	22,098,051.76
Cash paid for settling debts	1,100,000.00	100,000.00
Cash paid for dividend and profit distributing or interest paying	488,721.63	20,626.67
Other cash paid concerning financing activities	121,000.95	
Subtotal of cash out-flow arising from financing activity	1,709,722.58	120,626.67
Net cash flow arising from financing activities	26,445,031.83	21,977,425.09
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increased amount of cash and cash equivalent	8,869,213.51	29,721,339.61
Add: Balance of cash and cash equivalents at the period -begin	43,100,182.78	13,378,843.17
VI. Balance of cash and cash equivalents at the period -end	51,969,396.29	43,100,182.78

7. Statement of Changes in Owners' Equity (Consolidated)

Current amount

In RMB

Item	2025													Minority interests	Total owners' equity	
	Owners' equity attributable to the parent Company											Subtotal				
	Share capital	Other equity instrument			Capital public reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus public reserve	Provision of general risk	Retained profit		Other			
	Preferred stock	Perpetual bonds	Other													
I. The ending balance of the previous year	689,184,933.00				779,554,450.36					32,673,227.01			-1,192,651,364.21	308,761,246.16	639,908.03	309,401,154.19
Add: Changes of accounting policy																
Error correction of the last period																
Other																
II. The beginning balance of the current year	689,184,933.00				779,554,450.36					32,673,227.01			-1,192,651,364.21	308,761,246.16	639,908.03	309,401,154.19
III. Increase/Decrease in the period (Decrease is listed with "-")					18,154,754.41								16,845,245.59	35,000,000.00	23,738,005.94	58,738,005.94
(i) Total comprehensive income													16,845,245.59	16,845,245.59	-1,006,994.06	15,838,251.53
(ii) Owners' devoted and decreased capital					18,154,754.41									18,154,754.41	24,745,000.00	42,899,754.41
1. Common shares invested by owners															24,745,000.00	24,745,000.00
2. Capital invested by																

over retained earnings from the defined benefit plans																
5. Carry-over retained earnings from other comprehensive income																
6. Other																
(v) Reasonable reserve																
1. Withdrawal in the current period																
2. Usage in the current period																
(vi) Other																
IV. Balance at the end of the period	689,184,933.00				797,709,204.77					32,673,227.01			-1,175,806,118.62	343,761,246.16	24,377,913.97	368,139,160.13

Amount of the previous period

In RMB

Item	2024														Minority interests	Total owner's equity
	Owners' equity attributable to the parent Company												Subtotal			
	Share capital	Other equity instrument			Capital public reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus public reserve	Provision of general risk	Retained profit	Other				
	Preferred stock	Perpetual bonds	Other													
I. The ending balance of the previous year	689,184,933.00				779,554,450.36					32,673,227.01			-1,192,651,364.21	308,761,246.16	639,908.03	309,401,154.19
Add: Changes of accounting policy																
Error																

correction of the last period																	
Other																	
II. The beginning balance of the current year	689,184,933.00				779,554,450.36				32,673,227.01			-1,192,651,364.21			308,761,246.16	639,908.03	309,401,154.19
III. Increase/Decrease in the period (Decrease is listed with "-")					18,154,754.41							16,845,245.59			35,000,000.00	23,738,005.94	58,738,005.94
(i) Total comprehensive income												16,845,245.59			16,845,245.59	-1,006,994.06	15,838,251.53
(ii) Owners' devoted and decreased capital					18,154,754.41										18,154,754.41	24,745,000.00	42,899,754.41
1. Common shares invested by owners																24,745,000.00	24,745,000.00
2. Capital invested by holders of other equity instruments																	
3. Amount reckoned into owners equity with share-based payment																	
4. Other					18,154,754.41										18,154,754.41		18,154,754.41
(iii) Profit distribution																	
1. Withdrawal of																	

surplus public reserve															
2. Withdrawal of general risk provisions															
3. Distribution for owners (or shareholders)															
4. Other															
(iv) Carrying forward internal owners' equity															
1. Transfer of capital reserves to capital (or share capital)															
2. Transfer of surplus public reserves to capital (or share capital)															
3. Remedying loss with surplus public reserve															
4. Carry-over retained earnings from the defined benefit plans															
5. Carry-over retained earnings from other comprehensive income															

6.Other															
(v)Reasonable reserve															
1.Withdrawal in the current period															
2.Usage in the current period															
(vi) Other															
IV.Balance at the end of the period	689,184,933.00				797,709,204.77			32,673,270.1		-1,175,806,118.62		343,761,246.16	24,377,913.97	368,139,160.13	

8. Statement of Changes in Owners' Equity (Parent Company)

Current amount

In RMB

Item	2025												Total owner's equity
	Share capital	Other equity instrument			Capital public reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surpluss public reserve	Retained profit	Other		
		Preferr ed stock	Perpetual bonds	Other									
I. The ending balance of the previous year	689,184,933.00				809,077,277.12				32,673,227.01	-1,192,199,652.86			338,735,784.27
Add: Changes of accounting policy													
Error correction of the last period													
Other													
II. The beginning balance of the current year	689,184,933.00				809,077,277.12				32,673,227.01	-1,192,199,652.86			338,735,784.27
III. Increase/Decrease in the period (Decrease is listed with "-")										20,197,537.59			20,197,537.59
(i) Total										20,197,537.59			20,197,537.59

comprehensive income											,537.59		7.59
(ii) Owners' devoted and decreased capital													
1.Common shares invested by owners													
2.Capital invested by holders of other equity instruments													
3. Amount reckoned into owners equity with share-based payment													
4.Other													
(iii) Profit distribution													
1.Withdrawal of surplus public reserve													
2.Distribution for owners (or shareholders)													
3.Other													
(iv)Carrying forward internal owners' equity													
1. Transfer of capital reserves to capital (or share capital)													
2.Transfer of surplus public reserves to capital (or share capital)													
3.Remedying loss with surplus public													

reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(v) Reasonable reserve												
1. Withdrawal in the current period												
2. Usage in the current period												
(vi) Other												
IV. Balance at the end of the period	689,184,933.00				809,077,277.12				32,673,227.01	-1,172,002,115.27		358,933,321.86

Amount of the previous period

In RMB

Item	2024											
	Share capital	Other equity instrument			Capital public reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surpluss public reserve	Retained profit	Other	Total owner's equity
		Preferr ed stock	Perpetual bonds	Other								
I. The ending balance of the previous year	689,184,933.00				790,922,522.71				32,673,227.01	-1,201,229,611.79		311,551,070.93
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. The beginning	689,184,933.				790,922,522.				32,673,227.0	-1,201,		311,551,070.93

balance of the current year	00				71				1	229,611.79		
III. Increase/Decrease in the period (Decrease is listed with “-”)					18,154,754.41					9,029,958.93		27,184,713.34
(i) Total comprehensive income										9,029,958.93		9,029,958.93
(ii) Owners’ devoted and decreased capital					18,154,754.41							18,154,754.41
1.Common shares invested by owners												
2.Capital invested by holders of other equity instruments												
3. Amount reckoned into owners equity with share-based payment												
4.Other					18,154,754.41							18,154,754.41
(iii) Profit distribution												
1.Withdrawal of surplus public reserve												
2.Distribution for owners (or shareholders)												
3.Other												
(iv)Carrying forward internal owners’ equity												
1.Transfer of capital reserves to												

capital (or share capital)												
2. Transfer of surplus public reserves to capital (or share capital)												
3. Remedying loss with surplus public reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(v) Reasonable reserve												
1. Withdrawal in the current period												
2. Usage in the current period												
(vi) Other												
IV. Balance at the end of the period	689,184,933.00				809,077,277.12				32,673,227.01	-1,192,199,652.86		338,735,784.27

III. Basic information

1. Company Profile

According to the Approval Document SFBF (1991) No. 888 issued by the People's Government of Shenzhen, Shenzhen China Bicycle Company (Holdings) Co., Ltd. (hereinafter referred to as the CBC) was reincorporated as the company limited by shares in November 1991. On 28 December 1991, upon the Approval Document SRYFZ(1991) No. 119 issued by Shenzhen Special Economic Zone Branch of the People's Bank of China, the Company got listed on Shenzhen Stock Exchange. Registered of the Company amounted as 689,184,933.00 Yuan.

Legal representative: Wang Shenghong

Location: No. 3008, Buxin Road, Luohu District, Shenzhen

Office address: 8/F Shuibeijin Building, No.89 Beili North Road, Cuizhu Street, Luohu District, Shenzhen

Certificate for Uniform Social Credit Code: 914403006188304524.

2. Business nature and main operation activities

Main business activities: Research & development of the bicycles, electric bicycles, electric motorcycles, motorcycles, electric tricycles, electric four-wheeler, children's bicycles, exercise bikes, sports equipment, mechanical products, toys, electric toys, electronic products, new energy equipment and storage equipment (lithium batteries, batteries, etc.), household appliances and spare parts, and electronic components; wholesale, retail, import and export and related supporting business of above-mentioned products (excluding commodities subject to state trade management, handling the application according to the relevant national regulations for commodities involving quotas, license management and other special provisions and management.); fine chemical products (excluding dangerous goods), wholesale and retail of carbon fiber composite materials; technology development of computer software, transfer of self-developed technological achievements, and providing relevant technical information consultation; own property leasing; property management. (The above projects do not involve special administrative measures for the implementation access of national regulations, and those involving restricted projects and pre-existing administrative licenses must obtain the pre-existing administrative licensing documents before operation.) Purchase and sale of gold products, platinum jewelry, palladium jewelry, K-gold jewelry, silver jewelry, inlaid jewelry, jewelry, jade ware, gem-and-jade products, clocks and watches, precious metal materials, diamonds, jadeite, crafts (except ivory and its products), calligraphy and painting, collection (except for antiques, cultural relics, and items prohibited by national laws and administrative regulations).

Main products or services currently offered are: Gold jewelry, EMMELLE bicycles and electrical bicycles, lithium battery material.

3. Actual controller of the Company

Actual controller of the Company is Wang Shenghong, The controlling shareholder is Wansheng Industrial Holding (Shenzhen) Co., Ltd., who held or controlled 20% shares of the Company.

4. Release of the financial report

The Financial Report was approved to report at the 23rd Session of 11th BOD of CBC on April 17, 2026.

IV. Compilation Basis of Financial Statement

1. Compilation Basis

On the basis of going concern, the Company recognizes and measures according to the actual transactions and events, the Accounting Standards for Business Enterprises-Basic Standards and other specific accounting standards, application guidelines, standard interpretation and other relevant provisions (hereinafter referred to as the Accounting Standards for Business Enterprises), and on this basis, it compiles the financial statements in combination with the provisions of the No.15 Rules on Information Disclosure and Compilation of Companies Offering Securities to the Public - General Provisions on Financial Reports (revised in 2023) issued by China Securities Regulatory Commission.

2. Going concern

The Company has the ability to continue to operate for at least 12 months from the end of this reporting period, and there is no major issue affecting its ability to continue to operate.

V. Main accounting policy and Accounting Estimate

Tips for specific accounting policy and estimate:

None

1. Declaration on compliance with accounting standards for business enterprise

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the Company's financial status, operating results, changes in owners' equity and cash flow and other relevant information.

2. Accounting period

Calendar year is the accounting period for the CBC, which is starting from 1 January to 31 December.

3. Business cycles

The Company takes 12 months as a business cycle.

4. Book-keeping currency

The CBC takes RMB as the standard currency for bookkeeping.

5. Determination method and selection basis of importance standard

Applicable Not applicable

Item	Criterion of importance
Material receivables with bad debt provision accrued individually	Commercial acceptance bills receivable, accounts receivable and other receivables with a single amount exceeding RMB 5 million (inclusive)
Material amount recovered or reversed from bad debt provision of receivables in the current period	The single amount exceeds RMB 5 million (inclusive)

Write-off of Important material receivables in the current period	The single amount exceeds RMB 5 million (inclusive)
Material prepayments with an age of more than one year	The single amount exceeds RMB 5 million (inclusive)
Material accounts payable with an age of over 1 year	The single amount exceeds RMB 5 million (inclusive)
Material contractual liabilities with an age of more than 1 year	The single amount exceeds RMB 5 million (inclusive)
Material other payables with an age of more than 1 year	The single amount exceeds RMB 5 million (inclusive)
Material construction in progress	Construction in progress with a single amount exceeding RMB 5 million (inclusive)
Material commitments	Commitments involving an amount of more than 10% of the total profit and more than RMB 5 million (inclusive)
Material contingencies	Contingencies involving an amount of more than 10% of the total profit and more than RMB 5 million (inclusive)
Material matters after the balance sheet date	Matters after the balance sheet date involving an amount exceeding 10% of the total profit and exceeding RMB 5 million (inclusive)
Material non-wholly-owned subsidiaries	The total assets of non-wholly-owned subsidiaries shall not be less than 10% of the total assets in the consolidated statement of the Group, or the operating income shall not be less than 10% of the Group's operating income, or the net profit shall not be less than 10% of the absolute value of the Group's net profit.

6. Accounting treatment for business combinations under the same control and those not under the same control

1. Business merger under the same control: The assets and liabilities acquired by the Company in business merger are measured according to the book value of the assets and liabilities of the merged party (including the goodwill formed by the acquisition of the merged party by the ultimate controlling party) in the consolidated financial statements of the ultimate controlling party on the date of merger. For the difference between the book value of the net assets obtained in the merger and the book value of the merger consideration paid (or the total face value of the issued shares), adjust the capital premium or share capital premium in the capital reserve. If the capital premium or share capital premium in the capital reserve is insufficient to offset, adjust the retained income.

2. Business merger not under the same control: The assets paid, liabilities incurred or assumed by the Company as the consideration for business merger are measured at fair value on the date of purchase, and the difference between fair value and book value is included in the current profits and losses. The Company recognizes the difference between the merger cost and the fair value share of the net identifiable assets of the acquiree obtained in the merger as goodwill; For the difference between the merger cost and the fair value share of the net identifiable assets of the acquiree (which is larger than the merger cost), it reviews the fair values of the assets and liabilities obtained in the merger, the non-cash assets as the merger consideration or the equity securities issued, and the review results show that the determination of the fair values of the determined identifiable assets and liabilities is appropriate. The difference between the business merger cost and the fair value share of the net identifiable assets of the acquiree (which is larger than the business merger cost) is included in the non-operating income in the current merger period.

The business merger not under the same control is realized step by step through multiple transactions, and the merger cost is the sum of the consideration paid on the date of purchase and the fair value of the equity of the acquiree held before the date of purchase; The equity of the purchased party held before the date of purchase shall be re-measured according to the fair value on the date of purchase, and the difference between the fair value and its book value shall be included in the current investment income. Other comprehensive income of the long-term equity investment of the acquiree held before the date of purchase under the accounting by equity method shall be subject to accounting treatment on the same basis as the direct disposal of relevant assets or liabilities by the investee. Changes in other shareholders' equity except net profits and losses, other comprehensive income and profit distribution shall be converted into current profits and losses on the date of purchase. For other equity instrument investments of the acquiree held before the date of purchase, the changes in fair value of the equity instrument investments accumulated in other comprehensive income before the date of purchase are transferred to retained profits and losses.

3. Disposal of related expenses in business merger: Intermediary expenses such as audit, legal services, evaluation and consultation and other related management expenses incurred for business merger are included in current profits and losses when incurred; The transaction costs of equity securities or debt securities issued as the merger consideration are included in the initial recognition amount of equity securities or debt securities.

7. Criteria for control and preparation method of consolidated financial statements

1. Criteria for control and preparation scope of consolidated statements

Control means that the investor has the power over the investee, enjoys variable returns by participating in the related activities of the investee, and has the ability to influence the amount of returns by using the power over the investee. As for whether to control the investee, the Company's criterion factors include:

- (1) Have the power over the investee and the ability to lead the related activities of the investee;
- (2) Be entitled to variable returns to the investee;
- (3) Have the ability to use the power over the investee to influence its return amount.

Unless there is conclusive evidence that the Company cannot lead the related activities of the investee, the Company has the power over the investee if:

- (1) It holds more than half of the voting rights of the investee;
- (2) It holds half or less of the voting rights of the investee, but controls more than half of the voting rights through agreements with other voting rights holders.

If the Company holds half or less of the voting rights of the investee, but after comprehensive consideration of the following facts and circumstances, it is judged that the voting rights held are sufficient to lead the relevant activities of the investee, it is deemed that the Company has power over the investee:

- (1) The size of the voting rights held relative to the voting rights held by other investors, and the degree of dispersion of the voting rights held by other investors;

- (2) The potential voting rights of the investee held by other investors, such as convertible corporate bonds and executable warrants;
- (3) Other contractual rights;
- (4) Other relevant facts and circumstances such as the past voting rights of the investee.

The Company evaluates the variability of returns based on the nature of contractual arrangements rather than the legal form of returns.

If the Company exercises the decision-making power as the main responsible person, or if other parties have the decision-making power and other parties exercise the decision-making power as the agents of the Company, it shows that the Company controls the investee.

Once the changes in relevant facts and circumstances lead to changes in the relevant factors involved in the definition of control, the Company will re-evaluate.

The scope of consolidation of the consolidated financial statements is determined on the basis of control, including not only subsidiaries determined by voting rights (or similar rights) themselves or in combination with other arrangements, but also structured entities determined by one or more contractual arrangements.

2. Merger procedure

The consolidated financial statements are based on the financial statements of the Company and its subsidiaries, and are prepared according to other relevant information.

The Company unifies the accounting policies and accounting periods adopted by its subsidiaries, so that the accounting policies and accounting periods adopted by its subsidiaries are consistent with those adopted by the Company. When preparing consolidated financial statements, it follows the principle of materiality to offset the internal exchanges, internal transactions and equity investment projects between the parent company and the subsidiaries, and between the subsidiaries.

The equity and profit and loss attributable to minority shareholders of the subsidiaries are listed separately under the item of the owners' equity in the consolidated balance sheet and under the item of net profit in the consolidated income statement. The current loss shared by minority shareholders of a subsidiary exceeds the balance formed by minority shareholders' share in the initial owners' equity of the subsidiary, thus offsetting minority shareholders' equity.

(1) Increase of subsidiaries and businesses

During the reporting period, when preparing the consolidated balance sheet due to the business merger under the same control and the subsidiaries and businesses increased, the opening balance of the consolidated balance sheet is adjusted; When preparing the income statement, the income, expenses and profits of the subsidiary and business merger from the beginning of the current period to the end of the reporting period are included in the consolidated income statement; When the cash flow statement is consolidated, the cash flows of the subsidiary and the business combination from the beginning of the current period to the end of the reporting period are included in the consolidated cash flow statement; At the same time, the relevant items of the

comparative statements shall be adjusted, as if the merged reporting entity had existed since the ultimate controlling party started to control.

During the reporting period, when preparing the consolidated balance sheet for subsidiaries and businesses increased due to business merger not under the same control or other means, the opening balance of the consolidated balance sheet will not be adjusted. When preparing the income statement, the income, expenses and profits of the subsidiary and the business from the date of purchase to the end of the reporting period shall be included in the consolidated income statement. When preparing the cash flow statement, the cash flow of the subsidiary from the date of purchase to the end of the reporting period shall be included in the consolidated cash flow statement.

The Company prepares consolidated financial statements based on the amount of identifiable assets, liabilities and contingent liabilities determined on the basis of the fair value on the date of purchase reflected in the individual financial statements of subsidiaries at the current balance sheet date. The difference between the merger cost and the fair value share of the net identifiable assets of the acquiree obtained in the merger shall be recognized as goodwill. The difference between the merger cost and the fair value share of the net identifiable assets of the acquiree obtained in the merger shall be included in the current profits and losses after review.

If the business merger not under the same control is realized step by step through multiple transactions, in the consolidated financial statements, the equity of the acquiree held before the date of purchase shall be re-measured according to the fair value of the equity on the date of purchase, and the difference between the fair value and its book value shall be included in the current investment income. Other comprehensive income of the long-term equity investment of the acquiree held before the date of purchase under the accounting by equity method shall be subject to accounting treatment on the same basis as the direct disposal of relevant assets or liabilities by the investee. Changes in other shareholders' equity except net profits and losses, other comprehensive income and profit distribution shall be converted into current profits and losses on the date of purchase. For other equity instrument investments of the acquiree held before the date of purchase, the changes in fair value of the equity instrument investments accumulated in other comprehensive income before the date of purchase are transferred to retained profits and losses.

(2) Disposal of subsidiaries and businesses

A. General disposal methods

During the reporting period, if the Company disposes of its subsidiaries and businesses, the income, expenses and profits of the subsidiaries and businesses from the beginning to the disposal date will be included in the consolidated income statement; The cash flow of the subsidiaries and businesses from the beginning to the disposal date will be included in the consolidated cash flow statement.

If the Company loses control of its original subsidiaries due to the disposal of some equity investments, the remaining equity shall be re-measured according to its fair value on the date of loss of control in the consolidated financial statements. The sum of the consideration obtained from the disposal of the equity and the

fair value of the remaining equity, minus the difference between the share of the net assets that should be continuously calculated by the original subsidiary from the date of purchase or the date of merger according to the original shareholding ratio, is included in the current investment income when the control right is lost, and the goodwill is also offset. Other comprehensive income related to the original subsidiary's equity investment shall be subject to accounting treatment on the same basis as the subsidiary's direct disposal of relevant assets or liabilities when it loses control. Shareholders' equity recognized due to changes in other shareholders' equity related to the original subsidiary except net profit and loss, other comprehensive income and profit distribution shall be converted into current profits and losses when it loses control.

B. Dispose of equity step by step until loss of control

If the enterprise disposes of its equity investment in a subsidiary step by step through multiple transactions until it loses control, if the transaction of disposing of its equity investment in a subsidiary until the loss of control is a package transaction, it shall treat each transaction as a transaction of disposing of the subsidiary and loss of control; However, the difference between the price of each disposal before the loss of control and the share of the subsidiary's net assets corresponding to the disposal investment shall be recognized as other comprehensive income in the consolidated financial statements, and transferred to the current profits and losses when the control is lost.

The terms, conditions and economic impact of various transactions dealing with equity investment in subsidiaries meet one or more of the following conditions, which usually indicates that multiple transactions shall be subject to accounting treatment as a package transaction:

(A) These transactions are concluded at the same time or under the consideration of mutual impact;

(B) These transactions as a whole can achieve a complete commercial result;

(C) The occurrence of one transaction depends on the occurrence of at least one other transaction;

(D) A transaction is uneconomical when considered alone, but it is economical when considered together with other transactions.

(3) Purchase of minority shares of the subsidiaries

The Company shall adjust the capital premium or share capital premium in the capital reserve in the consolidated balance sheet for the difference between the newly acquired long-term equity investment due to the purchase of minority shares and the share of net identifiable assets that should be continuously calculated by the subsidiaries from the date of purchase (or date of merger) according to the new shareholding ratio. If the capital premium or share capital premium in the capital reserve is insufficient to offset, the retained income shall be adjusted.

(4) Partial disposal of equity investment in subsidiaries without loss of control

For the difference between the disposal price obtained from the partial disposal of the long-term equity investment in the subsidiary and the share of the net assets of the subsidiary that is continuously calculated from the date of purchase or the date of merger corresponding to the disposal of the long-term equity investment,

adjust the capital premium or share capital premium in the capital reserve in the consolidated balance sheet. If the capital premium or share capital premium in the capital reserve is insufficient to offset, adjust the retained income.

8. Classification of joint venture arrangement and accounting treatment for joint control

A joint venture arrangement refers to an arrangement controlled jointly by two or more participants. Joint venture arrangements are divided into joint operation and joint ventures.

1. Joint operation refers to the joint venture arrangement in which the Company is entitled to the assets related to the arrangement and undertakes the liabilities related to the arrangement. The Company recognizes the following items related to the share of interests in joint operation:

- (1) Recognize the assets held separately, and recognize the assets held jointly according to their shares;
- (2) Recognize the liabilities undertaken separately, and recognize the liabilities jointly undertaken according to their shares;
- (3) Recognize the income generated from the sale of its share of joint operation output;
- (4) Recognize the income generated by the sale of output in the joint operation according to its share;
- (5) Recognize the expenses incurred separately, and recognize the expenses incurred in joint operation according to their shares.

2. Joint venture refers to a joint venture arrangement in which the Company has rights only to the net assets of the arrangement. The Company shall carry out accounting treatment for the investment of the joint venture in accordance with the provisions on accounting by equity method for long-term equity investment.

9. Recognition of cash and cash equivalents

When preparing the cash flow statement, the Company will recognize the cash on hand and the deposits that can be used for payment at any time as cash. An investment with short term (usually due within three months from the date of purchase), strong liquidity, easy conversion into known cash and little risk of value change will be determined as a cash equivalent. Restricted bank deposits will not be regarded as cash and cash equivalents in the cash flow statement.

10. Foreign currency transaction and financial statement conversion

1. Foreign currency business

When foreign currency business occurs, the amount of foreign currency is converted into RMB for recording according to the spot exchange rate on the date of transaction, and foreign currency monetary items and foreign currency non-monetary items are treated in the following ways at the end of the period:

- (1) Foreign currency monetary items are converted at the spot exchange rate on the balance sheet date. Exchange differences arising from the difference between the spot exchange rate on the balance sheet date and the initial recognition or the spot exchange rate on the previous balance sheet date are included in the current profits and losses.

(2) Foreign currency non-monetary items measured at historical cost are still converted at the spot exchange rate on the date of transaction, and the amount of their recording currency will not be changed.

(3) Foreign currency non-monetary items measured at fair value shall be converted at the spot exchange rate on the fair value determination date, and the resulting exchange gains and losses shall be included in the current profits and losses or other comprehensive income.

(4) Foreign currency exchange gains and losses, except the exchange gains and losses arising from foreign currency special borrowing related to the purchase, construction or production of assets eligible for capitalization, are included in the cost of assets eligible for capitalization before the assets reach the scheduled serviceable or saleable state, and the rest are included in the current profits and losses.

2. Conversion in foreign currency financial statements

(1) Assets and liabilities in the balance sheet are converted at the spot exchange rate on the balance sheet date; Except for the "undistributed profit", other items of owners' equity are converted at the spot exchange rate at the time of occurrence.

(2) The income and expenses in the income statement are converted at the approximate exchange rate of the spot exchange rate on the date of transaction.

(3) The conversion difference of foreign currency financial statements generated according to the above conversion is included in other comprehensive income. When disposing of overseas operations, the conversion difference of foreign currency financial statements related to the overseas operations shall be transferred from the owners' equity to the current profits and losses.

(4) The cash flow statement is converted by the approximate exchange rate of the spot exchange rate on the date of cash flow occurrence. As a reconciliation item, the influence of exchange rate changes on cash is listed separately in the cash flow statement.

11. Financial instruments

When the Company becomes a party to the financial instrument contract, it recognizes a financial asset or financial liability related to it.

1. Classification, recognition basis and measurement method of financial assets

According to the business model of financial assets under management and the contractual cash flow characteristics of financial assets, the Company divides financial assets into three categories: financial assets measured by amortized cost, financial assets measured by fair value with its changes included in other comprehensive income, and financial assets measured by fair value with its changes included in current profits and losses.

Financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value with its changes included in the current profits and losses, relevant transaction costs are directly included in the current profits and losses; For financial assets of other types, relevant transaction costs are included in the initial recognition amount. If the accounts receivable initially recognized by the Company do not contain

significant financing components as defined in the Accounting Standards for Business Enterprises No.14-Income, or the financing components in contracts with a duration of no more than one year are not considered according to the provisions of Accounting Standards for Business Enterprises No.14-Income, the initial measurement shall be made according to the transaction price of the consideration expected to be charged.

(1) Financial assets measured in amortized cost

The Company's business model of managing such financial assets is to collect contract cash flow, and the cash flow generated on a specific date is only for the payment of principal and interest based on the unpaid principal amount. For such financial assets, the Company adopts the effective interest rate method for subsequent measurement according to amortized cost, and the gains or losses arising from amortization or impairment are included in the current profits and losses.

(2) Financial assets measured at fair value with changes included in other comprehensive income

The Company's business model of managing such financial assets is to collect contract cash flow and sell it, and the cash flow generated on a specific date is only for the payment of principal and interest based on the unpaid principal amount. Such financial assets are measured at fair value with changes included in other comprehensive income, but impairment losses or gains, exchange gains and losses and interest income calculated according to the effective interest rate method are included in current profits and losses.

For the investment in non-transactional equity instruments, the Company can irrevocably designate it as a financial asset measured at fair value with changes included in other comprehensive income at the initial recognition. The designation is made on the basis of a single investment, and the relevant investment conforms to the definition of equity instrument from the issuer's point of view. The Company includes the relevant dividend income of such financial assets in the current profits and losses, and the changes in fair value in other comprehensive income. When the financial asset is derecognized, the accumulated gains or losses previously included in other comprehensive income will be transferred from other comprehensive income to retained income and will not be included in the current profits and losses.

(3) Financial assets measured at fair value with changes included in the current profits and losses

Except for the above financial assets measured in amortized cost and the financial assets measured at fair value with changes included in other comprehensive income, the Company classifies all other financial assets as financial assets measured at fair value with changes included in current profits and losses. In addition, at the time of initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Company designated some financial assets as the financial assets measured at fair value with changes included in the current profits and losses. Such financial assets are subsequently measured at fair value, with changes in fair value included in current profits and losses.

2. Classification, recognition basis and measurement method of financial liabilities

The Company's financial liabilities are classified into financial liabilities measured at fair value with changes included in current profits and losses and other financial liabilities at initial recognition. For financial

liabilities measured at fair value with changes included in the current profits and losses, the related transaction costs are directly included in the current profits and losses, and the related transaction costs of other financial liabilities are included in their initial recognition amount.

(1) Financial liabilities measured at fair value with changes included in the current profits and losses

Financial liabilities measured at fair value with changes included in current profits and losses include transactional financial liabilities (including derivatives belonging to financial liabilities) and financial liabilities designated as measured at fair value with changes included in current profits and losses.

Transactional financial liabilities (including derivatives belonging to financial liabilities) are subsequently measured at fair value, and changes in fair value are included in current profits and losses, except those related to hedging accounting.

For financial liabilities that are designated as being measured at fair value with changes included in current profits and losses at the time of initial recognition, the changes in fair value caused by changes in the Company's own credit risk are included in other comprehensive income, and when the liability is derecognized, the accumulated changes in its fair value caused by changes in its own credit risk included in other comprehensive income are transferred to retained income. Other changes in fair value are included in current profits and losses. If the accounting mismatch in profit and loss will be caused or enlarged by handling the impact of the changes in credit risk of these financial liabilities in the above way, the Company will include all the gains or losses of the financial liabilities (including the amount affected by the changes in the enterprise's credit risk) in the current profits and losses.

(2) Other financial liabilities

Other financial liabilities, except those caused by the transfer of financial assets and financial guarantee contracts that do not meet the conditions for derecognition or continue to be involved in the transferred financial assets, are classified as financial liabilities measured in amortized cost and subsequently measured in amortized cost. The gains or losses arising from derecognition or amortization are included in the current profits and losses.

3. Methods for determining the fair value of financial assets and financial liabilities

The fair value of financial instruments with an active market shall be determined by the quotation in the active market. The fair value of financial instruments without active market shall be determined by valuation technology. At the time of valuation, the Company adopts the valuation technology that is applicable in the current situation and supported by sufficient available data and other information, selects the input values that are consistent with the characteristics of assets or liabilities considered by market participants in the transaction of relevant assets or liabilities, and gives priority to the relevant observable input values. Unobservable input values can only be used if the relevant observable input values are unavailable or impracticable.

4. Recognition basis and measurement method for transfer of financial assets

Recognition for transfer of financial assets

Circumstances	Recognition resultsw
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Almost all risks and rewards in the ownership of financial assets are transferred		The financial assets are derecognized (new assets/liabilities are recognized)
Almost all risks and rewards in the ownership of financial assets are neither transferred nor retained	The control of financial assets is given up	
	The control of financial assets is not given up	The relevant assets and liabilities is recognized according to the extent of continuing involvement in the transferred financial assets
Almost all risks and rewards in the ownership of financial assets are retained	Continue to recognize the financial assets and recognize the received consideration as financial liabilities	

The Company divides the transfer of financial assets into the overall transfer and partial transfer of financial assets.

(1) If the overall transfer of financial assets meets the conditions for derecognition, the difference between the following two amounts shall be included in the current profits and losses: the book value of the transferred financial assets on the derecognition date; The sum of the consideration received for the transfer of financial assets and the cumulative amount of changes in fair value that were originally directly included in other comprehensive income (the financial assets involved in the transfer are those classified as financial assets measured at fair value with changes included in other comprehensive income in Article 18 of Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments).

(2) If a part of the financial assets is transferred, and the transferred part as a whole meets the conditions for derecognition, the book value of the whole financial assets before the transfer shall be allocated between the derecognition part and the continued recognition part (in this case, the retained service assets shall be regarded as part of continued recognition of financial asset) according to their respective relative fair values on the date of transfer, and the difference between the following two amounts shall be included in the current profits and losses: the book value of the derecognition part on the derecognition date; The sum of the consideration received for the derecognition part (including all new assets acquired minus all new liabilities assumed) and the corresponding derecognition amount in the accumulated amount of changes in fair value originally included in other comprehensive income (the financial assets involved in partial transfer are those classified as financial assets measured at fair value with changes included in other comprehensive income in Article 18 of Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments).

If the transfer of financial assets does not meet the conditions for derecognition, the whole transferred financial assets shall be continuously recognized, and the received consideration shall be recognized as a financial liability.

5. Conditions for derecognition of financial liabilities

If the current obligations of financial liabilities(or part of them) have been discharged, the financial liabilities (or part of them) shall be derecognized. If the following conditions exist:

(1) If the Company transfers the assets used to pay financial liabilities to an institution or establishes a trust, and the obligation of debt payment still exists, it shall not derecognize the financial liabilities.

(2) The Company (the borrower) and the lender sign an agreement to replace the original financial liabilities (or part of them) by taking on new financial liabilities, and the contractual terms are essentially different. The Company shall derecognize the original financial liabilities (or part of them) and recognize a new financial liability at the same time.

If the financial liabilities (or part of them) are derecognized, the Company will record the difference between the book value and the consideration paid (including the transferred non-cash assets or liabilities) into the current profits and losses.

6. Impairment of financial assets

(1) Recognition method of impairment provision

The Company conducts impairment accounting treatment on financial assets (including receivables) measured in amortized cost, debt instrument investment and lease receivables measured at fair value with changes included in other comprehensive income on the basis of expected credit losses, and recognizes the loss provisions. In addition, for contract assets, loan commitments and financial guarantee contracts, impairment provisions are also accrued and impairment losses are recognized in accordance with the accounting policies described in this section.

Expected credit loss refers to the weighted mean of credit loss of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contracted cash flows that the Company discounted at the original actual interest rate and all cash flows that it is expected to receive, that is, the present value of all cash shortages.

Except for the purchased or originated financial assets with credit impairment, the Company evaluates whether the credit risk of relevant financial assets has increased significantly since the initial recognition on each balance sheet date. If the credit risk has not increased significantly since the initial recognition, it is in the first stage, and the Company will measure the loss provision according to the amount equivalent to the expected credit loss of the financial asset in the next 12 months; If the credit risk has increased significantly since the initial recognition but with no credit impairment, it is in the second stage, and the Company will measure the loss provision according to the amount equivalent to the expected credit loss of the financial asset during the whole duration; If the financial asset has suffered credit impairment since its initial recognition, it is in the third stage, and the Company will measure the loss provision according to the amount equivalent to the expected credit loss of the financial asset in the whole duration. When evaluating the expected credit loss, the Company considers the reasonable and well-founded information, including forward-looking information, about past events, current situation and future economic situation prediction that can be obtained on the balance sheet date without unnecessary extra cost or effort.

The expected credit loss in the next 12 months refers to the expected credit loss caused by financial asset default events that may occur within 12 months after the balance sheet date (if the expected duration of financial

assets is less than 12 months, within the expected duration), which is a part of the expected credit loss in the whole duration.

For financial instruments with low credit risk on the balance sheet date, the Company assumes that the credit risk has not increased significantly since the initial recognition, and chooses to measure the loss provision according to the expected credit loss in the next 12 months.

For the financial assets in the first and second stages and with low credit risk, the Company calculates the interest income according to the book balance without deducting the impairment provision and the actual interest rate. For the financial assets in the third stage, the interest income shall be calculated according to the book balance minus the amortized cost and the actual interest rate after the impairment provision has been accrued.

(2) Financial asset with impairment

When the Company anticipates that one or more events that have an adverse effect on the future cash flow of a financial asset occur, the financial asset becomes a financial asset with credit impairment. Evidence of credit impairment of financial assets includes the following observable information:

- A. The issuer or the debtor has major financial difficulties;
- B. The debtor has breached the contract, such as default or overdue payment of interest or principal;
- C. The creditor makes concessions to the debtor that it will not make under any other circumstances due to economic or contractual considerations related to its financial difficulties;
- D. The debtor is likely to go bankrupt or carry out other financial restructuring;
- E. The financial difficulties of the issuer or debtor lead to the disappearance of the active market of the financial asset;
- F. A financial asset is purchased or originated at a large discount, which reflects the fact that credit loss has occurred.

Credit impairment of financial assets may be caused by the joint action of multiple events, not necessarily by an event that can be identified separately.

(3) Financial assets with credit impairment purchased or originated

For the purchased or originated financial assets with credit impairment, the Company only recognizes the cumulative change of expected credit loss in the whole duration after initial recognition as loss provision on the balance sheet date. On each balance sheet date, the change amount of expected credit loss during the whole duration is included in the current profits and losses as impairment loss or gain. Even if the expected credit loss determined on the balance sheet date is less than the amount of the expected credit loss reflected by the estimated cash flow at the time of initial recognition, the favorable change of expected credit loss will be recognized as impairment gain.

(4) Criteria for judging significant increase in credit risk

If the default probability of a financial asset in the estimated duration determined on the balance sheet date is significantly higher than that in the estimated duration determined at the initial recognition, it indicates that the credit risk of the financial asset is significantly increased. Except in special circumstances, the Company uses the change of default risk in the next 12 months as a reasonable estimate of the change in default risk in the whole duration to determine whether the credit risk has increased significantly since the initial recognition.

(5) Method of evaluating the expected credit loss of financial assets

The Company evaluates the expected credit loss of financial assets based on individual and combined items. It individually evaluates the credit risk of financial assets with significantly different credit risks, such as: receivables from related parties; accounts receivable from government agencies and units; and receivables with obvious signs that the debtor is likely to be unable to fulfill the repayment obligations.

Except for financial assets whose credit risks are individually evaluated, the Company divides financial assets into different groups based on common risk characteristics, and evaluates the credit risks on the basis of combination.

(6) Accounting treatment method for impairment of financial assets

The Company calculates the expected credit losses of various financial assets on the balance sheet date, and the resulting increase or reversal amount of loss provision is included in the current profits and losses as impairment losses or gains.

If the Company actually suffers from credit losses, and the relevant financial assets are determined to be irrecoverable and approved for write-off, the book balance of the financial assets will be directly written down. If the financial assets written down are recovered later, they will be included in the current profits and losses of recovery as the reversal of impairment losses.

7. Financial guarantee contract

A financial guarantee contract refers to a contract in which the issuer pays a certain amount to the contract holder who has suffered losses when the debtor fails to repay the debt according to the original or revised terms of the debt instrument at maturity. The financial guarantee contract shall be measured at fair value upon initial recognition. For the financial guarantee contract for a financial liability not designated as being measured at fair value with changes included into the current profits and losses, after the initial recognition, subsequent measurement shall be made according to the higher of the expected credit loss provision amount determined on the balance sheet date and the balance of the initial recognition amount after deducting the accumulated amortization amount determined according to the income recognition principle.

8. Offset of financial assets and financial liabilities

Financial assets and financial liabilities are listed separately in the balance sheet without mutual offset. However, if the following conditions are met at the same time, the net amount after mutual offset shall be listed in the balance sheet:

(1) The Company has the legal right to offset the recognized financial assets and financial liabilities, and such legal right is now enforceable;

(2) The Company plans to settle accounts by netting, or realize the financial assets and pay off the financial liabilities at the same time.

9. Equity instruments

Equity instruments refer to contracts that can prove that the Company has residual interests in assets after deducting all liabilities. The issuance (including refinancing), repurchase, sale or cancellation of equity instruments by the Company are treated as changes in equity. The Company does not recognize changes in the fair value of equity instruments. Transaction costs related to equity transactions are deducted from equity.

Various distributions (excluding stock dividends) made by the Company to holders of equity instruments are used as profit distribution to reduce the owners' equity. The stock dividends distributed do not affect the total owners' equity.

The Company shall comply with the disclosure requirement of jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

12. Note receivable

The Company measures the loss provision for notes receivable according to the expected credit loss amount of the whole duration.

Except for the notes receivable whose credit risk is evaluated individually, the Company divides the notes receivable into different portfolios based on the credit risk of their acceptors as a common risk characteristic, and calculates the expected credit loss on the basis of the portfolios. The basis for determining the portfolios is as follows:

Portfolio name	Basis for determining the portfolio
Bank acceptance bill	Management evaluation has low credit risk and the expected credit loss is generally not recognized
Commercial acceptance bill	Same as "Accounts Receivable" portfolio

The Company individually tests the impairment of the notes receivable with objective evidence and other notes that are suitable for individual evaluation, recognizes the expected credit loss, and calculates the individual impairment provision.

13. Account receivable

The CBC adopts the simplified model of expected credit loss for accounts receivables specified in “Accounting Standards for Business Enterprises No.14 - Revenue” and without containing significant financing components (including the case that the financing components in contracts that do not exceed one year are not considered according to the standards), that is, always measures their loss provisions according to the amount of expected credit loss during the entire duration, and the resulting increased or reversed amount of the loss provision is

included in the current profit and loss as an impairment loss or gain.

Based on common risk characteristics, the Company divides accounts receivable into different groups according to common credit risk characteristics such as customer categories:

Portfolio name	Basis for determining the portfolio
Individual identification portfolio	Commercial acceptance bills receivable, accounts receivable and other receivables with significant single amount (receivables with an ending balance of more than RMB 5 million (including RMB 5 million)), or accounts receivable with insignificant individual amount but high risk
Aging portfolio	Taking the aging of receivables as the credit risk characteristic
Related-party portfolio receivable	Receivables from related parties

(1) Individual identification portfolio: For receivables with an ending balance of more than RMB 5 million (including RMB 5 million), or accounts receivable with insignificant individual amount but high risk, impairment test shall be conducted separately for each customer. Impairment test shall be conducted separately for accounts receivable with objective evidence indicating impairment and other accounts receivable applicable to individual evaluation (such as accounts receivable in dispute with the other party or involving litigation and arbitration; accounts receivable with obvious signs that the debtor is likely to be unable to fulfill the repayment obligations, etc.), to recognize expected credit loss and calculate individual impairment provision.

(2) Aging portfolio: For accounts receivable that have not been impaired after individual testing or whose individual amount is not significant but with low risk, the Company evaluates the expected credit loss of various accounts receivable based on the actual loss rate of the same or similar accounts receivable portfolio with similar credit risk characteristics in previous years. The Company determines the aging of accounts receivable based on the period from the entry date to the balance sheet date.

(3) Associated portfolio: Unless there is conclusive evidence indicating an impairment, the accounts receivable formed between related parties shall not be accrued for bad debt provision.

14. Receivable financing

Receivable financing reflects notes receivable and accounts receivable that are measured at fair value on the balance sheet date with changes included in other comprehensive income. For the accounting treatment method, please refer to the related treatment of the financial assets measured at fair value with changes included in other comprehensive income classified in Item (XI) Financial Instrument of this accounting policy.

15. Other account receivable

For other receivables, the expected credit loss is determined according to historical data and forward-looking information. Based on whether the credit risk of other receivables has increased significantly since the initial recognition, the Company adopts the amount equivalent to the expected credit loss in the next 12 months

or the whole duration to measure the impairment loss. For specific accounting treatment methods, please refer to Item (XIII) Accounts Receivable of this accounting policy.

16. Contractual assets

Contract assets refer to the right that the Company has transferred the goods to customers and has the right to receive consideration, and such right depends on other factors besides the passage of time.

17. Inventory

The Company shall comply with the disclosure requirement of jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

(1) Classification of inventory

The CBC classifies the inventory into raw materials, goods in process, goods on hand, wrap page, low value consumables, materials for consigned processing and goods sold, etc.

(2) Valuation of inventories

Inventories are initially measured at cost upon acquisition, which includes procurement costs, processing costs and other costs. Cost of the inventory issued is carried forward on the basis of a combination of the weighted average method and specific identification when inventories are issued.

(3) Inventory system

Perpetual inventory system is adopted.

(4) Amortization method of low-value consumables and packaging materials

"One-time amortization method" is adopted for accounting.

(5) Provision for inventory impairment

When a comprehensive count of inventories is done at the end of the period, provision for inventory impairment is allocated or adjusted using the lower of the cost of inventory and the net realizable value. The net realizable value of stock in inventory (including finished products, goods in stock and materials for sale) that can be sold directly is determined using the estimated saleable price of such inventory deducted by the cost of sales and relevant taxation over the course of ordinary production and operation. The net realizable value of material in inventory that requires processing is determined using the estimated saleable price of the finished product deducted by the cost to completion, estimated cost of sales and relevant taxation over the course of ordinary production and operation. The net realizable value of inventory held for performance of sales contract or labor service contract is determined based on the contractual price; in case the amount of inventory held exceeds the contractual amount, the net realizable value of the excess portion of inventory is calculated using the normal saleable price.

Provision for impairment is made according to individual items of inventories at the end of the period; however, for inventories with large quantity and low unit price, the provision is made by categories; inventories of products that are produced and sold in the same region or with the same or similar purpose or usage and are difficult to be

measured separately are combined for provision for impairment.

If the factors causing a previous write-off of inventory value has disappeared, the amount written-off is reversed and the amount provided for inventory impairment is reversed and recognized in profit or loss for the period.

During the reporting period, the specific methods and implementation of the Company's inventory impairment measurement are as follows:

(1) Inventory impairment method

The issuer's inventory mainly includes raw materials, inventory goods and materials commissioned for processing. The ending inventory of the Company is measured according to the lower of cost and net realizable value. When the net realizable value is lower than the cost, the inventory depreciation provision is accrued.

① Specific methods for measuring the impairment of raw materials

Raw materials mainly include gold and diamond raw materials. The closing net realizable value of gold raw materials is determined according to the closing price of spot gold trading announced by Shanghai Gold Exchange at the end of the period. For the part with the book cost higher than the closing net realizable value, inventory depreciation provision is accrued; Diamond raw materials are used for processing finished diamond inlaid products, but the finished diamond inlaid products are with great difference. At the end of the year, the Company will comprehensively judge whether there are signs of impairment based on the price fluctuation of diamonds in that year, processing rates and pricing policies, and if there are signs of impairment, it will measure the impairment one by one.

② Specific methods for measuring the impairment of inventory goods

Inventory goods mainly include finished gold products, finished K-gold products and finished inlaid products. The depreciation of finished gold products and finished K-gold products shall be measured one by one, and the closing net realizable value shall be determined by referring to the sales outbound price at the end of the period after deducting the relevant sales expenses and taxes. For finished products whose closing book cost is higher than the net realizable value, the inventory depreciation provision shall be accrued. The finished inlaid products are quite different. At the end of the period, the Company will comprehensively judge whether there are signs of impairment according to the price fluctuation of diamonds in that year and the pricing policy. If there are signs of impairment, the impairment will be measured one by one.

③ Specific methods for measuring the impairment of materials commissioned for processing

Materials commissioned for processing mainly include gold and diamond raw materials, which are similar in nature to raw materials, so the measurement method is consistent with that of raw materials.

18. Assets held for sale

1. Basis for classification as non-current assets held for sale or disposal group

If the book value of a non-current asset is recovered mainly through sales (including the exchange of non-monetary assets with commercial substance) rather than continuous use or disposal group, the Company will classify it as held for sale. The specific standard is to meet the following conditions at the same time:

- (1) According to the practice of sales of such assets or disposal groups in similar transactions, they can be sold immediately under the current situation;
- (2) The Company has made a resolution on a sale plan and obtained a firm purchase commitment. It is expected that the sale will be completed within one year (if the relevant regulations require the approval of the relevant authority or regulatory department of the Company before the sale, such approval has been obtained).

If the control right of the subsidiary is lost due to the sale of the investment in the subsidiary, regardless of whether part of the equity investment is retained after the sale and the conditions for classification of the held-for-sale category are met, the investment in the subsidiary as a whole will be classified as held-for-sale category in the individual financial statements of the parent company, and all assets and liabilities of the subsidiary will be classified as held-for-sale category in the consolidated financial statements.

2. Accounting treatment of non-current assets or disposal groups held for sale

When the Company initially measures or re-measures the non-current assets or disposal groups held for sale on the balance sheet date, if the book value is higher than the net amount of fair value minus the sale expenses, the book value will be written down to the net amount of fair value minus the sale expenses, and the written-down amount will be recognized as asset impairment loss and included in the current profits and losses, and impairment provision of assets held for sale will be accrued at the same time. If the net amount of the fair value of non-current assets held for sale on the subsequent balance sheet date is increased after deducting the sale expenses, the previously written-down amount will be restored and reversed within the amount of asset impairment loss recognized after being classified as held for sale, and the reversed amount will be included in the current profits and losses. Assets impairment losses recognized before being classified as held for sale shall not be reversed.

For the amount of asset impairment loss recognized by the disposal group held for sale, the book value of goodwill in the disposal group shall be deducted first, and then the book value of non-current assets in the disposal group shall be deducted proportionally according to the proportion of the book value of non-current assets in the disposal group. For the subsequent reversal amount of asset impairment losses recognized by the disposal group held for sale, the book value will be increased in proportion according to the proportion of the book value of non-current assets except goodwill in the disposal group.

Non-current assets held for sale or non-current assets in disposal group are not depreciated or amortized, and interest and other expenses of liabilities in disposal group held for sale continue to be recognized.

When the Company derecognizes the non-current assets held for sale or disposal groups, the unrecognized gains or losses will be included in the current profits and losses.

When non-current assets or disposal groups are no longer classified as held for sale because they no longer meet the classification conditions of held for sale, or non-current assets are removed from the disposal groups held for sale, the measurement shall be based on the lower of the following two amounts:

- (1) For the book value before being classified as held for sale, the adjusted amount based on depreciation, amortization or impairment that should have been recognized if it is not classified as held for sale;
- (2) Recoverable amount.

3. Determination standard and presentation method of discontinued operation

Discontinued operations refers to a component that meets any of the following conditions and can be distinguished separately and has been disposed of by the Company or classified as a component held for sale:

- (1) This component represents an independent main business or a single main business area;
- (2) This component is part of an associated plan to dispose of an independent main business or a separate main business area;
- (3) This component is a subsidiary acquired exclusively for resale.

For the discontinued operation listed in the current period, the Company separately lists the profit and loss of continuing operation and the profit and loss of discontinued operation in the current income statement, and re-lists the information originally listed as the profit and loss of continuing operation as the profit and loss of discontinued operation in comparable accounting period in the income statement of the comparative period.

19. Debt investment

For debt investment, the Company determines the expected credit loss on each balance sheet date according to the types of counterparties and risk exposures and in consideration of historical default and industry forward-looking information or various external actual and expected economic information. For the determination method and accounting treatment method of expected credit loss, please refer to the provisions of Item (XI) Financial Instruments of this accounting policy.

20. Other debt investment

For Other debt investment, the Company determines the expected credit loss on each balance sheet date according to the types of counterparties and risk exposures and in consideration of historical default and industry forward-looking information or various external actual and expected economic information. For the determination method and accounting treatment method of expected credit loss, please refer to the provisions of Item (XI) Financial Instruments of this accounting policy.

21. Long-term account receivable

The Company's long-term receivables include receivable financial lease and other long-term receivables.

For the receivable financial lease formed by the transactions regulated in Accounting Standards for Business Enterprises No.21-Lease, the loss provision shall be measured according to the amount equivalent to the expected credit loss during the whole duration.

For other long-term receivables, the Company determines the expected credit loss on each balance sheet date according to the types of counterparties and risk exposures and in consideration of historical default and reasonable forward-looking information or various external actual and expected economic information.

Based on whether the credit risk has increased significantly since the initial recognition, the Company adopts the amount equivalent to the expected credit loss in the next 12 months or the whole duration to measure the impairment loss of long-term receivables. Except for the long-term receivables whose credit risk is evaluated individually, they are divided into different portfolios based on their credit risk characteristics:

Portfolio name	Basis for determining the portfolio
Normal long-term receivables	This portfolio is a long-term receivable with no overdue risk
Overdue long-term receivables	This portfolio is a long-term receivable with high overdue risk

22. Long-term equity investment

1. Basis for determining joint control and significant influence on the investee

Joint control refers to the common control of an arrangement according to the relevant agreement, and that the related activities of the arrangement must be unanimously agreed by the participants who share the control rights before making decisions. When judging whether there is joint control, firstly, it is judged whether all participants or a group of participants collectively control the arrangement. If all participants or a group of participants must act in concert to decide the related activities of an arrangement, it is considered that all participants or a group of participants collectively control the arrangement. Secondly, it is judged whether the decision of the related activities of the arrangement must be unanimously agreed by the participants who collectively control the arrangement, and joint control can only be formed if and only if the decision of the related activities requires the unanimous consent of the participants who collectively control the arrangement. If there are two or more participants who can collectively control an arrangement, it does not constitute joint control. When judging whether there is joint control, the protective rights enjoyed are not considered.

Significant influence refers to that the investor has the right to participate in the decision-making of the financial and operating policies of the investee, but it cannot control or jointly control the formulation of these policies with other parties. When determining whether a significant influence can be exerted on the investee, consider the influence of the investor's direct or indirect holding of the voting shares of the investee and the potential voting rights held by the investor and other parties in the current period after it is assumed to be converted into the equity of the investee, including the influence of the current convertible warrants, stock options and convertible corporate bonds issued by the investee. When foreign investment meets the following conditions, it is generally determined that it has a significant impact on the investing unit: ① It is represented in

the Board of Directors or similar authority of the investee; ② It participates in the formulation of the financial and business policies of the investee; ③ Important transactions with the investee occur; ④ Management personnel are sent to the investee; ⑤ Key technical data is provided to the investee. When directly or indirectly owning more than 20% but less than 50% of the voting shares of the investee, it is generally considered to have a significant impact on the investee.

2. Determination of initial investment cost

(1) Long-term equity investment formed by business merger

A. In the case of business merger under the same control, if cash payment, transfer of non-cash assets or taking on debts and issuance of equity securities are adopted as the merger consideration, the initial investment cost of long-term equity investment shall be the share of the book value of the owners' equity of the merged party in the consolidated financial statements of the final controlling party on the date of merger. If the investee under the same control can be controlled due to additional investment and other reasons, the initial investment cost of long-term equity investment shall be determined according to the share of the net assets of the merged party in the book value of the consolidated financial statements of the final controlling party on the date of merger. For the difference between the initial investment cost of the long-term equity investment on the date of merger and the book value of the long-term equity investment before the merger plus the book value of the newly paid consideration for the shares on the date of merger, adjust the capital premium or share capital premium. If the capital premium or share capital premium is insufficient to offset, the retained income will be offset.

B. For the business merger not under the same control, the merger cost shall be determined as the initial investment cost of long-term equity investment on the date of purchase in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No.20-Business Merger. If the investees not under the same control can be controlled due to additional investment and other reasons, the sum of the book value of the original equity investment plus the new investment cost shall be taken as the initial investment cost calculated by the cost method.

(2) In addition to the long-term equity investment formed by business merger, the initial investment cost of long-term equity investment obtained by other means shall be determined in accordance with the following provisions:

A. For long-term equity investment obtained by paying cash, the initial investment cost shall be the actual purchase price. The initial investment cost includes expenses, taxes and other necessary expenses directly related to obtaining long-term equity investment.

B. For long-term equity investment obtained by issuing equity securities, the initial investment cost shall be the fair value of issuing equity securities.

C. For long-term equity investment obtained by exchange of non-monetary assets, the initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No.7-Exchange of Non-monetary Assets.

D. For long-term equity investment obtained by debt restructuring, its initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No.12-Debt Restructuring.

3. Subsequent measurement and profit and loss recognition method

(1) Accounting by cost method: Long-term equity investment that can be controlled by the investee shall be accounted by cost method. When accounting by cost method, the cost of long-term equity investment is adjusted by adding or recovering investment. For the long-term equity investment accounted by the cost method, except for the declared but undistributed cash dividends or profits included in the price or consideration actually paid at the time of investment, the Company shall recognize the investment income according to the cash dividends or profits declared by the investee, and no longer distinguish whether it belongs to the net profit realized by the investee before and after the investment.

(2) Accounting by equity method: For the long-term equity investment jointly controlled or significantly influenced by the investee, except for the equity investment in the associated enterprise, part of it is indirectly held by venture capital institutions, mutual funds, trust companies or similar entities including investment with insurance funds, regardless of whether the above entities have a significant influence on this part of the investment, the Company to measure this part of the indirectly held investment at fair value with its changes included in profits and losses in accordance with the relevant provisions of Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments, and adopts the equity method for accounting. When accounting by equity method, after the Company obtains the long-term equity investment, the investment income and other comprehensive income are recognized respectively according to the share of the net profit and loss and other comprehensive income realized by the investee, and the book value of the long-term equity investment is adjusted; The Company shall calculate its share according to the profit or cash dividend declared by the investee, and correspondingly reduce the book value of long-term equity investment; The Company shall adjust the book value of the long-term equity investment and include it in the owners' equity for other changes in the owners' equity of the investee except the net profit and loss, other comprehensive income and profit distribution. The Company recognizes the net loss of the investee to the extent that the book value of the long-term equity investment and other long-term rights and interests that substantially constitute the net investment of the investee are written down to zero, unless the Company has the obligation to bear additional losses. If the investee realizes the net profit in the future, the Company will resume the recognition of the income share after the income share makes up for the unrecognized loss share. When recognizing the share of the net profit and loss of the investee, the Company will adjust the net profit of the investee based on the fair value of the identifiable assets of the investee at the time of investment, and offset the gains and losses of internal transactions between the Company and associated enterprises and joint ventures, and recognize the investment profit and loss on this basis. The internal transaction losses between the Company and the investee shall be recognized in full if they belong to asset impairment losses according to the Accounting Standards for Business Enterprises No.8-Asset Impairment. If the accounting policies and accounting periods adopted by the

investee are inconsistent with those of the Company, the financial statements of the investee shall be adjusted according to the accounting policies and accounting periods of the Company, so as to recognize the investment profits and losses.

Long-term equity investments in associated enterprises and joint ventures held before the first execution date, if there is any debit difference of equity investments related to the investment, shall be amortized by the original remaining term straight-line method, and the amortized amount shall be included in the current profits and losses.

(3) When disposing of long-term equity investment, the difference between its book value and the actual purchase price is included in the current profits and losses. If the long-term equity investment accounted by equity method is included in the owners' equity due to other changes in the owners' equity of the investee except the net profit and loss, the part originally included in the owners' equity will be transferred to the current profits and losses in proportion when disposing of the investment, except for other comprehensive income arising from the investee's re-measurement of the changes in defined benefit plan net liabilities or net assets.

23. Investment real estate

Measurement mode

Measured by cost method

Depreciation or amortization method

Investment real estate refers to real estate held to earn rent or capital appreciation, or both. It includes leased land use rights, land use rights held and ready to be transferred after appreciation, and leased buildings. When the Company can obtain rental income or value-added income related to investment real estate and the cost of investment real estate can be measured reliably, the Company will initially measure it according to the actual expenditure of purchase or construction.

The Company adopts the cost model to measure the investment real estate on the balance sheet date. Under the cost model, the Company measures the investment real estate and makes depreciation or amortization in accordance with the provisions of Item (23) Fixed Assets and Item (26) Intangible Assets of this accounting policy. When the investment real estate is disposed of, or permanently withdrawn from use, and it is not expected to obtain economic benefits from its disposal, the recognition of the investment real estate shall be terminated. When the Company sells, transfers, scraps or damages the investment real estate, the amount of disposal income after deducting its book value and relevant taxes shall be included in the current profits and losses.

24. Fixed assets

(1) Recognition conditions

Fixed assets refer to tangible assets with a service life of more than one fiscal year, which are held for producing goods, providing labor services, leasing or managing.

(2) Depreciation methods

Category	Method	Years of depreciation	Scrap value rate	Yearly depreciation rate
Houses and buildings	Straight-line depreciation	20	10%	4.5%
Machinery equipment	Straight-line depreciation	10	10%	9%
Transportation equipment	Straight-line depreciation	5	10%	18%
Electronic equipment and others	Straight-line depreciation	5	10%	18%

25. Construction in progress

The construction in progress is measured according to the actual cost, which includes all necessary project expenditures incurred during the construction period, borrowing costs that should be capitalized before the project reaches the scheduled serviceable state, and other related expenses.

Construction in progress is carried forward to fixed assets when it reaches the scheduled serviceable state. The criteria for scheduled serviceable state shall meet one of the following conditions:

- (1) The physical construction (including installation) or production of fixed assets has been completely or substantially completed;
- (2) It has been put into trial production or trial operation, and the results show that the assets can normally produce qualified products, or the trial operation results show that it can operate or operate properly;
- (3) The amount of expenditure that continues to occur on fixed assets purchased, constructed or produced is very small or almost none;
- (4) The fixed assets purchased, constructed or produced have reached the design or contract requirements, or are basically in line with the design or contract requirements.

26. Borrowing expenses

1. Recognition principle of capitalization of borrowing costs

Borrowing costs include interest incurred by borrowing, amortization of discount or premium and auxiliary expenses, as well as exchange difference incurred by borrowing in foreign currency. If the borrowing costs incurred by the Company can be directly attributed to the purchase, construction or production of assets that meet the capitalization conditions, they shall be capitalized and included in the cost of relevant assets; Other borrowing costs shall be recognized as expenses when incurred according to the amount incurred, and included in the current profits and losses.

Assets eligible for capitalization include fixed assets, investment real estate, inventory and other assets that need to go through a long period of purchase, construction or production activities to reach the predetermined serviceable or saleable state.

Borrowing costs shall be capitalized when the following conditions are met at the same time:

- (1) Asset expenditure has occurred, including the expenditure occurred in the form of paying cash, transferring non-cash assets or undertaking interest-bearing debts for purchasing, constructing or producing assets that meet capitalization conditions;
- (2) Borrowing costs have been incurred;
- (3) The purchase, construction or production activities necessary to make the assets reach the expected serviceable or saleable state have started.

2. Period of capitalization of borrowing costs

Borrowing expenses incurred for purchasing, constructing or producing assets that meet the capitalization conditions, if they meet the above capitalization conditions and occur before the assets reach the predetermined serviceable or saleable state, shall be included in the cost of the assets; If the purchase, construction or production activities of the assets are abnormally interrupted for more than 3 months, the capitalization of borrowing costs shall be suspended and recognized as current expenses until the purchase, construction or production activities of the assets resume; When the purchased, constructed or produced assets reach the predetermined serviceable or saleable state, the capitalization of their borrowing costs will be stopped. Borrowing costs incurred after reaching the intended serviceable or saleable state are directly included in financial expenses in the current period.

3. Calculation method of capitalized amount of borrowing costs

During the capitalization period, the capitalization amount of interest (including amortization of discount or premium) in each accounting period shall be determined in accordance with the following provisions:

- (1) Where a special borrowing is borrowed for the purpose of purchasing, constructing or producing assets that meet the capitalization conditions, it shall be determined by the actual interest expenses incurred in the current period of the special borrowing, minus the interest income obtained by depositing unused borrowing funds in the bank or the investment income obtained by temporary investment.
- (2) If the general borrowing is occupied for the purpose of purchasing, constructing or producing assets that meet the capitalization conditions, the interest amount that should be capitalized on the general loan shall be calculated and determined according to the weighted mean of the accumulated asset expenditure exceeding the special borrowing portion multiplied by the capitalization rate of the occupied general borrowing.

27. Biological assets

None

28. Oil and gas asset

None

29. Intangible assets**(1) Service life and its determination basis, estimation, amortization method or review procedure**

1. Service life and its determination basis, estimation, amortization method or review procedure

Intangible assets are measured at actual cost. The cost of outsourced intangible assets includes the purchase price, relevant taxes, and other expenses directly attributable to making the assets reach the intended use. If intangible assets are purchased by installment, and the purchase price of intangible assets exceeds the normal credit conditions and actually with financing nature, the cost of intangible assets is the present value of the purchase price. The cost of intangible assets invested by investors shall be determined according to the value agreed in the investment contract or agreement. If the value agreed in the investment contract or agreement is unfair, it shall be recorded according to the fair value of intangible assets. For intangible assets obtained by exchange of non-monetary assets, the initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No.7-Exchange of Non-monetary Assets. For intangible assets obtained by debt restructuring, its initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No.12-Debt Restructuring. For intangible assets acquired by merger of enterprises under the same control, their entry value shall be determined according to the book value of the merged party; For intangible assets acquired by merger of enterprises not under the same control, their entry value shall be determined at the fair value.

The Company analyzes and judges the service life of intangible assets when acquiring them, and divides them into intangible assets with limited service life and intangible assets with uncertain service life. Intangible assets with limited service life shall be amortized within the expected service life by adopting the amortization method that can reflect the expected realization mode of economic benefits related to such assets from the time when the intangible assets are available for use; If the expected realization mode cannot be reliably determined, straight-line amortization method shall be adopted.

Amortization method, service life, determination basis and residual rate of various intangible assets with limited service life:

Category	Amortization method	Service life (year)	Determination basis	Residual rate (%)
Land use right	Straight-line method	40-50 years	Statutory term/registration term of land use certificate	0.00

Category	Amortization method	Service life (year)	Determination basis	Residual rate (%)
Trademark right	Straight-line method	10 years	Statutory term	0.00
Software	Straight-line method	2-10 years	Benefit period/contract period	0.00
Patent	Straight-line method	5-10 years	Benefit period/contract period	0.00
Non-patent technology	Straight-line method	5-10 years	Benefit period/contract period	0.00
Industrial property rights and proprietary technology	Straight-line method	10 years	Benefit period/contract period	0.00
Others	Straight-line method	5-10 years	Benefit period/contract period	0.00

At the end of each year, the Company reviews the service life and amortization method of intangible assets with limited service life. If the service life and amortization method of intangible assets are different from those previously estimated, the amortization period and amortization method shall be changed.

The Company regards intangible assets with unpredictable future economic benefits as intangible assets with uncertain service life, and does not amortize intangible assets with uncertain service life. The Company reviews the service life of intangible assets with uncertain service life in each accounting period. If there is evidence that the service life of intangible assets is limited, its service life shall be estimate and treatment shall be carried out according to the above provisions.

Please refer to Item (27) Impairment of Long-term Assets in this accounting policy for details on the impairment test method and accrual method for impairment provision of intangible assets.

(2) Collection scope of R&D expenditure and related accounting treatment methods

R&D expenditure is directly related to R&D activities of the enterprise, including R&D employee compensation, direct input expenses, depreciation expenses and long-term deferred expenses, design expenses, equipment debugging expenses, intangible assets amortization expenses, commissioned external R&D expenses, and other expenses. The collection and calculation of R&D expenditure is based on the fact that relevant resources are actually invested in R&D activities. R&D expenditure includes expensed R&D expenditure and capitalized development expenditure.

The division standard of research stage expenditure and development stage expenditure of R&D projects: Research stage expenditure refers to the expenditure incurred by original planned investigation for acquiring and understanding new scientific or technical knowledge; Development stage expenditure refers to the expenditure incurred by applying research results or other knowledge to a plan or design to produce new or substantially improved materials, devices and products before commercial production or use.

Expenditures of intangible assets developed by the Company itself during the research stage of R&D projects are included in the current profits and losses when incurred. Expenditure in the development stage of the development project can only be recognized as intangible assets if the following conditions are met at the same time:

- (1) It is technically feasible to complete the intangible assets so that they can be used or sold;
- (2) It has the intention to complete the intangible assets and use or sell them;
- (3) For the ways in which intangible assets generate economic benefits, including the ability to prove that the products produced by using the intangible assets exist in the market or the intangible assets themselves exist in the market, if the intangible assets will be used internally, their usefulness shall be proved;
- (4) It has sufficient technical, financial and other resources to support the development of the intangible assets, and has the ability to use or sell the intangible assets;
- (5) Expenditure attributable to the development stage of the intangible assets can be reliably measured.

The expenditure in the development stage that has been expensed in the previous period is no longer adjusted.

30. Impairment of long-term assets

None

31. Long-term expenses to be apportioned

Long-term deferred expenses refer to the expenses that have been incurred by the Company but should be borne by the current period and subsequent periods with an amortization period of more than 1 year, including the improvement expenses of fixed assets rented by operating lease. Long-term deferred expenses shall be amortized evenly during the benefit period of relevant projects.

Category	Amortization years
Decoration and maintenance fee	3-6 years

32. Contractual liability

Contractual liabilities reflect the Company's obligation to transfer goods to customers for received or receivable consideration from customers. If the customer has paid the contract consideration or the Company has obtained the unconditional right to receive the contract consideration before the Company transfers the goods to the customer, the contractual liabilities shall be recognized according to the amount received or receivable when the customer actually issues the payment or the payment is due, whichever is earlier.

Contract assets and contractual liabilities under the same contract are listed on a net basis, and contract assets and contractual liabilities under different contracts are not offset.

33. Employee compensation

(1) Accounting treatment for short-term compensation

Short-term salary refers to the employee's salary that the Company needs to pay in full within 12 months after the end of the annual report period when employees provide relevant services, except post-employment benefits and dismissal benefits. During the accounting period when employees provide services, the Company recognizes the actual short-term salary as a liability, and includes it into relevant asset costs and expenses according to the beneficiaries of employees' services.

(2) Accounting treatment for post-employment benefit

Post-employment benefits refer to various forms of remuneration and benefits provided by the Company after employees retire or terminate labor relations with the Company in order to obtain services provided by employees, except short-term remuneration and dismissal benefits. Post-employment benefit plans include defined contribution plan and defined benefit plans. Defined contribution plan refers to the post-employment benefit plan in which the Company will not undertake further payment obligations after paying a fixed fee for an independent fund; Defined benefit plan refers to the post-employment benefit plan except the defined contribution plan.

(1) Defined contribution plan

Defined contribution plan includes basic old-age insurance and unemployment insurance. During the accounting period when employees provide services for the Company, the amount payable shall be calculated according to the local payment base and proportion, recognized as liabilities, and included in the current profits and losses or related asset costs.

During the accounting period when employees provide services, the amount payable calculated according to the defined contribution plan is recognized as a liability and included in the current profits and losses or related asset costs.

(2) Defined benefit plan

According to the formula determined by the expected cumulative benefit unit method, the Company attributes the benefit obligations generated by defined benefit plan to the period when employees provided services, and includes them in the current profits and losses or related asset costs. The employee compensation cost caused by defined benefit plan of the Company includes the following components:

A. Service costs, including current service costs, past service costs and settlement gains or losses. Current service costs refer to the increase in the present value of defined benefit plan obligations caused by employees' provision of services in the current period; Past service costs refer to the increase or decrease of the present value of defined benefit plan obligations related to employee service in the previous period caused by the revision of the defined benefit plan.

B. Net interest of net liabilities or net assets in defined benefit plan, including the interest income of planned assets, the interest expense of defined benefit plan obligations and the interest affected by the asset ceiling.

C. Changes arising from re-measurement of net liabilities or net assets in defined benefit plan.

Unless other accounting standards require or allow employee benefit costs to be included in the asset costs, the Company will include the above items A and B in the current profits and losses, and include Item C in other comprehensive income which will not be transferred back to profit or loss in subsequent accounting periods, but these amounts recognized in other comprehensive income can be transferred within the scope of equity.

(3) Accounting for retirement benefits

Dismissal benefits refer to the compensation provided to employees by the Company for terminating the labor relationship with employees before the expiration of their labor contracts or for encouraging employees to voluntarily accept layoffs. If the Company provides dismissal benefits to employees, the employee compensation liabilities arising from the dismissal benefits shall be recognized at the earlier of the following two dates, and included in the current profits and losses: when the Company cannot unilaterally withdraw the dismissal benefits provided by the plan to terminate labor relations or the proposal to cut back; When the Company recognizes the costs or expenses related to the reorganization involving the payment of dismissal benefits.

(4) Accounting for other long-term employee benefits

Other long-term employee benefits refer to all employee compensation except short-term salary, post-employment benefits and dismissal benefits, including long-term paid absences, long-term disability benefits and long-term profit sharing plans. Other long-term employee benefits provided by the Company to employees, if they meet the requirements of the defined contribution plan, shall be handled in accordance with the relevant provisions of the defined contribution plan; For other long-term employee benefits other than the above, the net liabilities or net assets of other long-term employee benefits shall be recognized and measured according to the relevant regulations of the defined benefit plan. At the end of the reporting period, the Company attributed the benefit obligations arising from other long-term employee benefits to the period when employees provided services, and included them in the current profits and losses or related asset costs.

34. Accrual liability

If the Company's obligation related to contingencies meet the following conditions at the same time, it will be recognized as a liability: (1) This obligation is the current obligation undertaken by the Company; (2) The performance of this obligation may lead to the outflow of economic benefits; (3) The amount of the obligation can be measured reliably.

All or part of the expenditures required for the estimated liabilities are expected to be compensated by the third party or other parties, and the compensation amount is recognized as an asset separately when it is basically determined that it can be received, and the recognized compensation amount does not exceed the book value of the recognized liabilities. The estimated liabilities are initially measured according to the best estimate of the expenditure required to perform the relevant current obligations, with the factors related to contingencies,

such as risks, uncertainties and time value of money, comprehensively considered. If the time value of money has a significant impact, the best estimate shall be determined by discounting the relevant future cash outflows.

On the balance sheet date, the Company reviews the book value of the estimated liabilities. If there is conclusive evidence that the book value cannot truly reflect the current best estimate, such book value will be adjusted according to the current best estimate.

35. Share-based payment

1. Types of share-based payment

Share-based payment of the Company is divided into cash-settled share-based payment and equity-settled share-based payment.

Equity-settled share-based payment shall be measured at the fair value of equity instruments granted to employees. If it is exercisable immediately after the grant, it will be included in the relevant costs or expenses according to the fair value of the equity instrument on the grant date, and the capital reserve will be increased accordingly. If it is exercisable only after the service within the waiting period is completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the service obtained in the current period shall be included in the relevant costs or expenses and capital reserve based on the best estimate of the number of exercisable equity instruments and according to the fair value on the grant date of the equity instruments. After the vesting date, the recognized related costs or expenses and the total owners' equity will not be adjusted.

Cash-settled share-based payment shall be measured at fair value of liabilities calculated and determined based on shares or other equity instruments undertaken by the Company. If it is exercisable immediately after the grant, it will be included in the relevant costs or expenses at the fair value of the liabilities undertaken by the Company on the grant date, and the liabilities will be increased accordingly. For cash-settled share-based payment exercisable after the service in the waiting period is completed or the specified performance conditions are met, the service obtained in the current period shall be included in the costs or expenses and corresponding liabilities on each balance sheet date during the waiting period based on the best estimate of the vesting situation and according to the fair value of the liabilities undertaken by the Company. On each balance sheet date and settlement date before the settlement of related liabilities, the fair value of liabilities is re-measured, and its changes are included in the current profits and losses.

2. Accounting treatment related to implementation, modification and termination of share-based payment plan

No matter how the terms and conditions of the granted equity instruments are modified, or even the grant of the equity instruments is cancelled or the equity instruments are settled, the Company shall at least recognize that the corresponding services obtained are measured according to the fair value of the granted equity instruments on the grant date, unless the vesting conditions of the equity instruments (except market conditions) cannot be met.

If the Company cancels the granted equity instruments or settles the granted equity instruments within the waiting period (except those cancelled due to failure to meet the conditions of vesting conditions), the treatment is as follows:

- (1) The cancellation or settlement will be treated as accelerated vesting, and the amount that should have been recognized in the remaining waiting period will be recognized immediately.
- (2) All the money paid to employees at the time of cancellation or settlement shall be treated as the repurchase of equity, and the part paid for repurchase that is higher than the fair value of the equity instrument on the repurchase date shall be included in the current expenses.
- (3) If a new equity instrument is granted to employees, and it is determined that the new equity instrument granted is used to replace the cancelled equity instrument on the grant date of the new equity instrument, the Company shall handle the granted alternative equity instrument in the same way as the modification of the terms and conditions of the original equity instrument.

36. Other financial instruments including preferred stock and perpetual bonds

None

37. Revenue

Disclosure of accounting policies adopted in income recognition and measurement according to business types

The Company has fulfilled its contractual obligations, that is, to recognize the income when the customer obtains the control right of relevant goods. Performance obligation refers to the commitment to transfer clearly distinguishable goods to customers in the contract. The Company evaluates the contract on the contract start date to identify each individual performance obligation contained in the contract. If the following conditions are met at the same time, it is clearly distinguishable goods:

- (1) Customers can benefit from the goods itself or from the use of the goods along with other easily available resources;
- (2) The commitment to transfer the goods to customers can be distinguished separately from other commitments in the contract.

The following situations usually indicate that the commitment to transfer the goods to customers cannot be distinguished separately from other commitments in the contract:

- (1) Significant services need to be provided to integrate the goods and other goods promised in the contract into the combined output agreed in the contract and transfer it to customers;
- (2) The goods will make major modifications or customizations to other goods promised in the contract;
- (3) The goods are highly correlated with other goods promised in the contract.

The transaction price is the amount of consideration that the Company is expected to receive for transferring the goods to customers, excluding the payment collected on behalf of third parties and the payment that the Company is expected to return to customers. When determining the transaction price of the contract, if there is a variable consideration, the Company will determine the best estimate of the variable consideration according to the expected value or the most likely amount, and include it in the transaction price at an amount not exceeding the amount that is unlikely to be significantly reversed when the relevant uncertainty is eliminated. If there is a significant financing component in the contract, the Company will determine the transaction price according to the amount payable in cash when the customer obtains the goods control right, and the difference between the transaction price and the contract consideration will be amortized by the effective interest rate method during the contract period. If the interval between the customer obtaining the goods control right and the customer paying the price is less than one year, the Company will not consider the financing component. When the consideration that the Company has the right to collect from the customer due to the transfer of goods is in the form of non-cash, the Company will determine the transaction price according to the fair value of the non-cash consideration on the contract start date. If the fair value of the non-cash consideration cannot be reasonably estimated, the Company will indirectly determine the transaction price with reference to the individual selling price of the goods it promised to transfer to customers. For the payment that the Company expects to return to customers, except for obtaining other clearly distinguishable goods from customers, the consideration payable shall be used to offset the transaction price. If the consideration payable to customers exceeds the fair value of clearly distinguishable goods obtained from customers, the excess amount shall be used as the consideration payable to customers to offset the transaction price. If the fair value of clearly distinguishable goods obtained from customers cannot be reasonably estimated, the Company will fully offset the transaction price from the consideration payable to customers. When carrying out accounting treatment on the transaction price offset by the consideration payable to customers, the Company will offset the current income at the later time of recognizing the relevant income and paying (or promising to pay) the customer consideration.

If the contract contains two or more performance obligations, the Company will allocate the transaction price to each individual performance obligation according to the relative proportion of the individual selling price of the goods promised by each individual performance obligation on the contract start date, and measure the income according to the transaction price allocated to each individual performance obligation. In case of subsequent changes in the transaction price, the Company will allocate the subsequent changes to the performance obligations in the contract according to the basis adopted on the contract start date. The transaction price will not be re-allocated due to the change of individual selling price after the contract start date.

If any of the following conditions is met, the Company will perform its obligations within a certain period of time; Otherwise, it is a fulfillment of performance obligation at a certain time point:

- (1) Customers gain and consume the economic benefits brought by the Company's performance at the same time;
- (2) Customers can control the goods under construction during the performance of the Company;
- (3) The goods produced during the performance of the Company have irreplaceable uses, and the Company has the right to collect payment for the accumulated part of the performance completed so far during the whole contract period.

For the performance obligations performed in a certain period of time, the Company shall recognize the income according to the performance progress during that period, except that the performance progress cannot be reasonably determined. The Company determines the performance progress of provided services according to the input method. When the performance progress cannot be reasonably recognized, if the cost already incurred by the Company is expected to be compensated, the revenue will be recognized according to the cost amount already incurred until the performance progress can be reasonably recognized.

For the performance obligations fulfilled at a certain time point, the Company recognizes the income when the customer obtains the control right of relevant goods. When judging whether the customer has obtained the control of the goods, the Company will consider the following signs:

- (1) The Company is entitled to the right of real time payment collection for the goods, that is, the customer has the real time payment collection obligation for the goods;
- (2) The Company has transferred the legal ownership of the goods to the customer, that is, the customer has the legal ownership of the goods;
- (3) The Company has transferred the goods in kind to the customer, that is, the customer has occupied the goods in kind;
- (4) The Company has transferred the main risks and rewards on the ownership of the goods to the customer, that is, the customer has obtained the main risks and rewards on the ownership of the goods;
- (5) The customer has accepted the goods.

According to whether the Company has control over the goods or services before transferring them to customers, the Company judges whether it is the main responsible person or the agent when engaging in transactions. If the Company can control the goods or services before transferring them to customers, the Company is the main responsible person, and the income is recognized according to the total consideration received or receivable; Otherwise, the Company is an agent, and will recognize the income according to the expected amount of commission or handling fee, which is determined according to the net amount of the total consideration received or receivable after deducting the price payable to other interested parties, or according to the established commission amount or proportion.

The situations in which the Company can control the goods before transferring them to customers include the following:

- (1) The enterprise transfers the control right of goods or other assets to the customer after it obtains it from a third party;
- (2) The enterprise can lead the third party to provide services to customers on behalf of the enterprise;
- (3) After the enterprise obtains the control right of the goods from the third party, it integrates the goods with other goods into a combined output and transfers it to the customer by providing significant services.

When judging whether it has control over the goods before transferring them to customers, the Company comprehensively considers all relevant facts and circumstances, including:

- (1) The enterprise bears the main responsibility for transferring goods to customers;
- (2) The enterprise bears the inventory risk of the goods before or after their transfer;
- (3) The enterprise has the right to decide the prices of the goods for trade independently;
- (4) Other relevant facts and circumstances.

Different income recognition methods and measurement methods involved in different business models adopted by similar businesses

(1) Sales merchandise business

The Company's commodity sales mainly include circulation sales, shopping mall joint operation and proprietary e-commerce, and the recognition methods of sales revenue these three ways are as follows:

(1) Circulation sales refers to that the Company recognizes the sales revenue when the goods are delivered to the customer and the authorized representative or the first carrier recognized by the customer at the designated place, and the customer and the authorized representative or the first carrier have signed for it, and the Company has received the payment or obtained delivery documents.

(2) Proprietary e-commerce refers to that the Company retails through third-party e-commerce platforms (such as Tmall and JD.COM), and recognizes the sales revenue when the customer signs for the goods and obtains the payment or payment right.

(2) Provision of labor services

The Company's provision of labor services mainly includes processing with supplied materials and entrusted consignment sales. The methods of revenue recognition are as follows:

- ① For the processing of supplied materials, after completing the processing of the relevant goods and delivering them to the customer, the processing fee income is recognized when the processing fee has been received or the right to receive the processing fee has been obtained.

- ② For consignment sales, the Company, as the entrusted party, acts as an agent in consignment sales business and recognizes agency service income at the net amount upon receiving the sales list confirmed by the downstream customers.

The Company shall comply with the disclosure requirement of jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

38.Contract cost

Contract costs include incremental costs incurred in obtaining contract and contract performance costs.

The incremental costs incurred to obtain the contract refer to the costs that the Company would not have incurred if the contract had not been obtained (e.g., sales commission, etc.). If the cost is expected to be recovered, the Company recognizes it as an asset for the costs of acquiring the contract. Expenses incurred by the Company in obtaining the contract, other than the incremental costs that are expected to be recovered, are included in profit or loss for the current period when incurred.

If the costs incurred for the performance of the contract are not subject to the scope of the relevant standards such as inventory, fixed assets or intangible assets, and the following conditions are met at the same time, the Company recognizes them as an asset for contract performance costs:

- (1) the cost is directly related to a current or an anticipated contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs expressly borne by the customer and other costs incurred solely as a result of the contract;
- (2) the cost increases the resources that the enterprise will use to fulfill its performance obligations in the future;
- (3) the cost is expected to be recovered.

The asset as recognized by the cost of acquiring the contract and the asset as recognized by the cost of performance of the contract are amortized on the same basis as the revenue recognition of the goods or services related to the assets, and are included in profit or loss for the current period.

If the carrying amount of an asset related to the contract cost is higher than the following two differences, the Company shall make an impairment provision for the excess and recognize it as an asset impairment loss:

- (1) The residual consideration that the enterprise is expected to receive as a result of the transfer of commodities related to the asset;
- (2) An estimate of the costs to be incurred for the transfer of the relevant goods.

If the factors of impairment in the previous period change subsequently, so that the difference by (1) minus (2) is higher than the carrying amount of the asset, the original provision for impairment of the asset shall be reversed and included in the profit or loss for the current period, but the carrying amount of the reversed asset shall not exceed the carrying amount of the asset on the reversal date assuming that no provision for impairment is made.

39. Government subsidies

1. Types of government subsidies

Government subsidies refer to the monetary assets or non-monetary assets obtained by the company from the government free of charge, including government subsidies related to assets and government subsidies related to income.

Asset-related government subsidies refer to government subsidies obtained by a company for the acquisition, construction or other formation of long-term assets.

Income-related government subsidies refer to government subsidies other than asset-related government subsidies.

2. The principle and timing of recognition of government subsidies

Recognition principle of government subsidies:

- (1) The company is able to meet the conditions attached by the government subsidy;
- (2) The company is able to receive government subsidies.

The government subsidy can only be recognized if the above conditions are met at the same time.

3. Measurement of government subsidies

- (1) If the government subsidy is a monetary asset, the company shall measure it according to the amount received or receivable;
- (2) If the government subsidy is a non-monetary asset, the company shall measure it at fair value, and if the fair value cannot be reliably obtained, it shall be measured at the notional amount (the notional amount is RMB 1).

4. Accounting treatment of government subsidies

(1) Asset-related government subsidies are written off the carrying amount of the underlying assets or recognized as deferred income upon acquisition. If it is recognized as deferred income, it shall be included in profit or loss in installments in accordance with a reasonable and systematic method during the useful life of the relevant asset. Government subsidies measured in notional amounts are directly included in profit or loss for the current period.

(2) Government subsidies related to income shall be handled as follows:

A. If it is used to compensate the company for the relevant costs, expenses or losses in subsequent periods, it shall be recognized as deferred income at the time of acquisition, and shall be included in the profit or loss for the current period or offset the relevant costs during the period when the relevant costs, expenses or losses are recognized.

B. If it is used to compensate for the relevant costs, expenses or losses incurred by the company, it shall be directly included in the current profit or loss or offset the relevant costs when acquired.

(3) For government subsidies that are included in both the asset-related part and the income-related part, if they can be distinguished, they shall be accounted for separately in different parts, and if it is difficult to distinguish, they shall be classified as income-related government subsidies as a whole.

(4) Government subsidies related to the company's routine operations shall be included in other income or offset related costs and expenses according to the economic business substance. Government subsidies unrelated to the company's routine activities are included in non-operating income and expenditure. If the finance department directly allocates the discount funds to the company, the company will offset the relevant borrowing costs with the corresponding discount.

(5) If the confirmed government subsidy needs to be returned, it shall be handled according to the following circumstances:

A. If the carrying amount of the relevant asset is reduced at the time of initial recognition, the carrying amount of the asset shall be adjusted.

B. If there is relevant deferred income, the carrying amount of the relevant deferred income shall be written off, and the excess part shall be included in the profit or loss for the current period.

C. If it belongs to other circumstances, it shall be directly included in the profit or loss for the current period.

40. Deferred tax assets/deferred tax liabilities

When the company acquires assets and liabilities, it determines its tax base. If there is a temporary difference between the carrying amount of assets and liabilities and their tax base, the deferred tax assets or deferred tax liabilities arising from them shall be recognized in accordance with the regulations.

1. Recognition of deferred tax assets

(1) The company recognizes deferred tax assets arising from deductible temporary differences to the extent that it is likely to obtain taxable income that can be used to offset deductible temporary differences. However, deferred tax assets arising from the initial recognition of assets or liabilities are not recognized in transactions that (1) is not a business combination, and (2) the transaction does not affect either accounting profits or taxable income (or deductible losses) at the time of the transaction.

(2) The Company recognizes the corresponding deferred tax assets for deductible temporary differences related to investments in subsidiaries, associates and joint ventures that meet the following conditions at the same time: (1) the temporary differences are likely to be reversed in the foreseeable future, and (2) the taxable income used to offset the deductible temporary differences is likely to be obtained in the future.

(3) For deductible losses and tax credits that can be carried forward to subsequent years in accordance with the provisions of the tax law, they shall be treated as deductible temporary differences, and the corresponding deferred tax assets shall be recognized to the extent that the future taxable income that is likely to be used to offset the deductible losses and tax credits.

2. Recognition of deferred tax liabilities

(1) The company recognizes all deferred tax liabilities arising from taxable temporary differences, except for the deferred income tax liabilities arising from the following transactions: (1) the initial recognition of goodwill, and (2) the initial recognition of assets or liabilities arising from transactions that satisfy both the following characteristics: the transaction is not a business combination, and the transaction does not affect either the accounting profit or the taxable income (or deductible loss) at the time of the transaction.

(2) The Company recognizes the corresponding deferred tax liabilities for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, but other than those with the following conditions are met at the same time: (1) the investment enterprise can control the time for the reversal of the temporary difference, and (2) the temporary difference is likely not to be reversed in the foreseeable future.

3. Presentation of net offsets of deferred tax assets and deferred tax liabilities

When the company has the legal right to settle on a net basis and intends to settle on a net basis or acquire assets and settle liabilities at the same time, the company's current income tax assets and current income tax liabilities are presented on a net basis after offset.

When there is a legal right to settle the current income tax assets and current income tax liabilities on a net basis, and the deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax collection and administration department on the same taxpayer or levied by the same tax collection and administration department to different tax subjects, but in each period of reversal of deferred tax assets and liabilities of material nature in the future, the taxpayer involved intends to settle the current income tax assets and liabilities on a net basis or acquire the assets and settle liabilities at the same time, the deferred tax assets and deferred tax liabilities of the Company are presented on a net basis after offset.

41. Leasing

(1) Accounting treatment as a lessee lease

(1) Right-of-use assets

On the commencement date of the lease term, the Company, as the lessee, recognizes the right to use the leased asset during the lease term as right-of-use asset, except for short-term leases and leases of low-value assets.

Right-of-use assets are initially measured at cost, which includes:

- A. Initial measurement amount of the lease liability;
- B. If there is a lease incentive for the lease payment paid on or before the start date of the lease term, the relevant amount of the lease incentive already enjoyed shall be deducted;
- C. Initial direct costs incurred;
- D. Costs expected to be incurred to dismantle and remove the leased asset, restore the site on which the leased asset is located, or restore the leased asset to the condition agreed in the lease terms, except for the production of inventory.

The Company adopts the cost model for the subsequent measurement of right-of-use assets, and adopts the straight-line method for depreciation of various types of right-of-use assets.

If the Company is able to reasonably determine that the ownership of the leased assets will be acquired at the expiration of the lease term, the depreciation shall be accrued during the remaining useful life of the leased assets, and if it cannot be reasonably determined that the ownership of the leased assets can be acquired at the expiration of the lease term, the depreciation shall be accrued during the period which is shorter from the lease term and the remaining useful life of the leased assets. If the right-of-use asset is impaired, the Company will carry out subsequent depreciation based on the carrying amount of the right-of-use asset after deducting the impairment loss.

When the Company remeasures lease liabilities based on the present value of the changed lease payments and adjusts the carrying amount of right-of-use assets accordingly, if the carrying amount of right-of-use assets has been reduced to zero, but the lease liabilities still need to be further reduced, the remaining amount will be included in profit or loss for the current period.

The impairment test method and impairment provision method of right-of-use assets are detailed in (XXVII) Impairment of long-term assets of this accounting policy.

(2) Lease liabilities

At the commencement date of the lease term, the Company recognizes the present value of unpaid lease payments as lease liabilities, excluding short-term leases and leases of low-value assets.

When calculating the present value of the lease payment, the Company, as the lessee, uses the interest rate implicit in the lease as the discount rate, and if the interest rate implicit in the lease cannot be determined, the incremental borrowing rate of the Company is used as the discount rate.

The Company calculates the interest expense of lease liabilities for each period of the lease term at a fixed periodic interest rate and includes them in profit or loss for the current period. Variable lease payments that are not included in the measurement of lease liabilities are recognized in profit or loss for the current period when they are actually incurred.

After the commencement date of the lease term, the Company will remeasure the lease liability based on the present value of the changed lease payment in the event of a change in the amount of the substantial fixed payment, a change in the estimated amount payable for the residual value of the guarantee, a change in the index or ratio used to determine the amount of the lease payment, a change in the evaluation result or actual exercise of the option to purchase, renew or terminate the option.

(3) Short-term leases and leases of low-value assets

A short-term lease is a lease with a lease period of not more than 12 months on the start date of the lease term and does not include an option to purchase. A lease of a low-value asset refers to a lease with a low value when a single leased asset is a brand-new asset. If the Company subleases or expects to sublease the leased assets, the original lease is not a low-value asset lease.

The Company chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and to include the relevant lease payments in profit or loss or the cost of related assets on a straight-line basis for each period of the lease term.

(2) Accounting treatment as a lessor's lease

On the lease commencement date, the Company divides the lease into the finance lease and the operating lease. A financial lease refers to a lease that substantially transfers almost all of the risks and rewards associated with the ownership of the leased asset, regardless of whether the ownership is ultimately transferred. Operating leases refer to leases other than financial leases. When the Company acts as a subleaselessor, it classifies the sublease based on the right-of-use assets generated from the original lease.

(1) Accounting treatment of operating leases

Lease receipts from operating leases are recognized as rental income on a straight-line basis for each period of the lease term. The Company capitalizes the initial direct expenses incurred in connection with the operating lease and apportion them to profit or loss for the current period on the same basis as the rental income recognition during the lease term. Variable lease payments that are not included in lease receipts are recognized in profit or loss for the current period when they are actually incurred.

(2) Accounting treatment of financial leases

On the lease commencement date, the Company recognizes the financial lease receivables for the financial lease and terminates the recognition of the financial lease assets. When the Company initially measures the financial lease receivables, the net lease investment is recorded as the entry value of the financial lease receivables. The net lease investment is the sum of the unsecured residual value and the present value of lease receipts not yet received at the start date of the lease term discounted at the interest rate implicit in the lease.

The Company calculates and recognizes interest income for each period of the lease term at a fixed periodic interest rate. The derecognition and impairment of financial lease receivables are described in (XI) Financial instruments of this accounting policy.

Variable lease payments that are not included in the net measurement of lease investments are recognized in profit or loss for the period when they are actually incurred.

42. Other important accounting policy and estimation

None

43. Changes of important accounting policy and estimation

(1) Changes of important accounting policy

Applicable Not applicable

(2) Changes of important accounting estimation

Applicable Not applicable

(3) The Company started implementing the updated accounting standards commencing from 2025 and adjusted the relevant items in the financial statements at the beginning of the very year involved in the

initial implementation of the said standards

Applicable Not applicable

44.Other

None

VI. Taxes**1. Main tax and tax rate**

Type of tax	Tax calculation evidence	Tax rate
Value added tax	Sales of goods, taxable labor service revenue, taxable income, intangible assets income and income from property leasing	5%,6%,9%,13%
City maintenance & construction tax	VAT payable	7%
Enterprise income tax	Taxable income	See below for details
Education Fee Surcharge	VAT payable	3%
Local education fee surcharge	VAT payable	2%

Disclose reasons for different taxpaying body

Taxpaying body	Income tax rate
Shenzhen China Bicycle Company (Holdings) Co., Ltd.	25%
Shenzhen Xinsen Jewelry Gold S Co., Ltd	25%
Shenzhen Xinsen Precision Manufacturing Co.,Ltd.	20%
Shenzhen Jiucheng Culture Technology Co., Ltd.	20%
Shenzhen Jinjiucheng Intangible Cultural Heritage Inheritance Co., Ltd.	20%
Dongguan Xinsen Jewelry Co., Ltd.	20%
Shenzhen Emmelle Industrial Co., Ltd.	20%
Shenzhen Emmelle Cloud Technology Co., Ltd.	20%
Fujian Huaxinbao Jewelry Co., Ltd.	20%
PutianKaipu Technology Partnership(LP)	Divide first and then tax
Shenzhen Huabao Zhenxuan Jewelry Co., Ltd.	20%
Hainan Shenhua Industrial Co., Ltd.	20%
Shenzhen Cloud Preferred Jewelry Technology Co., Ltd.	20%
Hangzhou Huabaohui Digital Culture Co., ltd.	20%
Tibet Jinyaya Trading Co., Ltd.	20%
Zhenhua International Co., Ltd.	16.50%

2. Tax preference

The subsidiaries Shenzhen Xinsen Precision Manufacturing Co., Ltd., Shenzhen Jiucheng Culture Technology Co., Ltd., Shenzhen Jinjiucheng Intangible Cultural Heritage Inheritance Co., Ltd., Dongguan Xinsen Jewelry Co., Ltd., Shenzhen Emmelle Industrial Co., Ltd., Shenzhen Emmelle Cloud Technology Co., Ltd., Fujian Huaxinbao Jewelry Co., Ltd., Shenzhen Cloud Preferred Jewelry Technology Co., Ltd., Hangzhou Huabaohui Digital Culture Co., Ltd. and Tibet Jinyaya Trading Co., Ltd. meet the conditions of "small and low-profit enterprises", and according to the regulations of No. 12[2023] announcement of the State Administration of Taxation of the Ministry of Finance "Announcement on Further Supporting the Development of Small and

Micro Enterprises and Individual Industrial and Commercial Households", for small enterprises with small profit, the income tax policy for the taxable income will be reduced to be 25% to calculate and the enterprise income tax paid at the rate of 20% will be extended until December 31,2027.

3.Other

None

VII. Notes to Items in the Consolidated Financial Statements

1. Monetary fund

In RMB

Item	Ending balance	Opening balance
Cash on hand	52,322.40	48,364.40
Bank deposit	75,413,663.68	80,750,939.08
Other monetary fund	8,647.57	175,057.11
Total	75,474,633.65	80,974,360.59
Including: total amount deposited in overseas	35,075.75	

Other note:

The funds stored abroad are the monetary funds held overseas by the foreign subsidiary Shenhua International Co., Ltd.

2. Trading financial assets

In RMB

Item	Ending balance	Opening balance
Including:		
Including:		

Other note:

3. Derivative financial assets

In RMB

Item	Ending balance	Opening balance

Other note:

4. Account receivable

(1) Disclosure according to the aging of account

In RMB

Aging	Balance in year-end	Balance Year-beginning

Within one year(one year included)	205,252,446.94	232,431,363.63
1-2 years	710,689.79	772,381.68
2-3 years	438,098.60	12,218,313.35
Over 3 years	26,261,354.02	14,282,063.33
3-4 years	12,171,870.69	10,764,196.13
4-5 years	10,764,196.13	1,263,051.28
Over 5 years	3,325,287.20	2,254,815.92
Total	232,662,589.35	259,704,121.99

(2) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by single	26,309,637.31	11.31%	26,266,048.03	99.83%	43,589.28	26,453,009.97	10.19%	25,072,994.46	94.78%	1,380,015.51
Including:										
Single identification	26,309,637.31	11.31%	26,266,048.03	99.83%	43,589.28	26,453,009.97	10.19%	25,072,994.46	94.78%	1,380,015.51
Accrual of bad debt provision by portfolio	206,352,952.04	88.69%	1,614,205.44	0.78%	204,738,746.60	233,251,112.02	89.81%	1,022,492.94	0.44%	232,228,619.08
Including:										
Aging portfolio	206,352,952.04	88.69%	1,614,205.44	0.78%	204,738,746.60	233,251,112.02	89.81%	1,022,492.94	0.44%	232,228,619.08
Total	232,662,589.35	100.00%	27,880,253.47	11.98%	204,782,335.88	259,704,121.99	100.00%	26,095,487.40	10.05%	233,608,634.59

Bad debt provision accrual on single basis: Single identification

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio	Reason for accrual
Guangshui Jiayu Energy Technology Co., Ltd.	22,019,832.63	20,918,841.00	22,019,832.63	22,019,832.63	100.00%	Expected to be difficult to recover
Suzhou Daming Vehicle Industry Co., Ltd.	891,564.42	713,251.54	867,634.42	824,045.14	94.98%	Expected to be difficult to recover
Suzhou Jiaxin Economic Trade Co., Ltd.	888,757.00	888,757.00	888,757.00	888,757.00	100.00%	Expected to be difficult to recover

Dongguan Daxiang New Energy Co., Ltd.	564,734.00	564,734.00	521,734.00	521,734.00	100.00%	Expected to be difficult to recover
Ningbo Fanxing New Energy Technology Co., Ltd.	503,555.00	402,844.00	457,112.34	457,112.34	100.00%	Expected to be difficult to recover
Shijiazhuang Dasong Tech. Co., Ltd.	497,064.00	497,064.00	497,064.00	497,064.00	100.00%	Expected to be difficult to recover
Guangdong Xinlingjia New Energy Co., Ltd.	348,136.00	348,136.00	348,136.00	348,136.00	100.00%	Expected to be difficult to recover
Shanghai Swen Electric Vehicle Co., Ltd.	280,197.50	280,197.50	250,197.50	250,197.50	100.00%	Expected to be difficult to recover
Fuzhou Dayang Commercial Co., Ltd.	147,804.28	147,804.28	147,804.28	147,804.28	100.00%	Disputed and unrecoverable
Tianjin Huiju Electric Vehicle Co., Ltd.	116,840.14	116,840.14	116,840.14	116,840.14	100.00%	Expected to be difficult to recover
Other	194,525.00	194,525.00	194,525.00	194,525.00	100.00%	Expected to be difficult to recover
Total	26,453,009.97	25,072,994.46	26,309,637.31	26,266,048.03		

Bad debt provision accrual on portfolio: Aging portfolio

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Within 1 year	205,156,796.94	517,946.47	0.25%
1-2 years	710,689.79	616,354.33	86.73%
2-3 years	281,098.40	275,537.73	98.02%
3-4 years	202,642.80	202,642.80	100.00%
4-5 years	1,724.11	1,724.11	100.00%
Over 5 years			
Total	206,352,952.04	1,614,205.44	

Explanation on portfolio basis:

None

If the provision for bad debts of account receivable is made in accordance with the general model of expected credit losses, please refer to the disclosure of other account receivable to disclose related information about bad-debt provisions:

Applicable Not applicable

(3) Bad debt provision accrual, collected or reversal in the period

Accrual of bad debt provision in the period:

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	
Accounts receivable with individual provision for bad debts	25,072,994.46	1,322,351.70	129,298.13			26,266,048.03
Provision for bad debts based on a portfolio of credit risk characteristics	1,022,492.94	619,518.98	27,806.48			1,614,205.44
Total	26,095,487.40	1,941,870.68	157,104.61			27,880,253.47

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision

(4) Account receivables actually write-off during the reporting period

In RMB

Item	Amount written off

Including major account receivables write-off:

In RMB

Enterprise	Nature	Amount written off	Causes	Procedure	Amount cause by related transactions or not (Y/N)

Explanation on account receivable write-off:

(5) The top five accounts receivable and contract assets at the end of the period aggregated according to debtor

In RMB

Name of the organization	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets	Ending balance of accounts receivable bad debt provision and contract asset impairment provision
Fuzhou Rongrun Jewelry Co., Ltd	59,285,028.33		59,285,028.33	25.48%	145,470.62
Shenzhen Yunshang Jewelry	46,030,741.09		46,030,741.09	19.78%	50,575.56

Co., Ltd					
Fuzhou Zhuanjinsen Jewelry Co., Ltd.	40,423,873.92		40,423,873.92	17.37%	114,219.60
Fuzhou Congshan Dingjue Jewelry Company	32,603,399.93		32,603,399.93	14.01%	87,479.43
Guangshui Jiayu Energy Technology Co., Ltd.	22,019,832.63		22,019,832.63	9.46%	22,019,832.63
Total	200,362,875.90		200,362,875.90	86.10%	22,417,577.84

5. Contract assets

(1) Information of contract assets

In RMB

Item	Ending balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Total	0.00	0.00	0.00	0.00	0.00	0.00

(2) The significant amount change in book value during the reporting period and its reason

In RMB

Item	The amount of change	Reason for change

(3) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Inducing										
Including										

Provision for bad debts is made according to the general model of expected credit losses

Applicable Not applicable

(4)Bad debt provision accrual, collected or reversal in the period

In RMB

Item	Accrual	Collected or reversal	Write off	Reason

Thereinto, the important amount of bad debt provision recovered or reversed in the current period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for

				determining the provision ratio of original bad debt provision
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Other note:

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

In RMB

Item	Amount written off
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Including important Contract asset written-off:

In RMB

Name	Nature of amount	Write-off amount	Reason for write-off	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Write-off explanation:

Other note:

6. Receivable financing

(1) Classification of receivables financing

In RMB

Item	Ending balance	Opening balance
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(2) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Inducing										
Including										

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
January 1, 2025 balance in the current period				

The basis for the division of each stage and the proportion of bad debt provision

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

(3) Bad debt provision accrual, collected or reversal in the period

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
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Other note:

(4) Financing of accounts receivable pledged by the Company at the end of the period

In RMB

Item	Pledged amount at the end of the period
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(5) Financing of accounts receivable that have been endorsed or discounted by the Company at the end of the period and have not yet matured on the balance sheet date

In RMB

Item	The amount of derecognition at the end of the period	The amount not derecognized at the end of the period
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(6) Financing situation of accounts receivable actually written off in this period

In RMB

Item	Write-off amount
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The write off information of important accounts receivable financing thereinto

In RMB

Name	Nature of amount	Write-off amount	Reason for write-off	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Write-off explanation:

(7) Changes in accounts receivable financing and fair value changes in the current period

(8) Other note**7. Other account receivable**

In RMB

Item	Ending balance	Opening balance
Other account receivable	818,967.94	18,883,650.76
Total	818,967.94	18,883,650.76

(1) Interest receivable**1) Category**

In RMB

Item	Ending balance	Opening balance
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2) Important overdue interest

In RMB

Borrower	Ending balance	Overdue time	Overdue reason	Impairment (Y/N) and judgment basis
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Other note:

3) Accrual of bad debt provisionApplicable Not applicable**4) Bad debt provision accrual, collected or reversal in the period**

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
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Other note:

5)Interest receivable actually written off in the current period

In RMB

Item	Write-off amount
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Important Interest receivables write-offs thereinto

In RMB

Name	Nature of amount	Write-off amount	Write-off reason	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Note:

Other note:

(2)Dividend receivable**1)Category**

In RMB

Item (or the invested entity)	Ending balance	Opening balance
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2)Important dividend receivable with over one year aged

In RMB

Item (or the invested entity)	Ending balance	Account age	Causes of failure for collection	Impairment (Y/N) and judgment basis
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3)Accrual of bad debt provisionApplicable Not applicable**4) Bad debt provision accrual, collected or reversal in the period**

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
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Other note:

5) Dividends receivable actually written off in the current period

In RMB

Item	Write-off amount
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Important dividend receivables write-offs thereinto

In RMB

Name	Nature of amount	Write-off amount	Write-off reason	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Note:

Other note:

(3) Other Account receivable**1)By nature**

In RMB

Nature	Ending book balance	Opening book balance
Performance compensation		18,154,754.41
Deposit or margin	827,683.86	719,345.30
Personal loan of employees	18,087.32	63,952.14
Payment for equipment	311,400.00	311,400.00
Current account	88,786.79	189,200.47
Other	82,147.83	9,157.90
Total	1,328,105.80	19,447,810.22

2) By account aging

In RMB

Aging	Ending book balance	Opening book balance
Within one year(one year included)	314,322.50	18,602,799.92
1-2 years	329,068.00	294,831.92
2-3 years	279,484.30	123,447.38
Over 3 years	405,231.00	426,731.00
3-4 years	28,500.00	
4-5 years		15,831.00
Over 5 years	376,731.00	410,900.00
Total	1,328,105.80	19,447,810.22

3)Accrual of bad debt provisionApplicable Not applicable

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	

Including:										
Accrual of bad debt provision by portfolio	1,328,105.80	100.00%	509,137.86	38.34%	818,967.94	19,447,810.22	100.00%	564,159.46	2.90%	18,883,650.76
Including:										
Aging portfolio	1,328,105.80	100.00%	509,137.86	38.34%	818,967.94	1,293,055.81	6.65%	564,159.46	43.63%	728,896.35
Related Portfolio						18,154,754.41	93.35%			18,154,754.41
Total	1,328,105.80	100.00%	509,137.86	38.34%	818,967.94	19,447,810.22	100.00%	564,159.46	2.90%	18,883,650.76

Bad debt provision accrual on portfolio: Aging portfolio

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Within one year(one year included)	314,322.50	19,466.41	6.19%
1-2 years(Two year included)	329,068.00	37,139.00	11.29%
2-3 years(Three year included)	279,484.30	47,301.45	16.92%
3-4 years(Four year included)	28,500.00	28,500.00	100.00%
4-5 years(Five year included)			
Over 5 years	376,731.00	376,731.00	100.00%
Total	1,328,105.80	509,137.86	

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on January 1, 2025	564,159.46			564,159.46
January 1, 2025 balance in the current period				
Reversal in Current Year	34,579.33			34,579.33
Accrual in current year	89,600.93			89,600.93
Balance on December 31, 2025	509,137.86			509,137.86

The basis for the division of each stage and the proportion of bad debt provision

Explanation of the significant changes in the book balance of receivables financing with changes in loss

provisions in the current period:

Applicable Not applicable

4) Bad debt provision accrual, collected or reversal in the period

Accrual of bad debt provision in the period:

Category	Opening balance	Current changes				In RMB
		Accrual	Collected or reversal	Write off	Other	Ending balance
Provision for bad debts according to the combination of credit risk	564,159.46	34,579.33	89,600.93			509,137.86
Total	564,159.46	34,579.33	89,600.93			509,137.86

Important amount of bad debt provision switch-back or collection in the period:

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	In RMB
				The basis and rationality for determining the provision ratio of original bad debt provision

5) Other account receivables actually write-off during the reporting period

Item	Amount written off
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Including major other account receivables write-off:

Enterprise	Other Nature	Amount written off	Causes	Procedure	Amount cause by related transactions or not (Y/N)
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Other Note on account receivable write-off:

6) Top 5 other account receivable collected by arrears party at ending balance

Enterprise	Nature	Ending balance	Account age	Proportion in total other account receivables at period-end	Ending balance of bad bet provision
Shenzhen Luwei Mechatronic Equipment Co., Ltd	Payment for equipment	300,000.00	Over 5 years	22.59%	300,000.00
Shenzhen Luohu City	Margin or deposit	294,367.46	Within 1 year/2-3 years	22.16%	36,523.22

Development Co., Ltd.					
Zhou Liu Fu E-commerce Co., Ltd	Margin or deposit	100,000.00	1-2 years	7.53%	11,286.12
Chow Tai Seng Jewelry Co., Ltd.	Margin or deposit	100,000.00	1-2 years	7.53%	11,286.12
Alipay Payment Technology Co., Ltd.	Margin or deposit	70,000.00	Within 1 year	5.27%	4,335.19
Total		864,367.46		65.08%	363,430.65

7) Reported in other receivables due to centralized management of funds

Other note:

8. Accounts paid in advance

(1) Accounts paid in advance by ageing

In RMB

Account age	Ending balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within one year	1,094,841.65	99.92%	912,207.69	97.90%
1-2 years	840.31	0.08%	19,554.91	2.10%
Total	1,095,681.96		931,762.60	

Explanation on un-settlement in time for advance payment with over one year account age and major amounts:

None

(2) Top 5 advance payment at ending balance by prepayment object

Name	Ending balance	Ratio in total advance e payment(%)
Zhou Liu Fu E-commerce Co., Ltd	901,081.00	82.24
Shenzhen Cuilv Gold Business	188,738.28	17.23
Longgang Zhongxing Printing Co., Ltd.	2,400.00	0.22
Shenzhen Jinzhifu Jewelry Co., Ltd.	925.47	0.08
Shenzhen Mingwangjin Jewelry Co., Ltd.	875.99	0.08
Total	1,094,020.74	99.85

Other note:

9. Inventory

Whether companies need to comply with the disclosure requirements of the real estate industry

No

(1)Category

In RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for inventory depreciation or contract performance cost impairment provision	Book value	Book balance	Provision for inventory depreciation or contract performance cost impairment provision	Book value
Raw materials	94,528,913.32	1,248,584.67	93,280,328.65	31,921,986.22	322,212.17	31,599,774.05
Goods inventory	58,132,804.56	529,384.48	57,603,420.08	34,467,919.55	524,712.50	33,943,207.05
Consigned processing materials	33,806,558.61		33,806,558.61	18,882,595.14	75,901.24	18,806,693.90
Total	186,468,276.49	1,777,969.15	184,690,307.34	85,272,500.91	922,825.91	84,349,675.00

The Company shall comply with the disclosure requirement of jewelry-related industries in the “Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 3- Industry Disclosure”

(2) Data resources recognized as inventory

In RMB

Items	Inventory of outsourced data resources	Inventory of self processed data resources	Inventory of data resources obtained by other means	Total

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

In RMB

Item	Opening balance	Current increased		Current decreased		Ending balance
		Accrual	Other	Switch back or charge-off	Other	
Raw materials	322,212.17	1,068,252.21		141,879.71		1,248,584.67
Goods inventory	524,712.50	30,588.79		25,916.81		529,384.48
Consigned processing materials	75,901.24			75,901.24		
Total	922,825.91	1,098,841.00		243,697.76		1,777,969.15

Provision for inventory price decline that is made on a portfolio basis

In RMB

Portfolio Name	End of period			Beginning of period		
	Ending balance	Provision for price decline	Proportion of provision for price decline	Opening balance	Provision for price decline	Proportion of provision for price decline

The standard for accruing the provision for inventory price decline by portfolio

(4) The explanation of the ending balance of the inventory contains the capitalized amount of borrowing costs

(5) Explanation of the amortization amount of contract performance costs for the current period

10. Assets held for sale

In RMB

Item	Ending book balance	Impairment provision	Ending book value	Fair value	Expected disposal expenses	Expected disposal time
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Other note:

11. Non-current asset due within one year

In RMB

Item	Ending balance	Opening balance
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(1) Debt investment due within one year

Applicable Not applicable

(2) Other Debt investment due within one year

Applicable Not applicable

12. Other current assets

In RMB

Item	Ending balance	Opening balance
Input tax to be deducted	270,698.32	880,765.71
To be certified input tax	2,830.19	1,248,868.44
Advance payment of enterprise income tax	98,531.76	266.18
Tax amount to be received		804,887.25
Total	372,060.27	2,934,787.58

Other note:

13. Debt investment

(1) Debt investment

In RMB

Item	Ending balance	Opening balance
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	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
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Changes in impairment provisions for debt investments in the current period

In RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
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(2) Important debt investment

In RMB

Debt investment	Ending balance				Opening balance			
	Face value	Coupon rate	Actual rate	Due date	Face value	Coupon rate	Actual rate	Due date

(3) Accrual of impairment provision

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
January 1, 2025 balance in the current period				

The basis for the division of each stage and the proportion of bad debt provision

(4) Information of debt investment actually written off in the current period

In RMB

Item	Write-off amount
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Information of write-off of important debt investments thereinto

Debt Investment Write-off Explanation:

Change of book balance of loss provision with amount has major changes in the period

Applicable Not applicable

Other note:

14. Other debt investment

(1) Other debt investment

In RMB

Item	Opening balance	Accrued interest	Change of fair value in the period	Ending balance	Cost	Cumulative changes of fair value	Cumulative loss impairment recognized in other comprehensive income	Note
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Changes in provision for impairment of other debt investments in the current period

In RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
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(2) Important debt investment

In RMB

Debt investment	Ending balance				Opening balance			
	Face value	Coupon rate	Actual rate	Due date	Face value	Coupon rate	Actual rate	Due date

(3) Accrual of impairment provision

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
January 1, 2025 balance in the current period				

The basis for the division of each stage and the proportion of bad debt provision

(4) Other debt investments actually written off during the period

In RMB

Item	Write-off amount
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Other important debt investment write-offs thereinto

Explanation for write-off of other debt investments:

Change of book balance of loss provision with amount has major changes in the period

Applicable Not applicable

Other note:

15. Investment in other equity instrument

In RMB

Item name	Ending balance	Opening balance	Gains recognized in other comprehensive income for the current period	Loss recognized in other comprehensive income for the current period	Accumulated gains recognized in other comprehensive income at the end of the current period	Accumulated losses recognized in other comprehensive income at the end of the current period	Dividend income recognized in the current period	Reason for designated in fair value measurement with changes recognized in other comprehensive income
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Derecognition incurred in the current period

In RMB

Item name	Accumulated gains transferred to retained earnings	Accumulated losses transferred to retained earnings	Reason for derecognition
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Itemized disclosure of investments by non-trading equity instruments for the current period

In RMB

Item name	Recognized dividend income	Accrued gains	Accrued losses	Amount of other comprehensive income transferred to retained earnings	Reason for designated in fair value measurement with changes recognized in other comprehensive income	Reason for other comprehensive income transferred to retained earnings
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Other note:

16. Long-term account receivable**(1) Long-term account receivable**

In RMB

Item	Ending balance			Opening balance			Discount rate interval
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value	

(2) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Inducing										
Including										

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase II	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
January 1, 2025 balance in the current period				

The basis for the division of each stage and the proportion of bad debt provision

(3) Bad debt provision accrual, collected or reversal in the period

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

The important amount of bad debt provisions reversed or recovered in the current period thereinto:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
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Other note:

(4) Long-term receivables actually written off in the current period

In RMB

Item	Write-off amount
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Important long-term accounts receivable write-off status thereinto:

In RMB

Name of Organization	Amount Nature	Write-off amount	Write-off reason	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Explanation of write-off of long-term receivables:

17. Long-term equity investment

In RMB

Invested enterprise	Beginning balance	Impairment provision on beginning balance	Changes in the period (+, -)								Ending balance (Book value)	Ending balance of impairment provision	
			Addition investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision	Other			
I. Joint venture													
II. Associated enterprise													
Shenzhen Xinxuan Technology Co., Ltd.	830,481.86			760,000.00	-70,156.52							325.34	

Subtotal	830,48 1.86			760,00 0.00	- 70,156 .52						325.34	
Total	830,48 1.86			760,00 0.00	- 70,156 .52						325.34	

The recoverable amount is determined on the basis of the net amount of fair value less disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

Applicable Not applicable

The reason for the obvious discrepancy between the foregoing information and the information used in the impairment test of previous years or the external information

The reason for the obvious discrepancy between the information used in the Company's impairment test in previous years and the actual situation in the current year

Other note

18. Other non-current financial assets

In RMB

Item	Ending balance	Opening balance
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Other note:

19. Investment real estate

(1) Investment real estate measured at cost

Applicable Not applicable

(2) Investment real estate measured at fair value

Applicable Not applicable

(3) Converted to investment real estate and measured at fair value

In RMB

Item	Accounting accounts before conversion	Amount	Reason for conversion	Approval procedures	Impact on profit and loss	Impact on other comprehensive income
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(4) Investment real estate without property rights certificate

In RMB

Item	Book value	Reasons for failing to complete the property rights certificate
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Other note:

20.Fixed assets

In RMB

Item	Ending balance	Opening balance
Fixed assets	2,792,361.64	2,931,163.10
Liquidation of fixed assets		
Total	2,792,361.64	2,931,163.10

(1) Fixed assets

In RMB

Item	Houses and buildings	Machinery equipment	Means of transportation	Electronic equipment and others	Total
I. Original book value:					
1. Opening balance	2,959,824.00	1,512,328.33	1,513,248.07	344,991.83	6,330,392.23
2. Current increased		163,250.35		27,049.04	190,299.39
(1) Purchase		163,250.35		27,049.04	190,299.39
(2) Construction in progress transfer-in					
(3) The increase in business combination					
3. Current decreased		134,615.38			134,615.38
(1) Disposal or scrap		134,615.38			134,615.38
4. Ending balance	2,959,824.00	1,540,963.30	1,513,248.07	372,040.87	6,386,076.24
II. Accumulated depreciation					
1. Opening balance	1,132,132.68	497,759.02	862,386.24	177,345.44	2,669,623.38
2. Current increased	133,192.08	49,437.96	99,490.59	33,518.68	315,639.31
(1) Accrual	133,192.08	49,437.96	99,490.59	33,518.68	315,639.31
3. Current decreased		121,153.84			121,153.84
(1) Disposal or scrap		121,153.84			121,153.84
4. Ending balance	1,265,324.76	426,043.14	961,876.83	210,864.12	2,864,108.85
III. Impairment					

provision					
1. Opening balance		729,605.75			729,605.75
2. Current increased					
(1) Accrual					
3. Current decreased					
(1) Disposal or scrap					
4. Ending balance		729,605.75			729,605.75
IV. Book value					
1. Ending book value	1,694,499.24	385,314.41	551,371.24	161,176.75	2,792,361.64
2. Opening book value	1,827,691.32	284,963.56	650,861.83	167,646.39	2,931,163.10

(2) Fixed assets temporary idle

In RMB

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Note
Machinery equipment	1,044,247.81	314,642.06	729,605.75		The lithium battery equipment stored in the Guangshui Jiayu factory is in an idle state

(3) Fixed assets leasing-out by operational lease

In RMB

Item	Ending book value
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(4) Fixed assets without property rights certificate

In RMB

Item	Book value	Reasons for failing to complete the property rights certificate
Six properties in Lianxin Garden	1,694,499.24	The six properties of Lianxin Garden 7-20F with original value of 2,959,824.00 Yuan. The property purchasing refers to the indemnificatory housing for enterprise talent buying from Shenzhen Housing and Construction Bureau of Luohu District. According to the agreement, the enterprise shall not carrying any kind of property trading with any units or individuals except the government, and the company has no property certification on the above

		mentioned properties.
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Other note:

(5) Information of impairment test of fixed assets

Applicable Not applicable

(6) liquidation of fixed assets

In RMB

Item	Ending balance	Opening balance
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Other note:

21. Construction in progress

In RMB

Item	Ending balance	Opening balance
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(1) Construction in progress

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

(2) Changes in significant construction in progress

In RMB

Item	Budget	Opening balance	Current increased	Fixed assets transfer-in in the Period	Other decreased in the Period	Ending balance	Proportion of project investment in budget	Progress	Accumulated amount of interest capitalization	including: interest capitalized amount of the year	Interest capitalization rate of the year	Source of funds
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(3) Provision for impairment of construction in progress in the current period

In RMB

Item	Opening balance	Increase	Decrease	Ending balance	Reason
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Other note:

(4) Information of impairment test of construction in progress

Applicable Not applicable

(5)Engineering materials

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

Other note:

22. Productive biological asset**(1)Productive biological assets measured by cost**Applicable Not applicable**(2) Impairment test of productive biological assets using cost measurement mode**Applicable Not applicable**(3) Productive biological assets measured by fair value**Applicable Not applicable**23. Oil and gas asset**Applicable Not applicable**24Right-of-use assets****(1) Right-of-use assets**

In RMB

Item	Houses and buildings	Total
I. Original book value		
1. Opening balance	6,220,679.84	6,220,679.84
2. Current increased		
3. Current decreased		
4. Ending balance	6,220,679.84	6,220,679.84
II. Accumulated depreciation		
1. Opening balance	2,384,593.94	2,384,593.94
2. Current increased	1,536,781.09	1,536,781.09
(1) Accrual	1,536,781.09	1,536,781.09
3. Current decreased		
(1) Disposal		

4.Ending balance	3,921,375.03	3,921,375.03
III. Impairment provision		
1.Opening balance		
2.Current increased		
(1)Accrual		
3.Current decreased		
(1) Disposal		
4.Ending balance		
IV. Book value		
1.Ending book value	2,299,304.81	2,299,304.81
2.Opening book value	3,836,085.90	3,836,085.90

(2) Information of impairment test of right-of-use assets

Applicable Not applicable

Other note:

25. Intangible assets

(1)Intangible assets

In RMB

Item	Land use right	Patent	Non-patent technology		Total
I. Original book value					
1.Opening balance					
2.Current increased					
(1)Purchase					
(2) Internal R & D					
(3)The increase in business combination					
3.Current decreased					
(1) Disposal					
4.Ending balance					
II. Accumulated depreciation					
1.Opening balance					
2.Current increased					

(1)Accrual					
3.Current decreased					
(1) Disposal					
4.Ending balance					
III. Impairment provision					
1. Opening balance					
2. Current increased					
(1)Accrual					
3.Current decreased					
(1) Disposal					
4.Ending balance					
IV. Book value					
1. Ending book value					
2. Opening book value					

Ratio of intangible assets resulted from internal R&D in balance of intangible assets at period-end

(2)Data resources recognized as intangible assets

Applicable Not applicable

(3)Land use right without certificate of title completed

In RMB

Item	Book value	Reasons for failing to complete the property rights certificate

Other note:

(4) Information of impairment test of intangible assets

Applicable Not applicable

26. Goodwill

(1)Original book value of goodwill

In RMB

The invested entity or items	Opening balance	Current increased		Current decreased		Ending balance
		Resulted by enterprise combination		Dispose		

Total						

(2) Goodwill Impairment provision

In RMB

The invested entity or items	Opening balance	Current increased		Current decreased		Ending balance
		Accrual		Dispose		
Total						

(3) Information about the asset group or asset group portfolio to which the goodwill belongs

Name	The composition and basis of the asset group or portfolio to which it belongs	Affiliated business segments and basis	Whether it is consistent with previous years
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Changes in the asset group or portfolio of asset groups

Name	Composition before the change	Composition after the change	Objective facts and basis for change
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Other note

(4) The specific method of determining the recoverable amount

The recoverable amount is determined on the basis of the net amount by fair value less disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

Applicable Not applicable

The reason for the obvious discrepancy between the foregoing information and the information used in the impairment test of previous years or the external information

The reason for the obvious discrepancy between the information used in the Company's impairment test in previous years and the actual situation in the current year

(5) Status of completion of performance commitment and corresponding goodwill impairment

When goodwill is formed, there is a performance commitment and the reporting period or the previous period in the reporting period is within the performance commitment period

Applicable Not applicable

Other note:

27. Long-term expenses to be apportioned

In RMB

Item	Opening balance	Current increased	Amortized in the Period	Other decrease	Ending balance
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Other note:

28. Deferred income tax asset /Deferred income tax liabilities**(1)Deferred income tax assets without offset**

In RMB

Item	Ending balance		Opening balance	
	Deductible temporary difference	Deferred income tax asset	Deductible temporary difference	Deferred income tax asset
Asset impairment provision	21,917,379.76	5,479,344.95	19,919,366.32	4,979,841.59
Lease Liabilities	3,094,978.81	773,744.70	4,602,702.62	1,150,675.65
Total	25,012,358.57	6,253,089.65	24,522,068.94	6,130,517.24

(2)Deferred income tax liabilities without offset

In RMB

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Right to use assets	2,299,304.81	574,826.20	3,836,085.90	959,021.47
Total	2,299,304.81	574,826.20	3,836,085.90	959,021.47

(3)Deferred income tax assets and deferred income tax liabilities listed after off-set

In RMB

Item	Trade-off between the deferred income tax assets and liabilities	Ending balance of deferred income tax assets or liabilities after off-set	Trade-off between the deferred income tax assets and liabilities at period-begin	Opening balance of deferred income tax assets or liabilities after off-set
Deferred income tax asset	574,826.20	5,678,263.45	959,021.47	5,171,495.77
Deferred income tax liabilities	574,826.20		959,021.47	

(4)Detailsof deferred income tax assets without recognized

In RMB

Item	Ending balance	Opening balance
Deductible temporary difference	9,446,500.56	8,392,712.20
Deductible loss	4,453,133.02	2,871,162.92
Total	13,899,633.58	11,263,875.12

(5)Deductible losses of un-recognized deferred income tax assets expired on the followed year

In RMB

Year	Ending amount	Opening amount	Note
2025		501,170.19	Deductible loss in 2020
2026	303,110.98	303,426.68	Deductible loss in 2021
2027	391,287.51	391,287.51	Deductible loss in 2022
2028	5,645.86	5,645.86	Deductible loss in 2023

2029	1,029,806.57	1,669,632.68	Deductable loss in 2024
2030	2,718,149.08		Deductable loss in 2025
No Expiration date (Hongkong Enterprise)	5,133.02		
Total	4,453,133.02	2,871,162.92	

Other note:

29. Other non-current assets

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

Other note:

30. Assets with restricted ownership or right to use

In RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Restricted type	Restricted circumstance	Book balance	Book value	Restricted type	Restricted circumstance
Monetary funds					174,866.02	174,866.02	Other	Litigation frozen funds
Fixed assets	2,959,824.00	1,694,499.24	Other	For the talent housing purchased at a low price, Shenzhen China cannot apply for a certificate, and the disposal can only be repurchased by the government	2,959,824.00	1,827,691.32	Other	For the talent housing purchased at a low price, Shenzhen China cannot apply for a certificate, and the disposal can only be repurchased by the government
Total	2,959,824.00	1,694,499.24			3,134,690.02	2,002,557.34		

Other note:

31. Short-term loans

(1) Category

In RMB

Item	Ending balance	Opening balance
Credit loans	23,450,000.00	9,900,000.00
Total	23,450,000.00	9,900,000.00

Explanation on short-term loans category:

Note 1: Shenzhen China Bicycle Company (Holdings) Limited entered into a working capital loan agreement with the Bank of Communications Shenzhen Branch on November 17, 2025, with a loan term from November 25, 2025 to November 17, 2026, and an loan balance of RMB 8,800,000.00 as of December 31, 2025. The purpose is to repay the loan from Bank of Communications.

Note 2: Shenzhen China Bicycle Company (Holdings) Limited entered into a working capital loan agreement with the China CITIC Bank of Shenzhen Branch on June 27, 2025, with a loan term from June 27, 2025 to June 27, 2026, and an loan balance of RMB 10,000,000.00 as of December 31, 2025. This loan is a credit loan, The purpose is to be used for paying the invoice.

Note 1: Shenzhen Xinsen Jewels Gold Co., Ltd. entered into a working capital loan agreement with the Bank of Communications Shenzhen Branch on May 21, 2025, with a loan term from May 27, 2025 to May 20, 2026, and an loan balance of RMB 4,650,000.00 as of December 31, 2025. This loan is a credit loan, which is used for daily business turnover.

(2) Overdue outstanding short-term loans

Total 0.00 Yuan overdue outstanding short-term loans at period-end, including the followed significant amount:

In RMB/

Borrower	Ending balance	Lending rate	Overdue time	Overdue rate
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Other note:

32. Trading financial liability

In RMB

Item	Ending balance	Opening balance
Including:		
Including:		

Other note:

33. Derivative financial liability

In RMB

Item	Ending balance	Opening balance
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Other note:

34. Note payable

In RMB

Category	Ending balance	Opening balance
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Notes expired at period-end without paid was 0.00 Yuan.

35. Account payable**(1) Account payable**

In RMB

Item	Ending balance	Opening balance
Within one year(one year included)	1,446,101.39	4,990,535.61
1-2 years (2 years included)	106,791.28	2,122,412.74
2-3 years (3 years included)	1,362,525.33	78,745.65
Over 3 years	451,838.93	445,005.51
Total	3,367,256.93	7,636,699.51

(2) Important account payable with account age over one year

In RMB

Item	Ending balance	Reasons for non-reimbursement or carry-forward

Other note:

(3) Whether there exists any overdue and unpaid amounts owed to samal and medium-sized enterprises

Whether I is a large enterprise

Yes No**36. Other account payable**

In RMB

Item	Ending balance	Opening balance
Other account payable	43,263,973.18	33,704,488.43
Total	43,263,973.18	33,704,488.43

(1) Interest payable

In RMB

Item	Ending balance	Opening balance

Important overdue interest

In RMB

Unit	Overdue amount	Overdue reason

Other note:

(2) Dividend Payable

In RMB

Item	Ending balance	Opening balance

Other explanation:including dividends payable with over one year age and disclosure un-payment reasons

(3) Other account payable

1) By nature

In RMB

Item	Ending balance	Opening balance
Custodian and common benefit debts	29,193,228.46	22,468,139.52
Warranty and guarantee money	1,468,660.00	1,499,940.00
Intercourse funds	11,090,285.30	8,590,285.30
Payment	1,404,616.54	1,021,330.17
Collection and payment	81,610.29	91,745.33
Other	25,572.59	33,048.11
Total	43,263,973.18	33,704,488.43

2) Significant other payable with over one year age

In RMB

Item	Ending balance	Reasons for non-reimbursement or carry-forward
Custodian and common benefit debts	20,212,786.44	Annual settlement offset
Shenzhen Guocheng Energy Investment Development Co., Ltd.	6,500,000.00	Intercourse funds
Total	26,712,786.44	

Other note:

37. Contractual liability

In RMB

Item	Ending balance	Opening balance
Receipt of goods in advance	67,520.83	4,868,279.05
Total	67,520.83	4,868,279.05

Contractual liability in advance with over one year book age

In RMB

Item	Ending balance	Reasons for non-reimbursement or carry-forward

Book value has major changes in the period and causes

In RMB

Item	Amount changes	Reason for change

38. Wage payable

(1) Wage payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance

I. Short-term compensation	807,688.20	11,108,018.42	10,487,518.15	1,428,188.47
II. Post-employment benefit-Defined contribution plan		932,998.19	932,998.19	
III. Dismiss welfare		35,500.00	35,500.00	
Total	807,688.20	12,076,516.61	11,456,016.34	1,428,188.47

(2) Short-term compensation

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Wages, bonus, allowances and subsidy	802,443.32	10,058,877.72	9,438,415.15	1,422,905.89
2. Employee benefits		262,941.10	262,941.10	
3. Social insurance		327,207.22	327,207.22	
Including: Medical insurance		261,153.28	261,153.28	
Work injury insurance		30,306.19	30,306.19	
Maternity insurance		35,747.75	35,747.75	
4. Housing accumulation fund		396,220.12	396,220.12	
5. Labor union expenditure and personnel education expense	5,244.88	62,772.26	62,734.56	5,282.58
Total	807,688.20	11,108,018.42	10,487,518.15	1,428,188.47

(3) Defined contribution plan

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Basic endowment insurance		894,482.13	894,482.13	
2. Unemployment insurance		38,516.06	38,516.06	
Total		932,998.19	932,998.19	

Other note:

39. Taxes payable

In RMB

Item	Ending balance	Opening balance
VAT	3,185,110.99	378,825.58
Consumption tax	3,668.14	3,668.14
Enterprise income tax	5,825,705.49	3,699,904.41
Individual income tax	40,105.99	42,632.55
City maintenance & construction tax	196,433.82	26,310.43
Stamp tax	52,339.47	104,419.30

Real estate tax		181,830.16
Land use tax		10,895.45
Educational surtax	140,272.46	18,755.75
Vehicle purchase tax		23,150.44
Total	9,443,636.36	4,490,392.21

Other note:

40. Liability held for sale

In RMB

Item	Ending balance	Opening balance
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Other note:

41. Non-current liabilities due within one year

In RMB

Item	Ending balance	Opening balance
Lease liabilities due within one year	1,432,886.46	1,389,819.85
Total	1,432,886.46	1,389,819.85

Other note:

42. Other current liabilities

In RMB

Item	Ending balance	Opening balance
VAT received in advance	8,777.82	302,687.60
Total	8,777.82	302,687.60

Changes of short-term bond payable:

In RMB

Bond	Face value	Interest rate	Release date	Bond period	Issuing amount	Opening balance	Issued in the Period	Accrued interest by face value	Premium/discount amortization	Paid in the Period		Ending balance	Whether default
Total													

Other note:

43. Long-term loans

(1)Category

In RMB

Item	Ending balance	Opening balance
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Explanation on category of long-term loans:

Other note: including interest rate section

44. Bonds payable

(1) Bonds payable

In RMB

Item	Ending balance	Opening balance
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(2) Changes of bonds payable (not including the other financial instrument of preferred stock and perpetual capital securities that classify as financial liability)

In RMB

Bond	Face value	Interest rate	Release date	Bond period	Issuing amount	Opening balance	Issued in the Period	Accrued interest by face value	Premium/discount amortization	Paid in the Period		Ending balance	Whether default
Total													

(3) Convertible conditions and time for shares transfer for the convertible bonds

(4) Other financial instruments classify as financial liability

Outstanding other financial instruments as preferred stock and perpetual bonds at period-end

Changes of the outstanding financial instruments as preferred stock and perpetual bonds at period-end

In RMB

Outstanding financial instrument	Period-begin		Current increased		Current decreased		Period-end	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

Basis for financial liability classification for other financial instrument

Other note:

45. Lease liability

In RMB

Item	Ending balance	Opening balance
Lease payment amount	3,218,151.98	4,873,543.86
Including: Within 1 year	1,520,877.84	1,532,795.61
1-2 years	1,566,422.00	1,578,816.05
2-3 years	130,852.14	1,626,095.22
Over 3 years		135,836.98
Unrecognized financing charges	-123,173.17	-270,841.24
Including: Within 1 year	-87,991.38	-142,975.15
1-2 years	-34,790.40	-91,343.44
2-3 years	-391.39	-36,115.75

Over 3 years		-406.90
Reclassified to lease liabilities due within one year	-1,432,886.46	-1,389,819.85
Total	1,662,092.35	3,212,882.77

Other note:

46. Long-term account payable

In RMB

Item	Ending balance	Opening balance
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(1) Nature of long-term account payable

In RMB

Item	Ending balance	Opening balance
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Other note:

(2) Special payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
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Other note:

47. Long-term wages payable

(1) Long-term wages payable

In RMB

Item	Ending balance	Opening balance
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(2) Changes of defined benefit plans

Present value of the defined benefit plans:

In RMB

Item	Current period incurred	Prior period incurred
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Scheme assets:

In RMB

Item	Current period incurred	Prior period incurred
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Net liability (assets) of the defined benefit plans

In RMB

Item	Current period incurred	Prior period incurred
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Content of defined benefit plans and relevant risks, impact on future cash flow of the Company as well as times and uncertainty:

Major actuarial assumption and sensitivity analysis:

Other note:

48. Accrual liability

In RMB

Item	Ending balance	Opening balance	Causes
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Other explanation, including relevant important assumptions and estimation:

49. Deferred income

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
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Other note:

50. Other non-current liabilities

In RMB

Item	Ending balance	Opening balance
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Other note:

51. Share capital

In RMB

	Opening balance	Changes in the period (+, -)					Ending balance
		New shares issued	Bonus share	Shares transferred from capital reserve	Other	Subtotal	
Total shares	689,184,933.00						689,184,933.00

Other note:

52. Other equity instrument**(1) Outstanding other financial instruments as preferred stock and perpetual bonds at period-end****(2) Changes of the outstanding other financial instruments as preferred stock and perpetual bonds at period-end**

In RMB

Outstanding financial instrument	Period-begin		Current increased		Current decreased		Period-end	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

Changes of other equity instrument, change reasons and relevant accounting treatment basis:

Other note:

53. Capital public reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Capital premium(Share)	169,874,906.92			169,874,906.92

capital premium)				
Other capital public reserve	627,834,297.85			627,834,297.85
1. Debt restructuring income	482,580,588.23			482,580,588.23
2. Other	145,253,709.62			145,253,709.62
Total	797,709,204.77			797,709,204.77

Other note: including changes and reasons for changes

54. Inventory shares

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
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Other note: including changes and reasons for changes

55. Other comprehensive income

In RMB

Item	Opening balance	Current period incurred						Ending balance
		Account before income tax in the period	Less: written in other comprehensive income in previous period and carried forward to gains and losses in current period	Less: written in other comprehensive income in previous period and carried forward to retained earnings in current period	Less: Income tax expense	Belong to parent company after tax	Belong to minority shareholders after tax	
II. Reclassify other comprehensive income into profit or loss		- 630,231.12				- 630,231.12		- 630,231.12
Total of other comprehensive income		- 630,231.12				- 630,231.12		- 630,231.12

Other note: including the active part of the hedging gains/losses of cash flow transfer to initial recognition adjustment for the arbitrated items

56. Reasonable reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
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Other note: Including changes and reasons for changes

57. Surplus public reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Statutory surplus reserves	32,673,227.01			32,673,227.01
Total	32,673,227.01			32,673,227.01

Explanation: including changes and reasons for changes

58. Retained profit

In RMB

Item	Current period	Prior period
Retained profit at period-end before adjustment	-1,175,806,118.62	-1,192,651,364.21
Retained profit at period-begin after adjustment	-1,175,806,118.62	-1,192,651,364.21
Add: net profit attributable to shareholders of parent company for this year	41,129,172.17	16,845,245.59
Retained profit at period-end	-1,134,676,946.45	-1,175,806,118.62

Adjustment for retained profit at period-begin:

- 1) Retroactive adjustment due to the Accounting Standards for Business Enterprise and relevant new regulations, retained profit at period-begin has 0.00 Yuan affected;
- 2) Due to the accounting policy changes, retained profit at period-begin has 0.00 Yuan affected;
- 3) Due to the major accounting errors correction, retained profit at period-begin has 0.00 Yuan affected;
- 4) Consolidation range changed due to the same control, retained profit at period-begin has 0.00 Yuan affected;
- 5) Total other adjustment impacts 0.00 Yuan retained profit at period-begin

Detailed explanation of using capital reserves to cover losses:

59. Operation revenue and operation cost

In RMB

Item	Current period incurred		Prior period incurred	
	Revenue	Cost	Revenue	Cost
Main business	734,767,795.67	657,941,428.84	578,871,117.17	545,312,932.27
Other business	1,109,473.08	41,271.84	998,198.71	120,047.57
Total	735,877,268.75	657,982,700.68	579,869,315.88	545,432,979.84

Whether the audited net profit before and after deducting non-recurring gains and losses is negative

 Yes No

Breakdown of operating income and operating costs:

In RMB

Contract type	1# Division		2# Division				Total	
	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost
Business type								
Including:								

Jewelry and gold	735,160,57 9.53	657,858,13 6.22					735,160,57 9.53	657,858,13 6.22
Bicycles, electric vehicles and others	716,689.22	124,564.46					716,689.22	124,564.46
Classification by business area								
Including:								
Domestic	735,877,26 8.75	657,982,70 0.68					735,877,26 8.75	657,982,70 0.68
Market or customer type								
Including:								
Contract type								
Including:								
Classification by time of goods transfer								
Including:								
Among them: at a certain point of time to transfer	735,877,26 8.75	657,982,70 0.68					735,877,26 8.75	657,982,70 0.68
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total	735,877,26 8.75	657,982,70 0.68					735,877,26 8.75	657,982,70 0.68

Information related to performance obligations:

Item	The time to fulfill the performance obligation	Important payment terms	The nature of the goods that the company promises to transfer	Whether it is the main responsible person	The expected refunds to customers borne by the company	The types of quality assurance provided by the company and

						related obligations
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Other note:

Information relating to the transaction price assigned to the remaining performance obligation:

The amount of revenue corresponding to performance obligation that have been signed but have not been fulfilled or have not been fulfilled at the end of the period was 0.00 Yuan, including 0.00 Yuan is expected to be recognized as revenue in subsequent years, 0.00 Yuan is expected to be recognized as revenue in subsequent years, 0.00 Yuan is expected to be recognized as revenue in subsequent years. Other explanation:

Significant contract changes or significant transaction price adjustments

In RMB

Item	Accounting treatment method	The impacted amount on revenue
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Other note:

60. Tax and surcharge

In RMB

Item	Current period incurred	Prior period incurred
Consumption tax		3,668.14
City maintenance & construction tax	253,722.38	73,973.45
Educational surcharge	181,977.83	59,888.01
Vehicle and vessel usage tax	660.00	1,860.00
Stamp tax	412,718.26	323,354.40
Total	849,078.47	462,744.00

Other note:

61. Administrative expenses

In RMB

Item	Current period incurred	Prior period incurred
Employee compensation	3,279,442.48	2,511,609.02
Intermediary service fee	895,045.96	943,765.35
Daily administrative expenses	4,139,748.07	2,580,054.89
Depreciation and amortization	840,943.82	701,283.96
Total	9,155,180.33	6,736,713.22

Other note:

62. Sales expenses

In RMB

Item	Current period incurred	Prior period incurred
Employee compensation	4,408,879.10	2,944,792.05
Service charge	75,864.51	7,250.38
Marketing promotion fees	1,012,336.05	361,240.38

Business entertainment	385,096.02	100,458.48
Travel expenses	25,688.43	183,755.42
Lease fee	406,897.60	363,139.02
Design fee	554,399.71	615.00
Depreciation and amortization	466,550.99	432,266.96
Online marketing fee	150,423.72	64,042.30
Other	295,829.37	112,744.45
Total	7,781,965.50	4,570,304.44

Other note:

63. R&D expenses

In RMB

Item	Current period incurred	Prior period incurred
Employee compensation and benefits	613,626.89	625,811.11
Depreciation and amortization	6,393.00	18,389.58
Total	620,019.89	644,200.69

Other note:

64. Finance expenses

In RMB

Item	Current period incurred	Prior period incurred
Interest expenses	722,837.20	359,642.09
Interest income	-11,368.01	-49,490.86
Exchange gain or loss	10.66	
Commission charge etc.	26,378.37	25,644.40
Total	737,858.22	335,795.63

Other note:

65. Other income

In RMB

Sources	Current period incurred	Prior period incurred
Government subsidy	1,000.00	5,771.92

66. Net exposure hedge gains

In RMB

Item	Current period incurred	Prior period incurred
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Other note:

67. Income from change of fair value

In RMB

Sources	Current period incurred	Prior period incurred
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Other note:

68. Investment income

In RMB

Item	Current period incurred	Prior period incurred
Long-term equity investment income by equity method	-70,156.52	-169,518.14
Disposition of the investment income generated by the long-term equity investment		1.19
Gains from silver extended trading	-180,799.89	
Total	-250,956.41	-169,516.95

Other note:

69. Loss of credit impairment

In RMB

Item	Current period incurred	Prior period incurred
Bad debt loss of other account receivable	-1,784,766.07	-1,061,011.47
Bad debt losses of other accounts receivable	55,021.60	-135,110.68
Total	-1,729,744.47	-1,196,122.15

Other note:

70. Impairment loss on assets

In RMB

Item	Current period incurred	Prior period incurred
I. Loss of inventory falling price and loss of contract performance cost impairment	-1,098,841.00	-375,230.63
Total	-1,098,841.00	-375,230.63

Other note:

71. Income from assets disposal

In RMB

Sources	Current period incurred	Prior period incurred
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72. Non-operating income

In RMB

Item	Current period incurred	Prior period incurred	Amount reckoned in current non-recurring gains/losses
Customer liquidated damages	194,608.12	1,567,940.83	194,608.12
Income from escrow assets	4,854,083.46	5,476,231.34	4,854,083.46
Escrow assets renaming fee and other	225,487.00	543,354.40	225,487.00
Other	85,143.93	38,308.46	85,143.93
Total	5,359,322.51	7,625,835.03	5,359,322.51

Other note:

Note: The profit or loss of escrow assets refers to the fact that the property rights of some assets used to pay off debts at the termination of the bankruptcy reorganization of Shenzhen China in the previous period were not clear and could not be disposed of, and the Shenzhen Intermediate People's Court approved Shenzhen China to manage its own property and business affairs under the supervision of the administrator, and the administrator and Shenzhen China settled the income and expenditure on an annual basis. The tax on the daily expenses of the entrusted assets is included in the non-operating expenses-entrusted asset expenses, and the difference between the rental of the assets and the settlement with the manager is included in the non-operating income - income from entrusted assets.

73. Non-operating expense

In RMB

Item	Current period incurred	Prior period incurred	Amount reckoned in current non-recurring gains/losses
Total scrap loss of non-current assets	13,461.54		13,461.54
Including: Loss of fixed assets	13,461.54		13,461.54
Penalty cost	11,768.11	57,019.96	11,768.11
Escrow assets fess	4,854,083.46	5,476,231.34	4,854,083.46
Other	1,508.58	15,984.66	1,508.58
Total	4,880,821.69	5,549,235.96	4,880,821.69

Other note

74. Income tax expense

(1)Income tax expense

In RMB

Item	Current period incurred	Prior period incurred
Current income tax expense	15,261,211.41	6,452,159.34
Deferred income tax expense	-506,767.68	-262,331.55
Total	14,754,443.73	6,189,827.79

(2)Adjustment on accounting profit and income tax expenses

In RMB

Item	Current period incurred
Total profit	56,150,424.60
Income tax measured by statutory/applicable tax rate	14,037,606.15
The impact of applying different tax rates to subsidiaries	552,842.92
The impact of non-taxable income	3,506.41
Impact on cost, expenses and losses that unable to deducted	153,770.75
The impact of deductible losses on the use of deferred income	-32,007.10

tax assets not recognized in prior period	
The impact of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the Period	193,729.57
Additional deductible expenses under the tax code	-155,004.97
Income tax expense	14,754,443.73

Other note:

75. Other comprehensive income

Refer to the Note

Other note:

76. Items of Cash flow statement

(1) Cash related to operating activities

Other cash received from business operation

In RMB

Item	Current period incurred	Prior period incurred
Interest, rent, utilities, etc.	2,212,173.13	2,204,229.60
Deposits and guarantees received	3,125,290.00	84,000.00
Government subsidy and individual tax handling fee refund	1,000.00	5,771.92
Receive the current payment	1,917,986.23	4,216,847.25
Litigation freezes funds	174,866.02	
Received the compensation for the unfinished judgment of the reorganization case	10,053,255.72	
Other	310,630.95	543,368.18
Total	17,795,202.05	7,054,216.95

Explanation on other cash received in relation to operation activities:

Other cash paid in relation to operation activities

In RMB

Item	Current period incurred	Prior period incurred
Expenses such as rent and property management maintenance fees	1,361,165.74	1,911,183.36
Deposits and security deposits paid	3,724,908.56	350,774.00
Sales, management and R&D expenses	7,303,578.84	4,808,312.49
Litigation compensation, liquidated damages and late fees, etc.	2,649.46	4,567.95
Handling expenses	26,368.36	24,205.98
Payment of current payment	3,297,129.75	2,556,954.69
Payment of frozen funds		174,866.02
Other	1,608.59	14.63
Total	15,717,409.30	9,830,879.12

Explanation on other cash paid in relation to operation activities:

(2) Cash related to Investment activities

Cash receivable related to other Investment activities

In RMB

Item	Current period incurred	Prior period incurred
Recovering the housing fund for talent		400,000.00
Total		400,000.00

Receivable for important cash related to investment activities

In RMB

Item	Current period incurred	Prior period incurred
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Explanation on other cash received from investment activities:

Cash paid related with investment activities

In RMB

Item	Current period incurred	Prior period incurred
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Payable for important cash related to investment activities

In RMB

Item	Current period incurred	Prior period incurred
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Explanation on cash paid related with investment activities

(3)Cash related to Financing activities

Other cash received in relation to financing activities

In RMB

Item	Current period incurred	Prior period incurred
Received Wansheng industrial performance compensation	18,154,754.41	12,098,051.76
Total	18,154,754.41	12,098,051.76

Explanation on other cash received in relation to financing activities:

Other cash paid related with financing activities

In RMB

Item	Current period incurred	Prior period incurred
Lease payment amount	1,338,802.26	1,418,182.06
Acquisition of minority shareholders of its subsidiary	15,025,000.00	
Total	16,363,802.26	1,418,182.06

Explanation on other cash paid related with financing activities:

Changes in various liabilities arising from fund-raising activities

Applicable Not applicable

In RMB

Item	Opening balance	Current increased		Current decreased		Ending balance
		Cash change	Non Cash change	Cash change	Non Cash change	
Shore-term	9,900,000.00	15,000,000.00		1,450,000.00		23,450,000.00

loan						
Lease liabilities (including those due within one year)	4,602,702.62			1,280,811.72	226,912.09	3,094,978.81
Total	14,502,702.62	15,000,000.00		2,730,811.72	226,912.09	26,544,978.81

(4) Statement of cash flows on a net basis

Item	Relevant factual circumstances	The basis for the use of net presentation	Financial impact
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(5) Major activities and financial impacts that do not involve cash receipts and expenditures in the current period, but affect the financial position of the enterprise or may affect the cash flow of the enterprise in the future

77. Supplementary information to statement of cash flow

(1) Supplementary information to statement of cash flow

In RMB

Supplementary information	Current amount	Amount of the previous period
1. Net profit adjusted to cash flow of operation activities:		
Net profit	41,395,980.87	15,838,251.53
Add: Assets impairment provision	2,828,585.47	1,571,352.78
Depreciation of fixed assets, consumption of oil assets and depreciation of productive biology assets	315,639.31	203,900.19
Depreciation of right-of-use assets	1,536,781.09	1,636,718.12
Amortization of intangible assets		
Amortization of long-term deferred expenses		
Loss from disposal of fixed assets, intangible assets and other long-term assets (gain is listed with "-")		
Losses on scrapping of fixed assets (gain is listed with "-")	13,461.54	
Gain/loss of fair value changes (gain is listed with "-")		
Financial expenses (gain is listed with "-")	722,847.86	359,642.09
Investment loss (gain is listed with "-")	250,956.41	169,516.95
Decrease of deferred income tax asset (increase is listed with "-")	-506,767.68	-262,331.55
Increase of deferred income tax liability (decrease is listed with "-")		
Decrease of inventory (increase is listed with "-")	-101,726,657.19	-2,808,866.49
Decrease of operating receivable accounts (increase is listed with "-")	29,431,525.08	-27,299,518.40
Increase of operating payable accounts (decrease is listed with "-")	6,222,370.69	-6,561,398.41
Other		
Net cash flow arising from operating	-19,515,276.55	-17,152,733.19

activities		
2. Material investment and financing not involved in cash flow		
Conversion of debt into capital		
Switching Company bonds due within one year		
Financing lease of fixed assets		
3. Net change of cash and cash equivalents:		
Balance of cash at period end	75,474,633.65	80,799,494.57
Less: Balance of cash equivalent at year-begin	80,799,494.57	54,148,674.40
Add: Balance at year-end of cash equivalents		
Less: Balance at year-begin of cash equivalents		
Net increased amount of cash and cash equivalent	-5,324,860.92	26,650,820.17

(2) Net cash paid for obtaining subsidiary in the Period

In RMB

	Amount
Including:	
Including:	
Including:	

Other note:

(3) Net cash received by disposing subsidiary in the Period

In RMB

	Amount
Including:	
Including:	
Including:	

Other note:

(4) Constitution of cash and cash equivalent

In RMB

Item	Ending balance	Opening balance
I. Cash	75,474,633.65	80,799,494.57
Including: Cash on hand	52,322.40	48,364.40
Bank deposit available for payment at any time	75,413,663.68	80,750,939.08
Other monetary funds that may be paid for at any time	8,647.57	191.09
III. Balance of cash and cash equivalents at the period -end	75,474,633.65	80,799,494.57

(5) Situations where the scope of use is limited but still classified as cash and cash equivalents

In RMB

Item	Amount of the current period	Amount of the previous period	Reason for still being classified as cash and cash equivalents
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(6) Monetary funds that do not belong to cash and cash equivalents

In RMB

Item	Amount of the current period	Amount of the previous period	Reason for not belonging to cash and cash equivalents
Other monetary funds		174,866.02	Litigation frozen funds
Total		174,866.02	

Other note:

(7) Description of other major activities

78. Notes of changes of owners' equity

Explain the name and adjusted amount in "Other" at end of last period:

79. Foreign currency monetary items

(1) Foreign currency monetary items

In RMB

Item	Ending foreign currency balance	Convert rate	Ending RMB balance converted
Monetary fund			35,075.75
Including: USD	4,990.29	7.0288	35,075.75
EURO			
HKD			
Account receivable			
Including: USD			
EURO			
HKD			
Long-term loans			
Including: USD			
EURO			
HKD			

Other note:

(2) Explanation on foreign operational entity, including as for the major foreign operational entity, disclosed main operation place, book-keeping currency and basis for selection; if the book-keeping currency changed, explain reasons

Applicable Not applicable

80. Leasing

(1) The Company acts as the lessee

Applicable Not applicable

Variable lease payments that are not included in the measurement of lease liabilities

Applicable Not applicable

Simplified processing of lease costs for short-term leases or lease for low-value assets

Applicable Not applicable

Lease costs for short-term leases or low-value assets with simplified processing: RMB327,584.11.

Cases involving sale-leaseback transactions

(2) The Company acts as the lessor

Operating lease as a lessor

Applicable Not applicable

In RMB

Item	Rental income	Thereinto: income related to variable lease payments that are not included in lease receipts
lease of houses	48,068.52	
Total	48,068.52	

Financial lease as a lessor

Applicable Not applicable

Annual undiscounted lease receipts for the next five years

Applicable Not applicable

Adjustment table for undiscounted lease receipts and net lease investments

None

(3) Recognition of financial lease sales gains and losses as a producer or distributor

Applicable Not applicable

81.Data resources

82.Other

VIII. R&D expenditure

In RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee remuneration and benefits	613,626.89	625,811.11
Depreciation and amortization	6,393.00	18,389.58
Total	620,019.89	644,200.69
Thereinto: expensed R&D expenditure	620,019.89	644,200.69

1. R&D projects that meet the conditions for capitalization

In RMB

Project	Opening balance	Amount increased in the current period			Amount decreased in the current period			Ending balance
		Internal development	Others		Recognized as intangible	Transferred to profit or loss for the		

		expenditures			assets	current period		
Total								

Significant capitalized R&D projects

Project	R&D progress	Estimated completion time	Expected way of generating economic benefits	The point at which capitalization begins	The specific basis for starting capitalization
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Provision for impairment of development expenditure

In RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance	Impairment test situation
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2.Important outsourcing projects under research

Name of project	Expected way of generating economic benefits	Criteria and specific basis for determining capitalization or expensing
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Other note:

IX. Changes of consolidation scope

1. Enterprise combined under different control

(1) Enterprise combined under different control in the Period

In RMB

Acquiree	Time point for equity obtained	Cost of equity obtained	Ratio of equity obtained	Acquired way Equity obtained way	Purchasing date	Standard to determine the purchasing date	Income of acquiree from purchasing date to period-end	Net profit of acquiree from purchasing date to period-end
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Other note:

(2)Combination cost and goodwill

In RMB

Consolidation cost	
--Cash	
--Fair value of non-cash assets	
--Fair value of debts issued or assumed	
--Fair value of equity securities issued	
-- Fair value of contingent consideration	
--Fair value of the equity prior to the purchasing date	
--Other	
Total combination cost	
Less: shares of fair value of identifiable net assets acquired	
The amount by which the goodwill/cost of consolidation is less than the share of fair value of identifiable net assets acquired	

Determination method for fair value of the combination cost:

Contingent consideration and changes:

Main reasons for large goodwill resulted:

Other note:

(3) Identifiable assets and liability on purchasing date under the acquiree

In RMB

	Fair value on purchasing date	Book value on purchasing date
Assets:		
Monetary fund		
Account receivable		
Inventory		
Fixed assets		
Intangible assets		
Liability:		
Loan		
Account payable		
Deferred income tax liabilities		
Net assets		
Less: Minority interests		
Net assets acquired		

Determination method for fair value of the identifiable assets and liabilities:

Contingent liability of the acquiree bear during combination:

Other note:

(4) Gains or losses arising from re-measured by fair value for the equity held before purchasing date

Whether it is a business combination realized by two or more transactions of exchange and a transaction of obtained control rights in the Period or not

Yes No

(5) On purchasing date or period-end of the combination, combination consideration or fair value of identifiable assets and liability for the acquiree are un-able to confirm rationally

(6) Other Note:

2. Enterprise combine under the same control

(1) Enterprise combined under the same control in the Period

In RMB

Combined party	Equity ratio obtained in combination	Basis of combined under the same control	Combination date	Standard to determine the combination date	Income of the combined party from period-begin of combination to the	Net profit of the combined party from period-begin of combination to the	Income of the combined party during the comparison period	Net profit of the combined party during the comparison period

					combination date	combination date		
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Other note:

(2) Combination cost

In RMB

Consolidation cost	
--Cash	
-- Book value of non-cash assets	
- Book value of debts issued or assumed	
-- The face value of the equity securities issued	
--Contingent consideration	

Explanation on contingent consideration and its changes:

Other note:

(3) Book value of the assets and liability of the combined party on combination date

In RMB

	Consolidation date	End of last period
Assets:		
Monetary fund		
Account receivable		
Inventory		
Fixed assets		
Intangible assets		
Liability:		
Loan		
Account payable		
Net assets		
Less: Minority interests		
Net assets acquired		

Contingent liability of the combined party bear during combination:

Other note:

3. Counter purchase

Basic transaction information, basis of counter purchase, whether making up business due to the assets and liability reserved by listed company and basis, determination of combination cost, amount and calculation on adjusted equity by equity transaction:

4. Subsidiary disposal

Whether lost controlling rights while dispose subsidiary on one time or not

Yes No

Whether lost controlling rights in the Period while dispose subsidiary on two or more steps or not

Yes No

5. Other reasons for consolidation range changed

Reasons for changed on consolidation range (such as new subsidiary established, subsidiary liquidated etc.) And relevant information:

6. Other

X. Equity in other entity

1. Equity in subsidiary

(1) Constitute of enterprise group

In RMB

Subsidiary	Registered capital	Main operation place	Registered place	Business nature	Share-holding ratio		Acquired way
					Directly	Indirectly	
Shenzhen Xinsen Jewelry Gold Co., Ltd	200,000,000.00	Shenzhen	Shenzhen	Sales of Jewelry, diamonds and gold	100.00%		Investment
Shenzhen Xinsen Precision Manufacturing Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Jewelry, diamonds, gold processing		100.00%	Investment
Dongguan Xinsen Jewelry Co., Ltd	5,000,000.00	Dongguan	Dongguan	Jewelry, diamonds, gold processing		100.00%	Investment
Shenzhen Jiucheng Culture Technology Co., Ltd	40,000,000.00	Shenzhen	Shenzhen	Jewelry, diamonds, gold processing		100.00%	Investment
Shenzhen Jinjiucheng Intangible Cultural Heritage Inheritance Co., Ltd.	50,000,000.00	Shenzhen	Shenzhen	Sales of Jewelry, diamonds and gold		100.00%	Investment
Shenzhen Emmelle Industrial Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Distribution of bicycles and spare parts	70.00%		Investment
Shenzhen Emmelle Cloud Technology Co., Ltd.	2,000,000.00	Shenzhen	Shenzhen	Software and information technology service sales		49.00%	Investment
Fujian Huaxinbao Jewelry Co.,	10,000,000.00	Putian	Putian	Sales of Jewelry, diamonds and gold	100.00%		Investment

Ltd.							
PutianKaipu Technology Partnership(LP)	3,000,000.00	Putian	Putian	Outbound investment		1.00%	Investment
Shenzhen Huabao ZhenxuanJewelry Co., Ltd.	5,000,000.00	Shenzhen	Shenzhen	Sales of Jewelry, diamondsand gold	100.00%		Investment
Hainan Shenhua Industrial Co., Ltd.	5,000,000.00	Haikou	Haikou	Import and export, trade, industry	100.00%		Investment
Shenzhen Yunyouxuan Jewelry Technology Co., Ltd.	15,000,000.00	Shenzhen	Shenzhen	Sales of Jewelry, diamonds and gold	35.00%	0.20%	Investment
Hangzhou Huabaohui Digital Culture Co Ltd	5,000,000.00	Hangzhou	Hangzhou	Sales of Jewelry, diamonds and gold	100.00%		Investment
Tibet Jinyaya Jewelry Trading Co., Ltd.	2,000,000.00	Lhasa	Lhasa	Sales of Jewelry, diamonds and gold	100.00%		Investment
Zhenhua International Co., Ltd.	23,390,100.00	HONGKAN G	HONGKAN G	Sales of Jewelry, diamonds and gold	100.00%		Investment

Explanation on share-holding ratio in subsidiary different from ratio of voting right:

Note:

1. The Subsidiary PutianKaipu Technology Partnership (Limited Partnership) consists of one general partner, Fujian Huaxinbao Jewelry Co., Ltd. and three limited partners. The partnership agreement designates the general partner as the executive partner, while establishing an Investment Decision Committee comprising four members (three appointed by the general partner and one jointly appointed by limited partners) as the investment decision-making body.

2. The Subsidiary Shenzhen Cloud Preferred Jewelry Technology Co., Ltd. is 35% owned by Shenzhen China Bicycle and 20% by Putian Kaipu Technology Partnership (Limited Partnership), totally 55% ownership by the above two.

Basis for controlling the invested entity with half or below voting rights held and without controlling invested entity but with over half and over voting rights:

Controlling basis for the structuring entity included in consolidated range:

Basis on determining to be an agent or consignor:

Other note

(2) Important non-wholly-owned subsidiary

In RMB

Subsidiary	Share-holding ratio of	Gains/losses	Dividend announced to	Ending equity of
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	minority	attributable to minority in the Period	distribute for minority in the Period	minority
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Explanation on share-holding ratio of minority different from ratio of voting right:

Other note:

(3) Main finance of the important non-wholly-owned subsidiary

In RMB

Subsidiary	Ending balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

In RMB

Subsidiary	Current period incurred				Prior period incurred			
	Operation revenue	Net profit	Total comprehensive income	Cash flow from operation activity	Operation revenue	Net profit	Total comprehensive income	Cash flow from operation activity

Other note:

(4) Major restriction on using corporate assets and liquidate corporate debts

(5) Financial or other supporting provided to structuring entity that included in consolidated financial statement

Other note:

2. Transaction that has owners equity shares changed in subsidiary but still with controlling rights

(1) Owners equity shares changed in subsidiary

(1) The subsidiary Shenzhen Jiucheng Cultural Technology Co., Ltd. implemented a capital reduction in June 2025 following a resolution by the shareholders' meeting, reducing its registered capital from RMB 40 million to RMB 20.4 million. After this capital reduction, the shareholding ratio of the controlling shareholder Shenzhen Xinsen Jewelry & Gold Co., Ltd. increased from the original 51% to 100%.

(2) The subsidiary Shenzhen Jin Jiucheng Intangible Cultural Heritage Inheritance Co., Ltd. implemented a capital reduction in June 2025 following a shareholders' meeting resolution, with registered capital reduced from RMB 50 million to RMB 20 million. After this capital reduction, the shareholding ratio of the controlling shareholder Shenzhen Jiucheng Cultural Technology Co., Ltd. increased from the original 75% to 100%.

(2) Impact on minority's interest and owners' equity attributable to parent company

In RMB

	Shenzhen Jiucheng Cultural Technology Co., Ltd	Shenzhen Jinjiucheng Intangible Cultural Heritage Inheritance Co., Ltd.
Purchase cost/disposal consideration		
--Cash	11,025,000.00	4,000,000.00
--Fair value of non-cash assets		
Purchase cost/total disposal consideration	11,025,000.00	4,000,000.00
Less: Subsidiary's share of net assets calculated based on the proportion of	11,025,000.00	4,000,000.00

acquired/disposed equity		
Difference		
Including: Adjust capital public reserve		
Adjust surplus public reserve		
Adjusted retained profit		

Other note:

3. Equity in joint venture and associated enterprise

(1) Important joint venture or associated enterprise

Joint venture or associated enterprise	Main operation place	Registered place	Business nature	Share-holding ratio		Accounting treatment
				Directly	Indirectly	

Share-holding ratio or shares enjoyed different from voting right ratio:

Basis of the voting rights with 20% below but with major influence, or without major influence but with over 20% (20% included) voting rights hold:

Other note

(2) Main financial information of the important joint venture

In RMB

	Ending balance/Current period incurred	Opening balance/Prior period incurred
Current assets		
Including: cash and cash equivalent		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Minority interests		
Shareholders' equity attributable to the parent company		
Share of net assets calculated by shareholding ratio		
Adjustment items		
--Goodwill		
--Unrealized profit of internal trading		
--Other		
Book value of equity investment in joint venture		
Fair value of the equity investment of joint ventures with public offers concerned		
Operation revenue		
Financial expenses		
Income tax expense		
Net profit		
Net profit of discontinuing operation		
Other comprehensive income		
Total comprehensive income		

Dividends received from joint venture in the year		

Other note:

(3) Main financial information of the important associated enterprise

In RMB

	Ending balance/Current period incurred	Opening balance/Prior period incurred
Current assets		
Non-current assets		
Total assets		
Current liabilities		
Non-current liabilities		
Total liabilities		
Minority interests		
Equity attributable to shareholder of parent company		
Share of net assets measured by shareholding		
Adjustment		
--Goodwill		
--Unrealized profit of internal trading		
--Other		
Book value of equity investment in associated enterprise		
Fair value of the equity investment of associated enterprise with public offers concerned		
Operation revenue		
Net profit		
Net profit of discontinuing operation		
Other comprehensive income		
Total comprehensive income		
Dividends received from associated enterprise in the year		

Other note:

(4) Financial summary for un-important joint venture or associated enterprise

In RMB

	Ending balance/Current period incurred	Opening balance/Prior period incurred
Joint venture:		
Total numbers measured by shareholding ratio		
Associated enterprise:		
Total book value of the investment	325.34	830,481.86
Total numbers measured by share-		

holding ratio		
--Not profit	-70,156.52	-169,518.14
-- Total comprehensive income	-70,156.52	-169,518.14

Other note:

(5) Assets transfer ability has major restriction from joint venture or associated enterprise

(6) Excess losses from joint venture or associated enterprise

Unit: RMB/CNY

Joint venture or associated enterprise	Cumulative un-confirmed losses	Un-confirmed losses not recognized in the Period (or net profit enjoyed in the Period)	Cumulative un-confirmed losses at period-end

Other note:

(7) Un-confirmed commitment with investment concerned with joint venture

(8) Contingent liability with investment concerned with joint venture or associated enterprise

4.Co-runs operation

Name	Main operation place	Registered place	Business nature	Share-holding ratio/share enjoyed	
				Directly	Indirectly

Share-holding ratio or shares enjoyed different from voting right ratio:

If the co-runs entity is the separate entity, basis of the co-runs classification

Other note:

5. Equity in structuring entity that excluding in the consolidated financial statement

6.Other

XI. Government subsidy

1. Government subsidies recognized according to the receivable amount at the end of the reporting period

Applicable Not applicable

The reason for not receiving the estimated amount of government subsidies at the expected point in time

Applicable Not applicable

2. Liabilities involving government subsidies

Applicable Not applicable

3. Government subsidies included in the current profit and loss

Applicable Not applicable

In RMB

Accounting items	Amount incurred in the current period	Amount incurred in the previous period
Job stabilization subsidy	1,000.00	5,771.92

Other note:

XII. Risks Related to Financial Instruments

1. Risks arising from financial instruments

The Company's main financial instruments include monetary funds, accounts receivable, receivables financing, other receivables, other current assets, accounts payable, other payables, short-term borrowings, other current liabilities, etc. Details of the financial instruments are provided in the relevant notes to the financial report.

The Company's risk management objective is to achieve an appropriate balance between risks and returns, to minimize the negative impact of risks on the Company's operating results, and to maximize the interests of shareholders and other equity investors. Based on this risk management objective, the basic strategy of the Company's risk management is to identify and analyze the various risks faced by the Company, establish an appropriate risk tolerance baseline and conduct risk management, and monitor various risks in a timely and reliable manner to control the risks within a limited range.

The main risks associated with the Company's financial instruments are credit risk, liquidity risk and market risk. The Company's management is fully responsible for the determination of risk management objective and policy, and bears ultimate responsibility for risk management objective and policy. Management reviews the effectiveness of the implemented procedures and the reasonableness of risk management objective and policy through work reports submitted by functional departments.

(A) Credit risk

Credit risk refers to the risk that one party to a financial instrument will fail to perform its obligations, resulting in financial losses to the other party. In order to mitigate credit risk, the Company has established internal control policy responsible for determining credit limits, conducting credit approvals, including external credit ratings and, in some cases, bank references (where this information is available), and implementing other monitoring procedures to ensure that necessary measures are taken to recover overdue creditor's right. As a result, the management of the Company considers that the credit risk assumed by the Company has been significantly reduced.

The credit risk of the Company mainly arises from bank deposits, accounts receivable, prepayments, other receivables, etc., and the credit risk of these financial assets is derived from the default of the counterparty, and the maximum risk exposure is equal to the carrying amount of these instruments.

1. The Company's working capital is deposited in a bank with a high credit rating, thus the credit risk of the working capital is low.
2. On the balance sheet date, the Company made provision for bad debts in accordance with the accounting policy.

(B) Liquidity risk

Liquidity risk refers to the risk that an enterprise will have a shortage of funds when fulfilling its obligation to settle by means of cash or other financial assets. It is the Company's policy to ensure that it has sufficient cash to pay off its debts as they fall due. Liquidity risk is centrally controlled by the Company's finance department. The finance department monitors cash balances, marketable securities that can be liquidated at any time, etc., to ensure that the Company has sufficient funds to repay its debts under all reasonably foreseeable circumstances.

(C) Market risk

Market risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices, including interest rate risk, foreign exchange risk and other price risks. Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The interest rate risk faced by the Company mainly comes from bank deposits.

2. Hedging**(1) The Company conducts hedging business for risk management**

Applicable Not applicable

(2) The Company conducts qualified hedging business and applies hedge accounting

In RMB

Item	The carrying amount associated with the hedged item and the hedging instrument	The cumulative fair value hedge adjustment of the hedged items included in the recognized carrying amount of the hedged items	Sources of hedge effectiveness and hedge ineffectiveness part	The impact of hedge accounting on the Company's financial report
Type of hedging risk				
Hedging category				

Other note:

(3) The Company conducts hedging business for risk management and expects to achieve risk management objective but does not apply hedge accounting

Other note:

3. Financial assets**(1) Classification of transfer methods**

Applicable Not applicable

(2) Financial assets that have been derecognized as a result of a transfer

Applicable Not applicable

(3) Financial assets of continued involvement in asset transfer

Applicable Not applicable

Other note:

XIII. Disclosure of fair value**1. Ending fair value of the assets and liabilities measured by fair value**

In RMB

Item	Ending fair value			
	First-order	Second-order	Third-order	Total
I. Sustaining measured by fair value	--	--	--	--
II. Non-sustaining measured by fair value	--	--	--	--

2. Recognized basis for the market price sustaining and non-persistent measured by fair value on first-order

The quoted prices without adjustment in the active markets for identical assets or liabilities that are available at the measurement date.

3. Valuation technique and qualitative and quantitative information on major parameters for the fair value measure sustaining and non-persistent on second-order

The inputs for second-order are inputs other than first-order for which the related assets or liabilities are directly or indirectly observable

4. Valuation technique and qualitative and quantitative information on major parameters for the fair value measure sustaining and non-persistent on third-order

The third-order inputs are unobservable inputs for the underlying assets or liabilities. The fair value of the bank acceptance bill receivable from bank is determined using the face amount because the probability of loss is small and the recoverable amount is basically determined

5. Adjustment information and sensitivity analysis of unobservable parameters for the fair value measure sustaining and non-persistent on third-order

None

6. Sustaining items measured by fair value, as for the conversion between at all levels, reasons for conversion and policy for conversion time point

None

7. Changes of valuation technique in the Period

None

8. Financial assets and liability not measured by fair value

None

9. Other

None

XIV. Related party and related transactions

1. Parent company

Parent company	Registered place	Business nature	Registered capital	Share-holding ratio on the enterprise for parent company	Voting right ratio on the enterprise
Wansheng Industrial Holdings (Shenzhen) Co., Ltd.	Shenzhen	Investment in industry	500 million Yuan	20.00%	20.00%

Explanation on parent company of the enterprise

Wansheng Industrial Holdings (Shenzhen) Co., Ltd. was established on May 10, 2016, with the business period is from May 10, 2016 to no fixed term, the registered capital of the company is 500,000,000 yuan, the unified social credit code is 91440300MA5DCB5K9A, the enterprise type is a limited liability company, the legal representative is Wang Shenghong, and the company's registered address is 1311, Beiyuehui Building, No. 2115, Cuizhu Road, Cuijin Community, Cuizhu Street, Luohu District, Shenzhen.

Ultimate controller of the Company: Wang Shenghong

Other note:

2. Subsidiary of the Enterprise

Found more in Note VIII-1

3. Associated enterprise and joint venture

Found more in Note

Other associated enterprise and joint venture that have related transaction with the Company in the Period or occurred in previous period

Joint venture or associated enterprise	Relationship with the Company
--	-------------------------------

Other note:

4. Other related party

Other related party	Relationship with the Company
Shenzhen Guocheng Energy Investment Development Co., Ltd.	Enterprise that holds more than 5% of the shares of Shenzhen China
Shenzhen Xinxuan Technology Co., Ltd.	The associated enterprise, Hangzhou Huabaohui Digital Culture Co., Ltd. holds 40% equity of the Company

Other note:

5. Related transaction

(1) Goods purchasing, labor service providing and receiving

Goods purchasing/labor service receiving

In RMB

Related party	Transaction content	Current period incurred	Approved transaction amount	Whether more than the transaction amount	Prior period incurred

Goods sold/labor service providing

In RMB

Related party	Transaction content	Current period incurred	Prior period incurred

Explanation on goods purchasing, labor service providing and receiving

(2) Related trusteeship/contract and delegated administration/outsourcing

Trusteeship/contract

In RMB

Client/ contract-out party	Entrusting party/ contractor	Assets type	Starting date	Maturity date	Yield pricing basis	Income from trusteeship/cont ract

Explanation on related trusteeship/contract

Delegated administration/outsourcing

In RMB

Client/ contract-out party	Entrusting party/ contractor	Assets type	Starting date	Maturity date	Pricing basis of trustee fee/outsourcing fee	Trustee fee/outsourcing fee recognized in the Period

Explanation on related administration/outsourcing

(3) Related lease

As a lessor for the Company::

In RMB

Lessee	Assets type	Lease income recognized in the Period	Lease income recognized in prior Period

As a lessee for the Company:

In RMB

Lessor	Assets type	rental cost for short-term leases and low-value assets leases with simplified processing (if applicable)	Variable lease payment not included in the measurement of leasing liability (if applicable)	Rental paid	Interest expenses assumed on lease liability	Right-of-use assets increased

		Current period incurred	Prior period incurred	Current period incurred	Prior period incurred	Current period incurred	Prior period incurred	Current period incurred	Prior period incurred	Current period incurred	Prior period incurred
--	--	-------------------------	-----------------------	-------------------------	-----------------------	-------------------------	-----------------------	-------------------------	-----------------------	-------------------------	-----------------------

Explanation on related lease

(4) Related guarantee

As a guarantor for the Company

In RMB

Secured party	Amount guarantee	Starting date	Due date	Guarantee completed (Y/N)
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As a secured party for the Company

In RMB

Guarantor	Amount guarantee	Starting date	Due date	Guarantee completed (Y/N)
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Explanation on related guarantee

(5) Borrowed funds of related party

In RMB

Related party	Borrowed funds	Starting date	Due date	Note
Borrowing				
Lending				

(6) Assets transfer and debt restructuring of related party

In RMB

Related party	Transaction content	Current period incurred	Prior period incurred
---------------	---------------------	-------------------------	-----------------------

(7) Remuneration of key manager

In RMB

Item	Current period incurred	Prior period incurred
Remuneration of key manager	1,955,955.36	1,928,727.64

(8) Other related transactions

6. Receivable/payable items of related parties

(1) Receivable item

In RMB

Item	Related party	Ending balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Other receivable	Wansheng Industrial Holdings (Shenzhen) Co.,			18,154,754.41	

	Ltd.				
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(2) Payable item

In RMB

Item	Related party	Ending book balance	Opening book balance
Other account payable	Shenzhen Guosheng Energy Investment Development Co., Ltd.	6,500,000.00	6,500,000.00
Other account payable	Shenzhen Xinxuan Technology Co., Ltd.		2,000,000.00

7. Commitments of related party

According to the Cooperation Agreement signed by Shenzhen China Bicycle Company (Holdings) Co., Ltd. with Wansheng Industrial Holdings (Shenzhen) Co., Ltd. (hereinafter referred to as "Wansheng Industrial") and Shenzhen Guosheng Energy Investment and Development Co., Ltd. (hereinafter referred to as "Guosheng Energy") on December 14, 2020, Wansheng Industrial promised that in the next three years from the next year after the completion of the non-public issuance of shares and the completion of the adjustment of the board of directors and board of supervisors of the listed company by Wansheng Industrial, the net profit of the listed company shall not be less than RMB 30 million yuan, 35 million yuan and 40 million yuan, that is, the cumulative net profit scale is 105 million yuan. If the cumulative actual net profit of the listed company as of any year during the performance commitment period does not reach the promised cumulative net profit, Wansheng Industrial shall compensate the listed company in cash within 10 working days after the issuance of the audit report of the listed company in the year during the performance commitment period. The amount of compensation payable for the year is calculated as follows: amount of compensation payable for the year = cumulative committed net profit as of the end of the period minus cumulative realized net profit as of the end of the period minus cumulative compensation amount (if any).

The net profit attributable to the owners of the parent company in 2025 is RMB 41.1292 million and the actual completion is lower than the performance commitment of RMB40 million, with a performance commitment completion rate of 650%. Wansheng Industrial has not fulfilled its 2025 annual performance commitment, The cumulative net profit attributable to the owners of the parent company during the performance commitment period has been fully achieved.

8. Other**XV. Share-based payment****1. General share-based payment**

Applicable Not applicable

2. Share-based payment settled by equity

Applicable Not applicable

3. Share-based payment settled by cash

Applicable Not applicable

4. The current shares will pay the fee

Applicable Not applicable

5. Revised and termination on share-based payment**6. Other****XVI. Commitment or contingency****1. Important commitments**

Important commitments in balance sheet date

As of December 31, 2025, the Company has no important commitments that should be disclosed but not disclosed.

2. Contingency**(1) Contingency on balance sheet date**

As of December 31, 2025, Shenzhen Xinsen Precision Manufacturing Co., Ltd., Shenzhen Xinsen Jewelry & Gold Co., Ltd., and Shenzhen China Bicycle (Group) Co., Ltd. were jointly sued in a utility model patent licensing contract dispute case. The case has been accepted by the Shenzhen Intermediate People's Court, with the case number Min Chu 10398 Yue 03 (2025). The plaintiff claims a litigation amount of approximately RMB 11.035 million. After the balance sheet date, Shenzhen Xinsen Precision Manufacturing Co., Ltd. filed a counterclaim in relation to the dispute, with a counterclaim amount of approximately RMB 1.158 million. As of the date of approval of the financial report, the original lawsuit and the counterclaim have been consolidated for trial by the Shenzhen Intermediate People's Court, and the date of the first trial has not yet been determined. The Company has consulted with the lawyers handling the case on this matter. According to the current progress of the case, the possibility of an outflow of economic benefits due to the lawsuit and the possibility of an inflow of economic benefits due to the counterclaim cannot be reliably assessed. Therefore, the Company has not recognized a provision for this matter, nor has it recognized any contingent assets. Due to the uncertainty of the trial outcome, the Company is currently unable to reliably estimate the potential loss or gain amount. The Company will closely monitor the progress of the case and make corresponding accounting treatments in accordance with the Enterprise Accounting Standards based on subsequent developments.

(2) For the important contingency not necessary to disclosed by the Company, explained reasons

The Company has no important contingency that need to disclosed

3. Other**XVII. Events after balance sheet date****1. Important non-adjustment items**

In RMB

Item	Content	Impact on financial status and operation results	Reasons on un-able to estimated the impact number
------	---------	--	---

2. Profit distribution**3. Sales return****4. Other events after balance sheet date****XVIII. Other important events****1. Previous accounting errors collection****(1) Retrospective restatement**

In RMB

Correction content	Treatment procedures	Impact items of statement during a comparison	Cumulative impacted number
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(2) Prospective application

Correction content	Approval procedures	Reasons for prospective application adopted
--------------------	---------------------	---

2. Debt restructuring**3. Assets replacement****(1) Non-monetary assets change****(2) Other assets replacement****4. Pension plan****5. Discontinued operations**

In RMB

Item	Revenue	Expenses	Total profit	Income tax expenses	Net profit	Discontinued operations profit attributable to owners of parent company
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Other note:

6. Segment

(1) Recognition basis and accounting policy for reportable segment

The Company determines its business segments based on its internal organizational structure, management requirements, and internal reporting system. The Company's business segments are those that meet the following conditions at the same time:

(1) The component is capable of generating income and incurring expenses in its daily activities;

(2) Management is able to regularly evaluate the operating results of the component in order to decide on the allocation of resources to it and evaluate its performance;

(3) Able to obtain accounting information related to the financial position, results of operations and cash flows of the component.

The Company determines the reporting segment on the basis of the industry segment.

Segment reporting information is disclosed in accordance with the accounting policy and measurement standards adopted by each segment in reporting to management, which are consistent with those at the time of preparation of the financial report.

(2) Financial information for reportable segment

in 10 thousand Yuan

Item	Gold jewelry	Bicycle	Offset between segments	Total
Main business income	73,468.40	8.38		73,476.78
Main business cost	65,785.71	8.43		65,794.14
Gross	7,682.69	-0.05		7,682.64

(3) The Company has no reportable segments, or unable to disclose total assets and total liability for reportable segments, explain reasons

(4) Other note:

7. Major transaction and events makes influence on investor's decision

8. Other

XIX. Principle notes of financial statements of parent company

1. Account receivable

(1) Disclosure according to the aging

In RMB

Aging	Balance in year-end	Balance Year-beginning
Within one year(one year included)	77,671,263.38	95,747,214.26

1-2 years		157,000.20
2-3 years	157,000.20	5,451,739.81
Over 3 years	18,522,136.83	13,113,397.02
3-4 years	5,451,739.81	10,762,472.02
4-5 years	10,762,472.02	1,115,247.00
Over 5 years	2,307,925.00	1,235,678.00
Total	96,350,400.41	114,469,351.29

(2) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Accrual of bad debt provision by single	18,656,837.03	19.36%	18,656,837.03	100.00%		18,699,837.03	16.34%	17,773,041.59	95.04%	926,795.44
Including:										
Single identification	18,656,837.03	19.36%	18,656,837.03	100.00%		18,699,837.03	16.34%	17,773,041.59	95.04%	926,795.44
Accrual of bad debt provision by portfolio	77,693,563.38	80.64%	341,880.75	0.44%	77,351,682.63	95,769,514.26	83.66%	78,660.84	0.08%	95,690,853.42
Including:										
Aging portfolio	77,693,563.38	80.64%	341,880.75	0.44%	77,351,682.63	95,769,514.26	83.66%	78,660.84	0.08%	95,690,853.42
Total	96,350,400.41	100.00%	18,998,717.78	19.72%	77,351,682.63	114,469,351.29	100.00%	17,851,702.43	15.60%	96,617,648.86

Bad debt provision accrual on single basis: Single identification

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio	Reason for accrual
Guangshui Jiayu Energy Technology Co., Ltd.	15,937,156.89	15,140,299.05	15,937,156.89	15,937,156.89	100.00%	Expected to be difficult to recover
Suzhou Jiaxin Economic Trade Co., Ltd.	888,757.00	888,757.00	888,757.00	888,757.00	100.00%	Expected to be difficult to recover
Suzhou Daming Vehicle	649,688.00	519,750.40	649,688.00	649,688.00	100.00%	Expected to be difficult to recover

Industry Co., Ltd.						
Dongguan Daxiang New Energy Co., Ltd.	564,734.00	564,734.00	521,734.00	521,734.00	100.00%	Expected to be difficult to recover
Guangdong Xinlingjia New Energy Co., Ltd.	348,136.00	348,136.00	348,136.00	348,136.00	100.00%	Expected to be difficult to recover
Tianjin Huiju Electric Vehicle Co., Ltd.	116,840.14	116,840.14	116,840.14	116,840.14	100.00%	Expected to be difficult to recover
Other	194,525.00	194,525.00	194,525.00	194,525.00	100.00%	Expected to be difficult to recover
Total	18,699,837.03	17,773,041.59	18,656,837.03	18,656,837.03		

Bad debt provision accrual on portfolio: Aging portfolio

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Within one year	77,630,959.74	319,580.75	0.41%
1-2 years			
2-3 years			
3-4 years	22,300.00	22,300.00	100.00%
4-5 years			
Over 5 years			
Total	77,653,259.74	341,880.75	

Explanation on portfolio basis:

If the provision for bad debts of account receivable is made in accordance with the general model of expected credit losses, please refer to the disclosure of other account receivable to disclose related information about bad-debt provisions:

Applicable Not applicable

(3) Bad debt provision accrual, collected or reversal in the period

Accrual of bad debt provision in the period:

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	
Accounts receivable with individual provision for bad debts	17,773,041.59	926,795.44	43,000.00			18,656,837.03
Provision for bad debts based on a portfolio	78,660.84	263,219.91				341,880.75

of credit risk characteristics						
Total	17,851,702.43	1,190,015.35	43,000.00			18,998,717.78

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision

(4) Account receivables actually write-off during the reporting period

In RMB

Item	Amount written off

Including major account receivables write-off:

In RMB

Enterprise	Nature	Amount written off	Causes	Procedure	Amount cause by related transactions or not (Y/N)

Explanation on account receivable write-off:

(5) The top five accounts receivable and contract assets at the end of the period aggregated according to debtor

In RMB

Name of the organization	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to the total ending balance of accounts receivable and contract assets	Ending balance of accounts receivable bad debt provision and contract asset impairment provision
Fuzhou Rongrun Jewelry Co., Ltd	25,031,867.11		25,031,867.11	25.98%	107,835.49
Shenzhen Hualinglong Jewelry Culture Technology Co., Ltd.	16,519,312.16		16,519,312.16	17.15%	31,549.94
Guangshui Jiaxu Energy Technology Co., Ltd	15,937,156.89		15,937,156.89	16.54%	15,937,156.89
Fuzhou Zhuanjinsen Jewelry Co., Ltd.	15,006,025.53		15,006,025.53	15.57%	86,292.14
Fuzhou Cangshan District Dingjue	11,234,792.78		11,234,792.78	11.66%	64,001.01

Jewelry Company					
Total	83,729,154.47		83,729,154.47	86.90%	16,226,835.47

2. Other account receivable

In RMB

Item	Ending balance	Opening balance
Other account receivable	47,383,281.34	59,769,403.49
Total	47,383,281.34	59,769,403.49

(1) Interest receivable

1) Category

In RMB

Item	Ending balance	Opening balance
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2) Important overdue interest

In RMB

Borrower	Ending balance	Overdue time	Overdue reason	Impairment (Y/N) and judgment basis
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Other note:

3) Accrual of bad debt provision

 Applicable Not applicable

4) Bad debt provision accrual, collected or reversal in the period

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
--------------------------	------------------------------	---------------------	-----------------	--

Other note:

5) Interest receivables actually written off in the current period

In RMB

Item	Write-off amount
------	------------------

Important Interest receivables write-off status thereinto:

In RMB

Name of Organization	Amount Nature	Write-off amount	Write-off reason	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Note:

Other note:

(2) Dividend receivable**1) Category**

In RMB

Item (or the invested entity)	Ending balance	Opening balance
-------------------------------	----------------	-----------------

2) Important dividend receivable with over one year aged

In RMB

Item (or the invested entity)	Ending balance	Account age	Causes of failure for collection	Impairment (Y/N) and judgment basis
-------------------------------	----------------	-------------	----------------------------------	-------------------------------------

3) Accrual of bad debt provision Applicable Not applicable**4) Bad debt provision accrual, collected or reversal in the period**

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	

Including important amount of bad debt provision collected or reversal in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision
--------------------------	------------------------------	---------------------	-----------------	--

Other note:

5) Dividend receivables actually written off in the current period

In RMB

Item	Write-off amount
------	------------------

Important Dividend receivable write-off status thereinto:

In RMB

Name of Organization	Amount Nature	Write-off amount	Write-off reason	Write-off procedures for fulfillment	Whether the payment is generated by a related party transaction
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Note:

Other note:

(3) Other account receivable

1) By nature

In RMB

Nature	Ending book balance	Opening book balance
Performance compensation		18,154,754.41
Deposit or margin	9,609.80	9,609.80
Payment for equipment	11,400.00	11,400.00
Current account	47,342,904.00	41,648,565.50
Other	48,810.63	4,250.20
Total	47,412,724.43	59,828,579.91

2) By account aging

In RMB

Aging	Ending book balance	Opening book balance
Within one year(one year included)	47,283,106.63	59,665,281.11
1-2 years	45,792.00	71,925.80
2-3 years	71,925.80	79,473.00
Over 3 years	11,900.00	11,900.00
Over 5 years	11,900.00	11,900.00
Total	47,412,724.43	59,828,579.91

3) According to the bad debt provision method classification disclosure

In RMB

Category	Amount in year-end					Balance Year-beginning				
	Book Balance		Bad debt provision		Book value	Book Balance		Bad debt provision		Book value
	Amount	Proportion(%)	Amount	Proportion(%)		Amount	Proportion(%)	Amount	Proportion(%)	
Including:										
Accrual	47,412,724.43	100.00%	29,443.09	0.06%	47,383,281.34	59,828,579.91	100.00%	59,176.42	0.10%	59,769,403.49

of bad debt provision by portfolio										
Including:										
Aging portfolio	158,428.43	0.33%	29,443.09	18.58%	128,985.34	195,695.56	0.33%	59,176.42	30.24%	136,519.14
Related party Portfolio	47,254,296.00	99.67%			47,254,296.00	59,632,884.35	99.67%			59,632,884.35
Total	47,412,724.43	100.00%	29,443.09	0.06%	47,383,281.34	59,828,579.91	100.00%	59,176.42	0.10%	59,769,403.49

Bad debt provision accrual on portfolio: Aging portfolio

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Aging portfolio	158,428.43	29,443.09	18.58%

Explanation on portfolio basis:

Bad debt provision accrual on portfolio: Related party Portfolio

In RMB

Name of the Company	Ending balance		
	Book balance	Bad debt provision	Accrual ratio
Related party Portfolio	47,254,296.00		

Explanation on portfolio basis:

Provision for bad debts is made according to the general model of expected credit losses

In RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on January 1, 2025	59,176.42			59,176.42
January 1, 2025 balance in the current period				
Return in current year	29,733.33			29,733.33
Balance on December 31, 2025	29,443.09			29,443.09

The basis for the division of each stage and the proportion of bad debt provision

Change of book balance of loss provision with amount has major changes in the period

Applicable Not applicable

4)Bad debt provision accrual, collected or reversal in the period

Accrual of bad debt provision in the period:

In RMB

Category	Opening balance	Current changes				Ending balance
		Accrual	Collected or reversal	Write off	Other	
Provision for bad debts based on a portfolio of credit risk characteristics	59,176.42		29,733.33			29,443.09
Total	59,176.42		29,733.33			29,443.09

Important amount of bad debt provision switch-back or collection in the period:

In RMB

Name of the organization	Amount recovered or reversed	Reason for reversal	Recovery method	The basis and rationality for determining the provision ratio of original bad debt provision

5)Other account receivables actually write-off during the reporting period

In RMB

Item	Amount written off

Including major other account receivables write-off:

In RMB

Enterprise	Other Nature	Amount written off	Causes	Procedure	Amount cause by related transactions or not (Y/N)

Other Explanation on account receivable write-off:

6)Top 5 other account receivable collected by arrears party at ending balance

In RMB

Enterprise	Nature	Ending balance	Account age	Proportion in total other account receivables at period-end	Ending balance of bad bet provision
Shenzhen Xinsen Jewelry Gold Supply Chain Co., Ltd	Current account	47,234,196.00	Within 1 year	99.62%	
Hubei Guangshui Court	Current account	52,816.00	2-3 years	0.11%	8,938.87
Guangdong Shenzhen Luohu	Current account	35,792.00	1-2 years	0.08%	4,039.53

Court					
Shenzhen Hongkang Instrument Technology Co., Ltd	Other	11,400.00	Over 5 years	0.02%	11,400.00
Hainan Shenhua Industrial Co., Ltd.	Current account	10,100.00	2-3 years	0.02%	
Total		47,344,304.00		99.85%	24,378.40

7) Reported in other receivables due to centralized management of funds

Other note:

3. Long-term equity investment

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment for subsidiary	147,696,069.73		147,696,069.73	126,995,379.73		126,995,379.73
Total	147,696,069.73		147,696,069.73	126,995,379.73		126,995,379.73

(1) Investment for subsidiary

In RMB

The invested entity	Opening balance (Book value)	Opening balance of the impairment provision	Changes in the period (+, -)				Ending balance book value	Ending balance of impairment provision
			Additional investment			Other		
Shenzhen Emmelle Industrial Co., Ltd.	10,379.73						10,379.73	
Shenzhen Xinsen Jewelry Gold Co., Ltd	120,500.00						120,500.00	
Shenzhen Cloud Preferred Jewelry Technology Co., Ltd.	5,250,000.00						5,250,000.00	
Hangzhou Huabaohui Digital Culture Co., Ltd.	1,005,000.00						1,005,000.00	

Tibet Jinyaya Trading Co., Ltd.	130,000.00						130,000.00	
Fujian Huaxinbao Jewelry Co., Ltd.	100,000.00						100,000.00	
Shenhua International Co., Ltd.			20,700,690.00				20,700,690.00	
Total	126,995,379.73		20,700,690.00				147,696,069.73	

(2) Investment for associates and joint venture

In RMB

Funded enterprise	Opening balance (Book value)	Opening balance of the impairment provision	Changes in the period (+, -)							Ending balance (Book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision		
I. Joint venture											
II. Associated enterprise											

The recoverable amount is determined on the basis of the net amount of fair value less disposal costs

Applicable Not applicable

The recoverable amount is determined by the present value of the projected future cash flows

Applicable Not applicable

The reason for the obvious discrepancy between the foregoing information and the information used in the impairment test of previous years or the external information

The reason for the obvious discrepancy between the information used in the Company's impairment test in previous years and the actual situation in the current year

(3) Other note

4. Operation revenue and operation cost

In RMB

Item	Current period incurred		Prior period incurred	
	Revenue	Cost	Revenue	Cost
Main business	319,660,209.18	286,159,004.27	177,008,795.12	161,790,077.72
Other business	378,257.20	530.40	472,596.81	530.40
Total	320,038,466.38	286,159,534.67	177,481,391.93	161,790,608.12

Breakdown of operating income and operating costs:

In RMB

Contract type	1# Division		2# Division				Total	
	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost
Business type								
Including :								
Classification by business area								
Including :								
Market or customer type								
Including:								
Contract type								
Including:								
Classification by time of goods transfer								
Including:								
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total								

Information related to performance obligations:

Item	The time to fulfill the	Important payment terms	The nature of the goods that	Whether it is the main	The expected refunds to	The types of quality
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	performance obligation		the company promises to transfer	responsible person	customers borne by the company	assurance provided by the company and related obligations
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Other note

Information relating to the transaction price assigned to the remaining performance obligation:

The amount of income corresponding to the performance obligations that have been signed at the end of this reporting period but have not yet been fulfilled or have not done with fulfillment is 0.00 yuan, among them, yuan of revenue is expected to be recognized in year, yuan of revenue is expected to be recognized in year, and yuan of revenue is expected to be recognized in year.

Significant contract changes or significant transaction price adjustments

In RMB

Item	Accounting treatment method	The impacted amount on revenue
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Other note:

5. Investment income

In RMB

Item	Current period incurred	Prior period incurred
Gains from silver extended trading	-180,799.89	
Total	-180,799.89	

6. Other

XX. Supplementary Information

1. Current non-recurring gains/losses

Applicable Not applicable

In RMB

Item	Amount	Note
Non-current asset disposal gain/loss	-13,461.54	
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	1,000.00	
Gain and loss from change of the fair value arising from transactional monetary assets, transactional financial liabilities as held as well as the investment income arising from disposal of the transactional monetary assets, transactional financial liabilities and financial assets available for sale excluding the effective hedging transaction in connection with the Company's normal business	-180,799.89	
Switch-back of provision of impairment	129,298.13	

of account receivable which are treated with separate depreciation test		
Other non-operation revenue and expenditure except for the aforementioned items	491,962.36	
Less: Impact on income tax	77,994.40	
Amount of impact of minority interests	25,461.98	
Total	324,542.68	--

Details of other gains/losses items that meets the definition of non-recurring gains/losses:

Applicable Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

Explain the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public -

-- Extraordinary Profit/loss

Applicable Not applicable

2. ROE and EPS

Profits during report period	Weighted average ROE	Earnings per share	
		Basic EPS(RMB/Share)	Diluted EPS(RMB/Share)
Net profits belong to common stock stockholders of the Company	11.30%	0.0597	0.0597
Net profits belong to common stock stockholders of the Company after deducting nonrecurring gains and losses	11.21%	0.0592	0.0592

3. Difference of the accounting data under accounting rules in and out of China

(1) Difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

(2) Difference of the net profit and net assets disclosed in financial report, under both foreign accounting rules and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

(3) Explain accounting difference over the accounting rules in and out of China; as for the difference adjustment for data audited by foreign auditing organ, noted the name of such foreign organ

4. Other

**The Board of Directors of Shenzhen China Bicycle Company (Holdings) Limited
April 17, 2026**