

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



北京京城機電股份有限公司
Beijing Jingcheng Machinery Electric Company Limited

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0187)

2025 INTERIM RESULTS ANNOUNCEMENT

I. IMPORTANT NOTICES

- 1. This interim results announcement is derived from the 2025 Interim Report. To comprehensively understand the operating results, financial position and future development plans of Beijing Jingcheng Machinery Electric Company Limited (the “Company”), investors should carefully read the full text of the 2025 Interim Report.**
- 2. The board of directors (the “Board”), the supervisory committee (the “Supervisory Committee”), the directors (the “Directors”), the supervisors and senior management of the Company guarantee the authenticity, accuracy and completeness of the contents of the 2025 interim results announcement, in which there are no false representations, misleading statements contained, or material omissions, and assume several and joint responsibilities.**
- 3. All Directors have attended the meetings of the Board.**
- 4. The 2025 interim results have not been audited.**
- 5. The proposal of distribution of profit for the period from 1 January 2025 to 30 June 2025 (the “Reporting Period”) or the transfer of capital reserve to equity considered by the Board**

Nil

II. BASIC INFORMATION OF THE COMPANY

1 Company profile

Basic Information of the Company's Shares

Type of shares	Place of listing of the shares	Stock abbreviation	Stock code	Stock abbreviation before changes
A share	Shanghai Stock Exchange	京城股份	600860	京城股份
H share	The Stock Exchange of Hong Kong Limited	JINGCHENG MAC	00187	JINGCHENG MAC

Contact persons and contact information

	Secretary to the Board	Securities affairs representative
Name	Luan Jie	Chen Jian
Office address	No.2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing	No.2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing
Telephone number	010-87707288	010-87707289
Fax number	010-87707291	010-87707291
Email address	jcgf@btic.com.cn	jcgf@btic.com.cn

2 Major financial data

Unit: Yuan
Currency: RMB

Principal Accounting Data	For the Reporting Period (January – June 2025)	For the same period last year	Increase/Decrease comparing the Reporting Period with the same period last year (%)
Operating income	680,343,762.00	748,773,482.80	-9.14
Total profit	-4,795,551.54	10,427,057.97	–
Net profit attributable to shareholders of the listed company	-15,755,703.57	-3,374,923.71	–
Net profit attributable to shareholders of the listed company after extraordinary items	-22,602,812.49	-13,230,039.21	–
Net cash flow from operating activities	-89,952,567.51	-143,347,494.45	–
	As at the end of the Reporting Period	As at the end of last year	Increase/Decrease comparing the end of the Reporting Period with the end of last year (%)
Net assets attributable to shareholders of the listed company	1,071,816,813.65	1,084,156,625.22	-1.14
Total assets	3,006,376,280.86	3,086,613,319.89	-2.60

3 Shareholdings of top ten shareholders

Total number of shareholders as at the end of the Reporting Period 44,837

Total number of shareholders of preference shares with voting rights restored at the end of the Reporting Period 0

Unit: share

Shareholdings of top ten shareholders (excluding shares lent through refinancing)

Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the period	Percentage (%)	Number of shares held subject to selling restrictions	Pledged, tagged or frozen		Shareholder(s) nature
					Share status	Number	
Beijing Jingcheng Machinery Electric Holding Co., Ltd.	0	245,735,052	44.87	0	Nil		State-owned legal person
HKSCC NOMINEES LIMITED	10,000	99,621,027	18.19	0	Unknown		Unknown
Li Hong	-1,285,000	3,819,913	0.70	0	Nil		Domestic natural person
Zhao Qing	34,827	3,277,384	0.60	0	Nil		Domestic natural person
Qingdao Eternal Economic Information Consulting Co., Ltd.	-832,000	2,804,760	0.51	0	Nil		Domestic non-state owned legal person
Hong Kong Securities Clearing Company Limited	1,079,836	1,871,051	0.34	0	Unknown		Unknown
He Yong	8,412	1,859,116	0.34	0	Nil		Domestic natural person
Wang Qiaoyun	1,477,500	1,477,500	0.27	0	Nil		Domestic natural person
Shouning Investment Management (Shanghai) Co., Ltd. – Shouning Zhijian No. 1 Private Equity Investment Fund	1,191,100	1,191,100	0.22	0	Unknown		Unknown
Anhui Bocheng Medical Investment Co., Ltd.	-569,000	928,800	0.17	0	Unknown		Unknown

Shareholdings of top ten shareholders not subject to selling restrictions (excluding shares lent through refinancing)

Name of shareholder	Type and number of shares		
	Number of circulating shares held not subject to selling restrictions	Type	Number
Beijing Jingcheng Machinery Electric Holding Co., Ltd.	245,735,052	RMB ordinary shares	245,735,052
HKSCC NOMINEES LIMITED	99,621,027	Overseas listed foreign share	99,621,027
Li Hong	3,819,913	RMB ordinary shares	3,819,913
Zhao Qing	3,277,384	RMB ordinary shares	3,277,384
Qingdao Eternal Economic Information Consulting Co., Ltd.	2,804,760	RMB ordinary shares	2,804,760
Hong Kong Securities Clearing Company Limited	1,871,051	RMB ordinary shares	1,871,051
He Yong	1,859,116	RMB ordinary shares	1,859,116
Wang Qiaoyun	1,477,500	RMB ordinary shares	1,477,500
Shouning Investment Management (Shanghai) Co., Ltd. – Shouning Zhijian No. 1 Private Equity Investment Fund	1,191,100	RMB ordinary shares	1,191,100
Anhui Bocheng Medical Investment Co., Ltd.	928,800	RMB ordinary shares	928,800
Description of special accounts for repurchase among the top ten shareholders	N/A		
Description of the proxy voting right, entrusted voting right and waiver of voting right of the aforesaid shareholders	N/A		
Description of the connected relationship of or the acting in concert among the aforesaid shareholders	The Company was not aware of any connected relationship among the aforesaid shareholders, nor was the Company aware of any parties acting in concert as defined in “Measures for Management on Information Disclosure of Changes in Shareholdings of Listed Company’s Shareholders”.		
Description of preferred shareholders whose voting rights have resumed and their shareholdings	N/A		

Notes:

- (1) Beijing Jingcheng Machinery Electric Holding Co., Ltd. (“**Jingcheng Machinery Electric**”) is the substantial shareholder of the Company, no share of which are being pledged or frozen.
- (2) HKSCC NOMINEES LIMITED held shares on behalf of many of its clients and the Company has not been notified by HKSCC NOMINEES LIMITED that there was any holder of H shares who individually held 5% or more of the total share capital of the Company.

- (3) As at 30 June 2025, Mr. Zhang Jiheng, a Director of the Company, was granted 150,000 restricted A shares, Ms. Feng Yongmei, Mr. Shi Fengwen, Mr. Li Xianzhe, senior management officers, and Mr. Luan Jie, the secretary to the Board, were each granted 100,000 restricted A shares, respectively. Save as disclosed above, as at 30 June 2025, so far as was known to the Directors, the Directors, the supervisors and chief executive of the Company or their respective associates did not have any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), to be notified to the Company and the Stock Exchange.
- (4) Save as disclosed above, as at 30 June 2025, the Directors were not notified of any person (not being a Director, supervisor or chief executive of the Company) having any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required pursuant to section 336 of the SFO.
- (5) There is no provision for pre-emptive rights under the laws of the PRC and the articles of association of the Company.
- (6) As of 30 June 2025, the Company did not issue any convertible securities, share options, warrants or any other similar right.

4 Particulars of the total number of shareholders of preference shares and top ten shareholders of preference shares as at the end of the Reporting Period

☐ Applicable ☒ Not applicable

5 Changes in controlling shareholder or beneficial controller

☐ Applicable ☒ Not applicable

6 Undue and unpaid or overdue corporate bonds

☐ Applicable ☒ Not applicable

III. MANAGEMENT DISCUSSION AND ANALYSIS

The year 2025 marks the concluding year of the “14th Five-Year Plan”. Facing complex domestic and international situations, the Company has adhered to its corporate development strategy as its guiding principle. Under this guiding principle, the Company has resolutely carried out the decisions and plans of the municipal Party committee, municipal government, municipal state-owned assets supervision and administration commission as well as Jingcheng Machinery Electric, actively serving the new development dynamic and quickly adapting itself to it, with a view to expediting the development of new productive forces. In the first half of the year, the Company remained focused on its annual budget tasks, with all key tasks carried out in an orderly manner, including market expansion, efficiency enhancement, future planning and risk control.

1. Intensifying market penetration efforts and maintaining operational performance

Gas storage and transportation segment:

In the conventional cylinders industry, the Company focused on lightweight high-pressure products to enhance product differentiation, retaining its major customers while actively capturing market opportunities. In the compound gas cylinders and system integration industry, the Company further consolidated its first-mover and technological advantages with Type IV cylinders, achieving revenue growth while expanding its market share to enhance its competitiveness. The Company spared no effort in promoting large-capacity storage and transportation products and systems as alternatives, which resulted in steady increases in both revenue and market share. In the hydrogen energy market, the Company stepped up its cooperation with downstream customers, completing the release of new vehicle models and supplementary announcements with several domestic major automakers. In the cryogenic storage and transportation industry, the Company actively expanded its presence in the domestic cryogenic cylinders market, which resulted in initial success, as the Company had begun to secure bulk orders in related markets such as the vehicle-mounted LNG cylinders. In the international market, the Company actively adjusted its strategies in Europe and the United States by intensifying its efforts in overseas platform development, expanding extended services and enhancing customer loyalty and augmenting its retail market share. Meanwhile, it ramped up its marketing efforts for new products, meeting the needs of target customers with precision and laying a solid foundation for precise market expansion in the future.

Intelligent manufacturing segment:

In the first half of the year, facing a challenging market environment, the Company expedited the acceptance process of its projects, increased its efforts in tracking new orders, strengthened its technological research and development (R&D) and enhanced its refined management. Overall, the Company made steady progress and continued to improve in the segment. At the same time, focusing on latest market trends and the investment needs of customers, the Company further optimized its product mix and improved its production and operational efficiency. In addition, the construction of its industrial park progressed steadily, with fitting-out and installation work underway.

2. Enhancing innovation-driven development and expediting the emergence of a new development dynamic

Gas storage and transportation segment:

Focusing on customer needs, the Company developed new products to achieve competitive differentiation. Through research projects, it sought to achieve breakthroughs in the development of original technologies. It also steadily promoted the digital transformation of the industry, completing the standardization of hydrogen energy order systems and achieving real-time online monitoring of relevant production processes. It also completed the application process for the certification of its smart factories in Beijing (basic level and advanced level).

Intelligent manufacturing segment:

Leveraging its ongoing investment in R&D, Qingdao BYTQ United Digital Intelligence Co., Ltd., a subsidiary of the Company, continued to research, upgrade and promote technologies related to automatic presses, friction bars and suspension chains and other products, expanding the applications of such products and enhancing their competitiveness in the market. It developed information-based industrial software systems and conducted secondary development of operating software based on related equipment, significantly increasing the operability of its products and enhancing product differentiation. The improvement in its technical capabilities reduced product costs, ensured product quality and enhanced its profitability.

3. Strengthening operational management to drive continuous improvement in internal efficiency

The Company continued to strengthen the market awareness and cost awareness of its technical personnel. It reduced costs through technology by means of process optimization, material substitution and other measures, while reducing manufacturing costs by improving its manufacturing standards. It optimized the procurement process and streamlined the approval process to make it more efficient. It strictly controlled expenses by utilizing operational big data tools to generate precise expense lists, thereby providing data support for further reductions in administrative costs. It also enhanced warehouse integration by drafting a warehouse integration plan. In addition, it continued to promote “6S” management to improve its on-site management and cultivate lean awareness among its employees.

4. Erecting shields against risks to ensure stable operation of the Company

The Company systematically developed internal control and compliance frameworks, optimized the development of systems, strengthened risk resolution, actively completed rectification of internal control issues and promoted the efficient operation of its internal control framework. The Company also improved its safety and quality responsibility framework, required every unit to assume its responsibility for safety, enhanced its fire prevention and hazardous chemicals management and stepped up its efforts in carrying out the “Three-Year Action Plan to Address the Root Causes of Work Safety” by systematically identifying all sources of danger and implementing precise control.

5. Optimizing financial management and laying a solid foundation for high-quality development

Guided by the principle of “capabilities enhancement”, the Company focused on system optimization and professional empowerment. It improved its financial policies and established procedural standards to cement the foundation of financial management. It also deepened the integration of business and finance and strengthened its data-driven decision-making capabilities to promote management efficiency. Meanwhile, tiered and categorized training sessions were conducted to elevate the professional competence of its teams. The Company also enhanced its budget management, which led to year-on-year decreases in administrative expenses and financial expenses. Furthermore, the Company actively engaged with various financing institutions to continually optimize its financing structure and reduce capital costs.

In the first half of 2025, the Company’s operations remained largely stable, with all key tasks carried out in an orderly manner. In the second half of the year, the Company will stick to its strategy, focusing on all its annual targets and indicators unswervingly and making every effort to achieve its annual operational goals. It will meticulously analyze market trends, closely monitor market demand and leverage its technological advantages to expedite the R&D of high-quality products and expand their applications, thereby enhancing its competitiveness in the market. With a strong sense of responsibility and urgency, the Company will take the initiative by actively responding to challenges, with a view to driving its high-quality development and achieving new results.

1. Focusing on enhancing marketing capabilities for market expansion

Gas storage and transportation segment:

In the conventional cylinders industry, the Company will drive steady growth in its market share through efficient cost management and seek to achieve competitive differentiation. It will also closely monitor major domestic customers and keep abreast of related new projects, with a view to expanding sales scale. In the compound gas cylinders and system integration industry, the Company will firmly implement its established strategy in relation to product sales, making full use of its first-mover advantage with Type IV cylinders and adopting a slew of measures to secure orders. It will also intensify its efforts in market expansion, continue to optimize its sales strategy in relation to major customers, promote cooperation along the industry chain and improve its marketing framework. In the cryogenic storage and transportation industry, the Company will continue to expand into various markets, expand the applications of cryogenic cylinders, intensify its R&D efforts for new products and equipment and complete relevant certification and licensing procedures. In the international market, the Company will consolidate its existing foundation, deepen its core user base and bolster its advantageous businesses. It will also focus on its flagship products, mature markets or advantageous channels, enhance product stickiness and tap into the potential of repeat purchases. In addition, it will proactively cultivate new applications and innovate marketing models to better align with the demand for and perceived value of products in overseas markets.

Intelligent manufacturing segment:

The Company will seek to secure orders from the home appliances industry and make every effort to fulfil the orders of new projects and pass the acceptance inspections on existing projects, with a view to achieving growth in its annual results. It will also allocate more resources to the 3C production equipment field as well as the automotive production equipment field to achieve healthy development and rapid growth. The Company will continue to enhance its competitiveness and market share by pursuing a multi-pronged strategy. It will also actively seek new customers by understanding their needs and facilitating seamless business connections, in order to obtain more potential cooperation and enhance the order conversion rate.

2. *Focusing on cultivating innovative momentum to accelerate technological upgrade and value creation*

Gas storage and transportation segment:

The Company will benchmark its products against competing products, enhance technological empowerment to bolster the competitiveness of traditional offerings and achieve the core objectives of “improving quality, reducing costs, increasing efficiency, saving energy, reducing emissions and reducing consumption”. It will also continue to enhance the development of original technologies in the field of hydrogen storage and transportation equipment and carry out research on key core technologies in conjunction with relevant projects. The Company will remain committed to thoroughly understanding customers and engaging with end users. Taking commercial value and market demand into consideration, it will help customers improve their profitability through innovative products and solutions, thereby constantly creating value for customers. It will also promote the implementation of digital transformation, accelerate the verification of master data frameworks and carry out standardized, orderly and centralized management of material data to break down “information silos” and lay a solid foundation for digital empowerment.

Intelligent manufacturing segment:

The Company will continue to increase its investment in R&D, hire sufficient professional personnel, step up its independent R&D efforts, improve its technical levels and supply chain management capabilities and reduce product costs. It will continue to upgrade its production lines and optimize its intelligent scheduling and control frameworks, with a view to improving stability and enhancing the efficiency of production quality management. It will also continue to promote technology in depth, introducing products and technologies with stable operation in the home appliances industry into new fields of equipment. It will enrich its product mix, create high-quality products that satisfy customers and better support customers in product upgrades and replacements.

3. *Focusing on improving operational quality and efficiency, and thoroughly implementing cost reduction and lean improvement*

In terms of cost control, the Company will continue to focus on cost reduction in the three key areas of technology, procurement and manufacturing. In terms of expense control, it will enhance its budget management, use information technology to strengthen ex-ante control, ensure that expenses are adjusted dynamically in line with operating results and promote refined cost accounting and analysis to improve control precision. In terms of cash flow management, it will strive to expand its financing channels, improve capital efficiency and enhance the management of its accounts receivable and inventory. In terms of on-site management, the Company will continue to deepen its lean management and improve its on-site standards, work efficiency and product quality through the implementation of “6S” management, thereby comprehensively enhancing the core competitiveness of the Company.

4. *Focusing on bolstering risk prevention and control and striving to implement strict regulations and refined management*

The Company will intensify the development of its internal control and compliance frameworks, accelerate the centralized review and update of frameworks and processes, conduct thorough evaluation and rectification for internal control, cement the foundation for lawful and compliant operations and promote the deepening of legal corporate governance practices. It will also fortify defenses to ensure safety, quality and governance at source, refine safety responsibilities and assign them to all units, strictly control risk sources, enhance risk identification and adhere to the “zero defect” approach.

Analysis of core competitiveness during the Reporting Period

(I) Analysis of the core competitiveness of the gas storage and transportation segment

After years of development, the Company has the following competitive advantages in terms of scale and brand, technology, sales network, and human resources:

1. Scale and Brand Advantages

The Company is a group company, consisting of seven production bases for the manufacture of professional gas storage and transportation equipment and a company located in the United States. With over 20 years of operation and development, the Company has established a corporate image of fine technology foundation and product stability and reliability in the industry; and the Tianhai brand has become one of the well-known brands in the industry.

2. Technology Advantages

After continuous technological research and development as well as innovation, the Company has A1, A2, C2 and C3 level pressure vessel design qualifications and A1, A2, B1, B2, B3, C2, C3, D1 and D2 level pressure vessel manufacturing qualifications currently, which can produce over 800 types and specifications of seamless steel gas cylinders, winding gas cylinders, accumulator shells, asbestos-free acetylene cylinders, welded insulated cylinders, carbon fiber full-winding compound gas cylinders (including those for vehicles), plastic carbon fiber full-winding compound gas cylinders, cryogenic tanks and filling stations, etc. The Company's products are widely applied in automotive, chemical, fire-fighting, medical, petroleum, energy, urban construction, food, metallurgy, machinery, electronics and other industries.

Meanwhile, with an accurate grasp of the clean energy market, the Company, through integrating different aspects of technologies in respect of LNG cylinders for vehicles, CNG cylinders, cryogenic tanks and natural gas vehicle filling stations, is able to provide customers with LNG/CNG system solutions. The Company is also capable of designing and manufacturing cryogenic tanks and IMO tank container products of different volume and pressure level in accordance with China pressure vessel standards, EU ADM and 97/23/ECPED and Australia/New Zealand AS1210 standards.

3. Sales Network Advantages

The Company has established a complete sales network equipped with over 30 distribution offices scattering across the country, achieving a full geographical coverage nationwide, and is capable of offering components to largest-scale automobile manufacturers of the national automobile industry in the supply chain of components for domestic mainstream automobile manufacturers. The Company has also set up eight overseas sales offices which are mainly located in the United States, Singapore, Korea, India, Australia and other countries. Relevant products have been accepted by seven out of the world's top eight influential gas companies. To build a bridge between the basic unit and the market, and to increase the vitality of the strategy execution unit and results of operation, the Company carried out transformation and upgrade of the internal management and control so that each of its subsidiaries could establish a business model of unifying research, production, supply and sales, so as to fully unleash the vitality of the organisation, make flexible and quick responses to the changes in the market and effectively enhance the results of operation.

Leveraging advanced technology, outstanding management, reliable products and optimized aftersales services system, the Company is keeping its pace of becoming a globally leading manufacturing and service enterprise of energy gas storage devices.

4. Human Resources Advantages

In order to provide a career development platform for its management and employees to grow personally and with the Company and share the fruits of development and to create a good corporate culture, the Company has established an internal organisational system and operational mechanism, performance appraisal mechanism and remuneration and welfare system which meet the requirements for market competition. It aims to retain talents with strong prospects, competitive remuneration and sense of belonging. It has established a core team of talents with ability and integrity, core competencies and professional accomplishments in respect of research and development, sales, management, operation and production.

(II) Analysis of the core competitiveness of the intelligent manufacturing segment

The Company continues to deeply engage in the home appliances industry, while relying on five product lines to provide customers with automation and informatisation construction and upgrading of production lines, as well as the overall solution for smart factories. The main products of the Company continue to expand in the home appliances industry in a comprehensive way.

1. Technology Advantages

The Company focuses on the industrial automation field and deeply engages in the home appliances industry. With the enterprise informatisation business module as the driving core and customized intelligent manufacturing equipment as the base, the Company continues to make technological breakthroughs in the fields of automation and intelligence, while strengthening its customised services, rapid response capabilities, large-scale and flexible production, and industry chain synergies.

2. Sales Advantages

The company has established an efficient sales team, which has professional sales skills and extensive market experiences, and is able to promote and sell the products efficiently. They are able to understand the market dynamics and customer needs timely and provide customers with professional consultation and services in order to promote the sales of products. The Company focuses on core customers and understands customers' needs in depth, such that it has fully released the vitality of the team to quickly adjust the marketing model in response to market changes. With advanced technology, extensive industrial experiences and expertises, the Company can continuously promote the technological innovation and upgrade of its products and steadily expand its market share.

3. Human Resources Advantages

The Company has set up an efficient and professional team of staffs, established a performance appraisal and remuneration and welfare system to fully mobilize employees' innovation initiatives, and provided a platform for employees to grow with the Company. The Company cultivates excellent talents with high professional quality in core positions such as technology, production, sales, management and operation. The Company attaches great importance to technology development, and continuously recruits excellent technical talents to broaden the Company's business scale, and enhance the Company's profitability. According to the needs of business development, the Company will gradually expand the mechanical design team for assembly, robot application, specialised machine development, stamping application, suspension chain and others, while expanding the electrical team and software informatisation team.

The Company has established a modern enterprise management system covering the entire process of strategic planning, risk prevention and control, and compliant operation, thereby forming a scientific decision-making mechanism and a standardised implementation system to ensure the efficient operation and sustainable development of its businesses.

4. Strategic Co-development Advantages

Leveraging its strategic resources advantages, the Company has strengthened the vertical integration across the industry chain and achieved efficient synergies across areas such as technological R&D, production, and marketing channels through unified strategic planning. The Company has enhanced horizontal business linkage by establishing cross-enterprise and cross-departmental cooperation mechanisms to share R&D results and supply chain resources, thereby reducing operating costs. This approach has created a brand matrix effect, integrating customer resources and service systems to enhance capabilities to deliver comprehensive solutions. Through the development of ecosystems, the Company has expanded into related areas such as smart homes and industrial internet, striving to enhance the service capabilities across the entire value chain of the industry and strengthen its all-round competitiveness in resisting cyclical risks.

PRINCIPAL OPERATION DURING THE REPORTING PERIOD

(I) Analysis of principal businesses

1 Table of movement analysis for the related items in financial statements

Unit: Yuan
Currency: RMB

Item	Current period	Corresponding period of last year	Changes (%)
Operating income	680,343,762.00	748,773,482.80	-9.14
Operating cost	548,694,876.01	624,564,969.07	-12.15
Sales expense	20,038,057.94	23,469,294.64	-14.62
Management expense	54,164,729.47	57,293,069.41	-5.46
Financial expense	5,231,447.28	4,757,755.57	9.96
Research and development expenditure	42,208,662.39	30,022,179.68	40.59
Net cash flows from operating activities	-89,952,567.51	-143,347,494.45	—
Net cash flows from investing activities	-43,121,459.56	-28,164,353.12	—
Net cash flows from financing activities	11,929,283.99	61,347,479.15	-80.55

Reasons for the change in operating income: Operating income decreased by 9.14% year-on-year, mainly because the gas storage and transportation segment faced significant downward pressure due to the impact of international trade friction and the intelligent manufacturing segment recorded less income due to project cycles;

Reasons for the change in operating cost: Operating cost decreased by 12.15% year-on-year, mainly due to lower costs as a result of lower income;

Reasons for the change in sales expense: Sales expense decreased by 14.62% year-on-year, mainly due to decreases in selling service fee and exhibition fee during the current period;

Reasons for the change in management expense: Management expense decreased by 5.46% year-on-year, mainly due to a decrease in depreciation cost included in management expense during the current period;

Reasons for the change in financial expense: Financial expense increased by 9.96% year-on-year, mainly due to an increase in interest expense;

Reasons for the change in research and development expenditure: research and development expenditure increased by 40.59% year-on-year, mainly due to increased investment efforts in R&D during the current period;

Reasons for the change in net cash flows from operating activities: Increased by approximately RMB53.3949 million year-on-year, mainly due to an increase in taxes and surcharges refunds during the current period;

Reasons for the change in net cash flows from investing activities: Decreased by approximately RMB14.9571 million year-on-year, mainly due to a year-on-year decrease in net cash received from the disposal of fixed assets, intangible assets and other long-term assets and a year-on-year increase in cash paid to acquire investments during the current period; and

Reasons for the change in net cash flows from financing activities: Decreased by approximately RMB49.4182 million year-on-year, mainly due to a year-on-year increase in cash paid for repayments of debts.

2 *Details of the material changes in types of business, profit components or income sources of the Company in the current period*

☐ Applicable ☒ Not applicable

(II) Description of material change in profit due to non-principal business

☐ Applicable ☒ Not applicable

(III) Analysis of assets and liabilities

☒ Applicable ☐ Not applicable

1. Assets and liabilities

Unit: Yuan
Currency: RMB

Name of item	Balance at the end of the current period	Balance at the end of the current period over total assets (%)	Balance at the end of the corresponding period last year	Balance at the end of the corresponding period over total assets (%)	Change in amount at the end of the current period compared with the end of the corresponding period last year (%)	Description
Notes receivable	7,155,593.33	0.24	14,048,892.34	0.46	-49.07	Mainly due to a decrease in undue acceptance bills
Other receivables	9,497,909.48	0.32	3,253,586.63	0.11	191.92	Mainly due to an increase in transaction
Other current assets	34,763,229.24	1.16	66,859,038.79	2.17	-48.01	Mainly due to a decrease in value-added tax retained by subsidiaries
Fixed assets	852,600,450.84	28.36	603,611,099.03	19.56	41.25	Mainly due to an increase in fixed assets of subsidiaries
Construction in progress	43,685,953.48	1.45	280,234,944.36	9.08	-84.41	Mainly due to the transference of construction in progress into fixed assets of subsidiaries
Other non-current assets	3,675,982.21	0.12	18,299,049.58	0.59	-79.91	Mainly due to a decrease in pre-payment for equipment of subsidiaries
Employee benefits payable	25,540,187.01	0.85	37,221,250.27	1.21	-31.38	Mainly due to a decrease in payment of benefits payable last year during the current period
Taxes payable	5,547,882.90	0.18	17,922,431.27	0.58	-69.05	Mainly due to a decrease in payment of taxes unpaid at the end of last year during the current period

Name of item	Balance at the end of the current period	Balance at the end of the current period over total assets (%)	Balance at the end of the corresponding period last year	Balance at the end of the corresponding period over total assets (%)	Change in amount at the end of the current period compared with the end of the corresponding period last year (%)	Description
Other payables	42,989,758.33	1.43	69,177,703.97	2.24	-37.86	Mainly due to a decrease in the second installment of the equity transfer payment for the acquisition of Qingdao BYTQ United Digital Intelligence Co., Ltd., a subsidiary of the Company, and a decrease in pre-paid fee during the current period
Special reserves	2,570,890.35	0.09	1,222,044.23	0.04	110.38	Mainly due to an increase in the accrual of production safety expenses by subsidiaries

Other descriptions

Nil

2. Overseas Assets

☒ Applicable ☐ Not applicable

(1) Size of assets

Including: overseas assets of 89,318,920.67 (Unit: Yuan Currency: RMB), accounting for 2.97% of the total assets.

(2) Relevant details of a higher proportion of overseas assets

☐ Applicable ☒ Not applicable

Other descriptions

Nil

3. Major restricted assets at the end of the Reporting Period

√ Applicable □ Not applicable

Unit: Yuan
Currency: RMB

Item	End of the period		Type of restriction	Condition of restriction
	Book balance	Book value		
Fixed assets and intangible assets	160,521,389.15	88,407,135.04	Pledged property buildings	Security for borrowings and bank acceptance
Monetary funds	87,094,321.34	87,094,321.34	Margin	Deposits for bank acceptance bills
	7,000,000.00	7,000,000.00	Funds jointly monitored	Funds jointly monitored
	1,233,183.89	1,233,183.89	Funds frozen due to litigation	Funds frozen due to litigation
	4,059,973.87	4,059,973.87	Margin	Letter of credit guarantee deposit
Total	259,908,868.25	187,794,614.14	—	—

Item	Beginning of the period		Type of restriction	Condition of restriction
	Book balance	Book value		
Fixed assets and intangible assets	160,638,154.58	96,058,176.93	Pledged property buildings	Security for borrowings and bank acceptance
Financing receivables	2,800,000.00	2,800,000.00	Pledged notes receivables	Pledge
Monetary funds	69,544,018.02	69,544,018.02	Margin	Deposits for bank acceptance bills
	1,639,488.83	1,639,488.83	Margin	Letter of credit guarantee deposit
	1,232,613.74	1,232,613.74	Funds frozen due to litigation	Funds frozen due to litigation
Total	235,854,275.17	171,274,297.52	—	—

4. *Other descriptions*

☐ Applicable ☒ Not applicable

(IV) Analysis of investments

1. *General analysis of external equity investments*

☐ Applicable ☒ Not applicable

(1). Material equity investments

☐ Applicable ☒ Not applicable

(2). Material non-equity investments

☐ Applicable ☒ Not applicable

(3). Financial assets measured at fair value

☐ Applicable ☒ Not applicable

(4). Securities investment

☐ Applicable ☒ Not applicable

(5). Explanation on securities investment

☐ Applicable ☒ Not applicable

(6). Private fund investment

☐ Applicable ☒ Not applicable

(7). Derivatives investment

☐ Applicable ☒ Not applicable

(V) Material disposal of assets and equity interest

☐ Applicable ☒ Not applicable

(VI) Analysis of major subsidiaries and associates

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB
(Unless otherwise indicated)

Company name	Type of company	Principal business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Beijing Tianhai Industry Co., Ltd.	Subsidiary	Production and sale of gas cylinders, accumulator shells, pressure vessels and auxiliary equipment, etc.	748,759,761.19	2,345,671,073.43	647,548,826.19	629,830,538.08	-16,076,458.26	-21,354,731.29
Jingcheng Holding (Hong Kong) Company Limited	Subsidiary	Import and export trade, investment holding and consultancy services, etc.	HK\$1,000	24,260,787.18	5,297,568.66	49,818,075.63	2,023,456.68	2,023,456.68
Qingdao BYTQ United Digital Intelligence Co., Ltd.	Subsidiary	Robots and automation equipment etc.	21,418,633	458,261,248.03	340,333,350.29	61,773,909.61	6,785,116.70	6,771,425.65

(VII) Structured entities under the control of the Company

☐ Applicable ☒ Not applicable

(VIII) Potential risks

☒ Applicable ☐ Not applicable

1. *International trade environment risk and export market demand fluctuation risk*

Although the global macroeconomic risks have decreased, and the world economy has shown a slow recovery trend in general, there are still great uncertainties in the global economic recovery due to factors such as inflation pressure, trade disputes and geopolitical conflicts. Trade protectionism is on the rise, and trade protectionist policies may intensify, resulting in restricted export markets, increased trade barriers, and continued tension in the international trade environment. In addition, exchange rate fluctuations may affect the price competitiveness of export products and increase the financial costs and operational risks of enterprises.

The inflation rates of the major economies in the developed markets of Europe and the United States are high, and the overall market demand performance is sluggish. Due to the relatively complex political and economic environment in emerging markets, there are uncertainties that may affect the export business of enterprises.

2. *Macroeconomic cycle fluctuation risk*

The industrial automation industry is a strategic industry that provides technical equipment for various industries in the national economy, and has always been valued by the government and strongly supported by national regulations and policies, with a huge and diversified market demand. The current national policies actively support the intelligent manufacturing industry and it is predicted that in the short term, policies of encouraging the research and development and application of industrial robots and promoting the innovative development of industries such as industrial robots will remain unchanged. Against the backdrop of such policies, traditional industrial technology transformation, factory automation and enterprise informatisation development will be under continuous advancement, and the market demand for industrial automation will also witness steady growth.

However, there are uncertainties in the macroeconomic outlook. If China's economic development is constrained by any macroeconomic downturn, industries with a large share in the downstream of the industrial automation sector may often experience significant impacts from the economic cycle. Specifically, these industries may reduce their investments in new fixed assets due to unfavorable economic conditions. Given the close linkage between the industrial automation sector and its downstream industries, any reduction in downstream investment will directly lead to decreased demand for industrial automation products and services, thereby adversely affecting the Company's operations.

To effectively cope with risks associated with cyclical fluctuations in macroeconomy, the Company will implement a series of targeted measures. On one hand, it will closely monitor changes in the macroeconomic environment, timely keep abreast of macroeconomic data and policy developments, while paying close attention to trends in upstream and downstream industries, by which the Company can anticipate market shifts in advance and provide a basis for strategic decision-making. On the other hand, the Company will actively expand the application scope of its products to reduce its reliance on any single industry for risk diversification. Additionally, it will continue to increase its investments in core technology R&D to enhance its technological innovation capabilities, develop new product markets, and strengthen its market competitiveness through product upgrades and market expansion. These efforts aim to minimize the risk factors brought by the periodic fluctuations in macroeconomy and changes in industrial policies and minimize their impacts on the Company's operations.

3. *Risks from developing new businesses and markets*

Hydrogen energy and fuel cells are currently dominated by commercial vehicles in China, mainly used in the fields of logistics, public transportation and large buses, and are still at the stage of consolidation. Due to national and local policies and other sources of uncertainty, the Company will encounter unexpected risks in the development of new businesses and new markets. The Company will continue to increase its efforts for the development of hydrogen energy business and enhance its core technology to improve the core competitiveness of its products.

(IX) Other disclosures

☒ Applicable ☐ Not applicable

1. *Analysis of financial position*

By implementing prudent financial policies, the Company established a strict risk control system for investment, financing and cash management to maintain a sound capital structure and solid financing channels. The Company kept its loan scale under strict control so that it could satisfy the capital needs for its operating activities while minimizing its financing cost and preventing financial risks by fully utilizing financial instruments, with a view to achieving sustainable growth and maximizing shareholder value.

Liquidity and capital structure

	End of the period	Beginning of the period
(1) Debt-to-asset ratio	53.27%	54.25%
(2) Quick ratio	121.79%	119.29%
(3) Current ratio	159.51%	152.85%
(4) Gearing ratio	114.02%	118.57%

2. *Bank loans*

The Company prudently implemented its annual capital budget plan in accordance with changes in the market environment and the requirements of customers to strictly control its bank loan scale. The Company fully utilized financial instruments to reduce its financing cost and prevent financial risks to improve the profit of the Company and shareholders while satisfying the capital needs for the operating activities of the Company. At the end of the Reporting Period, the Company's short-term loans increased by RMB19,500,000 or 8.48%, as compared with the beginning of the period, and its long-term loans increased by RMB11,157,500 or 8.37% as compared with the beginning of the period.

3. Foreign exchange risk management

The Company is mainly exposed to foreign exchange risk relating to US dollars and euro. The main operation of the Company and its subsidiaries (the “**Group**”) is settled by RMB, except for Beijing Tianhai Industry Co., Ltd. (“**Tianhai Industry**” or “**Beijing Tianhai**”), BTIC America Corporation and Jingcheng Holding (Hong Kong) Co., Ltd., subsidiaries of the Company, which use US dollars and euro for procurement and sale. Accordingly, it may be exposed to foreign exchange risk arising from changes in exchange rates between US dollars, euro and RMB. The Company actively adopted measures to reduce foreign exchange risk.

4. Principal sources of funds and their use

(1) Cash flows from operating activities

Cash inflows from operating activities of the Company during the Reporting Period were mainly derived from the income from product sales. Cash outflows were mainly used in expenses related to production and operating activities. During the Reporting Period, cash inflows from operating activities amounted to RMB545,975,600, while cash outflows amounted to RMB635,928,200. Net cash flows during the Reporting Period from operating activities amounted to RMB-89,952,600.

(2) Cash flows from investing activities

During the Reporting Period, cash inflows from investing activities of the Company amounted to RMB5,298,200, which mainly came from net cash received from the disposal of fixed assets, intangible assets and other long-term assets during the current period, while cash outflows from investing activities amounted to RMB48,419,600, which were mainly used in expenses for the purchase and construction of fixed assets and investments. Net cash flows from investing activities during the Reporting Period amounted to RMB-43,121,400.

(3) Cash flows from financing activities

Cash inflows from financing activities during the Reporting Period amounted to RMB191,900,000, which were mainly derived from bank borrowings. Cash outflows from financing activities during the Reporting Period amounted to RMB179,970,700, which were mainly due to the repayment of principals of loans, payment of interest and payment of rent for the leasing business. Net cash flows from financing activities during the Reporting Period amounted to RMB11,929,300.

During the Report Period, net cash flows from operating activities increased by approximately RMB53,394,900 year-on-year, which was mainly due to a year-on-year increase in the receipt of taxes and surcharges refunds during the current period. Net cash flows from investing activities decreased by approximately RMB14,957,100 year-on-year, which was mainly due to a year-on-year decrease in net cash received from the disposal of fixed assets, intangible assets and other long-term assets and a year-on-year increase in cash paid for investments during the current period. Net cash flows from financing activities decreased by approximately RMB49,418,200 year-on-year, which was mainly due to a year-on-year increase in cash paid for the repayment of loans.

5. Capital structure

During the Reporting Period, the Company's capital structure consisted of shareholders' equity and liabilities. Shareholders' equity amounted to RMB1,404,749,400, of which minority shareholders' interest amounted to RMB332,932,600, and total liabilities amounted to RMB1,601,626,800. Total assets amounted to RMB3,006,376,300. As at the end of the period, the Company's debt-to-asset ratio was 53.27%.

Capital structure by liquidity

Total current liabilities	RMB881,418,100	Accounting for 29.32% of assets
Total shareholders' equity	RMB1,404,749,400	Accounting for 46.73% of assets
Of which: Minority shareholders' interest	RMB332,932,600	Accounting for 11.07% of assets

6. Contingent liabilities

As at the end of the Reporting Period, the Group did not have any discloseable significant contingent liabilities.

7. Details of the Group's charge on assets

Unit: Yuan Currency: RMB

Item	End of the period		Type of restriction	Condition of restriction
	Book balance	Book value		
Fixed assets and intangible assets	160,521,389.15	88,407,135.04	Pledged property buildings	Security for borrowings and bank acceptance
Monetary funds	87,094,321.34	87,094,321.34	Margin	Deposits for bank acceptance bills
	7,000,000.00	7,000,000.00	Funds jointly monitored	Funds jointly monitored
	1,233,183.89	1,233,183.89	Funds frozen due to litigation	Funds frozen due to litigation
	4,059,973.87	4,059,973.87	Margin	Letter of credit guarantee deposit
Total	259,908,868.25	187,794,614.14	–	–
Item	Beginning of the period		Type of restriction	Condition of restriction
	Book balance	Book value		
Fixed assets and intangible assets	160,638,154.58	96,058,176.93	Pledged property buildings	Security for borrowings and bank acceptance
Financing receivables	2,800,000.00	2,800,000.00	Pledged notes receivables	Pledge
Monetary funds	69,544,018.02	69,544,018.02	Margin	Deposits for bank acceptance bills
	1,639,488.83	1,639,488.83	Margin	Letter of credit guarantee deposit
	1,232,613.74	1,232,613.74	Funds frozen due to litigation	Funds frozen due to litigation
Total	235,854,275.17	171,274,297.52	–	–

8. *Number of employees, employees' rewards, remuneration policy and training program during the Reporting Period*

(1) Number of employees

Number of employees during the Reporting Period was 1,363.

(2) Remunerations

Remunerations for employees during the Reporting Period were RMB95,530,700.

(3) Remuneration policies

The Company implemented a diversified remuneration system based on the performance of positions as the main remuneration policy. On the basis of performance-based salary standards of positions, the salary level of each position is determined by job evaluation with reference to labour market for confirming the relative value of the position, so as to ensure the internal and external fairness of remuneration. On this basis, the remuneration policy is implemented subject to different personnel and different nature of work to adopt tiered, categorized and diversified remuneration policies such as the implementation of skills-based compensation and technological innovation incentives for technicians; the implementation of the sales commission approach for marketing staffs; the implementation of the piecework wage system for production workers and the implementation of the annual salary system for the senior management.

(4) Training plan

According to the “2025 Annual Training Plan”, a total of 1,509 training hours were completed with 384 training attendances, and the number of training hours per employee reached 9.61 hours. According to the annual training plan, the Company has organized and completed various training programs, including “Management Enhancement Training for Middle-level and Senior Management”, “Training Course for Newly Appointed Middle-level Executives from Directly Affiliated Enterprises”, “Training for Technicians on Design Efficiency Enhancement and Standardized Management based on the Model Library”, “Training on Finite Element Analysis Software”, “Skills Improvement Training for Sales Staff”, “IATF16949 Standard and Internal Auditor Training”, “Skills Improvement Training for Skilled Positions”, and “Training on Programming and Debugging for Siemens System Maintenance”, etc.

9. Corporate governance

During the Reporting Period, the Company effectively ensured that the general meeting, the Board, the Supervisory Committee and managers of the Company have well-defined powers and responsibilities, allowing them to maintain checks and balances, coordinate with each other and operate in compliance with requirements. The Board and its strategy committee, audit committee, remuneration and monitoring committee and nomination committee, and the Supervisory Committee carried out their work according to their responsibilities. The information of the Company was disclosed on a true, accurate, complete and timely basis. The actual situation of the Company's governance complies with relevant requirements.

10. Others

- (1) The Company's applicable enterprise income tax rate for the Reporting Period was 25%.
- (2) The unaudited 2025 interim report of the Company has been reviewed by the audit committee of the Board.
- (3) The Company has been in compliance with the code provisions set out in Part 2 of Appendix C1 "Corporate Governance Code" of the Listing Rules of the Stock Exchange during the Reporting Period.
- (4) During the Reporting Period, in respect of the transactions of securities by its Directors and supervisors, the Company has adopted a set of code of conduct on terms no less exacting than the required standards of the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 of the Listing Rules of the Stock Exchange. After making specific enquiries with all Directors and supervisors, the Company confirmed that, each of the Directors and supervisors has complied with the required standards on securities transactions by directors as set out in the Model Code for the six months ended 30 June 2025.
- (5) During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's stocks.
- (6) There was no change in the scope of the consolidated statements as compared to the financial report for the previous year.

IV. AUDIT OF INTERIM REPORT

☒ Applicable ☐ Not Applicable

(I) Appointment and Dismissal of Accounting Firms

Explanation on appointment and dismissal of accounting firms

☒ Applicable ☐ Not Applicable

1. On 28 March 2025, the Company convened the seventh meeting of the eleventh session of the Board, at which the “Matters in relation to the Re-appointment of WUYIGE Certified Public Accountants LLP as the Auditor of the Company for the year of 2025, and shall be submitted to the 2024 annual general meeting for the authorisation of the Board to enter into a letter of appointment and determine its remuneration” were considered and approved.
2. On 20 June 2025, the Company convened the 2024 annual general meeting, at which the resolution in relation to “the re-appointment of WUYIGE Certified Public Accountants LLP as the auditor of the Company for 2025 and to propose at the general meeting to authorise the board of directors to sign an appointment agreement with it and determine its remuneration” was considered and approved. In 2025, the Company re-appointed WUYIGE Certified Public Accountants LLP as the auditor of Beijing Jingcheng Machinery Electric Company Limited for its financial statements audit and internal control audit for 2025.

Explanation on change of the accounting firms during the audit period

☐ Applicable ☒ Not Applicable

(II) Explanation of the Company on “Non-Standard Auditors’ Report” issued by the accounting firm

☐ Applicable ☒ Not Applicable

(III) Changes and Handling of Matters involved in Non-Standard Audit Opinions in the Annual Report for the Previous Year

☐ Applicable ☒ Not Applicable

V. MATTERS RELATING TO BANKRUPTCY AND REORGANISATION

☐ Applicable ☒ Not Applicable

VI. MATERIAL LITIGATIONS AND ARBITRATIONS

☐ The Company has material litigations and arbitrations during the Reporting Period

☒ The Company has no material litigations nor arbitrations during the Reporting Period

VII. PUNISHMENT AND RECTIFICATION AGAINST THE COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND BENEFICIAL CONTROLLERS

☐ Applicable ☒ Not applicable

VIII. DESCRIPTION OF THE CREDIT STATUS OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS, BENEFICIAL CONTROLLERS DURING THE REPORTING PERIOD

☒ Applicable ☐ Not applicable

During the Reporting Period, the Company and its controlling shareholders had good credit status.

IX. SHARE INCENTIVE SCHEME, EMPLOYEE SHARE SCHEME OR OTHER INCENTIVE MEASURES FOR EMPLOYEES OF THE COMPANY AND THEIR IMPACTS

(I) Relevant share incentive matters disclosed in the provisional announcements without progress or change in the follow-up implementation

☒ Applicable ☐ Not applicable

Summary of Matters	Index for enquiry
The Company has received the Certificate of Change in Registration of Securities issued by China Securities Depository and Clearing Corporation Limited on 28 December 2023. According to the Certificate of Change in Registration of Securities, the Company has completed the registration of Initial Grant of Restricted Shares under the 2023 Restricted Share Incentive Scheme.	Website of Shanghai Stock Exchange www.sse.com.cn ; HKExnews website of the Hong Kong Stock Exchange www.hkexnews.hk

(II) Incentive conditions not disclosed in the provisional announcement or with subsequent progress

Incentive conditions

☐ Applicable ☒ Not applicable

Other descriptions

☒ Applicable ☐ Not applicable

(I) Explanation on the Repurchase and Cancellation of Part of the Restricted A Shares Granted but subject to Lock-up:

1. The Company considered and approved the “Resolution in relation to the Repurchase and Cancellation of Part of the Restricted A Shares Granted but subject to Lock-up” at the eleventh extraordinary meeting of the eleventh session of the Board and the sixteenth meeting of the eleventh session of the Supervisory Committee convened on 27 February 2025, and agreed that the Company shall repurchase and cancel a total of 180,000 restricted A shares granted and have not been unlocked in accordance with the “2023 Restricted Share Incentive Scheme of Beijing Jingcheng Machinery Electric Company Limited”. (For details, please refer to the announcement dated 30 July 2025 of the Company)

Important notices are as follows:

- Among the Participants in the Initial Grant under the 2023 Restricted Share Incentive Scheme of the Company, 5 of them are no longer eligible to be the Participants due to resignation, internal retirement, transfer of job, etc. The Company intends to repurchase and cancel all or part of the Restricted Shares granted to them.
- The number of Restricted Shares for repurchase and cancellation: 180,000 shares (all being part of the Initial Grant).
- The repurchase price of the Restricted Shares: Among the five Participants in this proposed repurchase, four of them who resign on their own accord or retire internally hold a total of 130,000 Restricted Shares subject to lock-up, with the repurchase price of RMB7.33/share, while one of them who is no longer eligible to be the Participant due to transfer of job holds a total of 50,000 Restricted Shares subject to lock-up, with the repurchase price at the sum of RMB7.33/share plus the interest earned on time deposits calculated in accordance with the latest benchmark deposit rate issued by the People’s Bank of China.

2. On 28 April 2025, the Company convened the first Extraordinary General Meeting of 2025, the first A Shares Class Meeting of 2025, and the first H Shares Class Meeting of 2025, at each of which the “Resolution in relation to the Repurchase and Cancellation of Part of the Restricted A Shares Granted but subject to Lock-up” was considered and approved.

(II) Explanation on the Achievement of the Performance Appraisal Targets of the Company for the First Unlocking Period of the 2023 Restricted Share Incentive Scheme (the “**Incentive Scheme**”) (for details please refer to the “Announcement on the Achievement of the Performance Appraisal Targets of the Company for the First Unlocking Period of the 2023 Restricted Share Incentive Scheme* (《2023年限制性股票激勵計劃第一個解除限售期公司業績考核目標達成的公告》)” of the Company dated 23 June 2025):

1. Achievement of the Performance Appraisal Targets of the Company for the First Unlocking Period

- Achievement of the Performance Appraisal Targets

Pursuant to the “Audit Report on the Achievement of the Performance Appraisal Targets of Beijing Jingcheng Machinery Electric Company Limited” issued by Anheng (Beijing) Certified Public Accountants Co., Ltd.* (安衡(北京)會計師事務所有限責任公司), “Audit Report on Beijing Jingcheng Machinery Electric Company Limited” issued by WUYIGE Certified Public Accountants LLP, the “2024 Annual Report of Beijing Jingcheng Machinery Electric Company Limited” and the “Resolution in relation to the Achievement of the Performance Appraisal Targets of the Company for the First Unlocking Period of the 2023 Restricted Share Incentive Scheme”, the performance appraisal targets of the Company for the first unlocking period of the Incentive Scheme were achieved. The details are as follows:

Unlocking Period	Performance Appraisal Targets	Achievement
First Unlocking Period	<ol style="list-style-type: none"> (1) In 2024, the Company’s cash return rate of net assets shall not be less than 7.97%, and based on the Company’s cash return rate of net assets in 2021, the growth rate of cash return rate on net assets in 2024 shall not be lower than the average level of the industry. (2) The year-on-year growth rate of operating revenue in 2024 shall not be less than 16%, and shall not be lower than the average level of the industry. (3) Based on the revenue from transformation and innovation projects in 2021, the revenue growth rate of transformation and innovation projects in 2024 shall not be less than 400%. (4) In 2024, the proportion of R&D investment in operating revenue shall not be less than 3.05%. 	<ol style="list-style-type: none"> (1) In 2024, the Company’s cash return rate of net assets was 9.88%, and based on the Company’s cash return rate of net assets in 2021, the growth rate of cash return rate on net assets in 2024 was 271.42%, which was not lower than the average level of the industry (i.e. -37.72%). (2) The year-on-year growth rate of operating revenue in 2024 was 17.32%, which was not lower than the average level of the industry (i.e. 4.29%). (3) Based on the revenue from transformation and innovation projects in 2021, the revenue growth rate of transformation and innovation projects in 2024 was 408.5%. (4) In 2024, the proportion of R&D investment in operating revenue was 4.19%.

Notes:

1. Cash return rate of net assets = EBITDA/average net assets, where EBITDA represents earnings before interest, taxes, depreciation and amortization. The data is derived from the EBITDA back-calculated values presented by Wind, and average net assets are calculated as the arithmetic average of the opening and closing equity of shareholders;
 2. Revenue from transformation and innovation projects: revenue from hydrogen energy products and intelligent manufacturing products;
 3. Peer companies refer to all listed companies under the industry classification of “CSRC Manufacturing – CSRC Special Equipment Manufacturing” by the China Securities Regulatory Commission.
- Other explanations

The first unlocking period for the restricted shares granted under the Incentive Scheme shall be from the first transaction date after 24 months since the first grant date, to the last transaction date within 36 months since the first grant date. Upon meeting the unlocking conditions during the first unlocking period, restricted shares granted under the Incentive Scheme may be applied for unlocking in an amount equal to 34% of the total amount granted. The first grant date is 14 November 2023. The unlocking conditions for the Incentive Scheme, in addition to the achievement of the above company-level performance targets, include the absence of any legal restrictions on unlocking for the Company and the participants, as well as the achievement of individual performance targets by the participants. The Company will subsequently review the fulfillment of other unlocking conditions and, in accordance with relevant regulations, handle the unlocking procedures and make announcements accordingly.

2. On 23 June 2025, the Company convened the thirteenth extraordinary meeting of the eleventh session of the Board, at which the “Resolution in relation to the Achievement of the Performance Appraisal Targets of the Company for the First Unlocking Period of the 2023 Restricted Share Incentive Scheme” was considered and approved. On the same date, the Company convened the twentieth meeting of the eleventh session of the supervisory committee, at which the same resolution was considered and approved.

Employee share scheme

☐ Applicable ☒ Not applicable

Other incentive measures

☐ Applicable ☒ Not applicable

X. MATERIAL CONNECTED TRANSACTIONS

(I) Connected transactions related to daily operation

1. *Matters disclosed in provisional announcements without progress or change in the follow-up implementation*

√ Applicable ☐ Not applicable

Summary of matter	Index for enquiry
<p>1. Tianjin Tianhai High Pressure Container Co., Ltd.* (天津天海高壓容器有限責任公司), a controlled subsidiary of the Company, proposed to purchase production line automation equipment from Beijing Peitian Technology Co., Ltd.* (北京配天技術有限公司) for the automatic production of gas cylinder production lines, at a total amount of RMB1,040,000.</p> <p>2. Beijing Minghui Tianhai Gas Storage and Transportation Equipment Sales Co., Ltd. * (北京明暉天海氣體儲運裝備銷售有限公司) (“Minghui Tianhai”), a subsidiary of the Company, signed the “Energy Management Contract for Roof Distributed Photovoltaic Power Station”* (《屋頂分佈式光伏電站能源管理合同》) with Beijing Jingcheng Golden Solar Energy Technology Co., Ltd.* (北京京城金太陽能源科技有限公司) (“Jingcheng Golden Sun”), a related party, on 10 October 2021. Jingcheng Golden Sun shall use the photovoltaic power station which is constructed on the roof in the building located in the factory area of Minghui Tianhai and its auxiliary projects (the “Photovoltaic Power Station”) for free, and shall supply the electricity generated by the Photovoltaic Power Station to the factory area of Minghui Tianhai. The Photovoltaic Power Station adopts a self-generated and self-used model, with surplus electricity to grid. The electricity price charged by Jingcheng Golden Sun to Minghui Tianhai is 65% of electricity prices of the local official grid during the rush period, peak period and off-peak period when Minghui Tianhai makes the purchase, and the electricity bill shall be settled monthly based on the records of the electricity meters. From 1 January 2024 to 31 January 2025, the total electricity fees amounted to RMB343,010.03.</p> <p>3. On 30 December 2024, upon the resolution at the office meeting of the manager of the Company, it was agreed that the Company shall sign a property leasing contract with Jingcheng Machinery Electric, its related party and controlling shareholder, for leasing a house located in the Yichuang Park Area for office use, with a lease term of 1 year (from 1 January 2025 to 31 December 2025), at a rent of RMB1,079,317.16; it was agreed that the Company shall sign a property services agreement with the Property Services Branch of Beijing Jingcheng Yihe Urban Renewal Co., Ltd.* (北京京城易合城市更新有限公司物業服務分公司), a related party, with a contract period of 1 year (from 1 January 2025 to 31 December 2025), with the property service fee, heating fee and cooling fee totalling RMB359,252.</p>	<p>Website of Shanghai Stock Exchange www.sse.com.cn;</p> <p>HKExnews website of the Hong Kong Stock Exchange www.hkexnews.hk</p>

Summary of matter	Index for enquiry
<p>Each of the three transactions mentioned above constituted a connection transaction. However, pursuant to Rule 14A.76(1)(c) of the Hong Kong Listing Rules, each transaction was fully exempt from the reporting, announcement, circular and independent shareholders' approval requirements.</p> <p>On 27 February 2025, the Company convened the eleventh extraordinary meeting of the eleventh session of the Board and the sixteenth meeting of the eleventh session of the Supervisory Committee, at each of which the "Resolution in relation to the Entering Into of the Relevant Contracts Between Holding Subsidiaries and Related Parties and Daily Related Party Transactions" was considered and approved. The resolution was considered and approved by the first meeting of the special meetings of independent directors of the Company for 2025, at which the independent non-executive Directors of the Company expressed their prior approval opinions and independent opinions.</p>	

2. *Matters disclosed in provisional announcements with progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

3. *Matters which were not disclosed in provisional announcements*

☐ Applicable ☒ Not applicable

(II) **Connected transactions in relation to the acquisition of assets or acquisition or disposal of equity interests**

1. *Matters disclosed in provisional announcements without progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

2. *Matters disclosed in provisional announcements with progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

3. *Matters which were not disclosed in provisional announcements*

☐ Applicable ☒ Not applicable

4. *Results which are related to results agreements and shall be disclosed for the Reporting Period*

☐ Applicable ☒ Not applicable

(III) **Material connected transactions relating to common external investments**

1. *Matters disclosed in provisional announcements without progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

2. *Matters disclosed in provisional announcements with progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

3. *Matters which were not disclosed in provisional announcements*

☐ Applicable ☒ Not applicable

(IV) **Connected creditors' rights and debt transactions**

1. *Matters disclosed in provisional announcements without progress or change in the follow-up implementation*

☐ Applicable ☒ Not applicable

2. Matters disclosed in provisional announcements with progress or change in the follow-up implementation

☐ Applicable ☒ Not applicable

3. Matters which were not disclosed in provisional announcements

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Related party	Connected relationship	Provision of funds to related parties			Provision of funds by related parties to the Company		
		Beginning balance	Amount occurred	Ending balance	Beginning balance	Amount occurred	Ending balance
Jiangsu Tianhai Special Equipment Co., Ltd.*	Joint venture	81,318.02	3,843,796.72	3,925,114.74	13,852,938.49	5,317,202.46	19,170,140.95
Beijing Jingcheng Machinery Electric Holding Co., Ltd.*	Controlling shareholder		88,825.79	88,825.79	910,571.79	-34.60	910,537.19
Beijing Lantianda Vehicle Clean Fuel Technology Co., Ltd.*	Others	3,766,758.82	-394,171.63	3,372,587.19	10,492,652.22		10,492,652.22
Tianjin Seamless Investment Co. Ltd.*	Others		305,385.71	305,385.71	1,838,009.54	-388,009.54	1,450,000.00
Beijing Jingcheng Zhitong Robot Technology Co., Ltd.*	Subsidiary of shareholders				1,792,500.00		1,792,500.00
Li Hong	Others				10,860,433.38	-10,860,433.38	
Beijing Beiren Printing Equipment Co., Ltd.*	Subsidiary of shareholders				325,966.22	-325,966.22	
Beijing Jingcheng Golden Sun Energy Technology Co., Ltd.*	Subsidiary of shareholders				49,008.50	42,592.05	91,600.55
Zhejiang Jingcheng Renewable Resources Co., Ltd.*	Subsidiary of shareholders	182,400.00	-182,400.00				
Beijing Peitian Technology Co., Ltd.*	Subsidiary of shareholders		624,000.00	624,000.00	598,996.80	-199,665.60	399,331.20
Sunwise Hydrogen Energy Technology (Beijing) Co., Ltd.*	Subsidiary of shareholders	15,870,400.00		15,870,400.00	4,645,265.46	279,603.54	4,924,869.00
Shanghai Sunwise Energy Systems Co., Ltd.*	Subsidiary of shareholders	15,018,716.55	-2,768,136.00	12,250,580.55	4,602,500.00	884,955.75	5,487,455.75
Guangzhou Sunwise Hydrogen Energy Technology Co., Ltd.*	Subsidiary of shareholders	614,880.00	-614,880.00				
Babcock & Wilcox Beijing Company Ltd.*	Subsidiary of shareholders		134,653.00	134,653.00	172,282.30	-172,282.30	

Related party	Connected relationship	Provision of funds to related parties			Provision of funds by related parties to the Company		
		Beginning balance	Amount occurred	Ending balance	Beginning balance	Amount occurred	Ending balance
Beijing Jingcheng Huitong Environmental Protection Co., Ltd.*	Subsidiary of shareholders				14,707.96		14,707.96
Beijing Beiyi Machine Tool Co., Ltd.*	Subsidiary of shareholders				1,400,000.00		1,400,000.00
Beijing Jingcheng Yihe Urban Renewal * Co., Ltd.*	Subsidiary of shareholders		124,754.72	124,754.72	658,477.85	-246,843.28	411,634.57
Beijing Kerui Nike Science Trading Co., Ltd.*	Others				106,362.00		106,362.00
OKUMA-BYJC (Beijing) Machine Tool Co. Ltd.*	Others		252.00	252.00			
Hubei Jingyuan Xihai Automobile Industry Co., Ltd.*	Joint venture	49,382,279.92	881,324.00	50,263,603.92	14,536,300.00		14,536,300.00
Shaanxi Haichuang Shengshi Hydrogen Energy Technology Co., Ltd.*	Joint venture	3,580,225.00	2,837,375.00	6,417,600.00	980,000.00		980,000.00
Total		88,496,978.31	4,880,779.31	93,377,757.62	67,836,972.51	-5,668,881.12	62,168,091.39
Reasons for occurrence of related creditor's right and debt transactions		Under normal operation					
Effects of related creditors' rights and debts on the Company		None					

(V) Financial business between the Company and its connected financial company, and between financial company controlled by the Company and connected parties

☐ Applicable ☒ Not applicable

(VI) Other major connected transactions

☐ Applicable ☒ Not applicable

(VII) Others

√ Applicable □ Not applicable

Continuing connected transactions:

1. Continuing connected transaction in relation to the property leasing of Jingcheng Haitong

Tianhai Industry and Beijing Jingcheng Haitong Technology Culture Development Co., Ltd.* (北京京城海通科技文化發展有限公司) (“**Jingcheng Haitong**”) entered into the “Lease Agreement” on 4 September 2018 with a lease term of 18 years. While transferring the property, Beijing Tianhai, Beijing Jingcheng Machinery Electric Assets Management Co., Ltd.* (北京京城機電資產管理有限責任公司) (“**Asset Company**”) and Jingcheng Haitong would sign an “Agreement on the Change of Party of the Lease” which would transfer all rights and obligations of Beijing Tianhai under the “Lease Agreement” to Asset Company in general. On 6 July 2022, the Company issued the “Announcement of Completion of the Project of Acquisition of 2% Equity Interest of Jingcheng Haitong by a Subsidiary of the Company Beijing Tianhai Industry Co., Ltd.”. Upon completion of the acquisition, the Company held 51% equity interest in Jingcheng Haitong through Tianhai Industry, and accordingly Jingcheng Haitong became a controlled subsidiary of the Company. In accordance with the Hong Kong Listing Rules, as Jingcheng Machinery Electric is the controlling shareholder of the Company, Asset Company is a connected person of the Company. Accordingly, the transaction contemplated under the Lease Agreement became a continuing connected transaction of the Company upon completion of the acquisition.

2. Continuing connected transaction with Shanghai Sunwise

Beijing Tianhai and Shanghai Sunwise Energy Systems Co., Ltd.* (上海舜華新能源系統有限公司) (“**Shanghai Sunwise**”) entered into a product sale and purchase framework agreement on 6 December 2024, pursuant to which Beijing Tianhai and its subsidiaries and Shanghai Sunwise and its subsidiaries will purchase or sell hydrogen energy products (including gas cylinders, system integration products, valves and other components, station equipment and other products) from or to each other from time to time for a term of three years from 1 January 2025 to 31 December 2027. In accordance with the Hong Kong Listing Rules, as Jingcheng Machinery Electric indirectly holds 39.77% equity interest in Shanghai Sunwise, Shanghai Sunwise is an associate of Jingcheng Machinery Electric and a connected person of the Company. Accordingly, the transaction above constituted a continuing connected transaction of the Company and was approved by the independent shareholders of the Company on 28 April 2025.

XI. MATERIAL CONTRACTS AND THEIR EXECUTION

1 Trust, contracting and leasing matters

√ Applicable ☐ Not applicable

(1) Trust

☐ Applicable √ Not applicable

(2) Contracting

☐ Applicable √ Not applicable

(3) Leasing

√ Applicable ☐ Not applicable

Unit: Yuan
Currency: RMB

Name of lessor	Name of lessee	Details of lease of assets	Amount involved in lease of assets	Starting date of lease	Ending date of lease	Lease revenue	Determining basis for lease revenue	Impact of lease revenue on the Company	Is it a connected transaction	Connected relationship
Beijing Jingcheng Haitong Technology Culture Development Co., Ltd.	Shenzhen Tenglong Holdings Co., Ltd.	The leased area is 45,043.62 sq.m.	29,952,528.31	1 January 2025	30 June 2025	29,952,528.31	Leasing Agreement	Major operating revenue	No	Others
Beijing Jingcheng Machinery Electric Assets Management Co., Ltd.	Beijing Jingcheng Haitong Technology Culture Development Co., Ltd.	The leased area is 45,143.62 sq.m.	13,264,269.78	1 January 2025	30 June 2025	-13,264,269.78	Leasing Agreement	Major operating cost	Yes	A fellow subsidiary within the Group controlled by the Company's controlling shareholder
Qingdao Zhengli Technology Co., Ltd.* (青島正利科技有限公司)	Qingdao BYTQ United Digital Intelligence Co., Ltd.	A leased area of 9,881.15 sq.m.	691,680.67	1 January 2025	30 April 2025	-691,680.67	Leasing Agreement	Other operating cost	No	Others

Explanation on leases

Nil

2 Material guarantee and outstanding material guarantee during the Reporting Period

☐ Applicable ☒ Not applicable

3 Other material contracts

☐ Applicable ☒ Not applicable

XII. DETAILS ON PERFORMANCE OF CONSOLIDATION OF ANTI-POVERTY ACHIEVEMENTS AND RURAL REJUVENATION

☒ Applicable ☐ Not applicable

The year 2025 marks the final year for the full achievement of the goals set out in the “14th Five-Year Plan”, a pivotal year for laying a solid foundation for the successful commencement of the “15th Five-Year Plan”, and a reinforcement year for the transformation and development of the capital’s support and cooperation initiatives. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company earnestly implements the spirit of the 20th National Congress of the Communist Party of China, the Second and Third Plenary Sessions of the 20th CPC Central Committee, as well as the important speeches and instructions of General Secretary Xi Jinping on support and cooperation work. The Company fully implements the spirit of the Central Rural Work Conference and the Central Economic Work Conference, and the Sixth Plenary Session of the 13th Municipal Party Committee, thereby steadfastly advancing comprehensive rural revitalization. Through multiple initiatives, the Company provides assistance for support and cooperation regions in continuously enhancing endogenous development capacity, consolidates and expands the achievements of poverty alleviation, effectively aligns them with rural revitalization, improves people’s livelihood and well-being, promotes ethnic unity, and contributes to and provides assistance for the high-quality development of support and cooperation regions.

As a municipal state-owned enterprise, the Company proactively assumes its social responsibilities, earnestly implements the directives in documents on consumption-based alleviation issued by the Municipal State-owned Assets Supervision and Administration Commission, the Municipal Federation of Trade Unions, the Municipal Support and Cooperation Office, and Jingcheng Machinery Electric, and actively participates in brand initiatives promoted by the Municipal Party Committee, the Municipal Government, and the Municipal State-owned Assets Supervision and Administration Commission, including “Jingcai Western Products* (京彩西品)”, “Jing-selected Quality Goods, One County One Product* (京選好物、一縣一品)”, “Mongolian Flavour Arrives* (蒙味襲來)”, and “Jingcai Mongolian Products* (京彩蒙品)”. The Company has organized dedicated campaigns to promote agricultural and sideline products featuring targeted assistance regions including Inner Mongolia, Tibet, and economically underdeveloped collective villages within Beijing. In the first half of the year, the Company procured a total of RMB863,658 worth of alleviation products, of which the canteen purchased RMB566,058 worth of poverty alleviation products, including RMB173,169 of alleviation products and RMB392,889 of non-alleviation products, accounting for 31% of the total poverty alleviation procurement. The labour union purchased RMB297,600 worth of consolation goods, all of which were poverty alleviation products, representing a 100% procurement ratio. These efforts have positive effects in consolidating and expanding the achievements of poverty alleviation and promoting rural revitalization.

XIII. CONVERTIBLE CORPORATE BONDS

☐ Applicable ☒ Not applicable

XIV. ENVIRONMENTAL INFORMATION OF THE COMPANY AND ITS MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES SUBJECT TO LEGAL ENVIRONMENTAL DISCLOSURE

☒ Applicable ☐ Not applicable

Number of enterprises included in the list of enterprises subject to legal environmental disclosure		1
No.	Name of Enterprise	Index for enquiry for Legal Environmental Information Disclosure Report
1	Tianjin Tianhai High Pressure Container Co., Ltd.* (天津天海高压容器有限公司)	Enterprise Environmental Information Disclosure System (Tianjin) (hjxxpl.sthj.tj.gov.cn:10800/#/gkwz/jcym)

Other Remarks

☐ Applicable ☒ Not Applicable

XV. EXPLANATION ON OTHER IMPORTANT MATTERS

☐ Applicable ☒ Not Applicable

XVI. FINANCIAL STATEMENT

Consolidated Balance Sheet

June 30, 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan

Currency: RMB

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Current assets:			
Cash at bank and on hand	VII. 1	391,628,678.92	482,988,509.97
Settlement reserves			
Placements from banks and other financial institutions			
Financial assets held for trading			
Derivative financial assets			
Notes receivable	VII. 4	7,155,593.33	14,048,892.34
Accounts receivable	VII. 5	568,022,476.07	499,865,493.32
Receivables financing	VII. 7	13,934,852.68	17,738,416.42
Advances to suppliers	VII. 8	35,277,600.61	44,784,447.17
Premiums receivable			
Reinsurance premium receivable			
Reinsurance contract provision receivable			
Other receivables	VII. 9	9,497,909.48	3,253,586.63
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under agreements to resell			
Inventories	VII. 10	332,517,440.35	322,798,726.80
Of which: Information resources			
Contractual assets		13,173,281.68	17,727,137.20
Held-for-sale assets			
Non-current assets due within one year			
Other current assets	VII. 13	34,763,229.24	66,859,038.79
Total current assets		<u>1,405,971,062.36</u>	<u>1,470,064,248.64</u>

Consolidated Balance Sheet (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Non-current assets:			
Disbursement of loans and advances to customers			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investments	<i>VII. 17</i>	112,173,215.27	113,338,773.49
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	<i>VII. 21</i>	852,600,450.84	603,611,099.03
Construction in progress	<i>VII. 22</i>	43,685,953.48	280,234,944.36
Productive biological assets			
Oil and gas assets			
Right-of-use assets	<i>VII. 25</i>	176,008,799.38	184,732,895.25
Intangible assets	<i>VII. 26</i>	168,050,588.11	173,323,950.09
Of which: Information resources			
Development expenditures			
Of which: Information resources			
Goodwill	<i>VII. 27</i>	168,996,039.10	168,996,039.10
Long-term deferred expenses	<i>VII. 28</i>	13,773,075.23	11,538,542.98
Deferred income tax assets	<i>VII. 29</i>	61,441,114.88	62,473,777.37
Other non-current assets	<i>VII. 30</i>	3,675,982.21	18,299,049.58
Total non-current assets		<u>1,600,405,218.50</u>	<u>1,616,549,071.25</u>
Total assets		<u>3,006,376,280.86</u>	<u>3,086,613,319.89</u>

Consolidated Balance Sheet (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Current liabilities:			
Short-term borrowings	<i>VII. 32</i>	249,500,000.00	230,000,000.00
Borrowings from the central bank			
Placements from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	<i>VII. 35</i>	118,627,164.14	116,344,018.02
Accounts payable	<i>VII. 36</i>	351,574,143.11	395,135,400.60
Advances from customers			
Contractual liabilities	<i>VII. 38</i>	55,298,852.47	65,835,225.59
Financial assets sold under agreements to repurchase			
Customer bank deposits and due to banks and other financial institutions			
Customer broking			
Securities underwriting			
Employee benefits payable	<i>VII. 39</i>	25,540,187.01	37,221,250.27
Taxes payable	<i>VII. 40</i>	5,547,882.90	17,922,431.27
Other payables	<i>VII. 41</i>	42,989,758.33	69,177,703.97
Including: Interest payable			
Dividends payable			
Fees and commissions payable			
Reinsurance amounts payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	<i>VII. 43</i>	16,640,182.34	15,578,997.72
Other current liabilities	<i>VII. 44</i>	15,699,926.75	14,537,663.61
Total current liabilities		<u>881,418,097.05</u>	<u>961,752,691.05</u>

Consolidated Balance Sheet (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Non-current liabilities:			
Insurance contract reserves			
Long-term borrowings	<i>VII. 45</i>	144,507,500.00	133,350,000.00
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	<i>VII. 47</i>	212,901,686.66	220,087,249.70
Long-term payables	<i>VII. 48</i>	253,207,700.00	253,207,700.00
Long-term employee benefits payable	<i>VII. 49</i>	34,224,144.01	33,131,627.97
Provisions	<i>VII. 50</i>	9,111,689.70	7,986,099.32
Deferred income	<i>VII. 51</i>	17,348,098.27	13,453,008.53
Deferred income tax liabilities		48,907,932.38	51,487,703.77
Other non-current liabilities			
Total non-current liabilities		<u>720,208,751.02</u>	<u>712,703,389.29</u>
Total liabilities		<u>1,601,626,848.07</u>	<u>1,674,456,080.34</u>

Consolidated Balance Sheet (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan
Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Owner's equity (or shareholders' equity):			
Paid-up capital (or share capital)	<i>VII. 53</i>	547,485,988.00	547,665,988.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves	<i>VII. 55</i>	1,197,835,132.21	1,195,306,532.75
Less: Treasury shares			
Other comprehensive income	<i>VII. 57</i>	3,891,438.93	4,172,992.51
Special reserves	<i>VII. 58</i>	2,570,890.35	1,222,044.23
Surplus reserves	<i>VII. 59</i>	45,665,647.68	45,665,647.68
General risk provision			
Undistributed profits	<i>VII. 60</i>	-725,632,283.52	-709,876,579.95
Total equity attributable to owners (or shareholders) of the parent company		<u>1,071,816,813.65</u>	<u>1,084,156,625.22</u>
Minority interests		<u>332,932,619.14</u>	<u>328,000,614.33</u>
Total owners' equity (or shareholders' equity)		<u>1,404,749,432.79</u>	<u>1,412,157,239.55</u>
Total liabilities and owners' equity (or shareholders' equity)		<u>3,006,376,280.86</u>	<u>3,086,613,319.89</u>

*Person in charge of the
Company:***Mr. Li Junjie***Person in charge of accounting:***Ms. Feng Yongmei***Person in charge of the
accounting firm:***Mr. Yang Yue**

Balance Sheet of Parent Company*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Current assets:			
Cash at bank and on hand		45,493,424.50	60,762,474.36
Financial assets held for trading			
Derivative financial assets			
Notes receivable			
Accounts receivable	<i>XIX. 1</i>	62,310,773.68	37,794,280.34
Receivables financing			
Advances to suppliers		622,929.49	
Other receivables	<i>XIX. 2</i>	424,032,145.57	416,581,646.88
Including: Interest receivable		50,035,916.19	47,413,555.08
Dividends receivable			
Inventories			
Of which: Information resources			
Contractual assets		8,059,568.32	12,005,026.15
Held-for-sale assets			
Non-current assets due within one year			
Other current liabilities		3,300,323.94	
Total current assets		<u>543,819,165.50</u>	<u>527,143,427.73</u>

Balance Sheet of Parent Company (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Non-current assets:			
Debt investment			
Other debt investment			
Long-term receivables			
Long-term equity investments	<i>XIX. 3</i>	1,599,609,640.36	1,600,273,940.36
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets		73,069.21	85,551.91
Construction in progress			
Productive biological assets			
Oil and gas assets			
Right-of-use assets			302,780.98
Intangible assets			
Of which: Information resources			
Development expenditures			
Of which: Information resources			
Goodwill			
Long-term deferred expenses			177,274.57
Deferred income tax assets		587,793.10	633,358.37
Other non-current assets			
Total non-current assets		<u>1,600,270,502.67</u>	<u>1,601,472,906.19</u>
Total assets		<u>2,144,089,668.17</u>	<u>2,128,616,333.92</u>

Balance Sheet of Parent Company (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	<i>Note</i>	30 June 2025 (unaudited)	31 December 2024 (audited)
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		84,208,865.40	52,141,318.82
Advances from customers			
Contractual liabilities			
Employee benefits payable		5,904,488.85	6,915,363.05
Taxes payable		528,262.79	408,739.18
Other payables		8,047,666.04	23,603,043.73
Including: Interest payable			
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities		318,246.85	
Total current liabilities		<u>99,007,529.93</u>	<u>83,068,464.78</u>
Non-current liabilities:			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables		200,000,000.00	200,000,000.00
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred income tax liabilities			75,695.24
Other non-current liabilities			
Total non-current liabilities		<u>200,000,000.00</u>	<u>200,075,695.24</u>
Total liabilities		<u>299,007,529.93</u>	<u>283,144,160.02</u>

Balance Sheet of Parent Company (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB*

Item	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Owner's equity (or shareholders' equity):			
Paid-up capital (or share capital)		547,485,988.00	547,665,988.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		1,319,670,796.01	1,320,831,896.72
Less: Treasury stocks			
Other comprehensive income			
Special reserves			
Surplus reserves		38,071,282.24	38,071,282.24
Undistributed profits		<u>-60,145,928.01</u>	<u>-61,096,993.06</u>
Total owners' equity (or shareholders' equity)		<u>1,845,082,138.24</u>	<u>1,845,472,173.90</u>
Total liabilities and owners' equity (or shareholders' equity)		<u>2,144,089,668.17</u>	<u>2,128,616,333.92</u>

*Person in charge of the
Company:***Mr. Li Junjie***Person in charge of accounting:***Ms. Feng Yongmei***Person in charge of the
accounting firm:***Mr. Yang Yue**

Consolidated Income Statement

January-June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan

Currency: RMB

Type of audit: Unaudited

Item	Note	First half year of 2025	First half year of 2024
I. Total operating revenue		680,343,762.00	748,773,482.80
Including: Operating revenue	VII. 61	680,343,762.00	748,773,482.80
Interest income			
Earned premiums			
Fee and commission income			
II. Total operating cost		675,114,273.71	744,744,565.10
Including: Operating cost	VII. 61	548,694,876.01	624,564,969.07
Interest expenditure			
Fee and commission expenses			
Cash surrender amount			
Net expenses of claim settlement			
Net provision for insurance contract reserves			
Policyholder dividend expenses			
Reinsurance expenses			
Taxes and surcharges	VII. 62	4,776,500.62	4,637,296.73
Selling expenses	VII. 63	20,038,057.94	23,469,294.64
Administrative expenses	VII. 64	54,164,729.47	57,293,069.41
R & D expenses	VII. 65	42,208,662.39	30,022,179.68
Financial expenses	VII. 66	5,231,447.28	4,757,755.57
Including: Interest expenses		11,431,716.95	8,196,990.99
Interest income		1,170,019.89	2,265,545.33

Consolidated Income Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
Add: Other incomes	<i>VII. 67</i>	5,136,207.55	5,950,362.84
Investment income (loss to be listed with “-”)	<i>VII. 68</i>	877,021.41	14,916,214.82
Including: Income from investment in associates and joint ventures		-1,167,116.34	4,965,147.93
Derecognition income of financial asset measured at the amortized cost (loss to be listed with “-”)			
Exchange gains (loss to be listed with “-”)			
Net exposure hedging income (loss to be listed with “-”)			
Income from changes in fair value (loss to be listed with “-”)			
Credit impairment losses (loss to be listed with “-”)	<i>VII. 71</i>	-2,900,919.33	-585,476.58
Asset impairment losses (loss to be listed with “-”)	<i>VII. 72</i>	-15,307,507.45	-13,599,617.75
Income from assets disposal (loss to be listed with “-”)	<i>VII. 73</i>	1,472,831.23	
III. Operating profit (loss to be listed with “-”)		-5,492,878.30	10,710,401.03
Add: Non-operating revenue	<i>VII. 74</i>	1,088,038.32	451,708.67
Less: Non-operating expenses	<i>VII. 75</i>	390,711.56	735,051.73
IV. Total profit (total loss to be listed with “-”)		-4,795,551.54	10,427,057.97
Less: Income tax expenses	<i>VII. 76</i>	6,978,008.16	6,801,273.26

Consolidated Income Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
V. Net profit (net loss to be listed with “-”)		-11,773,559.70	3,625,784.71
(I) Classified according to operating continuity			
1. Net profit from continuing operations (net loss to be listed with “-”)		-11,773,559.70	3,625,784.71
2. Net profit from discontinuing operations (net loss to be listed with “-”)			
(II) Classified according to attribution of the ownership			
1. Net profit attributable to the owner of the parent company (net loss to be listed with “-”)		-15,755,703.57	-3,374,923.71
2. Non-controlling interests (net loss to be listed with “-”)		3,982,143.87	7,000,708.42
VI. Net after-tax amount of other comprehensive income	<i>VII. 77</i>	-310,835.69	710,654.81
(1) Net after-tax amount of other comprehensive income attributable to the owner of the parent company		-281,553.58	641,176.79
1. Other comprehensive income that cannot be reclassified into profit or loss			
(1) Changes arising from remeasurement of the defined benefit plan			
(2) Other comprehensive income that cannot be converted to profit or loss under the equity method			
(3) Changes in fair value of other equity instrument investments			
(4) Changes in fair value of the enterprise’s credit risk			

Consolidated Income Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
2. Other comprehensive income that will be reclassified into profit or loss		-281,553.58	641,176.79
(1) Other comprehensive income that can be converted to profit or loss under the equity method		1,558.12	
(2) Changes in fair value of other debt investment			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for impairment of credit in other debt investments			
(5) Reserves for cash flow hedge			
(6) Translation difference of foreign currency financial statements		-283,111.70	641,176.79
(7) Others			
(2) Net of tax of other comprehensive income attributable to minority shareholders		-29,282.11	69,478.02
VII. Total comprehensive income		-12,084,395.39	4,336,439.52
(1) Total comprehensive income attributable to shareholders of the parent company		-16,037,257.15	-2,733,746.92
(2) Total comprehensive income attributable to minority shareholders		3,952,861.76	7,070,186.45

Consolidated Income Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
VIII. Earnings per share:			
(1) Basic earnings per share (RMB/ share)		-0.03	-0.01
(2) Diluted earnings per share (RMB/ share)		-0.03	-0.01

For the business combination under common control occurred during the current period, net profit of the acquiree realised before business combination was RMB0. Net profit of the acquiree realised during the last period was RMB0.

*Person in charge of the
Company:*

Mr. Li Junjie

Person in charge of accounting:

Ms. Feng Yongmei

*Person in charge of the
accounting firm:*

Mr. Yang Yue

Income Statement of Parent Company*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
I. Operating revenue	<i>XIX. 4</i>	2,011,457.25	2,368,722.61
Less: Operating cost			
Taxes and surcharges		46,611.15	52,436.50
Selling expenses			
Administrative expenses		5,811,861.23	5,715,878.12
R & D expenses			
Financial expenses		-5,567,217.58	-51,312.11
Including: Interest expenses			15,098.12
Interest incomes		5,572,472.58	69,030.97
Add: Other incomes		14,133.53	25,726.06
Investment income (loss to be listed with “-”)			
Including: Income from investment in associates and joint ventures			
Derecognition income of financial asset measured at the amortized cost (loss to be listed with “-”)			
Net exposure hedging income (loss to be listed with “-”)			
Income from changes in fair value (loss to be listed with “-”)			
Credit impairment losses (loss to be listed with “-”)		90,618.98	-26,428.00
Asset impairment losses (loss to be listed with “-”)		91,642.17	-412,054.50
Income from assets disposal (loss to be listed with “-”)		23,185.24	

Income Statement of Parent Company (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
II. Operating profit (loss to be listed with with “-”)		1,939,782.37	-3,761,036.34
Add: Non-operating revenue			
Less: Non-operating expenses			
III. Total profit (total loss to be listed with “-”)		1,939,782.37	-3,761,036.34
Less: Income tax expenses		988,717.32	417,346.01
IV. Net profit (net loss to be listed with “-”)		951,065.05	-4,178,382.35
(I) Net profit from continuing operations (net loss to be listed with “-”)		951,065.05	-4,178,382.35
(II) Net profit from discontinued operations (net loss to be listed with “-”)			
V. Net of tax of other comprehensive income			
(I) Other comprehensive income that cannot be reclassified into profit or loss			
1. Changes arising from remeasurement of the defined benefit plan			
2. Other comprehensive income that cannot be converted to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of the enterprise’s credit risk			

Income Statement of Parent Company (Continued)*June 30, 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that can be converted to profit or loss under the equity method			
2. Changes in fair value of other debt investment			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for impairment of credit in other debt investments			
5. Reserves for cash flow hedge			
6. Translation difference of foreign currency financial statements			
7. Others			
VI. Total comprehensive incomes		951,065.05	-4,178,382.35
VII. Earnings per share:			
(1) Basic earnings per share (RMB/share)			
(2) Diluted earnings per share (RMB/share)			

*Person in charge of the
Company:***Mr. Li Junjie***Person in charge of accounting:***Ms. Feng Yongmei***Person in charge of the
accounting firm:***Mr. Yang Yue**

Consolidated Cash Flow Statement

January-June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan

Currency: RMB

Type of audit: Unaudited

Item	Note	First half year of 2025	First half year of 2024
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services		459,636,286.92	474,820,098.98
Net increase in deposits from customers and placements from banks and other financial institutions			
Net increase in borrowings from the central bank			
Net increase in placement from other financial institutions			
Cash received for receiving premiums of original insurance contract			
Net cash received from reinsurance business			
Net increase in policyholders' deposits and investment			
Cash received from interests, fees and commissions			
Net increase in placement from banks and other financial institutions			
Net increase from repurchasing business funds			
Net cash received from securities brokering			
Taxes and surcharges refunds		58,780,171.68	464,678.51
Other cash receipts related to operating activities	VII. 78	<u>27,559,182.37</u>	<u>7,953,513.53</u>
Subtotal of cash inflows from operating activities		<u>545,975,640.97</u>	<u>483,238,291.02</u>

Consolidated Cash Flow Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
Cash paid for goods and services		370,819,988.79	355,106,588.03
Net increase in loans and advances to customers			
Net increase in deposits with the central bank and other financial institutions			
Cash paid for claim settlements on original insurance contract			
Net increase in placements from banks and other financial institutions			
Cash paid for interests, fees and commissions			
Cash paid for policy dividends			
Cash paid to and for employees		125,935,019.00	120,672,372.54
Taxes and surcharges payments		37,452,254.96	46,442,378.69
Other cash payments related to operating activities	<i>VII. 78</i>	<u>101,720,945.73</u>	<u>104,364,446.22</u>
Subtotal of cash outflows from operating activities		<u>635,928,208.48</u>	<u>626,585,785.47</u>
Net cash flows from operating activities		<u>-89,952,567.51</u>	<u>-143,347,494.45</u>

Consolidated Cash Flow Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	<i>Note</i>	First half year of 2025	First half year of 2024
II. Cash flows from investing activities:			
Cash received from return of investment			
Cash received from acquirement of investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		5,298,162.26	16,669,004.00
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts related to investing activities			
Subtotal of cash inflows from investing activities		5,298,162.26	16,669,004.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		28,419,621.82	35,233,357.12
Cash paid to acquire investments		20,000,000.00	9,600,000.00
Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		<u>48,419,621.82</u>	<u>44,833,357.12</u>
Net cash flows from investing activities		<u>-43,121,459.56</u>	<u>-28,164,353.12</u>

Consolidated Cash Flow Statement (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
III. Cash flows from financing activities:			
Cash received from absorbing investment			
Including: Cash received by subsidiaries			
from minority shareholders' investment			
Cash received from borrowings		191,900,000.00	180,000,000.00
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities		191,900,000.00	180,000,000.00
Cash paid for repayments of debts		160,500,000.00	100,000,000.00
Cash paid for distribution of dividends, profits or interest repayment		5,122,505.55	3,707,991.65
Including: Dividends and profits paid to minority shareholders by subsidiaries			
Other cash payments related to financing activities	VII. 78	14,348,210.46	14,944,529.20
Subtotal of cash outflows from financing activities		179,970,716.01	118,652,520.85
Net cash flows from financing activities		11,929,283.99	61,347,479.15
IV. Impact of foreign exchange rate changes on cash and cash equivalents			
		2,813,553.52	1,637,385.13
V. Net increase in cash and cash equivalents			
		-118,331,189.56	-108,526,983.29
Add: Beginning balance of cash and cash equivalents		410,572,389.38	429,848,818.45
VI. Ending balance of cash and cash equivalents			
		292,241,199.82	321,321,835.16

*Person in charge of the
Company:***Mr. Li Junjie***Person in charge of accounting:***Ms. Feng Yongmei***Person in charge of the
accounting firm:***Mr. Yang Yue**

Cash Flow Statement of Parent Company

January-June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan

Currency: RMB

Type of audit: Unaudited

Item	Note	First half year of 2025	First half year of 2024
I. Cash flows from operating activities:			
Cash received from sales of goods or provision of services		46,449,280.00	84,000,000.00
Taxes and surcharges refunds			
Other cash receipts related to operating activities		7,730,194.68	6,207,308.11
Subtotal of cash inflows from operating activities		54,179,474.68	90,207,308.11
Cash paid for goods and services		33,727,597.20	82,534,810.00
Cash paid to and for employees		4,654,377.49	4,049,539.23
Taxes and surcharges payments		1,031,538.07	1,035,865.37
Other cash payments related to operating activities		8,708,159.61	3,070,433.32
Subtotal of cash outflows from operating activities		48,121,672.37	90,690,647.92
Net cash flows from operating activities		6,057,802.31	-483,339.81

Cash Flow Statement of Parent Company (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
II. Cash flows from investing activities:			
Cash received from return of investment			
Cash received from acquirement of investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts related to investing activities			
Subtotal of cash inflows from investing activities			
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		20,000,000.00	
Cash paid to acquire investments			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		20,000,000.00	
Net cash flows from investing activities		-20,000,000.00	

Cash Flow Statement of Parent Company (Continued)*January-June 2025*

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

*Unit: Yuan**Currency: RMB**Type of audit: Unaudited*

Item	Note	First half year of 2025	First half year of 2024
III. Cash flows from financing activities:			
Cash received from absorbing investments			
Cash received from borrowings			
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities			
Cash paid for repayment of debts			
Cash paid for distribution of dividends, profits or interest repayment			
Other cash payments related to financing activities		1,326,852.17	532,954.74
Subtotal of cash outflows from financing activities		1,326,852.17	532,954.74
Net cash flows from financing activities		-1,326,852.17	-532,954.74
IV. Impact of foreign exchange rate changes on cash and cash equivalents			
V. Net increase in cash and cash equivalents		-15,269,049.86	-1,016,294.55
Add: Beginning balance of cash and cash equivalents		60,762,474.36	62,961,991.24
VI. Ending balance of cash and cash equivalents		45,493,424.50	61,945,696.69

*Person in charge of the
Company:*

Mr. Li Junjie

Person in charge of accounting:

Ms. Feng Yongmei

*Person in charge of the
accounting firm:*

Mr. Yang Yue

Consolidated Statement of Changes in Owners' Equity

January-June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan
Currency: RMB

Item	First half year of 2025													
	Equity attributable to owners of the parent company													Minority shareholders interest
	Paid-up capital (or share capital)	Other equity instruments			Less: treasury stock	Other comprehensive income		Special reserves	Surplus reserves	General risk reserves	Undistributed profit	Others	Subtotal	
		Preferred shares	Perpetual bonds	Others	Capital reserves									Total owners' equity
I. Closing balance of the previous period	547,665,988.00				1,186,456,814.83		3,094,393.89	381,371.62	45,665,647.68		-717,353,627.48		1,065,910,588.54	312,496,185.54
Add: Changes in accounting policies														
Corrections of prior period errors														
Others														
II. Opening balance of the current period	547,665,988.00				1,186,456,814.83		3,094,393.89	381,371.62	45,665,647.68		-717,353,627.48		1,065,910,588.54	312,496,185.54
III. Movements of the current period (decrease to be listed with "-")					4,424,859.03		641,176.79	479,187.05			-3,374,923.71		2,170,299.16	7,638,316.34
(I) Total comprehensive income							641,176.79				-3,374,923.71		-2,733,746.92	7,070,186.45
(II) Capital invested and reduced by owners					4,424,859.03								4,424,859.03	576,553.59
1. Common shares invested by owners														
2. Capital invested by other equity instrument holders														
3. Amount of share-based payment recognized as owners' equity					4,424,859.03								4,424,859.03	576,553.59
4. Others														
(III) Profit distribution														
1. Appropriation to surplus reserves														
2. Appropriation to general risk reserves														
3. Distribution to owners (or shareholders)														
4. Others														
(IV) Internal carry-over in owners' equity														
1. Transfer from capital reserves to capital (or share capital)														
2. Transfer from surplus reserves to capital (or share capital)														
3. Recovery of losses by surplus reserves														
4. Retained earnings carried over from changes in defined benefit plans														
5. Retained earnings carried over from other comprehensive income														
6. Others														
(V) Special reserves								479,187.05					479,187.05	-8,423.69
1. Appropriation in current period								540,037.14					540,037.14	540,037.14
2. Use in current period								-60,850.09					-60,850.09	-8,423.69
(VI) Others														
IV. Closing balance of the current period	547,665,988.00				1,190,881,673.86		3,735,570.68	860,558.67	45,665,647.68		-720,728,551.19		1,068,080,887.70	320,134,501.88

Consolidated Statement of Changes in Owners' Equity (Continued)

January-June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan
Currency: RMB

First half year of 2024																
Item	Equity attributable to owners of the parent company														Minority shareholders interest	Total owners' equity
	Paid-up capital (or share capital)	Other equity instruments				Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profit	Others	Subtotal			
		Preferred shares	Perpetual bonds	Others	Capital reserves											
I. Closing balance of the previous period	547,665,988.00				1,186,456,814.83		3,094,393.89	381,371.62	45,665,647.68		-717,353,627.48		1,065,910,588.54	312,496,185.54	1,378,406,774.08	
Add: Changes in accounting policies																
Corrections of prior period errors																
Others																
II. Opening balance of the current period	547,665,988.00				1,186,456,814.83		3,094,393.89	381,371.62	45,665,647.68		-717,353,627.48		1,065,910,588.54	312,496,185.54	1,378,406,774.08	
III. Movements of the current period (decrease to be listed with "-")					4,424,859.03		641,176.79	479,187.05			-3,374,923.71		2,170,299.16	7,638,316.34	9,808,615.50	
(I) Total comprehensive income							641,176.79				-3,374,923.71		-2,733,746.92	7,070,186.45	4,336,439.53	
(II) Capital invested and decreased by owners					4,424,859.03								4,424,859.03	576,553.59	5,001,412.62	
1. Common shares invested by owners																
2. Capital invested by other equity instrument holders																
3. Amount of share-based payment recognized as owners' equity					4,424,859.03								4,424,859.03	576,553.59	5,001,412.62	
4. Others																
(III) Profit distribution																
1. Appropriation to surplus reserves																
2. Appropriation to general risk reserves																
3. Distribution to owners (or shareholders)																
4. Others																
(IV) Internal carry-over in owners' equity																
1. Transfer from capital reserves to capital (or share capital)																
2. Transfer from surplus reserves to capital (or share capital)																
3. Recovery of losses by surplus reserves																
4. Retained earnings carried over from changes in defined benefit plans																
5. Retained earnings carried over from other comprehensive income																
6. Others																
(V) Special reserves								479,187.05					479,187.05	-8,423.69	470,763.36	
1. Appropriation in current period								540,037.14					540,037.14		540,037.14	
2. Use in current period								-60,850.09					-60,850.09	-8,423.69	-69,273.78	
(VI) Others																
IV. Closing balance of the current period	547,665,988.00				1,190,881,673.86		3,735,570.68	860,558.67	45,665,647.68		-720,728,551.19		1,068,080,887.70	320,134,501.88	1,388,215,389.58	

Person in charge of the
Company:
Mr. Li Junjie

Person in charge of accounting:
Ms. Feng Yongmei

Person in charge of the
accounting firm:
Mr. Yang Yue

Parent Company's Statement of Changes in Owners' Equity

January – June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan
Currency: RMB

	First half year of 2025										
		Other equity instruments					Other				
Item	Paid-up capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserves	Less: treasury stock	comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
I. Closing balance of the previous period	547,665,988.00				1,320,831,896.72				38,071,282.24	-61,096,993.06	1,845,472,173.90
Add: Changes in accounting policies											
Corrections of prior period errors											
Others											
II. Opening balance of the current period	547,665,988.00				1,320,831,896.72				38,071,282.24	-61,096,993.06	1,845,472,173.90
III. Movements of the current period (decrease to be listed with "-")	-180,000.00				-1,161,100.71					951,065.05	-390,035.66
(I) Total comprehensive income										951,065.05	951,065.05
(II) Capital invested and decreased by owners	-180,000.00				-1,161,100.71						-1,341,100.71
1. Common shares invested by owners											
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment recognized as owners' equity					642,599.29						642,599.29
4. Others	-180,000.00				-1,803,700.00						-1,983,700.00
(III) Profit distribution											
1. Appropriation to surplus reserves											
2. Distribution to owners (or shareholders)											
3. Others											
(IV) Internal carry-over in owners' equity											
1. Transfer from capital reserves to capital (or share capital)											
2. Transfer from surplus reserves to capital (or share capital)											
3. Recovery of losses by surplus reserves											
4. Retained earnings carried over from changes in defined benefit plans											
5. Retained earnings carried over from other comprehensive income											
6. Others											
(V) Special reserves											
1. Appropriation in current period											
2. Use in current period											
(VI) Others											
IV. Closing balance of the current period	547,485,988.00				1,319,670,796.01				38,071,282.24	-60,145,928.01	1,845,082,138.24

Parent Company's Statement of Changes in Owners' Equity (Continued)

January – June 2025

Prepared by: Beijing Jingcheng Machinery Electric Company Limited

Unit: Yuan

Currency: RMB

	First half year of 2024										
		Other equity instruments					Other				
Item	Paid-up capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserves	Less: treasury stock	comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Total owners' equity
I. Closing balance of the previous period	547,665,988.00				1,319,146,235.48				38,071,282.24	-62,167,838.54	1,842,715,667.18
Add: Changes in accounting policies											
Corrections of prior period errors											
Others											
II. Opening balance of the current period	547,665,988.00				1,319,146,235.48				38,071,282.24	-62,167,838.54	1,842,715,667.18
III. Movements of the current period (decrease to be listed with “-”)					842,830.62					-4,178,382.35	-3,335,551.73
(I) Total comprehensive income										-4,178,382.35	-4,178,382.35
(II) Capital invested and reduced by owners											
1. Common shares invested by owners											
2. Capital invested by other equity instrument holders											
3. Amount of share-based payment recognized as owners' equity											
4. Others											
(III) Profit distribution											
1. Appropriation to surplus reserves											
2. Distribution to owners (or shareholders)											
3. Others											
(IV) Internal carry-over in owners' equity					842,830.62						842,830.62
1. Transfer from capital reserves to capital (or share capital)											
2. Transfer from surplus reserves to capital (or share capital)											
3. Recovery of losses by surplus reserves											
4. Retained earnings carried over from changes in defined benefit plans											
5. Retained earnings carried over from other comprehensive income											
6. Others					842,830.62						842,830.62
(V) Special reserves											
1. Appropriation in current period											
2. Use in current period											
(VI) Others											
IV. Closing balance of the current period	547,665,988.00				1,319,989,066.10				38,071,282.24	-66,346,220.89	1,839,380,115.45

Person in charge of the
Company:
Mr. Li Junjie

Person in charge of accounting:
Ms. Feng Yongmei

Person in charge of the
accounting firm:
Mr. Yang Yue

Notes:

1. Aging analysis of accounts receivable

Unit: Yuan
Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within one year	463,947,297.72	408,118,264.17
Subtotal within one year		
One to two years	463,947,297.72	408,118,264.17
Two to three years	93,393,995.50	77,675,581.33
	33,111,872.77	28,878,806.20
More than three years		
Three to four years	10,975,730.50	15,398,899.60
Four to five years	7,734,524.17	6,620,385.53
More than five years	40,857,657.52	42,159,116.03
Total	650,021,078.18	578,851,052.86

2. Aging analysis of accounts payable

Significant payables with an age of over 1 year:

☐ Applicable ☒ Not Applicable

3. Turnover

The turnover shall include the received and receivable net sales value of different types of cryogenic storage-transport vessels, spare parts, intelligent manufacturing, integration of automation equipment and net value of service provisions. Their analysis is shown as follows:

	<i>Unit: Yuan</i> <i>Currency: RMB</i>	
Item	Amount in the current period	Amount in the corresponding period of last year
Gas storage and transportation product	573,586,539.10	495,367,930.51
Automated manufacturing equipment system integration	61,741,429.21	38,684,250.17
Others	29,952,528.31	8,200,219.98
Gross Sales	665,280,496.62	542,252,400.66
Less: Sales tax and other additional charges	4,776,500.62	4,637,296.73
Total	660,503,996	537,615,103.93

4. Taxes

(1) Main Tax Types and Tax Rate

Tax category	Taxation basis	Tax rate
Value-added tax	Taxable amount of added value	13%, 9%, 6%, 5%
Excise tax		
Business tax		
City maintenance and construction tax	VAT payable	7%, 5%, 1%
Corporate income tax	Taxable income	25%, 15%
Education surcharge	VAT payable	3%
Local education surcharge	VAT payable	2%
Property tax	70%-80% of the original property value and income from property leasing	1.2% and 12%
Hong Kong profits tax	Taxable income	16.50%
Corporate income tax (USA)	Taxable income	21%

(2) Description of taxpayers and the tax rates of different corporate income taxes:

Names of the taxpayer	Income tax rate
The Company	25%
Beijing Tianhai Industry Co., Ltd.*	15%
Tianjin Tianhai High Pressure Container Co., Ltd.*	15%
Shanghai Tianhai Composite Cylinders Co., Ltd.*	15%
Beijing Tianhai Cryogenic Equipment Co., Ltd.*	25%
Beijing Tianhai Hydrogen Energy Equipment Co., Ltd.*	15%
Beijing Minghui Tianhai Gas Storage and Transportation Equipment Sales Co., Ltd.*	25%
Kuancheng Tianhai Pressure Container Co., Ltd.*	15%
BTIC AMERICA CORPORATION	21%
Jingcheng Holding (Hong Kong) Co., Ltd.*	16.50%
Qingdao BYTQ United Digital Intelligence Co., Ltd.*	15%
Beijing Jingcheng Haitong Technology Culture Development Co., Ltd.	25%

(3) Tax preference

☒ Applicable ☐ Not applicable

On December 1, 2022, Tianhai Industry, a subsidiary of the Company, obtained a high-tech enterprise certificate with the certificate number GR202211004332 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Finance Bureau, Beijing Municipal Tax Service, State Taxation Administration. The validity of the certificate is three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

On December 8, 2023, Tianjin Tianhai High Pressure Container Co., Ltd., a subsidiary of the Company, obtained a high-tech enterprise certificate with the certificate number GR202312003152. The certificate was jointly issued by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau and Tianjin Municipal Tax Service, State Taxation Administration. The validity of the certificate is three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

On December 12, 2023, Shanghai Tianhai Composite Cylinders Co., Ltd., a subsidiary of the Company, obtained a high-tech enterprise certificate with the certificate number GR202331006818. The certificate was jointly issued by Science and Technology Commission of Shanghai Municipality, Shanghai Municipal Finance Bureau and Shanghai Municipal Tax Service, State Taxation Administration. The validity of the certificate is three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

On November 30, 2023, Beijing Tianhai Hydrogen Energy Equipment Co., Ltd., a subsidiary of the Company, obtained a high-tech enterprise certificate with the certificate number GR202311005600 jointly issued by Beijing Municipal Science & Technology Commission, Beijing Municipal Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration. The validity of the certificate is three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

On November 22, 2022, Kuancheng Tianhai Pressure Container Co., Ltd., a subsidiary of the Company, obtained a high-tech enterprise certificate with the certificate number GR202213003894 jointly issued by Hebei Provincial Department of Science and Technology, Hebei Provincial Finance Department, Hebei Provincial Tax Service, State Taxation Administration. The validity of the certificate is three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

On November 14, 2021, Qingdao BYTQ United Digital Intelligence Co., Ltd., a subsidiary of the Company, received a high-tech enterprise certificate numbered GR202137100429 from Qingdao Municipal Science and Technology Bureau, Qingdao Municipal Finance Bureau, and Qingdao Tax Service, State Taxation Administration, with a validity period of three years. The corporate income tax is calculated at a preferential corporate income tax rate of 15% for the current period.

According to the “Notice of the Ministry of Finance and the State Taxation Administration on Extending the Period of Loss Carryover of High-tech Enterprises and Technology-based SMEs” (Cai Shui [2018] No.76), since January 1, 2018, for enterprises qualified as high and new technologies enterprises or enterprises qualified as science and technology small and medium-sized enterprises (the “Qualifications”) at that year, their uncovered losses occurred in 5 years before the year when the Qualifications are obtained are allowed to be carried forward to cover up in the following years, and the maximum carry-forward period is extended from 5 years to 10 years.

(4) Changes in taxation and taxation preferential policy

There was no change in taxation and taxation preferential policy this year compared with the previous year.

(5) Taxes

	<i>Unit: Yuan</i>	
	<i>Currency: RMB</i>	
Item	Amount in the current period	Amount in the corresponding period of last year
Income tax in the current period	8,525,117.06	7,922,598.37
Deferred income tax	-1,547,108.90	-1,121,325.11
Total	6,978,008.16	6,801,273.26

5. Earnings per share

- (1) Basic earnings per share is calculated through dividing consolidated net profit attributable to the ordinary shareholders of the parent company by the weighted average outstanding ordinary shares.

Unit: Yuan
Currency: RMB

Item	Current period	Last period
Consolidated net profit attributable to the ordinary shareholders of the parent company after adjustment	-15,755,703.57	-3,374,923.71
Consolidated net profit attributable to the ordinary shareholders of the parent company (after deducting non-recurring gains and losses) after adjustment	-22,602,812.49	-13,230,039.21
The weighted average numbers of outstanding ordinary shares of the parent company after adjustment	547,665,988	547,665,988
Basic earnings per share (RMB/share)	-0.03	-0.01
Basic earnings per share (RMB/share) (after deducting non-recurring gains and losses)	-0.04	-0.02

- (2) Diluted earnings per share

Unit: Yuan
Currency: RMB

Item	Current period	Last period
Consolidated net profit attributable to the ordinary shareholders of the parent company after adjustment	-15,755,703.57	-3,374,923.71
Consolidated net profit attributable to the ordinary shareholders of the parent company (after deducting non-recurring gains and losses) after adjustment	-22,602,812.49	-13,230,039.21
The weighted average numbers of outstanding ordinary shares of the parent company after adjustment	547,665,988	547,665,988
Basic earnings per share (RMB/share)	-0.03	-0.01
Basic earnings per share (RMB/share) (after deducting non-recurring gains and losses)	-0.04	-0.02

6. Share capital

The change in the legal, issued and paid-up share capital of the Company was as follows. All the shares of the Company are ordinary shares with a face value of RMB1 per share.

Unit: shares

Item	Opening amount		Change in the current period					Closing amount	
	Amount	Ratio (%)	Issuing new shares	Bonus shares	Transfer from capital surplus to share capital	Others	Subtotal	Amount	Ratio (%)
Total restricted shares (non- tradable A share)	12,434,552	2.8%	0	0	0	-7,034,552	-7,034,552	5,400,000	1.2%
Unrestricted shares (tradable A share)	435,231,436	97.2%	0	0	0	7,034,552	7,034,552	442,265,988	98.8%
Total	447,665,988	100.0%	0	0	0	0	0	447,665,988	100.0%
Ordinary shares (RMB)	447,665,988	81.7%	0	0	0	0	0	447,665,988	81.7%
Overseas listed foreign shares	100,000,000	18.3%	0	0	0	0	0	100,000,000	18.3%
Total	547,665,988	100.0%	0	0	0	0	0	547,665,988	100.0%
Total shares	547,665,988	100.0%	0	0	0	0	0	547,665,988	100.0%

7. Dividend

No dividend was paid or declared during the first half of 2025. No dividend was declared after the end of the Reporting Period up to the date of this announcement (2024: nil).

For and on behalf of the Board
Beijing Jingcheng Machinery Electric Company Limited
Luan Jie
Company Secretary

Beijing, the PRC
15 August 2025

As at the date of this announcement, the Board of the Company comprises Mr. Zhang Jiheng as an executive director, Mr. Li Junjie, Mr. Wang Kai, Mr. Zhou Yongjun, Mr. Zhao Xihua, Mr. Man Huiyong and Ms. Li Chunzhi as non-executive directors, and Ms. Chen Junping, Mr. Zhao Xuguang, Mr. Liu Jingtai and Mr. Luan Dalong as independent non-executive directors.

* For identification purposes only