BOSHIAC 博实

2024 SUMMARY OF ANNUAL REPORT

HARBIN BOSHI AUTOMATION CO.,LTD.

April 2025

HARBIN BOSHI AUTOMATION CO., LTD. Annual Report 2024

（Abstract）

Ⅰ. Important Notes

This Abstract is extracted from Annual Report 2024. In order to have a full understanding of the operating results, financial condition and future development planning of the Company, investors are suggested to read the full report carefully on cninfo.com. The Company's 2024 Annual Report is prepared and published in Chinese version, and the English version is for reference only. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

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

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

□Applicable √Not applicable

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

√Applicable □Not applicable

Indicate by check mark if transferring capital reserve into common stock.

□Yes √No

The Company's profit distribution plan approved by the thirteenth meeting of the fifth Board of Directors is as follows: based on the total share capital after the close of Shenzhen Stock Exchange on the share registration date determined by the Company's 2024 annual profit distribution, cash dividend of RMB 2.50 (including tax) will be paid to all shareholders for every 10 shares, and 0 shares of bonus shares (including tax) will be given, and no accumulation fund will be converted into additional share capital.

According to the *Proposal on the Company's Public Offering of Convertible Corporate Bonds*, all shareholders (including those formed by the convertible bonds) registered on the date of registration of the dividend payment are equally entitled to participate in the current distribution of profits.

II. Basic Situation of the Company

1.Company Profile

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

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

2.Key Financial Information

(1)Key accounting data and financial indicators in the past three years

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

□Yes √No

Unit: RMB

	As of Dec.31, 2024	As of Dec.31, 2023	Increase/decrease of 2024 over 2023	As of Dec.31, 2022
Total assets	6,955,348,945.64	6,648,692,787.99	4.61%	6,220,274,009.69
Total equity attributable to shareholders of the parent company	3,790,432,312.96	3,450,338,131.69	9.86%	3,169,582,981.14
	2024	**2023**	**Increase/decrease of 2024 over 2023**	**2022**
Operating Revenue	2,862,689,438.16	2,565,408,783.42	11.59%	2,153,746,152.69

Net profit attributable to parent company's shareholders	524,225,526.98	533,591,213.86	-1.76%	445,041,007.98
Net profit after deducting non-recurring profit or loss attributable to shareholders of the parent company	493,358,983.81	485,726,824.70	1.57%	414,145,809.23
Net cash flow from operating activities	643,842,979.01	138,942,658.01	363.39%	451,531,966.20
Basic earnings per share (RMB/share)	0.5161	0.5218	-1.09%	0.4352
Diluted earnings per share(RMB/share)	0.5130	0.5190	-1.16%	0.4352
Weighted average return on equity	14.59%	16.22%	-1.63%	14.70%

(2)Key accounting data by quarter

Unit: RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating revenue	661,556,066.08	790,387,355.61	712,735,460.01	698,010,556.46
Net profit attributable to parent company's shareholders	105,613,101.50	167,103,683.02	183,508,513.17	68,000,229.29
Net profit after deducting non-recurring profit or loss attributable to shareholders of the parent company	96,268,409.94	160,456,987.06	174,848,694.35	61,784,892.46
Net cash flows from operating activities	-49,813,273.29	174,866,960.90	322,831,098.80	195,958,192.60

Indicate by check mark if any material difference between the above financial indicators or their summations and those which have been disclosed in the Company's Quarterly or Interim report.

☐Yes √No

3. Shareholders Information

(1)Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

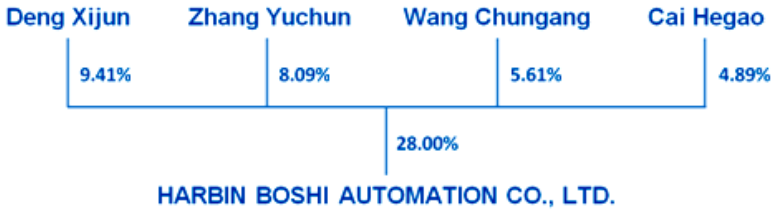
Unit: Share

Total number of shareholders of common stocks at the end of the reporting	39,187	**Total number of shareholders of common stocks at previous**	54,978	**Total number of shareholders of preferred stock with resumed voting**	0	**Total number of shareholders of preferred stock with resumed voting rights at previous**	0

period		month-end of this report's disclosure		right at the end of the reporting period		month-end of this report's disclosure	

Top 10 shareholders(Excluding shares lent in refinancing)						
Name	Nature	Ownership	Quantity of stocks	Quantity of restricted stocks held	Pledged, marked or frozen stocks	
					Status	Quantity
Unicom-Xinwo Venture Capital Management (Shanghai) Co., Ltd. - Lianchuang Weilai (Wuhan) Intelligent Manufacturing Industrial Investment Partnership (Limited Partnership)	Others	14.20%	145,176,676		Not applicable	
Deng Xijun	Domestic natural person	9.41%	96,181,562	72,136,172	Not applicable	
Zhang Yuchun	Domestic natural person	8.09%	82,696,357	62,022,268	Not applicable	
Wang Chungang	Domestic natural person	5.61%	57,394,047	43,045,535	Not applicable	
Cai Zhihong	Domestic natural person	4.96%	50,677,029		Not applicable	
Cai Hegao	Domestic natural person	4.89%	50,000,000		Not applicable	
Cheng Fang	Domestic natural person	1.42%	14,512,996		Not applicable	
Tan Jianxun	Domestic natural person	1.14%	11,687,038		Not applicable	
Liu meixia	Domestic natural person	1.04%	10,639,500		Not applicable	
Wang Haocheng	Domestic natural person	0.95%	9,750,000		Not applicable	

(2)The ownership and controlling relationship between the Company and its actual controller in form of diagram



4.Bonds

(1) Bond profile

Bond name	Abbreviation	Bond code	Date of issue	Maturity	Balance (RMB'0,000)	Coupon rate
Convertible	Boshi	127072	Sep. 22nd, 2022	Sep. 21st, 2028	44,985.54	1st year 0.30%

Corporate Bonds of Harbin Boshi Automation Co., Ltd.	Convertible Bonds					2nd year 0.50% 3rd year 1.00% 4th year 1.50% 5th year 1.80% 6th year 2.00%
Bond redemption and interest payment during the reporting period	① Interest of the second year has been paid at par on Sep. 23rd, 2024. The interest is RMB 5.00 (inclusive of tax) for every 10 "Boshi Convertible Bonds"（Face value of RMB 1,000）. ② Claims registration date: Sep. 20th, 2024 ③ Ex-dividend date: Sep. 23rd, 2024 ④ Interest payment date: Sep. 23rd, 2024					

(2) Top 10 convertible bond holders

NO.	Name	Nature	Number of convertible bonds held at the period-end	Amount of convertible bonds held at the period end (RMB)	As % of convertible bonds held at the period end
1	China Merchants Bank Co., LTD-Boshi China Securities Convertible bonds and exchangeable bonds exchange-type open index securities Investment fund	Others	219,982	21,998,200.00	4.89%
2	Guosen Securities Co., Ltd.	State-owned legal person	198,059	19,805,900.00	4.40%
3	China Merchants Bank Co., LTD-Huabao convertible bond bond securities investment fund	Others	188,620	18,862,000.00	4.19%
4	Southern Fund Ningkang convertible bond fixed income pension products - Bank of China Limited	Others	188,589	18,858,900.00	4.19%
5	Industrial and Commercial Bank of China Limited - Sino-European Convertible Bond Securities Investment Fund	Others	182,460	18,246,000.00	4.06%
6	Agricultural Bank of China Co., LtD-Penghua Convertible bond securities Investment fund	Others	122,190	12,219,000.00	2.72%
7	Guohua Life Insurance Co., LTD. - Xingyi Tradition No. 1	Others	84,910	8,491,000.00	1.89%
8	Shenwan Hongyuan Securities Co. LTD	State-owned legal person	82,740	8,274,000.00	1.84%

9	UBS AG	Overseas legal person	66,100	6,610,000.00	1.47%
10	PICC Asset Management - China Merchants Bank - PICC Asset Ansheng Sheng 31 asset management product	Others	62,640	6,264,000.00	1.39%

(3) Latest rating and rating change

On June 24th, 2024, China Lianhe Credit Rating Co., Ltd. issued *the 2024 Credit Rating Report of Harbin Boshi Automation Co., Ltd.'s Public Issuance of Convertible Corporate Bonds*. The long-term credit rating of the Company maintained "AA", the credit rating of this convertible corporate bond was "AA", and the bond rating outlook was "stable". The result of this tracking rating did not changed from the previous rating. The credit rating report mentioned above is available at *cninfo.com.cn*.

Ⅲ.Important Issues

Shares Buyback

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

Employee Stock Ownership Plan

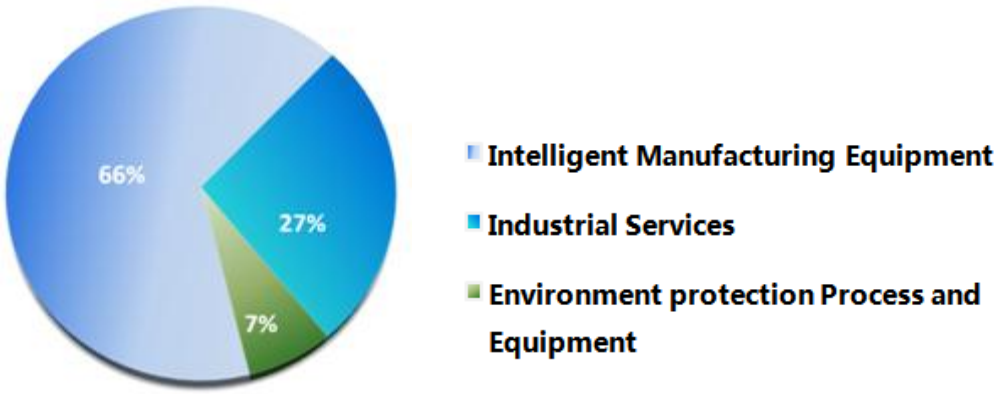
The Company held the 11th meeting of the fifth Board of Directors and the eighth meeting of the fifth Board of Supervisors on September 11th, 2024, to consider and pass *the Motion on the Company's 2024 Employee Stock Ownership Plan (Draft) and Its Summary*, the stock source of the employee stock ownership plan is the A-share ordinary shares of Boshi Stock that have been bought back in the Company's special securities account. The above proposal has considered and passed by the first Extraordinary General Meeting of 2024 held on September 23rd, 2024. On October 15th, 2024, the non-trading transfer of the employee stock ownership plan was completed. For details, please refer to the relevant announcements disclosed by the Company in the *Securities Time*s and cninfo.com.cn.

IV. Management Discussion and Analysis

1. The Company's Industry Status during the Reporting Period

(1) Industry overview

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



The Company's dual-core growth engine is driven by intelligent manufacturing equipment and industrial services, which leverage the advantages of the equipment industry's extension. These two sectors respectively align with the state-supported industrial directions of high-end equipment manufacturing and modern service industries. According to the 2024 financial report data, the intelligent manufacturing equipment and industrial services, these two core growth businesses, accounted for 93% of the operating revenue. Additionally, environmental protection process and equipment contribute a beneficial supplement, generating 7% of the operating revenue. This forms a "core + supplement" revenue structure.

Intelligent Manufacturing Equipment：

As the main body of the national economy and the foundation of the powerful country, the intelligent upgrading of the manufacturing industry and the digital transformation of the industry has become one of the core strategies of the national economic development. "*Made in China 2025*" puts forward intelligent manufacturing is the main direction of the integration of informatization and industrialization. During the "14th Five-Year Plan" period, the state has successively issued more than ten special policies such as *the "14th Five-Year Plan" for Intelligent Manufacturing Development*, "*Robot Plus*" *Application Action Implementation Plan* and *Implementation Opinions on Promoting Future Industrial Innovation and Development*, and has systematically built a policy system of high-end equipment innovation and development - industrial digital transformation - future industrial forward-looking layout. Especially in the field of intelligent manufacturing equipment, the policy focuses on supporting smart factory overall solutions, key common technology breakthroughs and industry demonstration applications, creating continuous demand space and development opportunities for the industry.

Based on the Company’s extensive experience in the intelligent equipment industry, the current intelligent transformation of China's manufacturing sector exhibits a dual-track parallel trend. On the one hand, the adoption rate of automation equipment in industrial enterprises of a certain scale is notably high. However, the number of digital factories that have achieved equipment networking and data integration is relatively limited. Moreover, the proportion of smart factories capable of intelligent decision-making remains lower. Facing the future, these enterprises boast vast storage capacity, paving the way for digital transformation and intelligent upgrading. On the other hand, strategic emerging industries, exemplified by new energy and new materials, incorporate smart factory standards from the outset of construction, and the demand for fresh capacity keeps burgeoning. The intelligent upgrading of China’s manufacturing industry promotes the dual track of stock transformation and new capacity demand, showing strong resilience and vitality, and the demand has not seen obvious periodicity.

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

The Company implements the differentiated competition strategy based on technology leadership, forming significant differences with competitors in technology R&D, product innovation, complete sets of advantages of large systems, industrial service capabilities, engineering implementation experience, brand loyalty, etc., and building comprehensive competitive advantages. In recent years, the Company’s intelligent manufacturing equipment business has achieved sustained good and rapid development in terms of product innovation, application field expansion, revenue scale and profit level, and has brought good returns to shareholders.

Industrial Service：

In March of 2021, thirteen government departments, including the National Development and Reform Commission, the Ministry of Science and Technology, and the Ministry of Industry and Information Technology, collectively released *the Opinions on Accelerating the High-quality Development of the Manufacturing Service Industry.* This document unequivocally positions the manufacturing service industry as a pivotal cornerstone in enhancing the competitiveness and overall strength of manufactured goods, thereby facilitating the transformation and upgrade of the manufacturing sector and its journey towards high-quality development. Service-oriented manufacturing, an innovative endeavor heralding the profound

integration of manufacturing with services, stands not only as a crucial strategy in fostering a modern industrial framework but also as a significant pathway in advancing the harmonized evolution of advanced manufacturing and modern service industries.

At a practical level, manufacturing enterprises are expediting the transition from traditional manufacturing towards a “manufacturing + service” model, and from offering single product delivery to providing “product + service” solutions. This is achieved through innovation in business models, reconstruction of production organization systems, and an increase in the proportion of service elements. This transformation not only effectively extends the value dimension of the industrial chain, but also significantly improves total factor productivity and added value of products, injecting sustained momentum into the improvement of market competitiveness.

Boshi has long been committed to the realm of intelligent manufacturing equipment, meticulously crafting a comprehensive production operation and maintenance management service system that spans the entire lifecycle of equipment products. This innovative approach empowers customers with holistic industrial services encompassing equipment operation and maintenance, as well as finished product storage and transportation. Consequently, clients can concentrate on their core competencies, thereby reducing costs, enhancing efficiency, and fostering high-quality development. In August of 2021, our Company was distinguished as the “Advanced Manufacturing and Modern Service Industry Integration Development Pilot Unit” by the National Development and Reform Commission. Subsequently, in January 2023, we were honored with the title of “Fourth Batch of Service-Oriented Manufacturing Demonstration Enterprise” by the Ministry of Industry and Information Technology. These dual national recognitions amply underscore our Company’s pioneering and leading role in the realm of manufacturing and service industry integration.

Based on continuous business innovation and industry-leading service delivery capabilities, the product and service integration strategy implemented since the IPO in 2012 has achieved remarkable results. So far, it has formed a service network covering all regions except Hong Kong, Macao, Taiwan and Tibet, and its service scale and profitability rank at the forefront of the industry. The Company’s industrial service performance has been escalating consistently year after year. In 2024, the Company’s industrial service revenue reached a remarkable RMB 768 million (7.18% increase year-on-year), contributing to 26.84% of the Company’s overall revenue. Moreover, the gross profit margin recovered to 29.62%. Industrial service is undoubtedly a pivotal source of the Company’s revenue and profit, solidifying its position as a key contributor to the Company’s financial success.

The Company’s industrial service demand is experiencing stable growth, driven by the natural expansion of existing stock equipment. Moreover, as new production, operation, and maintenance projects achieve continuous breakthroughs through deep exploration of customer needs, new growth opportunities are emerging. The demand for industrial services is burgeoning in both directions, with development momentum aligning in a mutually reinforcing manner. Consequently, it is anticipated that the service scale and capacity will undergo incremental advancements in the coming years.

Environmental Protection Process and Equipment:

“Lucid waters and lush mountains are invaluable treasures. A healthy ecological environment not only represents natural wealth but also signifies economic prosperity, influencing the potential and sustainability

of economic and social development." The state has integrated green and low-carbon development into the core strategy of high-quality development. In key areas such as deep treatment and recycling of industrial waste gas, the treatment and recycling project of industrial waste acid and acid gas implemented by Boao Environment, the Company's holding subsidiary, can collect and treat waste sulfuric acid and sour gas in industrial production, generate high-purity sulfuric acid for recycling production, and recover and reuse the heat energy released in the process. This not only achieves energy saving and emission reduction but also recycling and economic efficiency, balancing environmental protection with economic benefits and social benefits.

During the reporting period, with the centralized delivery and acceptance of the executed projects and the recognition of revenue, environmental protection technology and equipment achieved revenue of RMB 199 million, which played a beneficial complementary role in the overall performance of the Company.

(2) Industry policy impact

In the context of the in-depth promotion of the national strategy of "manufacturing power", the policies of intelligent manufacturing, digital economy and industrial digital transformation and upgrading continue to release the momentum of development. From 2023 to 2024, the intensive introduction of a number of national industrial policies has built a solid policy support system for the field of high-end intelligent manufacturing equipment, enabling the development and industrial upgrading of enterprises in the industry in an all-round way from technological innovation, scene expansion to industrial ecological construction.

2023 industry policy:

The "Robot Plus" Application Action Implementation Plan explicitly outlines the objective of doubling the robot density in the manufacturing sector. This initiative is concentrated on ten key areas, with the aim of creating over 200 innovative application scenarios. The plan seeks to expedite the profound integration of intelligent equipment with manufacturing processes.

The *Petrochemical and Chemical Industry Steady Growth Work Plan* strengthens the development of smart factory construction standards, and promotes the intelligent upgrading of process industry through the creation of smart manufacturing demonstration factories and the cultivation of industrial Internet platforms.

2024 new industry policy:

In January 2024, seven departments including the Ministry of Industry and Information Technology jointly issued the *Implementation Opinions on Promoting Future Industrial Innovation and Development.* The opinions anchor the direction of six future industries, including future manufacturing, future information, future materials, and future energy, and clarify the goal of forming 100 core technologies and 100 leading enterprises by 2025. By 2027, the comprehensive strength of future industries will be significantly improved and become an important source of future industries in the world. Among them, future manufacturing and other sectors are closely related to the company's intelligent equipment research and development and application.

In January 2024, nine departments including the Ministry of Industry and Information Technology jointly issued the *Work Plan for Digital Transformation of Raw Material Industry (2024-2026)* and the *Guidance for the Implementation of Digital Transformation of Petrochemical and Chemical Industry*, which clearly explained that petrochemical and chemical industry is an important pillar industry of the national economy and a typical process manufacturing. It is proposed to cultivate more than 70 intelligent manufacturing excellent scenarios and 50 smart chemical parks in 2026, and the relevant policies are highly consistent with the Company's overall solution for process industrial post-processing intelligence.

In February 2024, the fourth meeting of the Financial and Economic Commission of the CPC Central Committee proposed that accelerating product renewal is an important measure to promote high-quality development, and on March 7th, 2024, The State Council issued the *Action Plan to Promote Large-scale Equipment Renewal* and Consumer Goods for New Ones. Programmatic documents such as *Promoting the Implementation Plan for Equipment Renewal in the Industrial Field* and *Guidelines for Equipment Renewal and Technological Transformation in Key Industrial Industries* have been introduced one after another, focusing on equipment renewal and technological transformation in key industries, which is expected to leverage the huge market size and directly activate the upgrading demand for intelligent equipment.

In 2024, *Service-oriented Manufacturing Standard System Construction Guide, National Artificial Intelligence Industry Comprehensive Standardization System Construction Guide (2024 edition), Chemical Industry Intelligent Manufacturing standard System Construction Guide (2024 edition), Smart Manufacturing Typical Scenario Reference Guide (2024 edition), Smart Factory Gradient Cultivation Action Implementation Plan,* Guild for *Digital Transformation Implementation of Manufacturing Enterprises* and other policy guidelines to lead the Company's intelligent manufacturing equipment, industrial service business standardization and accelerated development.

The above national industry and industry support policies, as well as policies and measures to stabilize growth, raise demand, promote investment and consumption, combined with the national *"14th Five-Year" Digital Economy Development Plan* , *"14th Five-Year" Intelligent Manufacturing Development Plan*, *"14th Five-Year" Robot Industry Development Plan*, *"14th Five-Year" Informatization and Industrialization Deep Integration Development Plan* and other planning goals. Under the guidance of the policy, the market demand is released at an accelerated pace, providing continuous momentum for the Company's technology iteration, market expansion and product innovation. The Company's deep cultivation of basic raw material industries such as petrochemical and chemical industries is just a strategic opportunity with intensive policy support and urgent equipment transformation needs, and the Company is expected to fully benefit from the industry policy dividends of smart factory construction standards promotion and equipment updating and technological transformation.

2. Company Main Businesses during the Reporting Period

(1)Main products, services, application level and business model of the Company

Overall Solution for Intelligent Manufacturing Equipment and Intelligent Factory

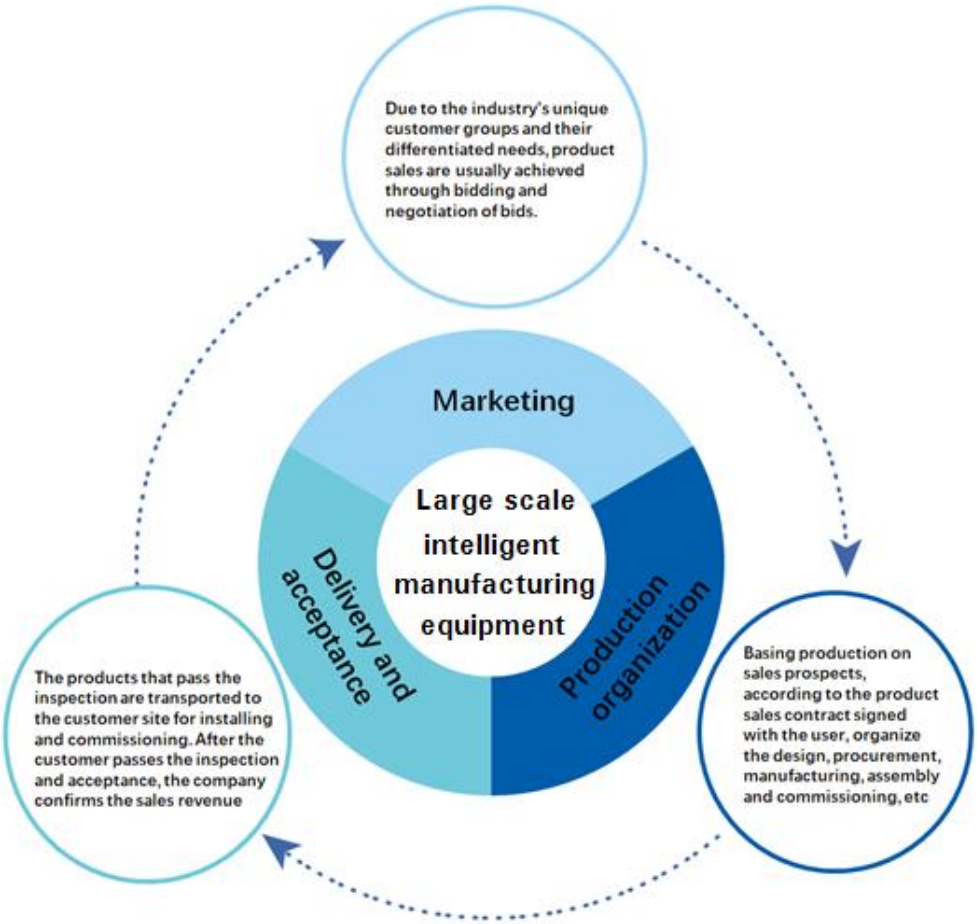
Post-processing Intelligent Manufacturing Equipment for Solid Material	Post-processing Intelligent Manufacturing Equipment for Rubber
It is applied in the post-processing fields for the powder, granular materials or irregular materials of petrochemical, new energy, grain, animal feeds, building materials,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

Industrial Services

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

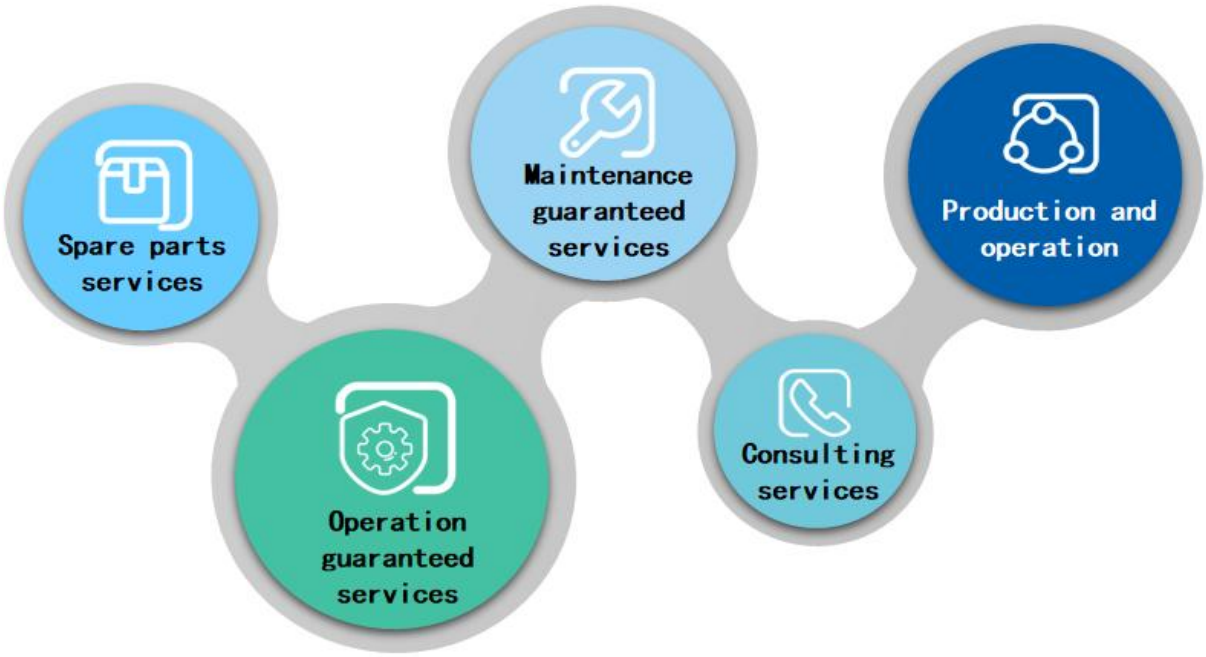
Adhering to the Company's technological leadership in the field of intelligent equipment, leading service capabilities and scale in the field

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



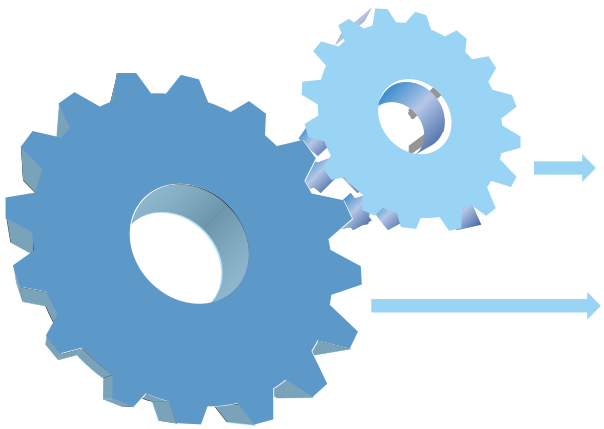
The content characteristics of the operation and maintenance aftermarket and complementary industrial services business models are summarized in the figure below:

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



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

Industrial Services——Supplementary Industrial Services and Miscellaneous



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

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

Energy saving, emission reduction and environmental protection process equipment field

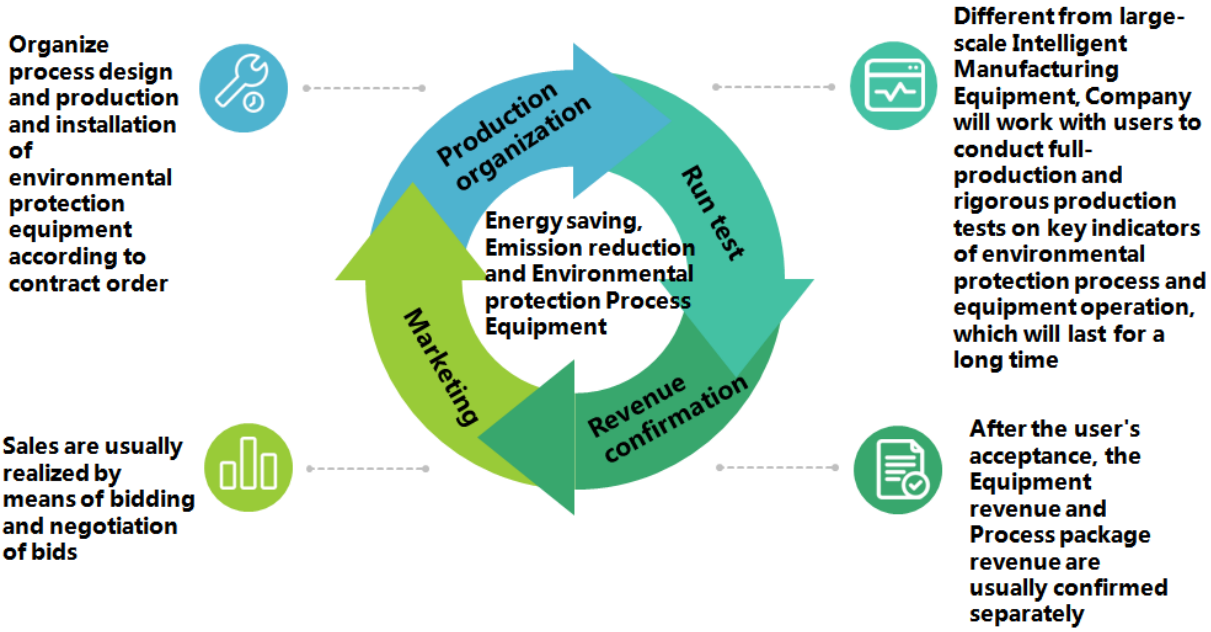
Industrial waste sulfuric acid, sulfur-containing acid gas

Collection → Catalysis → Heat exchange → Purification

High-purity sulfuric acid used for recycling production

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

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



(2) Develop new quality productivity and set a new benchmark for smart factories.

As a result of revolutionary technological breakthroughs and innovative allocation of production factors, new quality productivity is reconstructing the competitive pattern of the global intelligent equipment industry, promoting the evolution of China's industry from traditional manufacturing to intelligent manufacturing, and promoting the transformation of industrial ecology. In the application field of intelligent manufacturing equipment products, the company has realized the ability and breakthrough of jumping from single machine and automated production line to digital workshop and smart factory overall solution, and deeply serves the needs of national digital strategy, industrial upgrading and development to cultivate future industries.

Facing the national digital strategy and future industrial needs, the Company invested heavily in the direction of smart factories. During the reporting period, the Company successfully completed two calcium carbide smart factory (workshop) projects of Inner Mongolia Junzheng Chemical Co., Ltd. and Ningxia Yinglit Chemical Co., LTD., with incremental revenue of RMB 320 million. Calcium carbide production intelligent factory comprehensively innovate the traditional production process of calcium carbide sub-merged arc furnace, overcoming the pain points of the industry with harmful environment, high energy consumption, large pollution and low production efficiency. The Company integrates artificial intelligence technology such as machine vision, deep learning, robot control algorithm, and expert control strategy with industrial Internet communication technology, and applies it to the overall solution of intelligent workshop and intelligent factory, building an intelligent closed-loop of "perception – decision – execution", significantly improving production safety and operational efficiency, and realizing accurate control and efficient intelligent production of the whole process.

The Company builds smart factories in the field of calcium carbide production, relying on intelligent production decision-making management, to maximize the creation of less humanized and unmanned workshops, help customers to produce safely and efficiently, open the future manufacturing mode, subvert the traditional production process of electric stone furnace, achieve revolutionary industrial upgrading of intelligent manufacturing, and establish a new benchmark for intelligent factories in the industry.

Legend: Digital twin technology enables calcium carbide smart factory

(3) Key performance drivers

Since 2017, the Company's performance has continued to maintain a good and rapid growth trend, and the revenue scale has exceeded RMB 1 billion, 1.5 billion, 2 billion and 2.5 billion, and the net profit has also tended to increase simultaneously. In 2024, in the face of a complex external environment, the Company achieved operating revenue of RMB 2.863 billion, another record high, net profit to the parent of RMB 524 million, intelligent manufacturing equipment, industrial services, environmental protection process equipment and other business revenue achieved year-on-year growth.

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

In recent years, the driving factors of the Company's performance are mainly due to the strong demand brought by actively grasping the digitalization and intelligent upgrading of China's manufacturing industry. Through technological progress and product innovation, the Company has achieved multi-category expansion of products. Intelligent manufacturing equipment continues to carry out technology iteration and product innovation, and the accelerated application of new products in the market has promoted the company

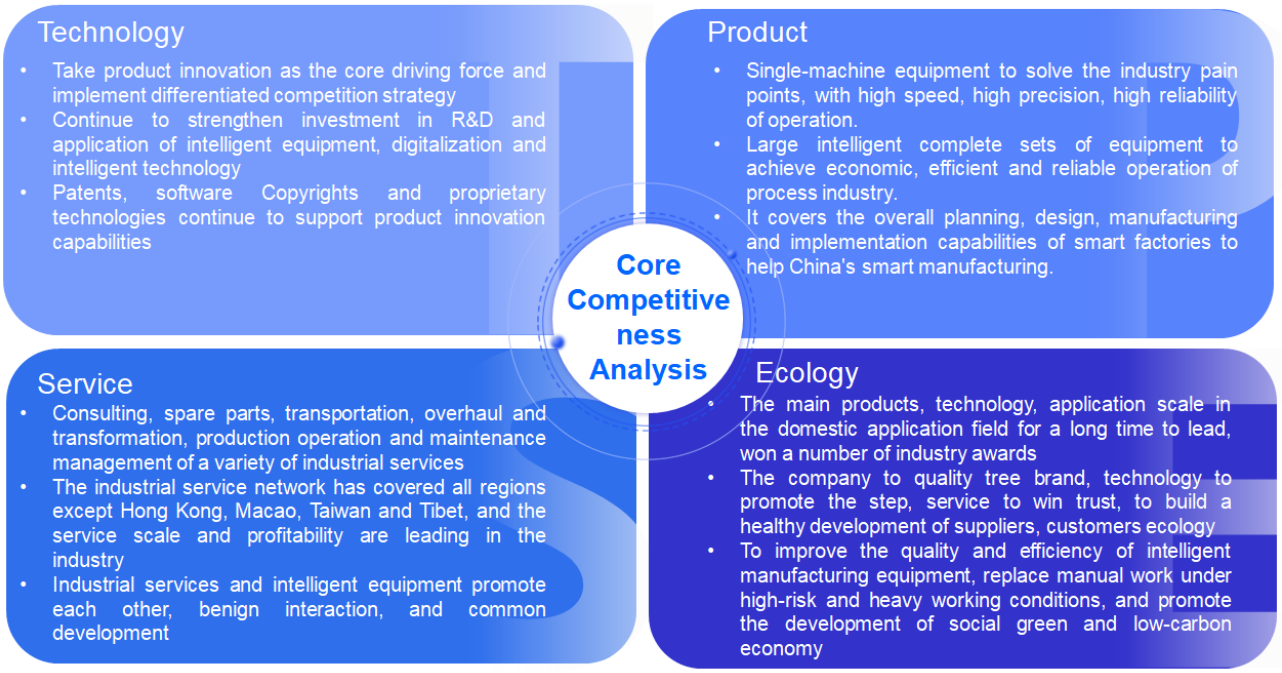
to continue the growth period with the second curve. During the period, the sales growth of intelligent manufacturing equipment for solid material reprocessing was strong. Innovative products represented by high-temperature furnace front operation robots have been successfully applied in high-risk and heavy working conditions fields such as calcium carbide, ferrosilicon, silico-manganese, industrial silicon, etc. In particular, during the reporting period, the successful delivery and operation of two calcium carbide smart factories (workshops) made the "robot plus" business quickly occupy an important revenue share and promote the overall performance of the Company; In addition, the Company applied the key intelligent equipment for solid material post-processing in the field of new energy polysilicon raw materials to multiple points in the industry, further expanding the application dimension of products in the field of irregular solid material post-processing intelligent manufacturing equipment, providing a new increment for the revenue growth of intelligent manufacturing equipment; The industrial services business has maintained steady growth for a long time, becoming an important source of revenue and profit for the company, and also empowering the intelligent manufacturing equipment business; Energy saving, emission reduction and environmental protection process equipment business also added to the Company's overall revenue and profit.

The Company has always adhered to the implementation of technology leading strategy, large system complete strategy, product service integration strategy. In the field of product application, the Company's intelligent manufacturing overall solution implementation ability continues to improve, smart factory successfully landed, "intelligent equipment" and "industrial services" coordinated development mode to further consolidate the Company's core competitiveness, promote the Company's performance to achieve good and rapid development.

Looking forward to the future, the main business that is highly compatible with the development direction of China's intelligent manufacturing will continue to contribute to the growth momentum of the Company.

3.Core Competitiveness Analysis

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



(1) Technology - Technology leadership forge core competitiveness.

①Leadership in product capabilities driven by technology.

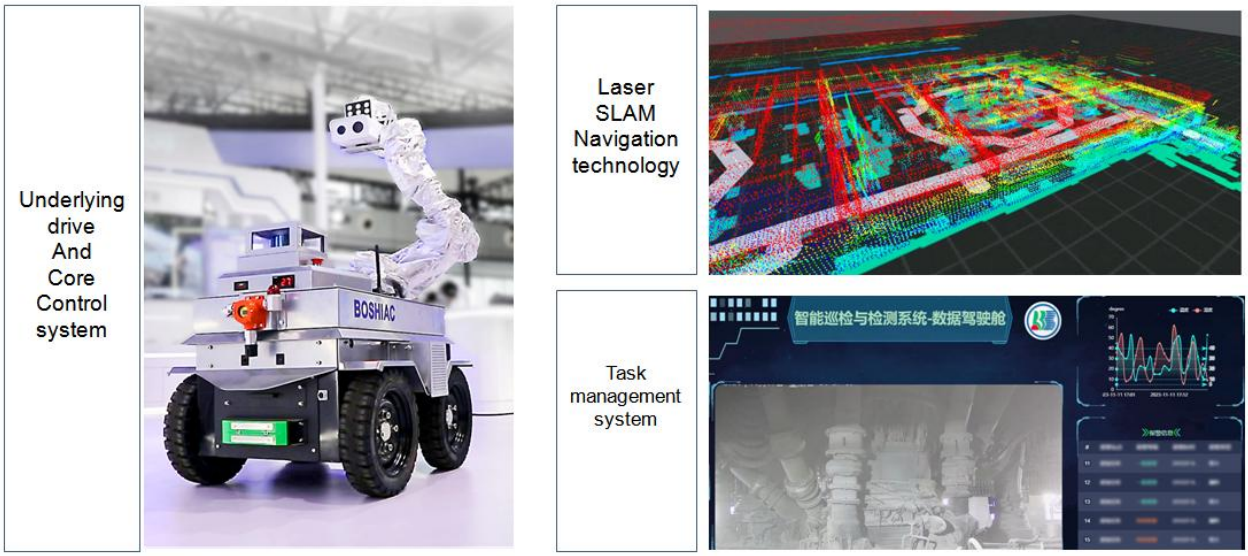
Innovation is the core driving force for the development of science and technology enterprises, and technology leadership is the key to the Company's core competitiveness. The Company closely focuses on the needs of China's intelligent manufacturing industry, continues to increase R&D investment, accurately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

In terms of intelligent manufacturing equipment product line, the Company's products have significant technical advantages of high speed, high precision and high reliability, and accurately focus on the high-end intelligent manufacturing equipment market to meet customers' stringent requirements for efficient, safe and fine production. In the domestic application field, the Company's products and technologies have long been in the leading position in China, reaching the international advanced level, and the application scale of some products has reached the international leading level.

In the field of intelligent manufacturing overall solutions, the Company deeply integrates artificial intelligence technologies such as machine vision, deep learning, and robot control algorithms to create multi-category innovative product solutions and build digital and intelligent production scenarios for customers. The Company has successfully realized the overall intelligent manufacturing solutions such as solid material post-processing, electric stone furnace smelting operation intelligent workshop, helping customers realize the digital transformation and intelligent manufacturing upgrade of the factory, promoting the synchronous improvement of production efficiency and quality, and realizing intelligent manufacturing.

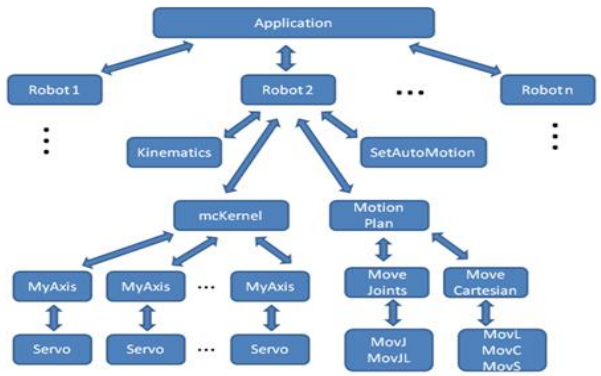
②Innovation and application capabilities driven by underlying technologies.

Mastering the underlying technology, algorithm and application platform technology is the key to realizing the autonomy and controllability of the Company's core technology, and it is also the core technology path to implement the differentiated competition strategy of technology leadership and enhance competitiveness. Taking the Company's technology accumulation in the field of "robot plus" as an example, the Company relies on the deep control of the underlying technology, can quickly respond to the needs of the industry, and develop different functions and different models of special operation robot products in high temperature environment. This capability is not only a solid technical support for the Company to implement digital workshop and smart factory solutions, but also a necessary core competitiveness to promote the digital transformation of the industry.



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

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



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

Legend：Robot motion control system

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

Legend：Intelligent inspection and digital vision technology

③Systematized innovation and integrated R&D capability through "Point → Line → Whole" path.

Throughout the Company's technology, product development and industrialization process, the Company enters new industries and new fields, usually with key single unit equipment ("point") as the entry point; After breaking through the technical problems that have long restricted the development of the industry and solving the key pain points of the industry, the Company rapidly expanded the key single unit equipment to the automated production line ("line") to achieve vertical innovation of products; With the accumulation of technology and the in-depth understanding of the industry, the Company further builds the overall solution of intelligent manufacturing ("whole") to form an integrated technology and product capability. This "point → line → whole" systematized innovation and integrated R&D capability helps the Company concentrate technology, capital and resources, reduce product development risks, improve the output efficiency of R&D investment, open the ceiling of growth with new products, new fields, new applications and new markets, and enhance the Company's core competitiveness.

At the market level, although the sales of stand-alone products (“point”) face greater competition, the project contract amount is small, and the market space is limited, it has laid a key technical foundation for the Company; The sale of complete equipment (“line”) significantly improves the market competitive environment, reduces the competitive pressure, and enlarges the potential contract amount and market space; The overall solution of intelligent manufacturing (“whole”) is expected to achieve multiple growth of market space and contract amount with strong competitiveness and limited competitive pressure.

Taking the high-temperature special operation robot products in the field of mineral furnace smelting as an example, the Company has successfully developed a calcium carbide (high-temperature) pre-furnace operation robot (“point”) with the significance of subverting manual operation based on industrial robot technology in view of the safety production and artificial replacement needs of traditional calcium carbide thermal furnace. Subsequently, the Company has developed calcium carbide ramming robot, inspection robot, intelligent pot handling technology and other key production and operating systems (“line”), and eventually formed an epoch-making intelligent workshop overall solution (“whole”). This systematic scientific and technological innovation and integrated research and development capability not only promotes the realization of less humanized and unmanned production, but also promotes the upgrading of the intelligent manufacturing industry of the industry.

④Technology migration and cross-industry application capability.

The Company can make technological breakthroughs and accumulation in a certain field through cross-industry “redevelopment” and “re-application” to achieve horizontal expansion of technology and accelerate the improvement of core competitiveness, which fully reflects the Company’s technology migration and cross-industry application ability.

For example, the Company will be based on the technical breakthrough and technology accumulation in the direction of special operation robots in the high-temperature working environment of calcium carbide, for the horizontal redevelopment of a variety of high-temperature working environment of ferrosilicon, silicomanganese, industrial silicon, etc., has achieved phased application results, and signed product orders successively, to achieve technical migration and cross-industry applications.

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

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

During the reporting period, the Company obtained 57 patents approved by the State Intellectual Property Office, including 18 invention patents and 39 utility model patents; 17 software copyrights are approved by the National Copyright Administration. In addition to patent technology, the Company has a considerable amount of core technical know-how that exists in the form of proprietary technology by relying on confidentiality measures. The patents, proprietary technology and software copyright owned and mastered by the Company are the significant core competitiveness. (Note: The amount of intellectual property acquired during the reporting period may have a slight deviation due to the limitation of statistical time points, and is only for investors' trend reference. Investors are urged to pay special attention to relevant risk factors.)

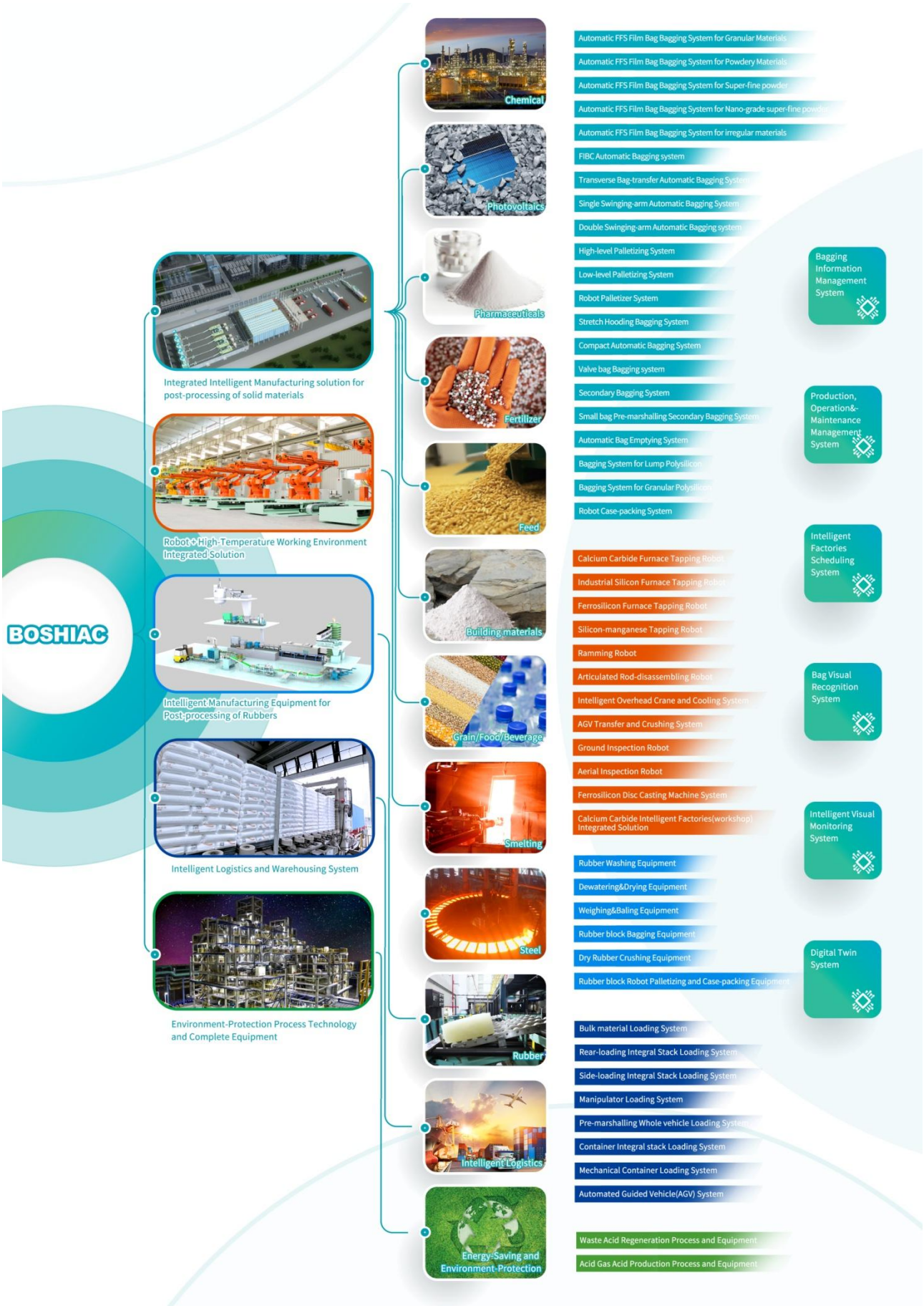
(2) Product - Rich product matrix to establish market competitive advantage.

Intelligent workshop, intelligent factory, overall solution competitive advantage

The Company applies intelligent technologies such as machine vision, deep learning, robot control algorithm, and expert control strategy, combined with industrial Internet communication technology, to the overall solution of smart factory, maximize the realization of less humanized and unmanned workshops, and promote the upgrading of intelligent manufacturing industry in related industries. Customers rely on intelligent production decision-making management to achieve safe, reliable and refined production and improve overall operational efficiency.

From the calcium carbide post-processing intelligent workshop project delivered to customers by the Company, in the application side, the customer has realized the replacement of manual work under dangerous and heavy working conditions with high-tech products, innovated the traditional process method, and improved the safety and well-being of workers, which is of great significance to the calcium carbide industry; At the product sales end, the overall market space of the smart factory is theoretically expected to form several times and ten times the market potential of the original high-temperature furnace operation robot. This "whole" - the ability of the smart factory overall solution, determines the Company in the future market competition in a competitive position.

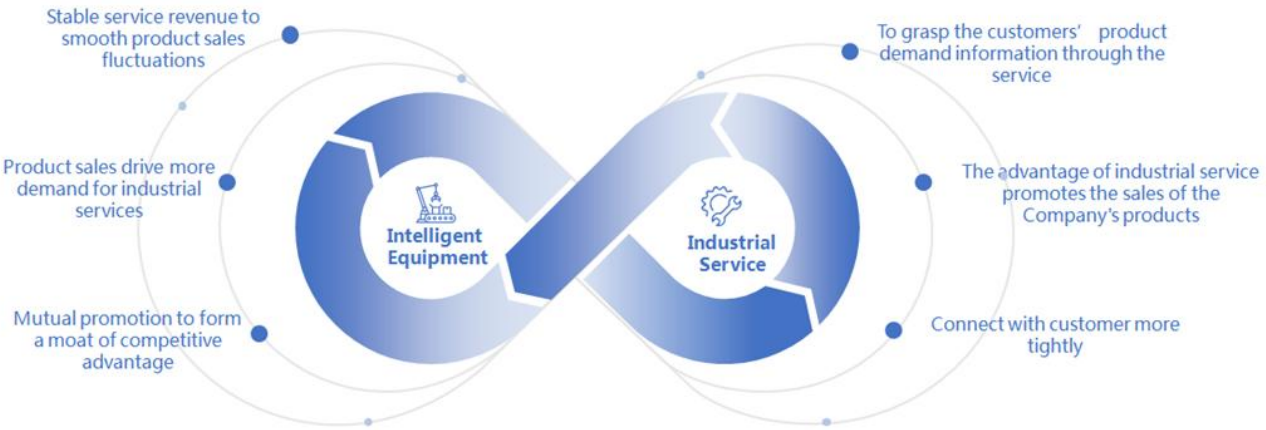
Legend：Calcium carbide production intelligent workshop to achieve few people, unmanned production operations



Legend: Product matrix diagram

(3) Service - Service integration capabilities to enhance competitive advantage.

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



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

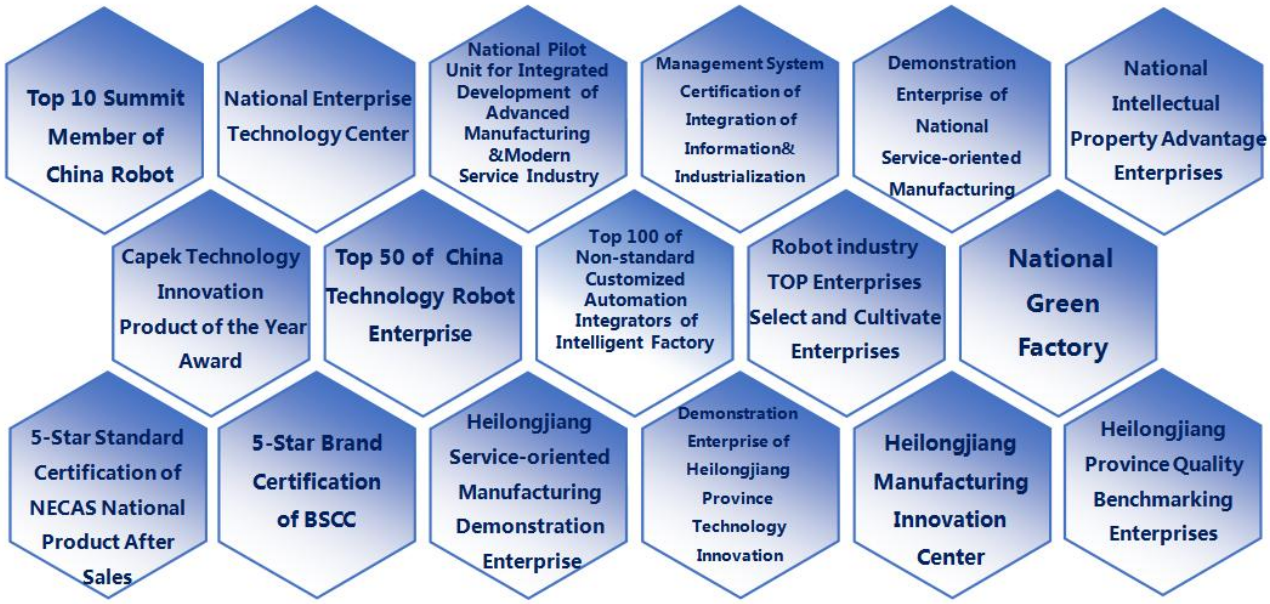
In 2024, the Company's industrial service business achieved revenue of RMB 768 million, an increase of 7.18%. The Company's industrial service revenue has increased year after year, which has a significant advantage in reducing the revenue fluctuation of the intelligent equipment business. On the one hand, industrial service revenue can steadily increase with the growth of intelligent equipment product sales and customer production and operation equipment base, the Company to undertake large-scale production operation and maintenance service projects will also bring a step wise increase in service revenue. This model of collaborative development of services and products not only enhances customer stickiness, smoothes the fluctuations of the intelligent equipment business effectively and improves the anti-risk ability of the Company's overall operation.

Looking ahead, intelligent equipment and industrial services, as two key growth areas, will act as dual engines, driving the Company's performance to achieve long-term, sustainable, and stable growth.

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

①Leading competitiveness in the industry driven by advanced technology.

Technological innovation is the first driving force to lead the development of technology enterprise, and technology-leading is an important core competitiveness of the Company. The Company continuously improves its technology application level and technology reserve capacity, seizes new opportunities, and expands into new fields. Through R&D investment, technology accumulation and technological innovation, outstanding technological leadership advantage continues to enhance and be a competitive position in the industry.



②Brand competitiveness to enhance customer loyalty.

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

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

To transform traditional industries with high and new technology is the responsibility, mission and responsibility entrusted to innovative science and technology enterprises by the era. The Company’s overall solution for intelligent manufacturing in the field of calcium carbide smelting in mineral furnace can be widely used in intelligent manufacturing equipment such as automatic loading logistics system in many

industries, which has a transformative impact on replacing the field of manual production under high-risk and heavy working conditions, and has become the basis for customers to achieve safe, efficient and refined production. At the same time, the standardization of intelligent equipment will bring about the improvement of capacity utilization, help to achieve cost reduction and efficiency, and support the early achievement of the national double carbon goal.

The Company actively cultivates and develops new quality productivity, makes technological breakthroughs and continuous applications in the direction of large-scale intelligent manufacturing equipment and intelligent factories, and promotes the improvement of social production efficiency; Customers produce in an intensive way, solve the problem of social structural employment gap, and improve the safety and well-being of workers; With the continuous expansion of the application scale of the Company's products and services, while achieving good social benefits, the Company's operating performance and shareholder returns continue to improve.

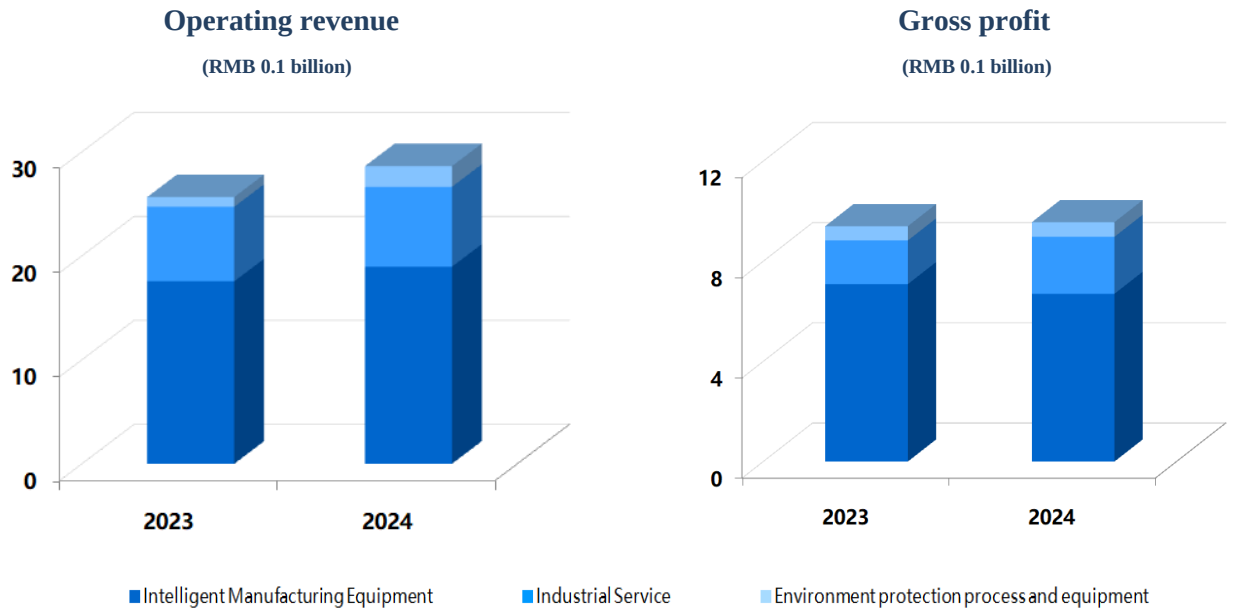
4.Main Businesses Analysis

(1) Overview

In the year 2024, despite facing a complex and challenging external environment, as well as numerous internal difficulties, the China's economy continued to advance at a steady pace, achieving substantial progress towards high-quality development. The GDP reached RMB134.9 trillion, a year-on-year increase of 5% and the growth rate ranks among the top of the world's major economies. In the face of external pressures such as sluggish world economic recovery, high trade protectionist barriers, geopolitical conflicts and frequent international trade frictions, as well as difficulties such as insufficient effective domestic demand and the release of pains caused by the transformation of old growth drivers, the country actively deployed a package of incremental policies to promote a marked recovery in economic performance and effectively boost social confidence. The Company's intelligent manufacturing equipment products are widely used in petrochemical and chemical industry, mineral furnace, new energy, food, feed, building materials, medicine, food, port and other pillar industries of the national economy, the main product application field in the industrial digitalization, intelligence, equipment renewal and transformation of the demand for long-term prospects, providing the company with a good space for sustainable development.

During the reporting period, the Company actively grasped industrial opportunities, faced future demand, continued to increase in R&D inputs, improved competitiveness, and maintained an advantageous competitive position in a complex and changing market environment. In 2024, driven by the two core growth businesses of intelligent manufacturing equipment and industrial services, the Company achieved operating revenue of RMB 2.863 billion, an increase of 11.59%, the revenue reached the best level in history. The net profit attributable to the parent company was RMB 524 million, a slight decrease of 1.76% year-on-year. The Company's weighted average return on equity (ROE) was 14.59%. From the perspective of revenue composition, the Company's intelligent manufacturing equipment and industrial service revenue maintained a year-on-year growth rate of 8% and 7.18% respectively, and their revenue scales accounted for 66.21% and 26.84% of the Company's total revenue respectively.

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



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

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

Unit：RMB

Item	2024	2023	Year-on-year growth
Operating revenue	2,862,689,438.16	2,565,408,783.42	11.59%
Operating profit	615,975,331.52	633,603,259.16	-2.78%
Total profit	612,657,514.33	638,059,931.66	-3.98%
Net profit	544,216,144.76	552,949,392.85	-1.58%
There of: Attributable to shareholders of the parent company	524,225,526.98	533,591,213.86	-1.76%

(2) Operating revenue and cost of sales

①Breakdown of operating revenue

Unit：RMB

	2024		2023		Increase/Decrease over the same period of previous year
	Amount	Proportion of revenue	Amount	Proportion of revenue	
Total	2,862,689,438.16	100%	2,565,408,783.42	100%	11.59%
Categorized by industry					
Intelligent manufacturing equipment	1,895,264,924.65	66.21%	1,754,845,282.12	68.40%	8.00%
Industrial service	768,470,541.08	26.84%	717,017,884.35	27.95%	7.18%
Environmental protection process and equipment	198,953,972.43	6.95%	93,545,616.95	3.65%	112.68%
Categorized by product					
Post-processing intelligent manufacturing equipment for solid material	1,334,705,622.25	46.63%	1,372,204,429.15	53.49%	-2.73%
Robots plus	391,445,010.49	13.67%	134,576,925.32	5.25%	190.87%
Post-processing intelligent manufacturing equipment for rubber	100,852,513.08	3.52%	72,650,793.71	2.83%	38.82%
Intelligent logistics, warehousing systems	68,261,778.83	2.38%	175,413,133.94	6.84%	-61.09%
Operation, maintenance and after-sales type industrial services	670,570,074.85	23.43%	606,991,420.18	23.66%	10.47%
Supplementary industrial services and others	97,900,466.23	3.42%	110,026,464.17	4.29%	-11.02%
Environmental process and complete equipment	198,953,972.43	6.95%	93,545,616.95	3.64%	112.68%
Categorized by region					
Region of east China	860,334,793.95	30.06%	896,345,862.84	34.94%	-4.02%
Region of south China	133,547,014.53	4.67%	300,459,581.67	11.71%	-55.55%
Region of central China	81,065,769.39	2.83%	68,220,171.50	2.66%	18.83%
Region of north China	803,108,366.19	28.05%	400,478,345.88	15.61%	100.54%
Region of northwest China	532,181,544.65	18.59%	530,568,521.70	20.68%	0.30%
Region of southwest China	177,845,680.44	6.21%	130,943,956.98	5.10%	35.82%
Region of northeast China	208,563,493.84	7.29%	226,113,529.63	8.81%	-7.76%

Overseas	66,042,775.17	2.30%	12,278,813.22	0.49%	437.86%
Categorized by sales model					
Direct sales	2,862,689,438.16	100.00%	2,565,408,783.42	100.00%	11.59%

②Industries, products, regions or distribution model accounting for more than 10% of company revenue or operating profit.

Unit：RMB

	Operating revenue	Cost of sales	Gross profit margin	Operating revenue increase/ decrease over the same period of previous year	Cost of sales increased or decreased over the same period of previous year	Gross profit margin increased or decreased over the same period of previous year
Categorized by industry						
Intelligent manufacturing equipment	1,895,264,924.65	1,225,620,646.95	35.33%	8.00%	15.99%	-4.45%
Industrial service	768,470,541.08	540,827,684.36	29.62%	7.18%	-0.31%	5.28%
Environmental protection process and equipment	198,953,972.43	140,494,867.28	29.38%	112.68%	284.32%	-31.54%
Categorized by product						
Post-processing intelligent manufacturing equipment for solid material	1,334,705,622.25	844,309,477.70	36.74%	-2.73%	7.64%	-6.10%
Robots plus	391,445,010.49	265,936,674.92	32.06%	190.87%	230.28%	-8.11%
Post-processing intelligent manufacturing equipment for rubber	100,852,513.08	58,502,072.71	41.99%	38.82%	26.28%	5.76%
Intelligent logistics, warehousing systems	68,261,778.83	56,872,421.62	16.68%	-61.09%	-60.91%	-0.38%
Operation, maintenance and after-sales type industrial services	670,570,074.85	454,339,472.48	32.25%	10.47%	2.52%	5.26%
Supplementary industrial services and others	97,900,466.23	86,488,211.88	11.66%	-11.02%	-12.94%	1.95%
Environmental process and complete equipment	198,953,972.43	140,494,867.28	29.38%	112.68%	284.32%	-31.54%
Categorized by region						
Region of east China	860,334,793.95	557,162,701.00	35.24%	-4.02%	-4.71%	0.47%

Region of south China	133,547,014.53	97,065,619.78	27.32%	-55.55%	-44.48%	-14.49%
Region of central China	81,065,769.39	59,225,337.99	26.94%	18.83%	13.36%	3.52%
Region of north China	803,108,366.19	543,253,857.63	32.36%	100.54%	114.84%	-4.50%
Region of northwest China	532,181,544.65	368,546,757.74	30.75%	0.30%	6.33%	-3.92%
Region of southwest China	177,845,680.44	114,539,358.87	35.60%	35.82%	48.09%	-5.33%
Region of northeast China	208,563,493.84	130,467,249.30	37.44%	-7.76%	-6.92%	-0.57%
Overseas	66,042,775.17	36,682,316.28	44.46%	437.86%	423.33%	1.54%
Categorized by sales model						
Direct sales	2,862,689,438.16	1,906,943,198.59	33.39%	11.59%	16.58%	-2.85%

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

During the reporting period, the revenue of the Company's two core growth businesses, intelligent manufacturing equipment and industrial services, increased by 8.00% and 7.18% year-on-year, respectively, and the operating revenue was RMB 1.895 billion and RMB 768 million, respectively, both reaching the best level in history. The revenue of environmental protection technology and equipment increased significantly to RMB 199 million, but the gross profit rate significantly returned to the industry average, which had a neutral impact on the Company's overall profit.

Intelligent manufacturing equipment:

Post-processing intelligent manufacturing equipment for solid material achieved revenue of RMB 1.335 billion, a slight decrease of 2.73% year-on-year, and continued to maintain a high level of product delivery, among which, post-processing intelligent equipment for polysilicon centralized delivery and recognition of revenue, revenue increased significantly, making up for the negative fluctuations of other product revenue in the category. From the perspective of gross profit rate, the gross profit rate of different subcategories of products has changed, affected by a single project with revenue of about RMB150 million, which profit was relatively low, as well as the gross profit rate of some product categories is under pressure from the market environment, the overall gross profit rate of solid material post-processing intelligent manufacturing equipment has decreased to 36.74%.

The "robot plus" business was driven by the successful delivery and revenue recognition of two calcium carbide smart factories (workshops) of Inner Mongolia Junzheng Chemical Co., Ltd. and Ningxia Yinglit Chemical Co., LTD., with a significant increase in revenue to RMB 391 million. The cost of above two smart factories (workshops), as demonstration application, are relatively high, and the gross rate of oven robots is reduced, affecting the overall gross rate of the "robot plus" business down to 32.06%.

Rubber post-processing intelligent manufacturing equipment achieved revenue of RMB 101 million, an increase of 38.82%, gross margin increased to 41.99%, the increase in its revenue and gross margin level, all from the contribution of overseas sales growth.

Intelligent logistics, warehousing systems: The revenue decreased significantly by 61.09% to RMB 68.26 million, mainly due to the cumulative implementation of projects in the same period of the previous year, the base period revenue level is too high, the revenue for this period has dropped significantly due to the limited number of completed projects for which revenue was recognized; The Company's competitive advantage in this area has not been reflected in the product pricing. The gross profit margin for the reporting period was 16.68%, which remains at a relatively low level compared with other intelligent equipment products of the Company.

In 2024, in the face of numerous challenges in the market environment, the Company's intelligent manufacturing equipment business performed solidly and steadily compare with the whole industry. Looking ahead, the Company will continue to emphasize its core competitiveness, overcome market challenges and adverse factors, seize the historical opportunity of intelligent manufacturing, and strive to achieve even better performance.

Industrial services: the Company actively implements the strategy of integration of products and services. As one of the Company's core growth businesses, industrial service enjoys long-term sustained and steady growth. "Intelligent equipment" and "industrial services" constitutes two performance-driven engines. During the reporting period, the operating income of industrial services was RMB 768 million, an increase of 7.18%. Among them, the revenue of operation and maintenance and after-sales industrial services was RMB 671 million, an increase of 10.47%. The overall gross profit margin of industrial services increased by 5.28% to 29.62% year-on-year, reaching a higher level in recent years, among which, the gross profit margin of operation and maintenance and after-sales industrial services reached 32.25%, contributing to the Company's better profit.

Environmental process and complete equipment: During the reporting period, the revenue of this kind increased significantly, reaching RMB 199 million, due to the impact of project delivery acceptance and recognition of revenue. However, due to the low profit level of the project, the gross profit margin fell to 29.38%, which constituted a beneficial supplement to the Company's overall performance.

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

(3) Cash Flows

Unit: RMB

Item	2024	2023	Change (%)
Sub-total of cash inflows from operating activities	2,653,190,333.98	2,417,361,797.41	9.76%
Sub-total of cash outflows from operating activities	2,009,347,354.97	2,278,419,139.40	-11.81%
Net cash flows from operating activities	643,842,979.01	138,942,658.01	363.39%

Sub-total of cash inflows from investing activities	7,332,677,177.80	5,636,466,482.27	30.09%
Sub-total of cash outflows from investing activities	7,932,922,408.48	5,808,835,108.54	36.57%
Net cash flows from investing activities	-600,245,230.68	-172,368,626.27	-248.23%
Sub-total of cash inflows from financing activities	93,663,137.94	33,120,286.94	182.80%
Sub-total of cash outflows from financing activities	416,020,266.31	327,086,068.16	27.19%
Net cash flows from financing activities	-322,357,128.37	-293,965,781.22	-9.66%
Net increase in cash and cash equivalents	-278,796,050.78	-326,267,521.07	14.55%

①Net cash flow generated by operating activities during the current period increased by 363.39% compared with the same period of last year, jointly affected by the increase in contract payments received from customers and the decrease in operating cash outflow during the reporting period.

②Net cash flow from investment activities decreased by 248.23% in the current period compared with the same period last year, mainly due to the impact of cash management activities;

③Net cash flow from financing activities in the current period decreased by 9.66% compared to the same period last year, mainly due to the Company's share buyback in the current period.

④The net increase in cash and cash equivalents for the current period was -278.7961 million, an increase of 14.55% year-on-year, which was jointly affected by the net cash flow from operating activities, investment activities and financing activities.

5. Analysis of Assets and Liabilities

(1)Significant Changes in Asset Composition

Unit: RMB

	Dec 31, 2024		Jan 1, 2024		Increase/ Decrease in proportion	Major changes
	Amount	Proportion of total asset	Amount	Proportion of total asset		
Cash at bank and on hand	55,996,398.59	0.81%	332,216,413.35	5.00%	-4.19%	Mainly due to the impact on cash management activities.
Accounts receivable	1,201,119,619.90	17.27%	1,004,337,478.08	15.11%	2.16%	Due to the increase in sales scale.
Contract assets	156,905,007.88	2.26%	119,436,138.29	1.80%	0.46%	Due to the increase in the quality guarantee of unexpired contracts.
Inventories	2,072,436,762.83	29.80%	2,405,309,228.52	36.18%	-6.38%	Mainly due to the decrease in products, raw materials and the increase in goods shipped.
Long-term equity investments	523,324,767.86	7.52%	404,005,942.77	6.08%	1.44%	Mainly affected by the listing of the associated company Bloom Technology on the Shanghai Stock Exchange, the balance of

						long-term equity investment increased.
Fixed assets	362,897,699.40	5.22%	229,647,272.08	3.45%	1.77%	Infrastructure projects are transferred to fixed assets in this period.
Construction in progress	2,023,251.20	0.03%	74,985,542.78	1.13%	-1.10%	Infrastructure projects are transferred to fixed assets in this period.
Short-term borrowings	36,873,798.71	0.53%	23,872,075.01	0.36%	0.17%	Due to increase in short-term bank borrowing by subsidiary.
Contract liabilities	1,806,791,270.47	25.98%	1,763,411,436.97	26.52%	-0.54%	The amount increased slightly, while the proportion decreased slightly.

Assets overseas account for a relatively high proportion.

□Applicable √Not applicable

(2) Assets and liabilities measured at fair value

Unit: RMB

Item	Opening balance	Profit or loss from change in fair value during the period	Cumulative fair value change charged to equity	Amount provided for impairment in the period	Purchased in the period	Sold in the period	Other changes	Closing balance
Financial assets								
Financial asset held for trading (excluding derivative financial)）	802,248,744.33	48,690.52			7,831,966,131.96	6,699,310,000.00		1,934,953,566.81
Investments in other equity instruments	55,443,728.57		33,974,208.57		489,858.65		5,068,467.17	61,002,054.39
Financing receivables	72,533,260.37						-18,681,463.70	53,851,796.67
Sub-total of the above	930,225,733.27	48,690.52	33,974,208.57		7,832,455,990.61	6,699,310,000.00	-13,612,996.53	2,049,807,417.87
Financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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

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

□ Yes √ No

6. Investment Made

(1)Total investment amount

√Applicable □Not applicable

Total investment amount of the Reporting Period (RMB)	Total investment amount of the same period of last year (RMB)	Change
523,324,767.86	404,005,942.77	29.53%

The above investments represent the end of the period amount of the Company's equity investments in associates and joint ventures. The balance of long-term equity investment increased due to the listing of the associated company Bloom Technology on the Shanghai Stock Exchange.

(2)Significant equity investment made in the reporting period

□Applicable √Not applicable

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

□Applicable √Not applicable

(4) Financial investments

①Securities investments

□Applicable √Not applicable

No such cases in the reporting period.

②Derivatives investments

□Applicable √Not applicable

No such cases in the reporting period.

(5) Use of Raised Funds

①Overall usage of funds raised

Unit: RMB’0,000

Year	Way of raising	Total funds raised	Net funds raised	Total funds used in the Current Period	Accumulative fund used	Total funds with usage changed	Accumulative funds with usage changed	Proportion of accumulative funds with usage changed	Total unused funds	The usage and destination of unused funds	Amount of funds raised idle for over two years
2022	Issuance of convertible corporate bonds	45,000	44,341.86	5,978.00	36,437.19	0	0	0.00%	8,817.27	The Company should conduct special account management and cash management for the funds not yet used.	0
Total	--	45,000	44,341.86	5,978.00	36,437.19	0	0	0.00%	8,817.27	--	0
Explanation of overall usage of funds raised											
As of December 31st, 2024, the Company raised fund has used a total amount of RMB 364.3719 million (excluding the deducted issuance expenses of RMB 6.5814 million), and the raised funds has not used of RMB 88.1727 million (including income from the cash management of the raised fund RMB 9.126 million.)											

②Commitment projects of fund raised

Unit: RMB’0,000

Committed investment project and super raise fund arrangement	Committed investment amount	Investment amount after adjustment (1)	Investment amount in the reporting period	Accumulative investment amount as of the period-end (2)	Investment schedule as the period-end (3)＝(2)/(1)	Date of reaching intended use of the project
1.Robot and intelligent factory industrialization production project.	16,000.	16,000	4,758.22	12,684.51	79.28%	July,2024
2. Sub-merged arc furnace smelting robot and its intelligent factory R & D demonstration project.	9,000	9,000	562.80	6,713.27	74.59%	June,2025
3.Project of technology innovation and service center (R&D center)	7,000	7,000	656.97	4,697.55	67.11%	December,2023
4.Supplementary working capital	12,341.86	12,341.86		12,341.86	100.00%	Not applicable
Total	**44,341.86**	**44,341.86**	**5,978.00**	**36,437.19**	--	--

(6) Related investment progress

① Investment in high-end medical diagnosis and treatment equipment

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

Image-guided radiotherapy precise positioning: The image-guided radiotherapy precise positioning project of Jiangsu Rayer Medical Technology Co., Ltd., invested by the Company, at the end of reporting period, holds its 13.65% equity. This project obtained the medical device registration certificate for image-guided radiotherapy positioning systems (IGPS) issued by the former China Food and Drug Administration in March 2016. In February 2020, the Optical Guidance Tracking System (OGTS) has obtained medical device registration certificate issued by the State Drug Administration. In September 2024, it obtained the medical device registration certificate for the X-ray stereotactic radiotherapy system (RayerKnife) issued by the National Medical Products Administration.

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

obtained medical device registration certificate issued by the State Drug Administration in February, 2022.



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

②Progress of the robot equity investment fund

In 2015, the Company participated in the establishment of Dongguan Boshi Ruidexin Robot Equity Investment Fund, and established Dongguan Boshi Ruidexin Robot Equity Investment Center (limited partnership). The total investment of Boshi was RMB 60 million, accounting for 30% of the subscribed investment of the fund. By the end of the reporting period, Boshi had received more than RMB 70 million of project investment returns and profit distribution, the earnings are good.

③Cooperative R&D project: Industrialization R&D project of key technologies and principle prototypes of humanoid robots.

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

The goal setting for project R&D is highly challenging, with high requirements for the robot’s movement ability, operational ability and intelligence level. Up to now, during the process of debugging the principle prototype, the overall machine scheme has been optimized, the structure and performance of key components have been continuously optimized and improved, and the performance of corresponding components has been tested. The project simultaneously conducts research and development work such as the training of arm-hand operation ability, the physical verification of motion control algorithms, and the physical verification of navigation planning algorithms.

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

Shanghai Bloom Technology Co., Ltd., which is invested by the Company, was listed on the main board of Shanghai Stock Exchange on January 10th, 2024, with the stock abbreviation: Bloom Technology, stock code: 603325. The total share capital of Bloom Technology after the initial public offering is 66,670,000 shares. The Company holds 9,599,760 shares of Bloom Technology, accounting for 14.40% of its total share capital after the initial public offering of stocks, and is not a controlling shareholder.

Harbin Sizherui Intelligent Medical Equipment Co., Ltd, which is invested by the Company, currently has a registered capital of RMB 150 million, the Company holds 13.46% of its equity and is a non-controlling shareholder. In June 2023, the application for initial public offering of shares and listing on the science and technology innovation board was approved by the Listing Review Committee of the Shanghai Stock Exchange, At present, the project is in the registration stage of China Securities Regulatory Commission, the project status is suspended (financial report update), and the IPO follow-up process can be promoted only after the financial report is updated.

V. The Company's Outlook for Future Development

As the main body of the national economy, the manufacturing industry is the foundation of the country, as well as the tool of the country and the foundation of the country. *The "14th Five-Year Plan" Intelligent Manufacturing Development Plan*, *the "14th Five-Year Plan" Robot Industry Development Plan*, and *the "Robot Plus" Application Action Implementation Plan* clearly define China's industrial planning goals in 2025 and 2035, and the intelligent manufacturing equipment and robot industry usher in unprecedented development opportunities.

Since its establishment in 1997, the Company has been committed to the revitalization and development of the national equipment industry for a long time. In the early days of its establishment, the Company successfully developed handling robots and realized industrial application as early as 2005. The Company has applied industrial robot technology to the industrial automation production line of the process industry, and has independent intellectual property rights of intelligent complete sets of equipment products, in the main application areas for customers to provide strong support for large-scale industrial production, to promote the localization of major equipment has made a positive contribution. The products have successfully replaced import, realizing the autonomy and controllability of the core technology of China's major equipment, ensuring efficient and safe operation. Over the years, the Company's products have been widely used in many industries and have become the first choice for backbone enterprises in the industry.

In the 21st century, the rapid development of digital technologies such as 5G, industrial Internet, new materials, big data, cloud computing, deep learning, and artificial intelligence has provided strong support for the Company's products to move from "automation" to "digitalization" and "intelligence". The Company grasps the opportunities, integrates advanced manufacturing and information technology, enables the digital, intelligent and green development of manufacturing industry, and extends its products from intelligent manufacturing equipment to digital workshops and smart factories. The Company has repeatedly achieved good results in product innovation ability, R&D system construction, and marketing work.

Looking forward to the future, the Company will adhere to market demand-oriented, innovation-driven technology leadership, independent control to ensure the safety of core technologies, accelerate the development of intelligent manufacturing equipment and industrial service business expansion, promote the intelligent replacement of high-risk and heavy environmental manual work, achieve fewer people, unmanned, safe, efficient and green production, and create greater value for society, shareholders and employees, to achieve sustainable and high-quality development of the Company.

1.Focusing on innovation, continuing to promote the development of new quality productivity, enabling future manufacturing.

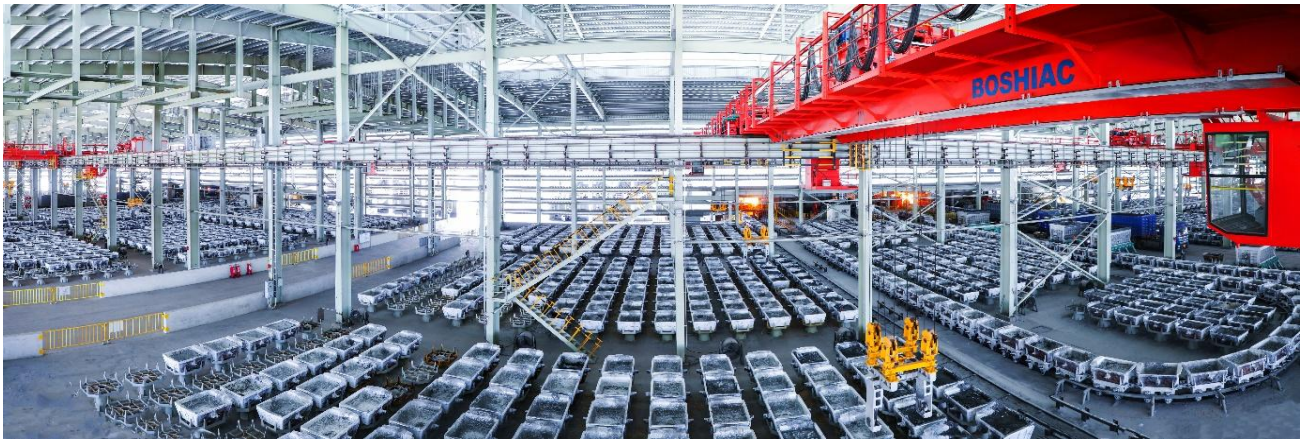
In the new round of scientific and technological revolution and industrial transformation, scientific and technological innovation and industrial integration development, major cutting-edge technologies and disruptive technologies continue to emerge. Cultivating future industries has become an important strategic choice to lead scientific and technological progress, drive industrial upgrading, open up new tracks, and shape new quality productivity.
In recent years, the Company has accelerated the deep integration of advanced manufacturing and information technology, and in the field of intelligent manufacturing equipment, the Company has realized the leap from stand-alone equipment, automated production lines to digital workshops and smart factories, meanwhile, has promoted the development of the manufacturing industry to the digital, intelligent and green direction.

In 2024, the Company achieved good results in the development of new quality productivity. In the past two years, the Company has made efforts to build two calcium carbide smart factories (workshops) successfully delivered applications to customers. Calcium carbide production intelligent factory has comprehensively innovated the traditional production process of calcium carbide submerged arc furnace, built the intelligent closed-loop of “perception – decision – execution”, realized the friendly operation, production safety, efficient operation, accurate control of the whole process and efficient intelligent production, and set the benchmark of technological change in the industry. Through the deep integration of artificial intelligence technologies such as machine vision, deep learning, robot control algorithms, expert control strategies, and digital twin with 5G and industrial Internet communication technologies, the Company has successfully applied to the overall solution of intelligent workshops and smart factories, and has created a less humanized and unmanned production scene to the maximum extent, promoting the development of the manufacturing industry in the direction of efficiency, intelligence, and environmental. Relying on intelligent production decision-making management, the Company open up the future manufacturing model, continue to promote the development of new quality productivity, and empower future manufacturing.

(1) Overall solution of intelligent factory.

As a leading global manufacturer, China is on the cusp of transforming into a true manufacturing powerhouse. It is crucial to transition its development strategies, enhance economic structures, and shift growth dynamics in order to foster high-quality industrial advancement. The country’s comprehensive industrial framework, vast manufacturing scale, and diverse application landscapes offer a fertile ground for the robust development of novel, high-quality productivity.

As one of the core application scenarios of intelligent manufacturing, intelligent factory is the core of promoting the transformation and upgrading of the manufacturing industry. With deep technology accumulation and multidisciplinary technology integration capabilities, the Company takes intelligent production management decision-making system as the core to create tailored digital transformation solutions for customers. The Company is committed to building less or even unmanned intelligent factories for customers, through intelligent production management decision-making system, significantly improve production efficiency and intelligent manufacturing level, and promote the production process to scientific, intelligent, autonomous, economic, safe, efficient and green direction change.

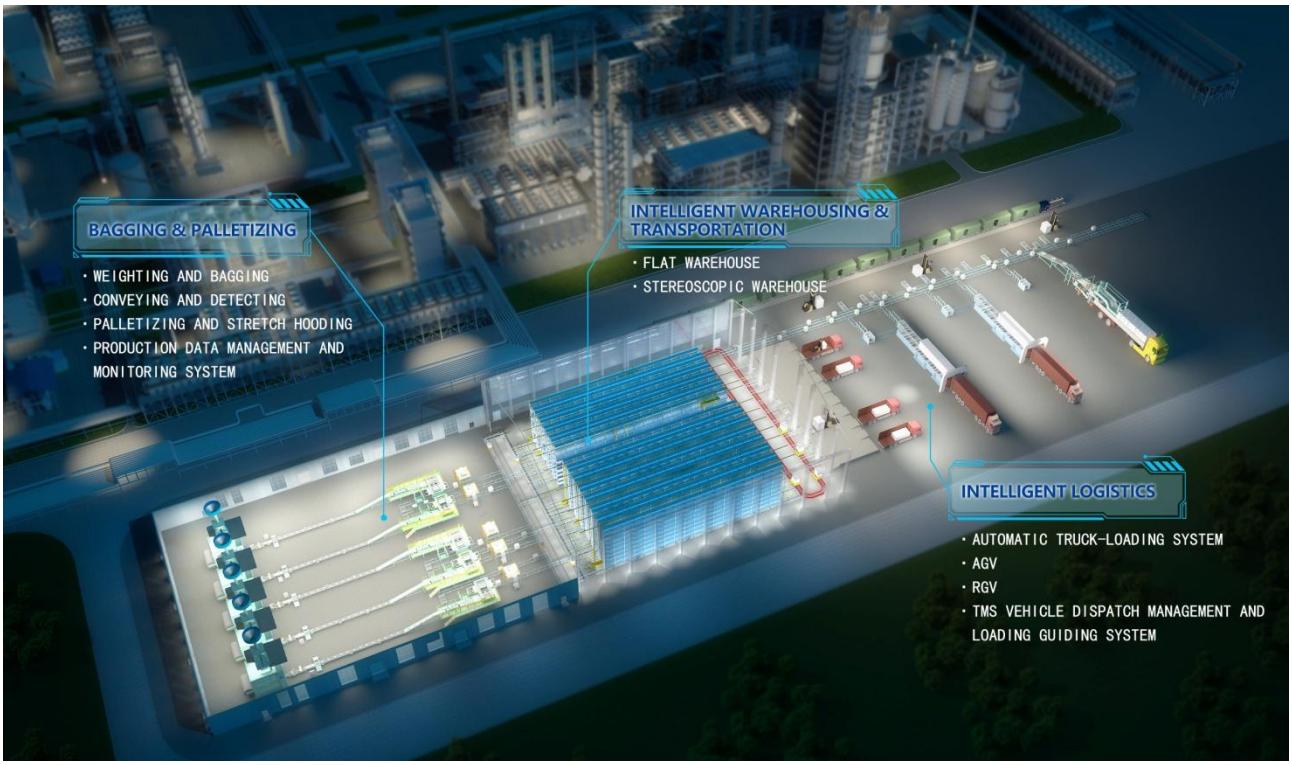


Legend: Calcium carbide intelligent factory sets industry benchmark, promotes the upgrading of intelligent manufacturing industry

(2) Overall solution of post-processing intelligent manufacturing equipment for solid material.

The Company provides the leading intelligent manufacturing overall solution for solid material post-processing for the product application industry, integrating functional modules such as weighing, packaging, palletizing, coating, digital storage, intelligent loading, remote fault diagnosis and total/sub-unit operation management control system, which can accurately adapt to complex post-processing application scenarios such as powder materials, granular materials and irregular materials. Realize the full range of one-stop intelligent and efficient production.

Through the cooperative deployment of advanced control algorithms and automation equipment, the customer’s production process can be optimized, the production efficiency can be significantly improved, and the manufacturing cost per unit product and the production operation risk can be reduced. At the same time, with the help of digital technology, the overall solution can collect and analyze all kinds of data in the production process in real time, provide accurate basis for enterprise decision-making, promote the digital upgrading of enterprises, enhance the market competitiveness of enterprises, and promote the industry to a new stage of intelligent and digital development.



Legend: Schematic diagram for overall solution of post-processing intelligent manufacturing equipment for solid material

(3) Intelligent manufacturing equipment and intelligent workshop solutions covering all categories of polycrystalline silicon.

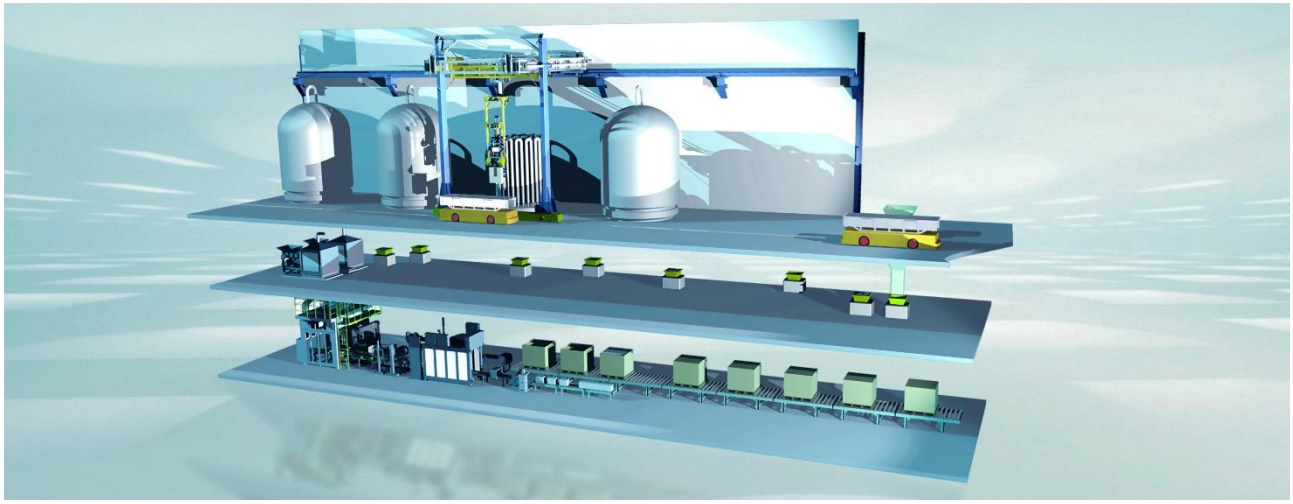
Solar energy, as a clean, safe and reliable energy source, has great long-term development potential in the world. China is rich in lighting resource, and the steady advancement of the national "carbon peak, carbon neutral" dual-carbon strategy has opened up a continuous market space for the development of the photovoltaic industry and product application. In the expectation of huge market demand, the polysilicon raw material field of China's photovoltaic industry has ushered in a large-scale expansion in recent years, and the application of intelligent equipment has become the key to improving quality and efficiency in the industry.

Since 2019, the Company has continued to increase investment in R&D with the introduction of the industry's first automatic weighing and packaging products of bulk polysilicon. At present, the Company has successfully built a series of product matrices covering a variety of unit combinations in multiple subdivisions such as bulk monocrystalline silicon, bulk polysilicon and granular polysilicon. The Company further integrates the unit system equipment products with the key processes such as reduction silicon rod crushing, screening magnetic separation, AGV directional transportation, measurement and plastic packaging, and factory logistics. With the help of digital and information technology, the Company forms the overall solution of crystalline silicon smart factory, realizing the intelligent control of the whole process from production to logistics.

The Company has cooperated with GCL Group, Tongwei Group, Yongxiang Shares, Daqo Energy, Xinte Energy, Asia Silicon, Tianhong Ruike, Qinghai Lihao, Runyang Shares, Baofeng Energy, Hongyuan Energy, Xinjiang Qiya, Eastern Hope, Red Lion Semiconductor and many other well-known new energy enterprises,

forming competitiveness in the field of polysilicon intelligent manufacturing equipment in the photovoltaic industry.

In the years to come, the Company will remain committed to the photovoltaic sector, delving deeper into technological R&D, and innovation. It will vigorously explore new application scenarios and broaden the market horizons for its polysilicon intelligent manufacturing equipment and intelligent workshop solutions.



Legend: Schematic diagram of intelligent manufacturing equipment and intelligent workshop solutions for all categories of polysilicon.

(4) "Robot plus" - technology for manual substitution under high-risk, heavy and harsh working environment of calcium carbide and other submerged arc furnaces.

In January of 2023, the Ministry of Industry and Information Technology, alongside 16 other departments, jointly released the *"Robot Plus" Application Action Implementation Plan*. This plan centered around 10 pivotal sectors, with manufacturing being one of them, aiming to achieve breakthroughs in 100 robotic technologies and solutions. The goal is to facilitate the implementation of over 200 advanced application scenarios and foster exemplary enterprises in the "robot plus" application realm.

In high-risk and challenging working environments, manufacturing enterprises face labor difficulties due to hidden production safety hazards and mismatched human resources supply. Outdated processes exacerbate issues such as high costs, elevated risks, low standards, inconsistent quality, and inadequate capacity utilization. The Company's innovative equipment products, including furnace unloading robots, furnace agitation robots, inspection robots, and automatic car loading machines, effectively address these industry pain points, enabling technological empowerment and improved operational efficiency.

In the field of calcium carbide sub-merged arc furnace, the Company's self-developed high-temperature furnace front operation robot and its surrounding system successfully overcome many difficulties in the traditional oven link, and achieve intelligent manufacturing with few people, unmanned, safety, efficiency and environmental protection. This technology not only promotes the transformation of the traditional

calcium carbide production mode, reduces the cost and increases the efficiency, but also significantly reduces the labor intensity and safety production risks of manual operations.

Legend: The calcium carbide sub-merged arc furnace field furnace unloading robots, furnace agitation robots to replace manual work schematic diagram.

Based on the successful accumulation of technology and product applications in the calcium carbide furnace domain, the Company continues its R&D endeavors. It is expanding the high-temperature special operation robot technology into areas such as iron-silicon, silicon-manganese, industrial silicon furnaces, and other mineral furnaces. The Company is further advancing “robot plus” R&D, demonstration, and promotional applications, thereby contributing significantly to the intelligent transformation of the arc furnace industry.

(5) Overall solution of plant intelligent logistics

The intelligent logistics system of the Company takes the automatic loading machine as the core unit, integrates the visual identification system, data information interface system, logistics scheduling system, transfer and transportation system and other auxiliary equipment, which can carry out batch transfer, stacking, splitting, combination, loading and other logistics operations for a variety of bags, boxes and bulk materials, and can realize the seamless connection between production lines or warehouses and transport vehicles. It can be widely used in many fields of the national economy, especially in labor shortage, poor working environment and other working conditions with obvious advantages, good customer feedback and huge market base.

Legend: Some models of automatic loading machine

2.Continue to improve the scale of intelligent equipment industry services

The Company forward-looking implementation of product service integration strategy, intelligent manufacturing equipment industry services have become an important source of revenue and profit for the Company. As a modern service industry led by national policies, intelligent equipment industry services play a key role in promoting the high-quality development of manufacturing. In March 2021, thirteen departments, including the National Development and Reform Commission, the Ministry of Science and Technology, and the Ministry of Industry and Information Technology, jointly issued *the Opinions on Accelerating the High-quality Development of the Manufacturing Service Industry*, which clearly stated that by 2025, the role of the manufacturing service industry in improving the quality and efficiency of the manufacturing industry, innovation capacity, and resource allocation efficiency will be significantly enhanced. Realize the coupling symbiosis and integration of manufacturing industry and manufacturing service industry.

The Company’s industrial service revenue increased steadily with the growth of intelligent manufacturing equipment sales and production and operation equipment base. At the same time, the Company undertook new large-scale production operation and maintenance service projects to further accelerate the growth of service revenue. The Company actively responds to the deep-seated service needs of customers and promotes the sustained and steady growth of industrial service revenue. Multi-dimensional industrial services and product sales form a positive interaction, enhance customer stickiness, and effectively extend the industrial chain. Although the operating income of industrial services has reached RMB 768 million during the reporting period, compared with the huge production scale of potential customers in China, the market penetration rate of production integrated hosting operation and maintenance services is still low, and the future development potential continues to be optimistic.

3.Business Outlook in 2025

In recent years, Boshi has achieved remarkable results in the field of intelligent equipment product innovation, market expansion and industrial services. The Company's technological innovation drives the expansion of multiple categories of products and expands the market application field; The Company strengthened the construction of industrial service network, improved the service dimension, and the service revenue scale broke a new high year after year and setting new highs repeatedly; The Company actively cultivates and develops new quality productivity, and has made great progress in the direction of digitalization and intelligence; The Company's operating performance has achieved sustained good and rapid growth.

In 2024, in the face of a complex and changing external environment, the Company will strive for prosperity, consolidate its foundation, cultivate future industries, pay attention to R&D investment and product innovation, and continue to build core competitiveness.

Looking forward to 2025, the Company in the era of national industrial digital development tide, with the competitive advantages in the field of intelligent manufacturing equipment and industrial services, grasp the market opportunities brought by the medium and long-term needs of enterprise intelligent transformation and digital transformation, robot multi-scene deep application, as well as the national policy dividend of accelerating equipment renewal and transformation, prevention and control of business risks, and improve the certainty of business performance. Combined with the Company's current order size and sales market expectations, the Company is confident to achieve sustained and healthy development of operating performance.

4. Possible Risks in the Company's Operations

(1)The risk that the R&D of intelligent manufacturing equipment and the digitalization process of the industry do not meet expectations.

In the application field of the main products of large-scale intelligent complete sets of equipment, the company has the ability to provide customers with intelligent manufacturing overall solutions and intelligent factories. As China moves from a manufacturing country to a strong country, the transformation demand for digital workshops and intelligent factories continues to grow. According to the *"14th Five-Year Plan"* Intelligent manufacturing Development Plan, in the next period of time, intelligent manufacturing will focus on processes, equipment and data, relying on manufacturing units, workshops, factories and supply chains and other carriers to promote the digital transformation of the manufacturing industry, network collaboration and intelligent change. By 2025, most manufacturing enterprises above designated size will realize digital networking, and key enterprises in key industries will initially apply intelligence; By 2035, manufacturing enterprises above designated size will be fully digitalized and networked, and key enterprises in key industries will basically be intelligent. In the face of the huge market demand prospects of industrial digitalization, if the company fails to expand new technology application fields in a timely manner, or fails to effectively respond to, guide and meet the market demand in product development, the industrial digitalization process is less than expected, it may miss the market dividend, bring adverse effects on the Company's medium and long-term development, and become one of the risk factors faced by the Company.

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

With the rapid development of digital infrastructure such as 5G and industrial Internet, the field of intelligent manufacturing has ushered in unprecedented opportunities. Artificial intelligence technology not only provides technical convenience for the digitization and intelligence of factories, but also determines the ability and level of intelligent manufacturing in the future. Although the Company has outstanding competitive advantages in the field of product application, in the face of the industrial tide of artificial intelligence technology, if the company cannot deeply integrate the application of artificial intelligence technology based on 5G and industrial Internet in intelligent manufacturing product technology solutions, it will restrict the speed and quality of the company's medium and long-term development, constituting one of the risk factors.

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

In recent years, the state has successively issued the *14th Five-Year Plan for the Development of Intelligent Manufacturing* and the Action Plan for the Application of "Robot Plus", clearly defining the medium and long-term development goals of the intelligent manufacturing industry. As a leading enterprise in the industry, our company is at the forefront of domestic application fields and some of its technological applications have reached international leading levels. The relevant national intelligent manufacturing industry plans will be implemented first in the leading enterprises of various industries. Our Company's products cover the top customers in application fields and face many development opportunities in the future. However, the current global economic landscape is facing many challenges. The process of globalization has been hindered, trade protectionism is on the rise, and geopolitical and economic crises occur from time to time. The growth momentum of the world economy and trade is insufficient, and domestic demand urgently needs to be stimulated. Some external factors may be transmitted to the domestic market, affecting the demand for high-end intelligent manufacturing equipment in China and thereby constraining the Company's medium and long-term performance, which constitutes one of the risk factors the company is facing.

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

The industrial service business, as a booster for the Company's performance growth and a buffer against fluctuations in equipment revenue, has maintained a continuous growth trend over the years. In 2024, the industrial service business achieved revenue of RMB 768 million, maintaining a year-on-year growth of 7.18%. From the perspective of the scale of the Company's industrial service production and operation business, although it has formed a certain revenue scale, compared with China's huge potential capacity demand, its market penetration rate is still at a relatively low level, and there is huge room for future development. However, if the company fails to continuously expand its industrial service business, adapt to the multi-level service demands of customers, or the expansion of "industrial service plus" application scenarios does not meet expectations, it will constitute one of the risk factors restricting the Company's medium and long-term development.

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

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

(6)The risk that the industrialization R&D project of the key technology and principle of humanoid robot prototype does not progress as expected.

In the new round of scientific and technological revolution and industrial transformation, major cutting-edge and disruptive technologies continue to emerge, in order to cultivate the development of new quality productivity, combined with the Company's advantages in the application field of intelligent manufacturing equipment, high-temperature special operation robots and smart factories, the company signed the *Strategic Cooperation Framework Agreement* with HGD University on August 18th, 2023. Jointly set up the industrialization R&D project of humanoid robot key technology and principle prototype, and jointly promote the relevant technical achievements and the industrialization work of future achievements.

The future industry of humanoid robots is driven by cutting-edge technologies, and the industrial investment in related R&D is inherently risky. Humanoid robot, different from the Company's intelligent manufacturing equipment, high-temperature furnace operation robot and other industrial fields, is a new, cutting-edge, extremely challenging field of technological innovation, therefore, the company in this direction in the future can achieve phased results, continuous progress, there are many uncertain risk factors:

In cooperation with HGD University, the Company has complementary advantages, multi-disciplinary and professional cross-participation, and has systematic, complex, phased and long-term characteristics. Whether the R&D can achieve the expected results and when there is great uncertainty, which constitutes one of the risk factors;

In the process of R&D of the project, the domestic and foreign humanoid robot related fields of technology progress, iteration is rapid, there is a great uncertainty whether the R&D principle prototype is advanced, which constitutes one of the risk factors;

If the first-generation principle prototype is launched in the future, it will inevitably face a continuous process of R&D and iteration. Whether the subsequent R&D can be smoothly implemented and the progress of the R&D still have great uncertainties, which constitutes one of the risk factors;

Even if the R&D results meet the expectations during the period, there is great uncertainty about whether the industrialization application scenario can be found, whether the industrialization can be smoothly carried out, and whether the industrialization has advantages, which constitutes one of the risk factors;

There may be the possibility that the principle prototype developed is not advanced or does not have the advantages of industrialization, cannot be industrialized, or the project R&D may fail, which constitutes one of the risk factors;

The implementation of the project is characterized by a long-term nature and cannot have a positive impact on the Company's performance in the short term. In the specific process of promotion, other unforeseen factors cannot be excluded, which will affect the implementation progress of the project and constitute one of the risk factors;

Due to the pioneering nature of the project, it will be subject to the limitation of the level of science and technology in the industry. If there are key technologies to be improved in the industry as a whole, it will affect the progress of research and development or the industrialization process, constituting one of the risk factors.

In addition to the above risks, in this field, there are still other unforeseeable risk factors, which constitute one of the risk factors faced by the Company.

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

Technology leadership is the key element of the Company's core competitive strategy and competitive advantage. The technology leading advantage of the product not only determines whether the Company can maintain a high level of profitability for a long time, but also the foundation of the successful implementation of differentiated competitive strategy. The Company attaches great importance to technical confidentiality, by applying for intellectual property protection, strengthening legal rights protection and using technical means to protect the safety of proprietary technology, all-round protection of enterprise technical security and effective prevention of related risks. However, despite the measures taken by the company, it still faces the risk of illegal intellectual property theft, theft of technical secrets and unfair competition. These risks may cause potential economic losses to the company, affect the Company's long-term competitiveness and dominant position, and constitute one of the risk factors faced by the Company.

VI. Financial statements

(1) Consolidated Balance Sheet

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

Item	Dec 31, 2024	Jan 1, 2024
Current assets:		
Cash at bank and on hand	55,996,398.59	332,216,413.35
Financial assets held for trading	1,934,953,566.81	802,248,744.33
Derivative financial assets		
Bills receivable	197,170,155.60	273,519,045.87
Accounts receivable	1,201,119,619.90	1,004,337,478.08
Financing receivables	53,851,796.67	72,533,260.37
Prepayments	69,344,997.81	77,455,740.98
Other receivables	36,340,345.23	30,774,548.13
Thereof: Interest receivable	0.00	0.00
Dividend receivable	8,360,557.32	2,601,281.28
Inventories	2,072,436,762.83	2,405,309,228.52
Contract assets	156,905,007.88	119,436,138.29
Assets held for sale		
Non-current assets due within one year	8,666,821.13	4,434,380.89
Other current assets	20,661,815.01	615,166,444.19
Total current assets	5,807,447,287.46	5,737,431,423.00
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	12,520,693.35	16,425,314.82
Long-term equity investments	523,324,767.86	404,005,942.77
Other equity instruments investments	61,002,054.39	55,443,728.57
Other non-current financial assets		
Investment properties	11,072,140.54	11,771,642.38
Fixed assets	362,897,699.40	229,647,272.08
Construction in progress	2,023,251.20	74,985,542.78
Productive biological assets		

Oil and gas assets		
Right-of-use assets	4,223,259.80	4,912,571.51
Intangible assets	54,090,016.00	53,974,953.86
Development costs		
Goodwill	401,878.10	401,878.10
Long-term deferred expenses	75,344.58	106,486.62
Deferred tax assets	44,266,405.83	36,471,682.14
Other non-current assets	72,004,147.13	23,114,349.36
Total non-current assets	1,147,901,658.18	911,261,364.99
Total assets	6,955,348,945.64	6,648,692,787.99
Current liabilities:		
Short-term loans	36,873,798.71	23,872,075.01
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	287,672,496.07	337,812,103.72
Advances from customers	96,750.00	96,750.00
Contract liabilities	1,806,791,270.47	1,763,411,436.97
Employee benefits payable	77,703,338.35	76,649,155.81
Taxes payable	45,232,724.27	20,117,689.42
Other payables	54,407,824.55	30,001,942.32
Thereof: Interest payable		
Dividend payable	4,900,000.00	24,500,000.00
Liabilities held for sale		
Non-current liabilities due within one year	3,296,253.38	2,470,313.79
Other current liabilities	126,947,921.74	163,555,006.18
Total current liabilities	2,439,022,377.54	2,417,986,473.22
Non-current liabilities:		
Long-term loans		
Bonds payable	447,585,593.01	431,953,084.05
Thereof: Preference shares		
Perpetual debts		
Lease liabilities	752,611.54	1,374,283.98
Long-term payable		

Long-term employee benefits payable		
Provisions	9,906,258.47	7,137,432.08
Deferred income	1,340,000.00	4,023,518.90
Deferred tax liabilities	17,190,937.90	16,429,627.86
Other non-current liabilities	88,916,685.57	172,145,404.60
Total non-current liabilities	565,692,086.49	633,063,351.47
Total liabilities	3,004,714,464.03	3,051,049,824.69
Shareholders' equity：		
Share capital	1,022,559,197.00	1,022,556,602.00
Other equity instruments	32,093,192.04	32,096,067.08
Thereof: Preference shares		
Perpetual debts		
Capital reserve	333,197,886.86	236,467,353.62
Less: treasury shares	41,777,510.20	8,865,506.80
Other comprehensive income	28,344,422.67	22,252,223.39
Specific reserve	27,453,042.66	28,883,002.75
Surplus reserve	397,185,756.08	355,000,124.41
General risk reserve		
Retained earnings	1,991,376,325.85	1,761,948,265.24
Total equity attributable to shareholders of the parent company	3,790,432,312.96	3,450,338,131.69
Minority shareholder equity	160,202,168.65	147,304,831.61
Total shareholders' equity	3,950,634,481.61	3,597,642,963.30
Total liabilities and shareholders' equity	6,955,348,945.64	6,648,692,787.99

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

(2) Balance Sheet of Parent Company

Unit: RMB

Item	Dec 31, 2024	Jan 1, 2024
Current assets:		
Cash at bank and on hand	35,616,101.82	169,835,957.63
Financial assets held for trading	1,728,098,242.83	705,945,509.61
Derivative financial assets		
Bills receivable	174,084,553.66	243,137,102.77
Accounts receivable	1,120,697,848.74	928,973,179.55

Financing receivables	44,527,080.67	27,958,555.18
Prepayments	69,728,931.68	69,555,358.51
Other receivables	36,036,592.13	75,073,941.10
Thereof: Interest receivable		
Dividend receivable	13,460,557.32	52,839,189.55
Inventories	1,858,098,626.70	2,111,364,564.22
Contract assets	128,266,570.20	114,524,287.72
Assets held for sale		
Non-current assets due within one year	8,666,821.13	4,434,380.89
Other current assets	10,424,684.77	607,681,665.24
Total current assets	5,214,246,054.33	5,058,484,502.42
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	12,520,693.35	16,425,314.82
Long-term equity investments	874,385,703.48	749,170,942.77
Other equity instruments investments	24,721,374.39	24,231,515.74
Other non-current financial assets		
Investment properties	5,484,683.52	5,791,346.16
Fixed assets	183,813,531.57	191,493,021.03
Construction in progress	19,591.16	0.00
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	40,251,223.26	37,370,956.92
Development costs		
Goodwill		
Long-term deferred expenses	75,344.58	106,486.62
Deferred tax assets	35,462,835.42	30,148,563.57
Other non-current assets	66,968,189.25	20,618,931.75
Total non-current assets	1,243,703,169.98	1,075,357,079.38
Total assets	6,457,949,224.31	6,133,841,581.80
Current liabilities:		
Short-term loans	8,780,890.70	3,872,075.01

Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	453,120,039.20	500,594,175.64
Advances from customers		
Contract liabilities	1,622,034,410.01	1,502,597,287.71
Employee benefits payable	56,654,254.53	53,301,214.79
Taxes payable	40,961,222.14	13,220,192.52
Other payables	52,483,457.80	12,339,507.40
Thereof: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,244,805.36	620,757.74
Other current liabilities	114,287,802.04	149,242,100.10
Total current liabilities	2,349,566,881.78	2,235,787,310.91
Non-current liabilities:		
Long-term loans		
Bonds payable	447,585,593.01	431,953,084.05
Thereof: Preference shares		
Perpetual debts		
Lease liabilities		
Long-term payable		
Long-term employee benefits payable		
Provisions	8,122,017.23	6,115,243.65
Deferred income	1,340,000.00	4,023,518.90
Deferred tax liabilities	9,450,676.43	8,658,825.27
Other non-current liabilities	66,671,927.93	101,331,890.97
Total non-current liabilities	533,170,214.60	552,082,562.84
Total liabilities	2,882,737,096.38	2,787,869,873.75
Shareholders' equity：		
Share capital	1,022,559,197.00	1,022,556,602.00
Other equity instruments	32,093,192.04	32,096,067.08
Thereof: Preference shares		
Perpetual debts		

Capital reserve	331,606,192.68	235,710,594.29
Less: treasury shares	41,777,510.20	8,865,506.80
Other comprehensive income	5,613,133.77	5,996,554.15
Specific reserve	22,026,982.37	23,403,880.47
Surplus reserve	397,185,756.08	355,000,124.41
Retained earnings	1,805,905,184.19	1,680,073,392.45
Total shareholders' equity	3,575,212,127.93	3,345,971,708.05
Total liabilities and shareholders' equity	6,457,949,224.31	6,133,841,581.80

(3) Consolidated Income Statement

Unit: RMB

Item	2024	2023
1. Total revenue	2,862,689,438.16	2,565,408,783.42
Thereof : Operating revenue	2,862,689,438.16	2,565,408,783.42
2. Total cost	2,349,692,411.47	2,015,413,207.79
Thereof : cost of sales	1,906,943,198.59	1,635,755,326.93
Taxes and surcharges	23,433,947.56	16,924,224.90
Selling and distribution expenses	136,359,835.05	118,035,435.20
General and administrative expenses	114,851,354.76	96,992,703.88
Research and development expenses	157,273,955.95	145,882,428.99
Financial expenses	10,830,119.56	1,823,087.89
Thereof : Interest expenses	15,531,937.55	11,405,000.23
Interest income	6,523,514.38	10,412,922.62
Add: Other income	118,858,773.11	85,643,578.27
Investment income ("-" for losses)	18,006,184.17	26,994,068.77
Thereof: Income from investment in associates and joint ventures	635,263.10	8,251,046.84
Gain from derecognition of financial assets measured at amortized cost		
Exchange income (Loss is listed with "-")		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	10,286,593.97	11,606,250.52
Credit impairment losses ("-" for losses)	-24,745,062.33	-21,890,207.35
Impairment losses ("-" for losses)	-19,036,360.43	-18,740,330.69
Gains from assets disposal ("-" for losses)	-391,823.66	-5,675.99

3. Operating profit ("-" for losses)	615,975,331.52	633,603,259.16
Add: Non-operating income	796,755.68	7,012,229.86
Less: Non-operating expenses	4,114,572.87	2,555,557.36
4. Profit before income tax ("-" for losses)	612,657,514.33	638,059,931.66
Less: Income tax expenses	68,441,369.57	85,110,538.81
5. Net profit for the year ("-" for net losses)	544,216,144.76	552,949,392.85
(1) Classification according to operation continuity		
Net profit from continuing operations(loss is stated with “-”)	544,216,144.76	552,949,392.85
Net profit from discontinued operations(loss is stated with “-”)		
(2) Classified by ownership of the equity		
Attributable to shareholders of the parent company	524,225,526.98	533,591,213.86
Minority interests	19,990,617.78	19,358,178.99
6. Other comprehensive income, net of tax	6,092,199.28	1,645,867.30
Other comprehensive income attributable to shareholders of the Parent Company, net of tax	6,092,199.28	1,645,867.30
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss	6,475,619.66	1,173,324.31
1) Changes arising from re-measurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments	6,475,619.66	1,173,324.31
4)Changes in the fair value of the Company’s own credit risk		
5)Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	-383,420.38	472,542.99
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	-383,420.38	472,542.99
2)Changes in the fair value of other debt investments		
3)Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		

7)Others		
Other comprehensive income attributable to minority shareholders, net of tax		
7. Total comprehensive income	550,308,344.04	554,595,260.15
Attributable to shareholders of the parent company	530,317,726.26	535,237,081.16
Minority interests	19,990,617.78	19,358,178.99
8. Earnings per share		
(1) Basic earnings per share	0.5161	0.5218
(2) Diluted earnings per share	0.5130	0.5190

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

(4)Income Statement of Parent Company

Unit: RMB

Item	2024	2023
1. Total revenue	2,421,603,183.89	2,323,098,777.41
Less: cost of sales	1,678,537,448.21	1,511,400,639.23
Taxes and surcharges	17,284,747.13	11,332,635.40
Selling and distribution expenses	125,726,418.37	109,655,700.28
General and administrative expenses	80,710,592.72	71,949,853.74
Research and development expenses	126,319,956.90	119,748,592.86
Financial expenses	14,186,674.64	7,826,833.34
Thereof : Interest expenses	18,545,128.36	16,236,210.73
Interest income	5,934,811.33	10,197,233.72
Add: Other income	93,987,588.39	75,962,326.92
Investment income ("-" for losses)	31,462,285.54	79,672,868.99
Thereof: Income from investment in associates and joint ventures	635,263.10	8,251,046.84
Gain from derecognition of financial assets measured at amortized cost("-" for losses)		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	8,620,740.24	10,150,247.04
Credit impairment losses ("-" for losses)	-24,841,066.45	-30,992,975.64
Impairment losses ("-" for losses)	-12,729,525.63	-19,356,941.41
Gains from assets disposal ("-" for losses)	1,996,590.22	182.60
2. Operating profit ("-" for losses)	477,333,958.23	606,620,231.06

Add: Non-operating income	263,477.33	6,924,990.68
Less: Non-operating expenses	4,025,493.03	2,171,751.47
3. Profit before income tax ("-" for losses)	473,571,942.53	611,373,470.27
Less: Income tax expenses	51,715,625.87	66,590,955.05
4. Net profit for the year ("-" for net losses)	421,856,316.66	544,782,515.22
Net profit from continuing operations (loss is stated with “-”)	421,856,316.66	544,782,515.22
Net profit from discontinued operations (loss is stated with “-”)		
5. Other comprehensive income, net of tax	-383,420.38	-1,980,428.11
(1) Other comprehensive income items which will not be reclassified subsequently to profit or loss	0.00	-2,452,971.10
1) Changes arising from remeasurement of defined benefit plan		
2) Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		
3) Changes in the fair value of the investment in other equity instruments	0.00	-2,452,971.10
4)Changes in the fair value of the Company’s own credit risk		
5)Others		
(2) Other comprehensive income items which will be reclassified subsequently to profit or loss	-383,420.38	472,542.99
1) Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	-383,420.38	472,542.99
2)Changes in the fair value of other debt investments		
3)Amount of financial assets reclassified and included in other comprehensive income		
4) Credit impairment reserves for other debt investment		
5) Cash flow hedging reserve		
6) Translation differences arising from translation of foreign currency financial statements		
7)Others		
6. Total comprehensive income	421,472,896.28	542,802,087.11
7. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

(5) Consolidated Cash Flow Statement

Unit: RMB

Item	2024	2023
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,546,539,298.17	2,303,445,511.93
Refund of taxes and surcharges	84,098,905.36	74,693,918.54
Other cash receipts relating to operating activities	22,552,130.45	39,222,366.94
Sub-total of cash inflows from operating activities	2,653,190,333.98	2,417,361,797.41
Cash paid for goods and services	1,042,709,208.40	1,347,715,035.13
Cash paid to employees and paid on behalf of employees	560,925,963.46	513,230,975.10
Payments of taxes and surcharges	229,959,415.91	256,215,475.15
Other cash payments relating to operating activities	175,752,767.20	161,257,654.02
Sub-total of cash outflows from operating activities	2,009,347,354.97	2,278,419,139.40
Net cash flows from operating activities	643,842,979.01	138,942,658.01
2. Cash flows from investing activities		
Cash received from withdrawing investments	7,286,398,874.08	5,602,895,604.80
Cash received from investment income	45,270,790.84	31,519,842.45
Net cash received from disposal of fixed assets, intangible assets and other long term assets	739,247.88	239,456.02
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	268,265.00	1,811,579.00
Sub-total of cash inflows from investing activities	7,332,677,177.80	5,636,466,482.27
Cash paid to acquire fixed assets, intangible assets and other long-term assets	100,958,579.98	103,285,472.54
Cash paid to acquire investments	7,831,350,000.00	5,704,938,000.00
Net increase of mortgaged loans		
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities	613,828.50	611,636.00
Sub-total of cash outflows from investing activities	7,932,922,408.48	5,808,835,108.54
Net cash flows from investing activities	-600,245,230.68	-172,368,626.27
3. Cash flows from financing activities		
Cash received from capital contributions	1,335,000.00	4,260,000.00
Thereof: Cash received by subsidiaries from minority shareholders' capital contributions	1,335,000.00	4,260,000.00

Cash received from borrowings	50,350,627.74	28,860,286.94
Other cash receipts from financing activities	41,977,510.20	0.00
Sub-total of cash inflows from financing activities	93,663,137.94	33,120,286.94
Cash repayments of borrowings	29,000,000.00	27,260,000.00
Distribution of dividends or profits and payments for interest expenses	287,015,156.53	260,107,071.13
Thereof: Cash payments for dividends or profit to minority shareholders by subsidiaries	29,992,500.00	2,450,000.00
Other cash payments relating to financing activities	100,005,109.78	39,718,997.03
Sub-total of cash outflows from financing activities	416,020,266.31	327,086,068.16
Net cash flows from financing activities	-322,357,128.37	-293,965,781.22
4. Effect of foreign exchange rate changes on cash and cash equivalents	-36,670.74	1,124,228.41
5. Net increase in cash and cash equivalents	-278,796,050.78	-326,267,521.07
Add: Cash and cash equivalents at the beginning of period	330,325,705.08	656,593,226.15
6. Cash and cash equivalents at the end of period	51,529,654.30	330,325,705.08

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

(6)Cash Flow Statement of Parent Company

Unit: RMB

Item	2024	2023
1. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,250,294,749.44	2,006,180,159.20
Refund of taxes and surcharges	66,262,832.61	68,873,667.90
Other cash receipts relating to operating activities	12,313,503.97	31,135,168.13
Sub-total of cash inflows from operating activities	2,328,871,086.02	2,106,188,995.23
Cash paid for goods and services	1,270,280,285.01	1,497,845,243.47
Cash paid to employees and paid on behalf of employees	221,574,731.39	197,427,939.12
Payments of taxes and surcharges	153,469,750.93	184,014,198.50
Other cash payments relating to operating activities	137,239,239.30	126,705,618.37
Sub-total of cash outflows from operating activities	1,782,564,006.63	2,005,992,999.46
Net cash flows from operating activities	546,307,079.39	100,195,995.77
2. Cash flows from investing activities		
Cash received from withdrawing investments	6,584,008,874.08	4,856,452,275.96
Cash received from investment income	99,882,880.49	30,136,048.51

Net cash received from disposal of fixed assets, intangible assets and other long term assets	2,153,992.40	189,889.53
Net cash received from disposal of subsidiaries and other operating units		
Other cash receipts relating to investing activities	70,000.00	193,071.00
Sub-total of cash inflows from investing activities	6,686,115,746.97	4,886,971,285.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	45,658,384.99	39,437,083.81
Cash paid to acquire investments	7,029,963,330.00	5,071,758,000.00
Net cash paid to acquire subsidiaries and other operating units		
Other cash payments relating to investing activities	613,828.50	2,741,636.00
Sub-total of cash outflows from investing activities	7,076,235,543.49	5,113,936,719.81
Net cash flows from investing activities	-390,119,796.52	-226,965,434.81
3. Cash flows from financing activities		
Cash received from capital contributions		
Cash received from borrowings	13,082,077.74	3,930,286.94
Other cash receipts from financing activities	41,777,510.20	
Sub-total of cash inflows from financing activities	54,859,587.94	3,930,286.94
Cash repayments of borrowings		
Distribution of dividends or profits and payments for interest expenses	256,279,585.31	257,048,129.54
Other cash payments relating to financing activities	91,268,787.32	8,865,506.80
Sub-total of cash outflows from financing activities	347,548,372.63	265,913,636.34
Net cash flows from financing activities	-292,688,784.69	-261,983,349.40
4. Effect of foreign exchange rate changes on cash and cash equivalents	-28,353.99	-50,312.03
5. Net increase in cash and cash equivalents	-136,529,855.81	-388,803,100.47
Add: Cash and cash equivalents at the beginning of period	169,828,657.63	558,631,758.10
6. Cash and cash equivalents at the end of period	33,298,801.82	169,828,657.63

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

April 26th, 2025