



**CHANGHONG MEILING CO., LTD.**

**Semi-Annual Report 2025**

**August 2025**

## Section I. Important Notice, Contents and Interpretation

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

Mr. Wu Dinggang, Chairman of the Company, Mr. Yang Bing, person in charge of accounting work and Mr. Hu Xiangfei, person in charge of accounting organ (accountant in charge) hereby confirm that the Financial Report of 2025 Semi-Annual Report is authentic, accurate and complete.

The Company did not have directors, supervisors and senior executives of the Company could not guarantee the reality, accuracy and completion of the whole contents or have objections.

All the directors attended the board meeting to deliberating the Report on-site.

Modified audit opinions notes

☐ Applicable    ☒ Not applicable

Risk warning of concerning the forward-looking statements with future planning involved in semi-annual report

☒ Applicable    ☐ Not applicable

Concerning the forward-looking statements with future planning involved in the Report, they do not constitute a substantial commitment for investors, investors and the person concerned should maintain adequate risk awareness, furthermore, differences between the plans, forecast and commitments should be comprehended. Investors are advised to exercise caution of investment risks.

Investors are advised to read the full text of semi-annual report, and pay particular attention to the following risk factors:

More details about the possible risks and countermeasures in the operation of the Company are described in the report “X. Risks and countermeasures” of “Section III Management Discussion and Analysis”, investors are advised to read the relevant content.

Securities Times, China Securities Journal and Juchao Website (www.cninfo.com.cn) are the media for information disclosure for year of 2025 that appointed by the Company. All public information under the name of the Company disclosed on the above said media and website shall prevail, and investors are advised to exercise caution.

Does the Company need to comply with disclosure requirements of the special industry: No

Profit distribution pre-plan or capitalizing of common reserves pre-plan deliberated by the Board in the

semi-annual period

☐Applicable    ☒Not applicable

The Company has no plans of cash distribution, bonus shares and capitalizing of common reserves either.

Directors, supervisor and senior executives of the Company respectively signed Written Confirmation Opinions for 2025 Semi-Annual Report.

Supervisory Committee of the Company formed Written Examination Opinions for 2025 Semi-Annual Report.

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## **Documents Available for Reference**

I. Financial statement carrying the signatures and seals of the Chairman, principal of the accounting works and person in charge of accounting organ;

II. Original documents of the Company and manuscripts of public notices that disclosed in the website designated by CSRC in the report period.

## Definition

Terms to be defined	Refers to	Definition
Company, The Company, Changhong Meiling or Meiling Electric	Refers to	CHANGHONG MEILING CO.,LTD.
Sichuan Changhong or controlling shareholder	Refers to	Sichuan Changhong Electric Co., Ltd.
Changhong Group	Refers to	Sichuan Changhong Electronics Holding Group Co., Ltd.
Hong Kong Changhong	Refers to	CHANGHONG (HK) TRADING LIMITED
Meiling Group	Refers to	Hefei Meiling Group Holdings Limited
Changhong Air-conditioner	Refers to	Sichuan Changhong Air-conditioner Co., Ltd.
Zhongke Meiling	Refers to	Zhongke Meiling Cryogenic Technology Co., Ltd.
Mianyang Meiling	Refers to	Mianyang Meiling Refrigeration Co., Ltd.
Smart Home Appliances	Refers to	Mianyang Changhong Smart Home Appliances Co., Ltd.
Jiangxi Meiling	Refers to	Jiangxi Meiling Electric Appliance Co., Ltd.
Ridian Technology	Refers to	Changhong Meiling Ridian Technology Co., Ltd.
Wulian Technology	Refers to	Hefei Meiling Wulian Technology Co., Ltd.
Zhongshan Changhong	Refers to	Zhongshan Changhong Electric Co., Ltd.
Hefei Industrial	Refers to	Hefei Changhong Industrial Co., Ltd.
Meiling Life Appliances	Refers to	Hefei Changhong Meiling Life Appliances Co., Ltd.
Changhong Huayi	Refers to	Changhong Huayi Compressor Co., Ltd.
Zhiyijia Company	Refers to	Sichuan Zhiyijia Network Technology Co., Ltd.
Pan-China	Refers to	Pan-China Certified Public Accountants LLP
CSRC	Refers to	China Securities Regulatory Commission
Anhui Securities Bureau	Refers to	China Securities Regulatory Commission, Anhui Province Securities Regulatory Bureau
SSE	Refers to	Shenzhen Stock Exchange

## II. Company Profile and Main Financial Indexes

### I. Company Profile

Short form of the stock	Changhong Meiling, Hongmeiling B	Stock code	000521,200521
Short form of the Stock after changed (if applicable)	N/A		
Stock exchange for listing	Shenzhen Stock Exchange		
Name of the Company (in Chinese)	长虹美菱股份有限公司		
Short form of the Company (in Chinese)	长虹美菱		
Foreign name of the Company (if applicable)	CHANGHONG MEILING CO.,LTD.		
Abbr. of English name of the Company (if applicable)	CHML		
Legal representative	Wu Dinggang		

### II. Person/Way to contact

	Secretary of the Board
Name	Li Xia
Contact add.	No. 2163, Lianhua Road, Economic and Technology Development Zone, Hefei
Tel.	0551-62219021
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### III. Others

#### (I) Way of contact

Whether registrations address, offices address and codes as well as website and email of the Company changed in reporting period or not

☐ Applicable ☒ Not applicable

Registrations address, offices address and codes as well as website and email of the Company has no change in reporting period, found more details in Annual Report 2024.

## (II) Information disclosure and preparation place

Whether information disclosure and preparation place changed in reporting period or not

☐ Applicable ☒ Not applicable

The newspaper appointed for information disclosure, website for semi-annual report publish appointed by CSRC and preparation place for semi-annual report have no change in reporting period, found more details in Annual Report 2024.

## (III) Other relevant information

Whether other relevant information has changed in reporting period or not

☐ Applicable ☒ Not applicable

## IV. Main accounting data and financial indexes

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

☒ Yes ☐ No

Retroactive adjustment or restatement

Mergers under the same control

	Current Period	Same period last year		Changes in the current reporting period compared with the same period of the previous year (+,-)
		Before adjustment	After adjustment	After adjustment
Operating income (RMB)	18,071,515,842.15	14,947,670,291.70	14,959,351,023.54	20.80%
Net profit attributable to	417,187,345.27	415,033,415.88	416,088,950.18	0.26%

shareholders of the listed company (RMB)				
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	391,047,124.53	432,504,456.37	433,557,817.69	-9.81%
Net cash flow arising from operating activities (RMB)	1,360,573,661.71	2,728,225,876.60	2,734,402,694.03	-50.24%
Basic earnings per share (RMB/Share)	0.4051	0.4030	0.4040	0.27%
Diluted earnings per share (RMB/Share)	0.4051	0.4030	0.4040	0.27%
Weighted average ROE	6.63%	6.88%	6.88%	Decrease by 0.25 percentage points
	End of current period	End of last year		Changes at the end of the reporting period compared with the end of the previous year (+,-)
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	27,626,235,918.35	23,972,603,896.48	23,972,603,896.48	15.24%
Net assets attributable to shareholder of listed company (RMB)	6,173,538,710.84	6,085,800,940.38	6,085,800,940.38	1.44%

Note: In October 2024, the Company acquired 99% of the equity of Hefei Changhong Industrial Co., Ltd. (hereinafter referred to as "Hefei Industrial") held by the controlling shareholder Sichuan Changhong Electric Co., Ltd. with its own funds; Hefei Meiling IOT Technology Co., Ltd., a subsidiary, acquired 1% of the shares of Hefei Industrial held by Sichuan Changhong Innovation Investment Co., Ltd., a subsidiary of Sichuan Changhong, with its own funds. On November 20, 2024, Hefei Industrial has completed the industrial and commercial change registration procedures for the change of shareholders of the company, and obtained the "Registration Notice" issued by the Market Supervision and Administration Bureau of Hefei Economic and Technological Development Zone, Anhui Province. After the completion of the equity transfer, the Company holds 100% of the equity of Hefei Industrial. According to the relevant provisions of the No. 33 Accounting Standard for Business

Enterprises-Consolidated Financial Statement, the parent company shall adjust the opening number of the consolidated statement and at the same time shall adjust the relevant items of the comparative statements due to the addition of subsidiaries and businesses due to the business combination under the common control during the reporting period, so as to treat the consolidated reporting entity as having existed since the time when the ultimate controller began to control. Accordingly, the opening numbers and the numbers of the same period of the previous year have been restated.

## V. Accounting data difference under domestic and foreign accounting standards

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

☐ Applicable ☒ Not applicable

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

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

☒ Applicable ☐ Not applicable

In RMB

	Net profit attributable to shareholders of listed company		Net assets attributable to shareholders of listed company	
	Current period	Previous period	Ending amount	Opening amount
Chinese GAAP	417,187,345.27	416,088,950.18	6,173,538,710.84	6,085,800,940.38
Items and amount adjusted by foreign accounting rules				
Foreign accounting rules	417,187,345.27	416,088,950.18	6,173,538,710.84	6,085,800,940.38

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

### (III) Reasons for the differences of accounting data under accounting rules in and out of China

☒ Applicable ☐ Not applicable

The “Notice of Relevant Issues of Audit for Company with Domestically Foreign Shares Offering” was issued from CSRC dated 12 September 2007, since the day issuing, cancel the previous “dual audit” requirement for companies who offering domestically listed foreign shares (B-share enterprise) while engaging securities practice qualification CPA for auditing. The Company did not compile financial report under foreign accounting rules

since 2007, the financial report of the Company is complying on the “Accounting Standard for Business Enterprise” in China, and therefore, there are no differences of accounting data under accounting rules in and out of China at period-end.

## VI. Items and amounts of non-recurring profit (gains)/losses

√ Applicable    □ Not applicable

In RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-1, 706, 605. 18	Found more in “Income from assets disposal” and “Non-operation income/expenses”
Governmental subsidy calculated into current gains and losses(while closely related with the normal business of the Company, the government subsidy that accord with the provision of national policies and are continuously enjoyed in line with a certain standard quota or quantity are excluded)	34, 956, 110. 73	Found more in “Other income”
Gains/losses of fair value changes arising from holding of the trading financial asset, trading financial liability and investment earnings obtained from disposing the trading financial asset, trading financial liability, and financial assets available for sale, except for the effective hedging business related to normal operation of the Company	-12,600,475.24	Found more in "Financial cost", “Investment income” and “Income of fair value changes”
Switch back of the impairment for receivables that has impairment test independently	9,898,942.17	Found more in “Account receivable”
Debt restructuring gains and losses	84, 052. 53	Found more in “Other income”
Other non-operating income and expenses other than the above	1, 640, 700. 10	Found more in “Non-operation income” and " Non-operation expenses"
Less: impact on income tax	3,625,743.11	
Impact on minority shareholders’ equity (post-tax)	2,506,761.26	
Total	26,140,220.74	

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

□ Applicable    √ Not applicable

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

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

--- Extraordinary Profit/loss

☐ Applicable    ☒ Not applicable

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

--- Extraordinary Profit/loss.



### III. Management Discussion & Analysis

#### I. Main businesses of the company engaged in during the Period

The Company is one of the important electrical appliance manufacturers in China, with four domestic manufacturing bases in Hefei, Mianyang, Jingdezhen, and Zhongshan, as well as overseas manufacturing bases in countries such as Indonesia. After more than 40 years of development, the Company has evolved from a single refrigerator product line to a new multi-category collaborative ecosystem encompassing refrigerators (freezers), air conditioners, washing machines, major kitchen appliances, small home appliances, and biomedical cryogenic storage equipment.

The Company is a national level benchmark enterprise for technological innovation, carefully building its core competitiveness through technological and product innovation. With the advanced R&D team and advanced technology accumulation, Meiling has made continuous breakthroughs in terms of intelligence, preservation, thin wall, odourlessness, energy saving, air cooling, deep cooling, simulation, ultra-thin, cleaning and clothing care. The Company has a comprehensive system for technological innovation and quality control. Based on international management system certifications such as ISO9001 and ISO14001, and relying on multiple national level core platforms and qualifications, The Company possesses a National-level Enterprise Technology Center, a National-level Industrial Design Center, and holds titles including National Technology Innovation Demonstration Enterprise, National Industrial Product Green Design Demonstration Enterprise, and National Postdoctoral Research Workstation. It has also established a 5G Industrial Internet Innovation Application Lab and founded Anhui Province's first RoHS Public Testing Center, Anhui Green & Energy-Efficient Refrigerator Engineering Technology Research Center, Anhui Energy-Saving & Freshness-Preserving Green Refrigerator Engineering Research Center, and Anhui Smart Home Appliance Manufacturing Innovation Center, ensuring full-chain quality assurance in R&D and manufacturing. In addition, the Company also operates provincial-level innovation platforms such as the Anhui Green & Energy-Efficient Refrigerator Engineering Technology Research Center. It has also obtained industry-leading certifications, including AAA-Level Excellence in the Upgraded Integration of Informatization and Industrialization Management System and a spot among China's Top 50 Industrial Digitalization Leading Enterprises, further strengthening its technological leadership, R&D efficiency, and smart manufacturing capabilities.

In recent years, the Company has won multiple national honors such as the "Smart Refrigerator Intelligent Manufacturing Pilot Demonstration Project", "National Green Factory", "National Quality Leader in Home Appliances", "National Technology Innovation Demonstration Enterprise", and "China Industry-University-Research Collaborative Innovation Demonstration Enterprise". In 2025, the Ministry of Industry and Information Technology (MIIT) announced the first batch of "China Consumer Premium Brands", and Changhong Meiling was successfully selected. Furthermore, the Company has won multiple technological and product innovation honors with its strong innovation, products, and brand influence. Multiple Meiling products have repeatedly won multiple domestic awards, continuously demonstrating the brand ability and

strength in intelligent innovation and technological prowess.

Since 2025, the Company's M-Fresh Premium Five-Door Refrigerator (511WQ6F) featuring industry-leading "Fresh-Lock" Technology (Water Molecule Activation Preservation) has won the AWE Innovation Award for its groundbreaking innovation that extends rose preservation to 33 days, driving industry upgrades in fresh-keeping technology; Meiling's newly launched Slim Zero-Embed Refrigerator (BCD-507WPU9CDZX/BCD-503WPU9CDZX) received the prestigious iF Design Award; Meiling 10KG Flush-Embedded As Hand Washing Drum Washer (RS21H100D/RS11H100D) was certified as a "Good Product" by China Household Electric Appliance Research Institute (CHEARI); Its Living Room Pro Shared Air Conditioner achieved "Annual Energy-Saving & Low-Carbon Product" recognition from Chinese Association of Refrigeration (CAR) for its ultra-grade-I efficiency (APF 5.20) and AI cloud energy-saving technology, saving 759kWh/year and reducing 757kg carbon emissions per unit, and setting the new "Smart Cooling & Low-Carbon" industry benchmark with its green design; Meiling's Gas Water Heater (JSQ30-MR-BS16A3) won dual 2025 Feiting Quality Awards for "Energy Efficiency Benchmark" and "Usage Comfort"; Meiling Range Hood (CXW-188-MY-KD615Pro) secured two 2025 Feiting Quality Awards for "Low-Noise Benchmark" and "Power-Saving Benchmark".

The Company has continuously achieved breakthrough results in the fields of refrigerators, freezers, washing machines, air conditioners, major kitchen appliances, small home appliances and biomedicine, progressively establishing a dominant industrial matrix centered on large white goods. Looking ahead, the Company will adhere to the business policy of "innovation-driven development, resource integration, industrial synergy, and internal-external convergence" to continuously lead industry upgrading and strengthen market foundations.

During the reporting period, the Company's revenue was primarily generated from its refrigerator (freezer), air conditioner, washing machine, major kitchen appliance, small home appliance, and biomedical equipment businesses, with a total revenue reaching RMB 17.93 billion, accounting for 99.24% of the Company's total operating income.

## **II. Core Competitiveness Analysis**

### **(I) Brand influence**

The Company is one of the well-known electrical appliance manufacturers in China, with a comprehensive industrial portfolio covering refrigerators, freezers, air conditioners, washing machines, major kitchen appliances, small home appliances, and biomedical equipment.

In 2025, the Company continues to implement its "Brand Revitalization" strategy, adhering to the brand proposition of "Beautiful China, Fresh Meiling," while focusing on its development strategy of "Product Strength Drives Brand Power", thus achieving the dual-engine drive of brand elevation and product innovation. By developing the freshest products, it will aim to plant the seed of "freshness" in consumers' minds, mold the brand association of "Meiling = Fresh" in consumers' mind, enhance brand awareness, reputation and loyalty, and fulfill

the brand mission of "Meiling, Bringing Goodness to Life". The Company enhances brand promotion, expands brand communication channels, innovates brand marketing methods, and upgrades the quality of brand operation content. It implements targeted brand advertising in subways, light rails and airports to enhance brand awareness, conducts nationwide agricultural support initiatives through social welfare programs to boost brand reputation, comprehensively upgrades content operations and precision marketing capabilities by deeply deploying localized lifestyle services on Douyin and executing multi-dimensional advertising/content seeding on Xiaohongshu, ultimately achieving effective improvement in brand awareness, reputation and loyalty through refined operations and high-efficiency reach across its new media matrix.

The Company adheres to a "user-centric" philosophy, driving brand value transformation through technological leadership. The company has successively launched innovative products such as FrozenFresh AI Refrigerator, As Hand Washing Flush-Embedded Drum Washing Machine, Panda Lazy Ultra Air Conditioner, Fresh Water 2.0 Tea Dispenser, and 580L Ultra-Low Temperature Medical Refrigerator, continuously extending its industrial chain, optimizing its product structure, and effectively enhancing its core brand competitiveness.

Looking ahead, Meiling will continue upholding its brand proposition of "Beautiful China, Fresh Meiling", leveraging an integrated communication matrix encompassing new media promotion, user co-created content, subway advertising campaigns, and experiential brand marketing to embed its fresh brand philosophy into consumers' hearts worldwide - Meiling, Bringing Goodness to Life.

## **(II) Product Capability**

The Company has built a whole-chain innovation system of "Technical route + Product route + Promotion route", and created a "Three-in-one" strategic layout, driving industrial development with technological innovation. It has established an integrated collaborative mechanism for the entire chain of "sales, research, production, and supply", which enhances the success rate of product launch and the value contribution within the product lifecycle through team collaboration at various stages. By optimizing inefficient SKUs and reallocating channel and retail resources, the Company focuses on developing blockbuster products to improve SKU efficiency.

For refrigerator products, Meiling adheres to the product planning philosophy of "captivating with aesthetics, earning respect through quality, winning with value-for-money, and securing loyalty via experience", focusing on three core pillars: freshness technology iteration, integrated home appliance design, and AI vertical applications. By establishing a comprehensive product platform matrix, upgrading exterior/interior designs, and implementing tiered freshness/odor-removal solutions, the Company meets diverse consumer needs, enhances product portfolio competitiveness, and expands market coverage to drive sales growth. The Company's FrozenFresh 505WSPU9BDZ Refrigerator, M-Fresh Ultra502WQ7F Refrigerator and other refrigerator products have innovatively applied "AI Self Optimization Technology", deeply integrating AI technology with traditional refrigeration technology through dynamic learning and optimization of artificial intelligence. Through intelligent algorithm optimization, these refrigerators can automatically adjust to optimal operating modes based on food

types, quantities, and both internal/external environmental conditions, featuring self-learning and self-evolving capabilities that deliver personalized experiences, ultimately achieving continuously improved freshness preservation, progressively reduced noise levels, and increasingly enhanced energy efficiency throughout product usage, deeply responding to consumers' diverse needs and willingness to upgrade, comprehensively consolidating its industry leadership in "fresh, thin, narrow, and embedded design". For refrigeration products, the Company has initiated a comprehensive inverter technology upgrade across its entire range; strategically launched the M-Fresh Bar Freezer and FrozenFresh Upright Freezer series to meet premium consumption demands, developing frost-free door models, smart panel series, and high-freezing-capacity freezers, while innovatively developing the FrozenFresh Upright Freezer with constant-temperature fresh-freezing technology and the industry's first inverter commercial kitchen freezer, all dedicated to creating "the industry's best preservation freezers".

For air conditioner products, the Company remains committed to its user-centric approach by focusing on product competitiveness enhancement through R&D investment increase and innovation, introducing new smart, energy-efficient, health-conscious and comfort-optimized models to the market. In the first half of 2025, the Company launched several new products including the "Landscape View"-EA wall-mounted unit, "Living/Dinning Room Pro"-BFB floor-standing unit, and "Giant Energy Saving PRO"-BEW/BGW floor-standing series. These innovations incorporate advanced intelligent technologies such as "Online/Offline Voice+DEEPSEEK" and "AI Cloud Energy Saving" to deliver superior smart experiences with up to 42% energy efficiency improvement; are featured by health-focused technology including "Temperature-Humidity-Oxygen-Purification" and "Auto-Cleaning for Indoor/Outdoor Units", creating a "Immersion in Nature" healthy living experience; and apply "Long-distance Projection + Proximate Softness" & "Micro-diffused Gentle Airflow" technologies, ensuring draft-free cooling comfort for users.

For washing machine products, the Company consistently adheres to a user-centric philosophy and high-quality differentiation strategy, driving product innovation through technological advancement. It is further optimizing its product portfolio by establishing a comprehensive "wash-dry-care" product matrix to promote high-quality sustainable development in the washing machine industry. For domestic sales, the Company leverages its competitive edge in ultra-slim large-drum design to comprehensively popularize fully-flush embedded washing machines, while continuously enhancing the product competitiveness of its "As Hand Washing", "BlueOxygen As Hand Washing", "Blue Oxygen Care Dryer" and "Hercules" product series. For exports, the Company is further enriching and optimizing its overseas product platform by strategically deploying high-efficiency products globally, developing new-design drum washers and expanding product lines to enhance competitiveness, meet diverse customer needs, and simultaneously improve product premiumization capabilities.

For major kitchen appliances and small home appliances, the Company maintains strategic focus on core product lines while strengthening R&D capabilities and optimizing product structures. In major kitchen appliances, the Company concentrates on gas water heaters, continuously advancing technological innovation. following the Honeycomb Energy Chamber 2.0, it has introduced the 3.0 Honeycomb Sealed Stable-Combustion Energy Chamber technology, significantly enhancing corrosion resistance. The product also incorporates

Micro-Flame and inverter technologies to improve user experience, delivering eco-friendly energy efficiency with consistent comfort performance. For small home appliances, the Company continues to focus on its core tea beverage product line, driving technological innovation and core technology research to strengthen its "Meiling Fresh Water" product as an industry benchmark and trendsetter. In 2025, the Company collaborated with China University of Geosciences (Wuhan) to develop second-generation strontium-rich mineralization core technology, successfully creating an advanced second-generation strontium-rich mineral filter that supplements zinc and metasilicic acid alongside strontium enrichment. Having completed technical research and testing verification in the first half-year, the Company will launch tea dispensers and water purifiers incorporating this breakthrough technology in the second half of the year.

In the field of biomedicine, the Company upholds its brand philosophy of "delivering core value to users through products", maintaining product-focused excellence and user-centric service. Through continuous product innovation and quality upgrades, the Company provides professional full-scenario solutions, building a safe and reliable brand image while consistently expanding its market influence. The Company focuses on low-temperature storage, laboratory equipment, and automation applications, driving product upgrades through technological innovation. In the field of cryogenic storage, the Company continues R&D focusing on "intelligence, energy efficiency, safety, and scalability", introducing product series including intelligent inverter refrigerators, -40°C frost-free cryogenic storage units, explosion-proof lab refrigerators, inverter ultra-low temperature freezers, high-capacity blood storage refrigerators, and wide-diameter liquid nitrogen biological containers, which significantly improve storage efficiency and safety and effectively meet the growing diversified sample storage needs; In the field of laboratory equipment, supported by cutting-edge refrigeration and precision temperature control technologies combined with intelligent automatic technology, the Company has upgraded biosafety cabinets and centrifuges with differentiated features, continuously perfecting its lab product matrix to enhance market competitiveness; In the field of automation applications, the Company strategically focuses on fully-automated ultra-low temperature storage systems and biobank solutions, achieving automated biobank upgrades and precise biological sample access through technological innovation, dramatically improving sample storage quality and efficiency and meeting the stringent requirements of precision medicine.

### **(III) Operational capability**

The Company continues to improve its operational management system guided by strategy and centered on value creation, and effectively drives the achievement of business objectives and quality improvement through deep linkage of objective management, value chain collaboration, comprehensive budget and performance management. In terms of objective management, the Company strictly aligns with strategic and business policies, establishing a closed-loop mechanism of "target setting-process monitoring-deviation correction-result evaluation" following SMART principles to drive continuous improvement in operational quality; In terms of value chain management, it clarifies authority-responsibility-benefit boundaries across business units to fully activate internal vitality while strengthening collaboration throughout the industrial chain, building an integrated, efficient operating mechanism with aligned objectives, streamlined processes, and co-created value; In terms of

budget management, it implements comprehensive closed-loop control throughout the budgeting process, adopting dynamic budget adjustments and rolling forecast mechanisms to provide precise, timely financial support and decision-making basis for resource allocation optimization, risk prevention, and strategic goal achievement; In terms of performance management, it advances whole-process performance application, enhances communication and feedback mechanisms to effectively align employee growth with corporate development, fully stimulate value creation momentum, and drive business unit performance fulfillment.

#### **(IV) Marketing capability**

In the domestic market, the Company continuously enhances its sales network and service systems to provide premium customer service, driving scalable expansion through four strategic pillars of "innovative super-product development, precision channel operations, tiered regional upgrades, and focused brand-building". In terms of products, the Company focuses on introducing differentiated trend products, amplifying product mindshare through integrated online-offline campaigns to promote premium offerings. In terms of channels, it adheres to a tiered high-quality operation approach, increasing investment in high-potential channels to scale up business, consolidating existing channel foundations, and strategically developing emerging channels. In terms of market, it implements a user-oriented approach, strengthening brand building and content operations. In terms of organization, it resolutely drives marketing transformation and accelerates new retail capability enhancement.

In the overseas market, for B2B business, the Company focuses on "customer-centered, market-oriented" principles to continuously strengthen internal capabilities. Aligning with international business characteristics, it accelerates digital deployment while enhancing critical service support competencies in quality, delivery, samples, parts and certification. The Company's B2C business focuses on key strategic home markets, strengthens industrial synergy, and builds robust core channels, while enhancing brand building through both offline terminals and online new media platforms. In terms of operation, the Company deepens its "production-to-inventory" strategy in operations to enhance turnover and operational efficiency, increases the CIF ratio while developing diversified logistics solutions including sea-rail intermodal transport, and strengthens international shipping capabilities across product lines; In terms of products, it maintains differentiated positioning for mainstream products, optimizes its portfolio by expanding peripheral offerings in core laundry and refrigeration sectors, and launching new products such as dryers; In terms of management, it implements a project-based approach, forming cross-functional teams for both mature and emerging markets, integrating strategic insights, competitive analysis, internal initiatives, value chain optimization, and information alignment to build an agile market-responsive mechanism.

### **III. Main Business Analysis**

#### **(1) Overview**

Whether consistent with the Company's core business disclosure during the current reporting period

☐ Yes ☒ No



Facing intense competition in the home appliance market, the Company steadfastly implements its business policy of "innovation-driven development, resource integration, industrial synergy, and internal-external convergence". In the first half of 2025, the Company achieved year-on-year growth in revenue scale, improved profitability, and healthy development.

## **(2) Progress of the company's development strategy and business plan during the reporting period**

During the reporting period, the Company carried out business development according to its business policy of "innovation-driven development, resource integration, industrial synergy, and internal-external convergence", while actively advancing the implementation of its business plans.

### **1. Refrigerator/Freezer industry**

In the domestic market, the Company adheres to a value-oriented strategy by transitioning from business customers to business users, acquiring users through "digital platforms, grassroots and omnichannel scenario marketing", while driving conversion via "premium product evaluation, flagship model promotion, and precision operations" to achieve integrated online/offline traffic convergence. On the channel front, the Company is focusing on integrated refrigerator-washer-kitchen solutions, transitioning from standalone appliance operations to complete white goods suite offerings; On the product front, it adheres to an emotion-driven marketing approach that guides product design, adhering to the user-centric approach, to build a differentiated product portfolio.

In terms of overseas markets, the Company leverages its industrial layout advantages to enhance operational efficiency of single product via global coordination, enrich product offerings via domestic-international synergies, strengthen customer retention via refrigerator-washer product integration, and expand market coverage via industrial collaboration. Focusing on market breakthroughs, the Company targets segmented demand by developing differentiated, compact upright freezer series and launching customized products like large-capacity freezer lines, achieving "localized design" while maintaining a "globalized platform" strategy. On the marketing front, the Company is strengthening market capability development by fully leveraging its integrated R&D and supply chain advantages, along with synergistic domestic sale/export operations, to drive sustainable business growth.

During the reporting period, the Company's refrigerator (freezer) business realized an income of about RMB 4.415 billion, with a year-on-year decrease of 4.17%.

### **2. Air conditioning industry**

In terms of domestic market, the Company consistently implements its core business strategy of "product excellence, brand prioritization, channel co-creation, and direct-to-consumer", maintaining developing focus and focused development to drive healthy, sustainable industry advancement. In terms of brand building, the Company has evolved from "product-driven" to "dual-engine drive of brand and product strategies", continuously strengthening product iteration, event marketing, self-operated media, and social media seeding to reinforce the brand perception of "engineering excellence and comfort in every degree". On the product front, the Company

focuses on industry trends, strengthens technological innovation, and rapidly iterates its product portfolio to meet evolving market and user requirements. The company is (I) enhancing R&D and application of intelligent technologies including DEEPSEEK, AI Cloud Energy Saving, and AI Voice, while (II) maintaining its "aesthetics-first" principle to drive CMF innovation and application, achieving significant improvements in product appearance and texture. In terms of channels and direct-to-consumer operations, the Company maintains integrated online-offline operation while continuously expanding into untapped markets, increasing retail coverage, and advancing its "all-in-one delivery-installation-service-recycling" system to enhance user experience.

In terms of overseas markets, the Company consistently executes its five-pillar business strategy of "quality foundation strengthening, brand momentum building, production capacity synergy, operational efficiency enhancement, and talent excellence cultivation", to drive sustainable business growth. In terms of brand building, the Company resolutely implements its brand-first development strategy, concentrating on deep cultivation of its Southeast Asian brand strategic home markets to achieve sustained consolidation of brand foundations. In terms of market layout, the Company prioritizes deepening collaboration with key accounts, achieving further scale expansion among its TOP15 customers in the first half-year; It simultaneously strengthens mid-tier customer partnerships to establish stable growth pillars, while actively developing emerging accounts to solidify the foundation for future performance growth.

During the reporting period, the Company's air-conditioning business realized an income of about RMB 11.575 billion, with a year-on-year increase of 36.18%.

### **3. Washing machine industry**

In the washing machine sector, the Company consistently implements its business strategy of "focused breakthroughs with systemic integration", driving progress through product innovation as the core while establishing market-oriented, user-centric, and manufacturing-optimized development structures. The company maintains its user-centric approach by continuously developing high-quality products that meet consumer needs, while simultaneously driving technological upgrades and efficiency improvements to rapidly expand production capacity for timely deliveries. With the goal of building smart digital factories, it has commenced the construction of the new Mianyang plant. Additionally, it strengthens its core talent development through human-oriented initiatives. In the domestic market, the Company focuses on strategic home markets and core channels, primarily promoting differentiated products such as the As Hand Washing series, BlueOxygen Wash-Dry-Care sets, and Hercules line, while comprehensively popularizing fully-flush embedded models to strengthen competitive advantages and enhance operational quality. In overseas markets, the company Concentrates on key regions and key accounts with focus on resource allocation, driving scale and profitability growth through product customization, high-efficiency development, and optimized product-platform deployment in core areas.

During the reporting period, the Company's washing machine business realized an income of about RMB 1.040 billion, with a year-on-year increase of 32.70%.



#### 4. Major kitchen appliance and small home appliance industry

In the major kitchen appliance and small home appliance sector, the Company executes a three-pronged strategy of transformation, focus, and efficiency enhancement, yielding substantial improvements. In terms of strategy, the Company continues to drive industrial convergence, while in terms of market, it reinforces strategic home market development. The Company accelerates its omnichannel integration strategy, enhancing online experiences through digital marketing and platform collaborations while establishing scenario-based offline stores, achieving synchronized cross-channel inventory sharing and consumer mode convergence. In terms of product innovation, technological advancements have driven the successful launch of the second-generation Fresh Water Series, achieving remarkable market performance. In terms of market services, the Company maintains its user-centric approach, with management platforms enabling rapid response capabilities while continuously enhancing the professionalism of after-sales teams and the customer satisfaction.

During the reporting period, the Company's kitchen, bathroom and household appliance business realized an income of about RMB0.699 billion, with a year-on-year decrease of 6.14%.

#### 5. Biomedical industry

In the domestic market, the Company continues to advance user-centric channel reform and restructuring, deepen horizontal expansion and vertical penetration of segmented market networks, focus on key accounts and optimize channel architecture, significantly enhancing user coverage; Through its "market segmentation + scenario-based engagement" approach, the Company taps into the user demands and strengthens product competitiveness. The company has launched "LingXin Service" nationwide maintenance campaign and after-sales skills enhancement initiative to elevate customer satisfaction through professional services; Simultaneously, it strengthens brand penetration in academic scenarios by establishing university scholarships and deepening industry-academia collaboration.

In terms of overseas markets, it continues to strengthen its channel foundation and build a more comprehensive channel network. The company focuses on emerging market breakthroughs through multi-channel promotion such as international trade shows and on-site visits to amplify market presence of both flagship products and strategic new products; Concurrently, it strengthens local layout for key accounts, optimizes delivery efficiency and service excellence, builds a loyalty-driven global distribution network anchored in cooperation and mutual success.

During the reporting period, the Company's biomedical business realized an income of about RMB 0.149 billion, with a year-on-year increase of 3.89%.

#### (3)Y-o-y changes in the key financial data

In RMB

	Current Period	Same period last year	Y-o-y changes	Causes
--	----------------	-----------------------	---------------	--------

			(+,-)	
Operation income	18,071,515,842.15	14,959,351,023.54	20.80%	No major changes
Operation cost	16,184,229,553.79	13,341,412,638.44	21.31%	No major changes
Sales expense	834,522,622.88	757,588,062.94	10.16%	No major changes
Administrative expense	196,789,198.82	163,427,965.02	20.41%	No major changes
Financial expense	-11,022,175.24	-102,282,383.71	89.22%	Mainly due to the YOY increase in the Company's exchange loss in the current period
Income tax expenses	80,681,854.99	52,214,844.76	54.52%	Mainly due to the increase in income tax expenses due to the increase in the taxable income of the Company in the current period
R&D investment	444,113,996.74	377,955,344.06	17.50%	No major changes
Net cash flow from operation activity	1,360,573,661.71	2,734,402,694.03	-50.24%	Mainly due to the YOY increase in cash for payment of the Company's purchase of goods and labor services
Net cash flow from investment activity	-3,006,240,804.97	-2,195,132,953.92	-36.95%	Mainly due to the YOY increase in the Company's purchase of structured deposits in the current period
Net cash flow from financing activity	413,846,601.75	-334,756,669.23	223.63%	Mainly due to the YOY increase in short-term borrowings obtained by the Company in the current period
Net increased amount of cash and cash equivalent	-1,225,497,635.35	221,952,382.18	-652.14%	Mainly due to the YOY increase in cash paid for the Company's purchase of goods and labor services
Gains/losses from change of fair value	82,283,850.82	-42,719,405.68	292.61%	Mainly due to the increase in fair value gains from irrevocable orders and foreign exchange contracts of the Company in the current period

Credit impairment loss	-68,032,093.37	11,712,225.75	680.86%	Mainly due to the provision of bad debt losses on accounts receivable by the Company in the current period
Assets impairment loss	-65,475,481.29	-29,258,587.16	123.78%	Mainly due to the YOY increase in the Company's provision for inventory depreciation losses in the current period

#### (4) Major changes on profit composition or profit resources in reporting period

☐ Applicable ☒ Not applicable

No major changes on profit composition or profit resources occurred in reporting period

#### (5) Constitute of operation revenue/income

In RMB

	Current Period		Same period last year		Y-o-y changes (+,-)
	Amount	Ratio in operation revenue	Amount	Ratio in operation revenue	
Total operation revenue	18,071,515,842.15	100.00%	14,959,351,023.54	100.00%	20.80%
On industry					
Manufacture of household	17,934,000,029.18	99.24%	14,847,789,922.86	99.25%	20.79%
Other business	137,515,812.97	0.76%	111,561,100.68	0.75%	23.27%
On products					
Air-conditioning	11,575,132,133.83	64.05%	8,499,905,660.36	56.82%	36.18%
Refrigerator, freezer	4,545,124,381.31	25.15%	4,739,349,946.80	31.68%	-4.10%
Washing machine	1,040,297,063.65	5.76%	783,936,724.28	5.24%	32.70%
Small appliance and kitchen & toilet	698,777,012.65	3.87%	744,514,913.93	4.98%	-6.14%
Other products	74,669,437.74	0.41%	80,082,677.49	0.53%	-6.76%
Other business	137,515,812.97	0.76%	111,561,100.68	0.75%	23.27%
On Area					

Domestic	11,704,228,305.86	64.77%	10,141,960,207.61	67.80%	15.40%
Foreign	6,367,287,536.29	35.23%	4,817,390,815.93	32.20%	32.17%

**(6)The industries, products or regions that accounting for over 10% of the Company's operating revenue or operating profit**

√Applicable    □ Not applicable

In RMB

	Operating revenue	Operating cost	Gross profit ratio	Increase/decrease of operating revenue y-o-y	Increase/decrease of operating cost y-o-y	Increase/decrease of gross profit ratio y-o-y
<b>On Industry</b>						
Manufacture of household	17,934,000,029.18	16,111,118,535.91	10.16%	20.79%	21.28%	-0.36%
<b>On Products</b>						
Air-conditioning	11,575,132,133.83	10,767,469,443.16	6.98%	36.18%	35.83%	0.24%
Refrigerator, freezer	4,545,124,381.31	3,817,805,494.89	16.00%	-4.10%	-4.14%	0.04%
<b>On Area</b>						
Domestic	11,570,843,501.82	10,260,385,347.35	11.33%	15.30%	14.67%	0.49%
Foreign	6,363,156,527.36	5,850,733,188.56	8.05%	32.24%	34.92%	-1.83%

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

□ Applicable    √ Not applicable

**IV. Analysis of the non-main business**

√ Applicable    □ Not applicable

In RMB

	Amount	Ratio in total profit	Note	Whether be sustainable (Y/N)
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Investment income	-1,925,678.15	-0.38%	Mainly due to the disposal of derivative financial assets and liability investment losses, as well as the termination of recognition losses on financial assets measured at amortized cost	No
Gains/losses from change of fair value	82,283,850.82	16.13%	Mainly due to changes in the fair value of irrevocable orders and foreign exchange contracts of the Company in the current period	No
Asset impairment	-65,475,481.29	-12.84%	Mainly due to the provision for inventory depreciation losses of the Company in the current period	No
Non-operating income	2,294,086.26	0.45%	Mainly due to the Company's receipt of liquidated damages income in the current period	No
Non-operating expense	2,468,650.99	0.48%	Mainly due to the loss of non current assets scrapped by the Company in the current period	No
Other income	80,223,527.31	15.73%	Mainly due to the confirmation of value-added tax deduction and government subsidies by the Company in the current period	No
Credit impairment loss	-68,032,093.37	-13.34%	Mainly due to the provision of bad debt losses on accounts receivable of the Company in the current period	No

## V. Analysis of assets and liability

### (1) Major changes of assets composition

In RMB

	End of current period		Year-end of last year		Ratio changes	Notes of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Monetary fund	9,480,979,069.79	34.32%	10,492,450,750.61	43.77%	-9.45%	Mainly due to the decrease in the proportion as the Company's monetary funds decreased and the total assets increased in the current period
Account receivable	3,506,647,092.19	12.69%	1,527,978,374.48	6.37%	6.32%	Mainly due to the increase in operating revenue of the Company in the current period
Contract assets	1,316,305.32	0.00%	2,763,866.97	0.01%	-0.01%	No major changes

	End of current period		Year-end of last year		Ratio changes	Notes of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Inventory	3,930,240,031.50	14.23%	3,514,968,009.34	14.66%	-0.43%	Mainly due to the decrease in proportion caused by the increase in total assets of the Company in the current period
Investment real estate	65,158,804.83	0.24%	66,720,850.69	0.28%	-0.04%	No major changes
Long-term equity investment	84,715,253.90	0.31%	81,511,146.82	0.34%	-0.03%	No major changes
Fix assets	2,213,277,937.59	8.01%	2,218,850,660.12	9.26%	-1.25%	Mainly due to the decrease in proportion caused by the increase in total assets of the Company in the current period
Construction in progress	137,461,480.68	0.50%	97,807,983.40	0.41%	0.09%	No major changes
Right-of-use assets	159,067,320.89	0.58%	113,784,190.78	0.47%	0.11%	Mainly due to the newly added factory leasing of the Company in the current period
Short-term loans	1,261,549,788.31	4.57%	766,747,286.01	3.20%	1.37%	Mainly due to the increase in bank loans of the Company in the current period
Contract liability	375,324,818.58	1.36%	609,737,871.24	2.54%	-1.18%	Mainly due to the decrease in advance payments received by the Company in the current period
Lease liabilities	138,127,127.13	0.50%	101,826,405.91	0.42%	0.08%	No major changes

## (2) Main overseas assets

☐ Applicable ☒ Not applicable

## (3) Assets and liability measured by fair value

☒ Applicable ☐ Not applicable

In RMB

Item	Amount at the beginning period	Changes of fair value gains/losses in this period	Accumulative changes of fair value reckoned into equity	Devaluation of withdrawing in the period	Amount of purchase in the period	Sales in the period	Other changes	Amount at end of the period
Financial assets								
1.Trading financial assets (derivative financial assets excluded)		6,929,526.59			12,325,000,000.00	10,195,000,000.00		2,136,929,526.59
2. Derivative financial assets	72,010,074.43	-27,731,486.38						44,278,588.05
3.Receivable financing	1,516,987,953.83						-551,813,094.98	965,174,858.85
4.Other non-current financial assets	676,094,304.44						-2,020,872.00	674,073,432.44
Subtotal of financial assets	2,265,092,332.70	-20,801,959.79			12,325,000,000.00	10,195,000,000.00	-553,833,966.98	3,820,456,405.93
Subtotal of financial assets	2,265,092,332.70	-20,801,959.79			12,325,000,000.00	10,195,000,000.00	-553,833,966.98	3,820,456,405.93
Financial liabilities	156,359,680.92	-103,085,810.61						53,273,870.31

Other changes:

Other change of Trading financial assets mainly due to the provision of income from financial products; other change of rreceivable financing due to the decrease in note receivable with the objective of both collecting contractual cash flow (collections) and selling (endorsement or discounting)

Other changes in other non-current financial assets are caused by the recovery of the cost of Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership).

Whether there have major changes on measurement attributes for main assets of the Company in report period or not

☐ Yes ☒ No

#### (4) Assets right restricted ended as reporting period

Ended as the reporting period, the Company has no major assets been closed down, detain, freeze or pledge and guarantee. As for other assets have restriction on rights found more in relevant content of “25. Assets with restricted ownership or use rights” in “V. Note of consolidate financial statement” carried under Section VIII. Financial Report

### VI. Investment analysis

#### (1) Overall situation

☒ Applicable ☐ Not applicable

Investment in the reporting (RMB)	Investment in the same period of last year ( RMB)	Changes
500,000,000	100,000,000	400%

#### (2) The major equity investment obtained during the reporting period

☒ Applicable ☐ Not applicable

In RMB

Name of invested	Principal business	Method of	Amount of investment	Shareholding	Capital	Partners	Term	Type of	Status as of the balance	Expected	Current investment	Whether	Date of disclosure	Index of disclosure (if
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		investme nt		ratio	sour ces		of in ve st m en t	produ cts	sheet date	return	profit and loss	involv ed in a lawsui t(Y/N)	(if applicable )	applicable )
Mianyang Changhong Smart Home Appliances Co., Ltd	General items: research and development of household appliances; household appliance manufacturing; sales of household appliances; household appliance installation services; information technology consulting services; plastic product manufacturing; sales of plastic products; metal chains and other metal products manufacturing; sales of metal products; plastic packaging box and container manufacturing; Import and export of goods. (Except for items subject to approval in accordance with the	Newly establishe d	500,000,000	100%	Self -fun d	N/A	Lo ng -te rm	Resea rch and devel opme nt, manu factur ing, and sales of house hold applia nces	The Smart Home Appliance Company completed the industrial and commercial establishmen t registration and obtained the "Business License" on March 21, 2025	Not applic able	-456,544.35	No	March 18,,2025 April 18, 2025	www.cninfo. com.cn (2025-005,2 025-006,2025 -021)

	law, business activities shall be carried out independently in accordance with the law with a business license)													
Total	--	--	500,000,000	--	--	--	-	--	--	--	-456,544.35	--	--	--

**(3)The material non-equity investment during the reporting period**

☐Applicable ☒ Not applicable

**(4)Financial assets investment**

**1. Securities investment**

☐ Applicable ☒ Not applicable

The Company had no securities investment in the reporting period.

**2. Derivative investment**

☒Applicable ☐ Not applicable

**(1) Derivatives investment for hedging purposes during the reporting period**

☒Applicable ☐ Not applicable

In RMB 10,000

Type	Initial investment	Amount at the beginning	Profit and loss of fair value	Changes in the cumulative fair	Amount purchased in	Amount sales in the	Investment amount at	Ratio of investment amount at period-end in
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		period	change in the current period	value included in the equity	the reporting period	reporting period	period-end	net assets of the Company at period-end
Forward foreign exchange contract	674,376.60	496,923.87	7, 535. 44	0	417,971.06	508,940.75	415,044.60	67. 23%
Total	674,376.60	496,923.87	7, 535. 44	0	417,971.06	508,940.75	415,044.60	67. 23%
Specific principle of the accounting policy and calculation for derivatives in the Period compared with last period in aspect of major changes	Not applicable							
Description of actual profit and loss during the reporting period	During the reporting period, the Company confirmed the income from derivatives investment of RMB -90.9041 million.							
Description of hedging effect	During the reporting period, the Company adhered to the principle of exchange rate risk neutrality, used forward foreign exchange contracts as hedging tools, and signed forward foreign exchange contracts according to the foreign exchange receipt amount predicted by sales and the target cost exchange rate. The delivery period matched with the predicted return amount, and the agreed delivery amount matched with the predicted return amount to avoid the risks caused by exchange rate fluctuations. The cash flow changes in the hedging tools during the reporting period can offset the cash flow changes in the hedged items caused by exchange rate fluctuations, which met the requirements of hedging effectiveness and achieved the hedging objectives.							
Capital resource	Own fund							
Risk analysis and controlling measures for derivatives holdings in the Period (including but not	Risk analysis:  1. Market risk: domestic and international economic situation changes may lead to exchange rate fluctuations, forward foreign exchange transactions are under certain market risk. Forward foreign exchange business is aiming to reducing impact on corporate profits by foreign exchange settlement and sale							

limited to market risk, liquidity risk, credit risks, operation risk and law risks etc.)	<p>prices, exchange rate fluctuations. The Company will follow up the exchange fluctuation, on the basis of target rate determined from the business, relying on the research of the foreign currency exchange rates, combined with prediction of consignments, and burdening ability to price variations due to exchange rate fluctuations, then determine the plan of forward foreign exchange contracts, and make dynamic management to the business, to ensure reasonable profit level.</p> <p>2. Liquidity risk: all foreign exchange transactions are based on a reasonable estimate of the future import and export business, to meet the requirements of the trade authenticity. In addition, forward foreign exchange transactions are processed with bank credit, will not affect liquidity of company funds.</p> <p>3. Bank default risk: if cooperative banks collapse within the contract time, the Company will not be able to transact the original foreign exchange contracts with contract price, which leads the risk of income uncertainty. So the Company chose five state-owned banks, the Chinese-funded banks in shareholding enterprise as Everbright Bank, Industrial Bank and the foreign-funded banks as UOB, OCBC, BEA etc. to conduct the trading of foreign exchange capital. These banks share a solid strength and management whose failure and the risk of loss may bring to the Company is very low.</p> <p>4. Operational risk: improper operation of the person in charge of forward foreign exchange transactions may cause related risk also. The Company has formulated related management system which defines the operation process and responsibility to prevent and control risks.</p> <p>5. The legal risks: unclear terms based in contract signed with banks for related transactions may lead legal risks when forward foreign exchange transactions are processing. The Company will strengthen legal review, and choose good bank to carry out this kind of business as to risk control.</p>
Invested derivative products have changes in market price or fair value in the Period, as for analysis of the fair value of derivatives, disclosed specific applied methods and correlation assumption and parameter setting	<p>The Company determines fair value in accordance with the Chapter VII “Determination of Fair Value” carried in the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments. Fair-value is basically obtained according to prices offered by bank and other pricing services. While fair-value of derivatives is mainly obtained according to the balance between prices given by outstanding contracts and forward prices given by contracts signed during the reporting period with bank. The differences are identified as trading financial assets and liabilities.</p>
Lawsuit involved (if applicable)	Not applicable
Disclosure date for approval from the Board for investment of derivatives (if applicable)	April 3,2025

Disclosure date for approval from board of shareholders for investment of derivatives (if applicable)	April 26,2025
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**(2) Derivative investments for speculation during the reporting period**

☐ Applicable ☒ Not applicable

The Company had no derivative investment in the reporting period.

**(5) Application of raised proceeds**

☐ Applicable ☒ Not applicable

The Company had no Application of raised proceeds in the reporting period.

**VII. Sales of major assets and equity****(i) Sales of major assets**

☐ Applicable ☒ Not applicable

No major assets are sold in the period

**(ii) Sales of major equity**

☐ Applicable ☒ Not applicable

# VIII. Analysis of main holding company and stock-jointly companies

√ Applicable    □ Not applicable

## (1) Particular about main subsidiaries and stock-jointly companies net profit over 10%

In RMB

Company name	Type	Main business	Register capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Zhongke Meiling Cryogenic Technology Co., Ltd.	Subsidiary	Research and development, manufacturing and sales of ultra-low temperature freezer	96,730,934	730,869,606.79	616,147,507.37	150,225,865.88	11,353,533.55	11,045,823.50
Jiangxi Meiling Electric Appliance Co., Ltd.	Subsidiary	Manufacturing of refrigeration and freezer	50,000,000	401,825,045.67	178,298,038.73	355,559,207.01	8,087,764.26	7,531,999.04
Mianyang Meiling Refrigeration Co., Ltd.	Subsidiary	Manufacturing of refrigeration and freezer	100,000,000	187,906,825.37	122,790,726.23	207,352,906.56	-3,909,921.53	-3,923,587.87
Sichuan Changhong Air-conditioner Co., Ltd.	Subsidiary	R&D, manufacturing and domestic sales of air-conditioning	850,000,000	10,409,386,457.40	1,555,336,040.81	8,325,680,808.69	126,763,309.09	115,812,924.82
Zhongshan Changhong Electric	Subsidiary	R&D, manufacturing	334,000,000	4,371,503,831.72	666,297,598.39	3,478,952,298.94	169,163,567.48	137,085,954.32

Co., Ltd.		and foreign sales of air-conditioning						
Hefei Meiling Group Holdings Limited	Subsidiary	Sales of white goods	80,000,000	1,208,702,002.51	-319,841,650.98	2,320,289,284.07	-94,424,244.88	-94,772,191.58
Hefei Changhong Meiling Life Appliances Co., Ltd.	Subsidiary	R&D and sales of household appliances, kitchen appliances and small home appliances	50,000,000	725,830,869.85	195,063,962.86	664,973,555.44	19,207,346.83	15,854,059.44



**(2) Subsidiary obtained and disposed in the period**

√ Applicable    □ Not applicable

Company name	The method of obtaining and disposing subsidiaries during the report period	The influence to the whole production and performance
Mianyang Changhong Smart Home Appliances Co., Ltd	Established by investment	The Company and its subsidiary Mianyang Meiling invested a total of 500,000,000 yuan with its own funds to establish the company, which aims to further improve the production capacity of washing machines, and it will have a positive impact on the Company's long-term development, will not adversely affect cash flow and normal production and operating funds, and will not have a significant impact on the financial situation and operating results of the year.

**(3) Description of the holding company and stock-jointly companies**

□ Applicable    √ Not applicable

During the reporting period, the company has no important information of the holding or shareholding company that should be disclosed.

**IX. Structured entity controlled by the Company**

□ Applicable    √ Not applicable

**X. Risks and countermeasures****(1) Possible risks and countermeasures**

With the diminishing marginal effects of national subsidies and anticipated significant downward pressure on China's major home appliance market in the second half-year, compounded by unfavorable real estate trends and trade war uncertainties, weakened consumer confidence is expected to intensify industry competition. In the second half of 2025, the Company will face multidimensional challenges including intensified industry competition, demand contraction risks, currency fluctuations, volatile commodity prices, ongoing trade conflicts, and geopolitical uncertainties.

### 1. Intensified industry competition and demand contraction risks

Currently, the domestic large home appliance sector operates in a stock-based competition phase, characterized by severe product homogenization and lack of new consumption catalysts. While the 2024 home appliance trade-in policy partially stimulated demand, its 2025 industry impact remains uncertain, potentially leading to consumption slowdown risks. The Company will closely monitor the implementation of national home appliance consumption stimulus policies, while continuously enhancing product quality and cost competitiveness. Through forward-looking product planning and market strategy development, it aims to secure greater market share.

Currently, the domestic large home appliance sector operates in a stock-based competition phase, characterized by severe product homogenization and lack of new consumption catalysts. While the 2024 home appliance trade-in policy partially stimulated demand, its 2025 industry impact remains uncertain, potentially leading to consumption slowdown risks. The Company will closely monitor the implementation of national home appliance consumption stimulus policies, while continuously enhancing product quality and cost competitiveness. Through forward-looking product planning and market strategy development, it aims to secure greater market share.

### 2. Exchange rate fluctuation risk

Given potential significant exchange rate fluctuations arising from evolving global dynamics, the Company adopts prudent exchange operations from a risk-averse, stable-operation perspective, with ongoing close monitoring of exchange rate fluctuations to minimize adverse impacts of exchange rate fluctuations .

### 3. Risk of fluctuations in bulk material prices

The main raw materials of the Company's products are steel, copper, aluminum, plastics and chemical materials, etc. If the prices of bulk raw materials fluctuate greatly, the related costs of the company will also change accordingly, which will have a certain impact on its operating performance. The Company will continue to pay attention to the price fluctuation of bulk materials and take timely measures to deal with risks and reduce the impact of price fluctuations.

### 4. Trade frictions and geopolitical impacts

The Company pays close attention to the impact of international trade frictions and geopolitical uncertainties on its global business. On the one hand, it actively explores the market, and on the other hand, it makes relevant plans in advance, takes various risk response measures, responds quickly, and mitigates the impact.

## **(II) Business plan for the second half of the year**

In the second half of 2025, the Company will continue to drive industrial development with innovation, assist the industrial matrix with resource integration, strengthen industrial synergy, consolidate market foundation, accelerate company development through internal and external integration, develop new quality productivity,

promote digital and intelligent transformation and upgrading, and accelerate the realization of high-quality development of the Company. In 2025, the Company aims to realize dual growth in both scale and profitability, maintaining a virtuous development trend of profitable expansion. The main work is as follows:

### **1. Refrigerator/Freezer industry**

In the domestic market, the Company advances its "marketing transformation and direct-to-consumer" strategy through "high-value customer engagement and omnichannel user operations", retail transformation via differentiated innovation. In terms of products, the Company comprehensively launches its M-Fresh product series, anchoring consumer perception around "unparalleled freshness preservation and quality thawing" to reinforce the brand identity of "Meiling - Master of Freshness", while focusing on promoting differentiated offerings such as the "Great Whale Surprise, Big Frozen Room, Little Certainty, As Hand Washing" with unique values. In terms of markets, the Company adopts a user-focused approach by implementing its user operation of "digital platforms, grassroots, triple excellence assessment, and flagship model promotion", while intensifying team training on traffic operations and continuously enhancing new media capabilities. In terms of channels, the Company adheres to premium operations by strengthening existing channel competencies, expanding emerging channel footprints, accelerating retail transformation for flagship stores, optimizing SKU and inventory efficiency, while deepening industry convergence to advance integrated home solutions. It strengthens brand building, accelerates integrated traffic operations and user ecosystem capabilities, increases brand investment to drive brand growth through product excellence, regional expansion, and online/offline synergy.

In the overseas market, the company is restructuring its product platform for core markets through mainstream portfolio realignment, while implementing differentiated positioning strategies for homogenized products and continuously increasing product investments. It closely aligns with worldwide consumption upgrade trends by strategically promoting "air-cooled, inverter, multi-door, and energy-efficient" trendy products, while establishing a tiered portfolio of "premium high-end, value-driven mid-range, and efficiency-optimized entry-level" offerings to precisely meet diversified market demands. In terms of business expansion, the Company is accelerating its layout in Asia, Africa, and Latin America to actively develop new growth opportunities and achieve sustained market share growth; By establishing brand market in key markets, it is accelerating the scaled development of its overseas proprietary brand operations to cultivate internationally recognized brand image.

### **2. Air conditioning industry**

In the domestic market, the Company will implementing targeted offline promotions while using hero products to drive sustained online traffic growth; For product development, it makes proper plans based on the consumer-centric and innovation-driven approach, with enhanced R&D-to-market alignment to ensure subsequent product launch and reinforce "tech-advanced" and "smart" product positioning; For channels, it adopts diversified synergy, building a mutually beneficial ecosystem through offline quality-efficiency improvements and online tiered precision operations; It carries out nationwide marketing transformation to shift focus from B2B to B2C, transitioning from "product-to-customer" to "product-to-user".

In the overseas markets, the Company enhances its product portfolio and accelerates platform-based development to meet customer requirements, implementing agile market-following tactics to capture first-mover advantages; Focusing on Latin America, the Middle East, and Europe, it deepens engagement with regional key accounts through end-to-end customer lifecycle service system to strengthen partnership loyalty; It makes strategic initiatives targeting European and Central Asian markets while capitalizing on Africa's emerging opportunities to drive incremental growth; With brand-first prioritization, it intensifies strategic home market cultivation to sustain proprietary brand business expansion.

### **3. Washing machine industry**

In terms of products, based on market and user demand trends, the Company prioritizes high-capacity product development by expanding its large-capacity portfolio, enhancing the "As Hand Washing" and "BlueOxygen Series" lineups while iteratively upgrading the "Hercules" collection and enriching its heat pump dryer offerings to continuously strengthen mindshare-dominant product competitiveness. It is extending its small-to-medium capacity drum washer lineup while developing inverter-powered pulsator washer. By upgrade and optimization in appearance, function and performance, it comprehensively elevates its overseas product competitiveness. By persistent technological upgrades and lean management system introduction, it drives production capability enhancement. It is expediting the construction of its intelligent digital factory for washing machines in Mianyang. It continuously strengthens the construction of its talent team and comprehensively enhances the capabilities of R&D, quality assurance, manufacturing and delivery. In terms of market, the Company is advancing channel capability development domestically through co-marketing initiatives with key accounts, combined with new media operation and promotion to drive online/offline brand integration. In global market, the Company enhances cross-regional industrial collaboration while optimizing its overseas drum washer portfolio through new product launches to further improve profitability.

### **4. Major kitchen appliance and small home appliance industry**

In the major kitchen appliance and small home appliance sector, the Company adheres to a three-pronged strategy of transformation, focus, and efficiency enhancement, and continuously carries out operations. In terms of products, the Company deepens R&D and application of "Fresh Water" and AI technologies, progressively launching "Fresh Water" kitchen appliances and smart range hoods and cooktops, and gas water heaters to cultivate a "Fresh" and "Smart" product identity. In terms of market, the Company insists on strategic home market development by establishing scenario-based stores, collaborating with Changhong and Meiling to deliver intelligent kitchen solutions, while deepening user awareness through online digital communication matrix and enhancing delivery and installation service to elevate consumer experiences.

### **5. Biomedical industry**

The Company focuses on the field of life sciences, adheres to the business philosophy of "technology-based, product-based, market-oriented and customer-centered", and based on "focusing on the sample ecology, vertically deepening the whole chain of automation; Based on the life science, and horizontally expanding the field of

laboratory general equipment", it continues to promote the construction of market channels, expand the product matrix, enhance operational capabilities, and strive to improve operational efficiency.

In terms of market expansion, the Company focuses on customer requirements, strengthens its service philosophy, and enhances its market competitiveness. Guided by a market-oriented approach, the Company continues to deepen its presence in the domestic market by optimizing its channel system and enhancing user coverage; It also accelerates overseas market expansion by adhering to the strategy of "scaling up existing customers and aggressively developing new customers", to build a more robust and comprehensive distribution network. It drives synergistic efforts both internally and externally to achieve leapfrog development that balances both scale and quality. In terms of product expansion, the Company focuses on cryogenic storage solutions, deepens low-temperature refrigeration technology, vigorously expands new product lineup, achieves product synergy, further enriches biobank, laboratory and other application scenario solutions, and comprehensively enhance its product competitiveness. In terms of operational efficiency enhancement, the Company comprehensively advances lean management, implements organizational flattening reforms and digital transformation updates to drive holistic improvement in operational quality and effectiveness. At the same time, the Company continues to optimize the open and innovative organizational mechanism, attract excellent talents and partners, build an ecosystem together, and create a new benchmark in the field of life sciences.

#### **XI. Formulation and implementation of market value management system and valuation boost plan**

Whether the Company has established a market value management system

☐Yes ☒No

Whether the Company has disclosed plans for valuation boost.

☐Yes ☒No

#### **XII. The implementation of the action plan of "Double improvement of quality and return".**

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

☐Yes ☒No

## Section IV Corporate Governance, Environmental and Social Responsibility

### I. Changes of directors, supervisors and senior executives

√ Applicable    □ Not applicable

Name	Title	Types	Date	Reason
Wang Xiaocheng	Vice president	Appoint	May 8,2025	According to the resolution of the 15th meeting of the 11th Board of Directors, it was agreed to appoint Mr. Wang Xiaocheng as the Company's vice president. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.
Pang Haitao	CFO	Leaving office	June 18,2025	Apply for resignation from the position of chief financial officer due to personal work changes.
Yang Bing	CFO	Appoint	June 18,2025	According to the resolution of the 18th meeting of the 11th Board of Directors, it was agreed to appoint Mr. Yang Bing as the Company's CFO. with a term of office from the date of review and approval by the Board of Directors of the Company to the date of expiration of his term of office in the current Board of Directors.

### II. Profit distribution plan and capitalizing of common reserves plan for the Period

□ Applicable    √ Not applicable

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

### III. Implementation of the company's stock incentive plan, employee stock ownership plan or other employee incentives

□ Applicable    √ Not applicable

The Company had no implementation of the company's stock incentive plan, employee stock ownership plan or other employee incentives in the reporting period.

### IV. Environmental information disclosure situation

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

√Yes    □No

Number of enterprises included in the list of enterprises that disclose environmental information in accordance with the law (companies)		1
serial number	Name of the business	Inquiry of environmental information disclosure reports in accordance with the law index
1	Changhong Meiling Co., Ltd	<a href="https://39.145.37.16:8081/zhhb/yfplpub_html/#/companyDetails?name=%E9%95%BF%E8%99%B9%E7%BE%8E%E8%8F%B1%E8%82%A1%E4%BB%BD%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8&amp;entpId=20251744358260060&amp;type=1">https://39.145.37.16:8081/zhhb/yfplpub_html/#/companyDetails?name=%E9%95%BF%E8%99%B9%E7%BE%8E%E8%8F%B1%E8%82%A1%E4%BB%BD%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8&amp;entpId=20251744358260060&amp;type=1</a>

## V. Social responsibility

The Company continues to promote win-win development with its stakeholders, earnestly fulfills its social responsibilities, pays close attention to the voices of all stakeholders, and actively gives back and improves, and is determined to become an enterprise that is respected by the society and loved by its employees. While achieving sound development, it pays attention to protecting the interests of its shareholders, employees, suppliers, customers and consumers, and actively engages in public welfare undertakings, thus promoting the harmonious development of the Company and the whole society.

### 1. Protection of the rights and interests of shareholders and creditors

The company strictly follows the provisions and requirements formulated by the Articles of Association and the Rules of Procedure for the General Meeting of Shareholders, regulates the convening, holding and voting procedures of the general meeting of shareholders, equally treats all shareholders, especially small and medium shareholders equally, and ensures that all shareholders enjoy equal status and fully exercise their own rights. Under the premise of strictly implementing the Administrative Measures for Information Disclosure of Listed Companies, the company actively communicates and exchanges information with investors on the company's operations and management, financial status, etc. through annual performance briefings, Anhui service week for investors by SZSE, investor telephone hotline, e-mails, and the investor relations interactive platform of the Shenzhen Stock Exchange, and discloses information to all investors in a truthful, accurate, complete, concise and clear, and easy-to-understand manner; further, the company attaches great importance to the shareholder return mechanism, According to the Return Plan for Shareholders of Changhong Meiling Co., Ltd. for the Next Three Years (2024 -2026), It guides investors to establish the concept of long-term investment and rational investment, and maintains the continuity and stability of the profit distribution policy. During the reporting period, combined with its own operating conditions and other factors, the Company implemented the 2024 profit distribution plan and made cash dividends, accounting for 48.60% of the net profit attributable to shareholders of listed companies in 2024, offered shareholders a reasonable return on investment.

Meanwhile, during the reporting period, the Company held 2024 general meetings of shareholders, and implemented a combination of on-site voting and online voting, so that the majority of investors could fully

participate and ensure that shareholders have the right to know, participate and vote on the Company's major issues. When the general meeting of shareholders deliberated on major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors were counted separately and publicly disclosed in the resolutions of the general meeting of shareholders in a timely manner, so as to fully protect the rights and interests of small and medium-sized investors.

In addition, in order to establish a variety of shareholder return mechanisms and thank investors for their long-term concern and support for the Company, During the reporting period, the Company carried out the "Changhong Meiling Shareholder Gratitude Feedback Activity" for shareholders, bringing together preferential purchases of home appliances such as refrigerators (cabinets), air conditioners, washing machines, kitchen appliances, and small household appliances. Some product models in the feedback activity have a "price discount of as low as 50%", allowing shareholders to experience the excellent quality and quality service of Changhong Meiling products at preferential prices.

## **2. Protection of the rights and interests of employees**

In accordance with relevant laws, regulations and policies, and in light of its own actual situation, the company has established a relatively complete employment management system, including labor contract system, salary and performance appraisal system, welfare management system, training management system, employee vacation management system, etc..The company attaches importance to the vital interests of employees, protects the legitimate rights and interests of employees to the maximum extent, establishes harmonious labor relations, and strives to form a good mechanism for the company and employees to create and share together. At the same time, the company creates a people-oriented cultural atmosphere by providing various holidays, allowances, condolences and organizing diversified employee activities, benchmarking personnel selection, carnivals, etc., and continuously improves employee satisfaction.

## **3. Protection of the rights and interests of suppliers, customers and consumers**

The Company has built a sound supplier management system, established the "Supplier Evaluation Management Specification", strictly standardized the supplier access and evaluation system, and regularly carried out audits and evaluations to continuously improve supplier capabilities and qualifications. In order to ensure the continuous stability of the supply chain, the Company has established a supply chain risk identification, risk assessment and risk response mechanism, reduced information barriers with suppliers through digital platforms, increased exchanges and communication with partners, and made full use of its own advantages to promote the harmonious, stable and healthy development of the supply chain. The Company attaches great importance to enhancing supplier capabilities and is committed to collaborative development with suppliers. In order to help suppliers improve their awareness of quality control and sustainable development, during the reporting period, the Company organized supplier conferences, supplier training and exchange activities. Meanwhile, the Company strictly controls every link of the procurement business, cultivates core and strategic suppliers, and establishes a



high-end product supply chain for high-end products, forming a collaboration, cooperation and win-win situation between the Company and suppliers.

The Company has a perfect product development process, advanced R&D system, and constantly develops products with leading technology. The Company attaches great importance to product quality, has strong quality control ability, reliable product performance and a refined quality management system, and has passed the management system certifications such as ISO9001, ISO14001 and ISO45001. The Company's testing center has CNAS accreditation qualification, complete test items and strong testing ability, which meets the requirements of strict and high-level testing of products. At the same time, it has built one of the few RoHS and intelligent IoT laboratories in the industry. The Company adheres to the user-centered principle and attaches importance to user reputation. In the domestic market, it increases its attention and support in terminal construction, user experience and product training to increase the sales of products; In the export market, it fully recognizes the requirements of local laws and regulations, strictly certifies products, and fully verifies the reliability and environmental adaptability of products to ensure the reliability of products in the target market. Its export products have covered more than 100 countries or regions. According to different types of customers, it implements classification and system management through the information system, and timely feeds back the demands put forward by customers, continuously improves quality services and enhances brand image; It also tracks the market performance by customer satisfaction and user net recommendation value.

For the protection of consumers' rights and interests, the company has a relatively advanced closed-loop management system for user service. In order to meet users' service needs, it gradually improves the function construction of official channel service platforms such as 4008 service hotline, brand official website, WeChat official account and Zhihuijia APP, attaches importance to and strengthens the user interaction and experience of social platforms such as Tik Tok, Xiaohongshu, Weibo, Bilibili and Zhihu, and understands and handles users' needs and questions in time. In view of user demand processing, it promotes the process visualization management and user evaluation system management of work order processing timeline. In addition, the company pays attention to improving consumers' product guarantee service ability, and has created Meiling's exclusive characteristic guarantee service measures, Upgrade and launch Meiling M fresh refrigerator - full refund for one year if you are not satisfied with freshness, Meiling drum washing machine - DD direct drive motor free replacement for ten years, Meiling freezer - thawing compensation, Changhong household air conditioner enjoys the whole machine 10-year repair policy and other services to effectively meet user needs and improve consumer satisfaction.

#### **4. Social welfare**

Over the years, the company has been actively participating in social welfare undertakings and various social welfare activities. The Company actively carries out actions such as helping employees with serious illness or difficulties, advocating voluntary donations from employees, paying attention to occupational disease

prevention and control, and organizing safety education and training. During the reporting period, the Company's party committee actively participated in the 4th micro-public welfare venture capital party building project of "Party Building Pilot Yidong Jinxiu" in the Jinxiu Community Social Organization Incubation Park of Hefei Economic Development Zone, helping children better understand, express and manage their emotions and promote healthy growth through the integration of science and technology and education; The Company and the Federation of Trade Unions of Hefei Economic and Technological Development Zone jointly organized the public welfare action of "Building a Trade Union Happiness Station and Conveying Love Knowledge", and donated books to new business workers, outdoor workers and community members. As a national level intelligent manufacturing demonstration enterprise, the Company fully leverages its industrial and technological advantages to support the development of quality education in primary and secondary schools. During the reporting period, the Company planned and carried out 12 research and practice activities with distinct themes, receiving more than 1,300 primary and secondary school students, not only vividly popularizing the scientific and technological knowledge of modern home appliances, but also innovatively opening interesting experimental classes, creative labor classes and brand history courses, effectively stimulating young people's scientific interest, hands-on ability and innovative thinking, and sowing the seeds of science and technology and wisdom in the hearts of children. During the reporting period, the Company's subsidiary Zhongke Meiling awarded special scholarships to Tsinghua University, Lanzhou University and other universities, and has awarded a total of 2 million yuan of special scholarships to universities so far.

## **VI. Consolidate and expand the achievements of poverty alleviation and rural revitalization**

The Company unswervingly and fully implements the decisions and arrangements made by the CPC Central Committee and the State Council for rural revitalization, actively responds to the call, promotes rural revitalization, and contributes to rural development. During the reporting period, the Company carried out to shoot a number of heart-warming videos to help farmers. Relying on Meiling's social media platform to expose, it drew approximately 120,000 user visits. Meanwhile, by taken multiple measures, it deeply cultivated content dissemination, and produced and released a number of in-depth manuscripts on the theme of helping farmers, and helped farmers sell and promote unsold agricultural products through Sina.com, Baidu.com, Guangming.com, etc.

## Section V Important Events

### **I. Commitments that the actual controller, shareholders, related party, the buyer and the company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period**

☐ Applicable ☒ Not applicable

The Company has no commitments that the actual controller, shareholders, related party, the buyer and the company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

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

☐ Applicable ☒ Not applicable

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

### **III. External guarantee out of the regulations**

☐ Applicable ☒ Not applicable

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

### **IV. Appointment and non-reappointment (dismissal) of CPA**

Whether the semi-annual financial report had been audited

☐ Yes ☒ No

The semi-annual report was not audited

### **V. Explanation on “non Qualified Opinion” from CPA by the Board and Supervisory Committee**

☐ Applicable ☒ Not applicable

### **VI. Explanation from the Board for “non Qualified Opinion” of last year’s**

☐ Applicable ☒ Not applicable

### **VII. Bankruptcy reorganization**

☐ Applicable ☒ Not applicable

No bankruptcy reorganization for the Company in reporting period

### **VIII. Lawsuit**

#### **(i) Major Litigation and Arbitration Matters**

☒ Applicable ☐ Not applicable

Basic situation of litigation(arbitration)	Amount involved (Ten thousand yuan)	Whether to form estimated liabilities	Litigation(arbitration)progress	Litigation(arbitration)trial results and impact	Implementation of litigation(arbitration)judgments	Disclosure date	Disclosure index
<p>Zhiyijia, an affiliated enterprise of the company, signed a sales contract with the defendant, Tianjin Pengsheng Logistics Co., Ltd. (hereinafter referred to as "Tianjin Pengsheng"). After the contract was signed, Zhiyijia, the plaintiff, supplied the goods to Tianjin Pengsheng, the defendant as agreed, but Tianjin Pengsheng, the defendant, failed to fulfill the payment obligation to Zhiyijia as agreed. As of November 30, 2022, according to statistics, Tianjin Pengsheng, the defendant, still owed Zhiyijia a payment of RMB 96,174,308.42. Based on this, Zhiyijia, the plaintiff brought a lawsuit against Tianjin Pengsheng, the defendant to the People's Court of Mianyang High-tech Industrial Development Zone, and requested the court to order Tianjin Pengsheng to immediately pay the plaintiff RMB 96,174,308.42 and the corresponding liquidated damages for overdue payment, and bear the related litigation costs and property preservation guarantee fees.</p>	9,617.43	No	The judgment of the first instance has come into effect.	<p>The court ordered the defendant Tianjin Pengsheng to immediately pay the plaintiff RMB 96,174,308.42 and the corresponding liquidated damages for overdue payment, and bear the related litigation costs and property preservation guarantee fees.</p>	<p>After the first-instance judgment, Tianjin Pengsheng, Gome Electric Appliances and other defendants did not file an appeal, the first-instance judgment has come into effect, and Zhiyijia has applied to the Mianyang High-tech Court for compulsory enforcement. As of the end of the reporting period, Zhiyijia has executed 35,605,099.4 yuan in place, and Zhiyijia will continue to promote the execution of the remaining unexecuted funds to ensure the legitimate rights and interests of the Company.</p>	December 24, 2022, October 20, 2023	Juchao Website (www.cninfo.com.cn)(2022-101,2023-057)
Meiling Group, a subsidiary of the Company, signed a sales contract with	1,086.01	No	Some cases	22 cases have been judged in	Some are in execution	October 20, 2023	Juchao Website

Gome Electrical Appliances Co., Ltd. (hereinafter referred to as "Gome"). After the contract was signed, Meiling Group, the plaintiff, fulfilled the supply obligation according to the contract, while Gome and its affiliated companies, the defendant, failed to fulfill the payment obligation to Meiling Group according to the contract. According to statistics, the defendant Gome and its affiliated companies owe Meiling Group RMB 9,841,267.21 for purchase payment and RMB 1,018,820.55 for liquidated damages for overdue payment, totaling RMB 10,860,087.76. Based on this, the plaintiff Meiling Group filed a lawsuit against the defendant Gome and its affiliated companies in the People's Court of Hefei High-tech Industry Development Zone. It requested the court to order the defendant Gome to immediately pay the plaintiff Meiling Group the purchase payment and the liquidated damages for overdue payment, totaling RMB 10,860,087.76.			have come into effect, and some cases are still in the second instance	the first instance, of which 14 cases have been applied for enforcement after the first instance takes effect, and another 8 cases are currently in the second instance stage.			(www.cninfo.com.cn)(2023-058)
Accumulated amount of other litigation that does not meet the disclosure standard of major litigation	16,455.17	Part of it is a note					

Note 1: On June 30, 2025, An estimated liability of 1,932,959.71 yuan will be confirmed. For specific details, please refer to the relevant content of "40. Estimated Liabilities" in "V. Annotations to Key Items in Consolidated Financial Statements" of "Section 8 Financial Report" in this report.

Note 2: The Company's shareholding in Zhiyijia is 50%, and the products are sold through Zhiyijia's smart trading platform. The customers, channels and sales transactions corresponding to the products sold are controlled and docked by the company itself, and the external transaction object is Zhiyijia, and related transactions are formed between the Company and Zhiyijia. In terms of payment settlement, the Company and

Zhiyijia follow the principle of "external customer account period is Zhiyijia's account period to the Company, and external customer payment is Zhiyijia's payment to the Company, which is not allowed to be remained or transited at Zhiyijia". The amounts involved in this case are all accounts receivable and liquidated damages for overdue payment caused by the Company's sales through the smart trading platform of Zhiyijia, but the subject of the agreement is Zhiyijia, and this lawsuit will be filed by Zhiyijia. The Company and its affiliated enterprise Zhiyijia will claim their legitimate rights and interests according to law and actively take relevant measures to safeguard the legitimate rights and interests of the Company, Zhiyijia and the investors.

**(ii) Other litigation matters**

☐ Applicable ☒ Not applicable

**IX. Penalty and rectification**

☐ Applicable ☒ Not applicable

During the reporting period, the Company had no Penalty and rectification.

**X. Integrity of the company and its controlling shareholders and actual controllers**

☐ Applicable ☒ Not applicable

# XI. Major related party transaction

## (i) Related party transaction with routine operation concerned

√ Applicable    □ Not applicable

Serial	Related party	Relationship	Type of related transaction	Content of related transaction	Pricing principle	Related transaction price (in 10 thousand Yuan)	Related transaction amount (in 10 thousand Yuan)	Proportion in similar transactions (%)	Trading limit approved (in 10 thousand Yuan)	Whether over the approved or limited (Y/N)	Clearing form for related transaction	Available similar market price	Date of disclosure	Index of disclosure
1	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Commodity purchased	Pressure regulator, integrated circuit, transistors, steel plate, plastic parts, etc	Marketing price	5,824.16	5,824.16	0.39%	15,000	N	Spot exchange, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
2	Sichuan Changhong Electric Holdings Group	Controlling shareholder	Commodity purchased	Steel plate and plastic particles, etc	Marketing price	184,374.05	184,374.05	12.22%	350,000	N	Spot exchange, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

	Co., Ltd.													037 and 2025-040.
3	Changhong Huayi Compressor Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Compressor, Energy	Marketing price	24,108.11	24,108.11	1.60%	80,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
4	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Components, plastic parts and lining accessories etc.	Marketing price	76,273.76	76,273.76	5.06%	160,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
5	Sichuan Changhong Jijia Fine Co.,	Other enterprise control under the same controlling	Commodity purchased	Base plate assembly, black plate, bracket etc.	Marketing price	45,802.93	45,802.93	3.04%	85,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、	



	Ltd.	shareholder and ultimate controller									ce			2024-069,2024-076,2025-036,2025-037 and 2025-040.
6	Sichuan Changhong Package Printing Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Packing boxes, foam, fixed support block etc.	Marketing price	10,858.96	10,858.96	0.72%	25,000	Net, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
7	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Printed board machine insertion machine paste assembly	Marketing price	2,087.69	2,087.69	0.14%	4,000	Net, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
8	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controlling	Commodity purchased	Foods	Marketing price	2.70	2.70	0.0002%	5,000	Net, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	

		shareholder and ultimate controller												
9	Guangdong Changhong Electronics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Foam and carton	Marketing price	402.80	402.80	0.03%	5,000	None, Bank acceptance	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
10	Sichuan Changhong Intelligence Manufacturing Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Outside cover parts	Marketing price	5.65	5.65	0.0004%	5,000	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
11	Sichuan Hongwei	Other enterprise control under the	Commodity purcha	Electronic product	Marketing price	2.32	2.32	0.0002%	5,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website ( www.cninfo.com.cn )

	Technology Co., Ltd	same controlling shareholder and ultimate controller	sed								e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
12	Sichuan Changhong New Energy Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Batteries	Marketing price	45.21	45.21	0.003%	5,000		Spot exchange, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
13	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Air conditioner, LCD TV	Marketing price	255.57	255.57	0.02%	5,000		Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
14	Changhong International Holdings (Hong	Other enterprise control under the same controlling shareholder and	Commodity purchased	TV, Air conditioner	Marketing price	704.32	704.32	0.05%	4,000		Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

	Kong) Co., Ltd.	ultimate controller												037 and 2025-040.
15	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Comm odity purchas ed	printed board	Marketing price	21.42	21.42	0.001%	5,000	N	Bank acceptan ce	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
16	Sichuan Changhong Electronic Products Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Comm odity purchas ed	Remote controls, switching transformers, printed boards, electronic components, etc.	Marketing price	1,866.86	1,866.86	0.12%	5,000	N	Spot exchang e, Bank acceptan ce	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
17	Sichuan Jiahong Industrial Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Comm odity purchas ed	Foods	Marketing price	1.09	1.09	0.0001%	5,000	N	Spot exchang e	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.

18	Sichuan Ailian Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Internet access modules, electronic components, etc	Marketing price	1,036.45	1,036.45	0.07%	3,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
19	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Inverter integrated board	Marketing price	12,875.16	12,875.16	0.85%	28,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
20	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Commodity purchased	Inverter integrated board , Electronic control components	Marketing price	1,230.57	1,230.57	0.08%	7,000	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
21	Sichuan Changhong	Controlling shareholder and	Accept labor service	Shuttle transportation fee, training service	Marketing price	44.90	44.90	0.04%	350,000	None, Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	Electronic s Holding Group Co., Ltd.	ultimate controller									e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
22	Sichuan Changhon g Electric Co., Ltd.	Controllin g shareholde r	Accept labor service	Software usage fee, information consultation fee, inspection and certification fee	Marketing price	1,140.44	1,140.44	0.98%	10,000		Spot N exchang e	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
23	Sichuan Changhon g Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholde r and ultimate controller	Accept labor service	Transportation services, warehousing and handling services, etc	Marketing price	38,736.00	38,736.00	33.16%	85,000		Spot N exchang e	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
24	Sichuan Changhon g Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholde r and	Accept labor service	Commission processing fee, Change the mold service	Marketing price	1,800.65	1,800.65	1.54%	6,500		Spot exchang e, Bank acceptan ce	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

		ultimate controller												037 and 2025-040.
25	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Three packages, equipment repair, miscellaneous fees, installation fee etc.	Marketing price	19,023.14	19,023.14	16.28%	51,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
26	Sichuan Hongxin Software Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Software usage fee, information service fee	Marketing price	61.51	61.51	0.05%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
27	Guangdong Changhong Electronic Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Network services, recruitment services, security services, etc	Marketing price	11.51	11.51	0.01%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.

28	Sichuan Jiahong Industrial Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Meals, property management fees etc.	Marketing price	601.02	601.02	0.51%	5,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
29	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Meetings fee, accommodation, Travel service	Marketing price	141.02	141.02	0.12%	5,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
30	Sichuan Changhong Property Services Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	property management fees	Marketing price	4.47	4.47	0.004%	5,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
31	Sichuan Hongwei	Other enterprise control under the	Accept labor service	Training services	Marketing price	1,228.46	1,228.46	1.05%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)



	Technology Co., Ltd.	same controlling shareholder and ultimate controller								e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
32	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Design service fee and platform usage fee	Marketing price	1.61	1.61	0.001%	10,000	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
33	Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Consultation service, Equipment repair service	Marketing price	203.87	203.87	0.17%	5,000	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
34	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder	Accept labor service	Commission processing fee	Marketing price	507.71	507.71	0.43%	10,000	Spot N exchange, Bank acceptan	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

		r and ultimate controller									ce			037 and 2025-040.
35	Sichuan Changhong Gerun Environmental protection Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Environmental protection service	Marketing price	10.24	10.24	0.01%	5,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
36	Sichuan Aichuang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Accept labor service	Technical service, warehouse management service	Marketing price	76.11	76.11	0.07%	5,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
37	Sichuan Qiruike Technology	Other enterprise control	Accept labor service	Instrument repair fee, inspection and certification fee,	Marketing price	209.60	209.60	0.18%	5,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	y Co., Ltd.	under the same controlling shareholder and ultimate controller		etc.						e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
38	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Sales of goods	Air conditioner, Kitchen and bathroom, small appliances	Marketing price	82.38	82.38	0.005%	1,750	None, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
39	Sichuan Changhong Mold Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Plastic pressure parts	Marketing price	8.81	8.81	0.0005%	2,000	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
40	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and	Sales of goods	Washing machine, Refrigerator, freezer, Air conditioner, small appliances	Marketing price	345,985.45	345,985.45	19.29%	900,000	Spot exchange, Bank acceptance	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

		ultimate controller									ce			037 and 2025-040.
41	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air-conditioning, energy, and compressed air	Marketing price	2.09	2.09	0.0001%	2,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
42	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air-conditioning , Refrigerator	Marketing price	59.19	59.19	0.003%	2,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
43	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioners, inverter integrated boards, components etc.	Marketing price	318.55	318.55	0.018%	2,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.

44	Zhongjiu Flash Medical Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioners	Marketing price	72.17	72.17	0.004%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
45	Sichuan Changhong Property Service Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Kitchen and bathroom, small home appliances	Marketing price	0.40	0.40	0.00002%	2,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
46	Sichuan Changhong Xinwang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioners	Marketing price	207.96	207.96	0.012%	2,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
47	Sichuan Hongche	Other enterprise control	Sales of	Air conditioners	Marketing	29.00	29.00	0.002%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	ng Construct ion Engineeri ng Co., Ltd.	under the same controlling shareholde r and ultimate controller	goods		price						e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
48	Sichuan Aoku Technolog y Co., Ltd.	Other enterprise control under the same controlling shareholde r and ultimate controller	Sales of goods	Printed board components, small home appliances, etc	Marketing price	1.96	1.96	0.0001%	4,500		Spot N exchang e	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
49	Sichuan Changhon g Source Co., Ltd.	Other enterprise control under the same controlling shareholde r and ultimate controller	Sales of goods	Small home appliances	Marketing price	4.96	4.96	0.0003%	4,500		Spot N exchang e	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025- 037 and 2025-040.
50	Sichuan Jiahong Industry	Other enterprise control under the same	Sales of goods	Air conditioners	Marketing price	0.74	0.74	0.00004%	4,500		Spot N exchang	-	December 12, 2024, December 28, 2024, May	Juchao Website ( www.cninfo.com.cn ) Announcement

	Co., Ltd.	controlling shareholder and ultimate controller								e		24,2025	No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
51	PT.CHANGHONG ELECTRIC INDONESIA	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	TV	Marketing price	8.31	8.31	0.0005%	2,000	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
52	CHANGHONG(HK) TRADING LIMITED	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Air conditioners and part	Marketing price	108,880.15	108,880.15	6.071%	160,000	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
53	CHANGHONG ELECTRIC(AUSTRALIA)PTY.LTD	Other enterprise control under the same controlling shareholder and ultimate	Sales of goods	Refrigerator, washing machine	Marketing price	13,524.24	13,524.24	0.754%	160,000	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-

	D.	controller												037 and 2025-040.
54	OrionPDP Co.,Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator	Marketing price	627.27	627.27	0.035%	8,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
55	Changhong EuropeElectrics.r.o	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator	Marketing price	8,071.31	8,071.31	0.450%	18,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
56	Changhong International Holdings (Hong Kong) Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Refrigerator ,Air conditioners and part	Marketing price	18,121.67	18,121.67	1.010%	90,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.



57	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sales of goods	Kitchen and bathroom, small home appliances	Marketing price	9.82	9.82	0.001%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
58	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Property management services, warehousing services, etc	Marketing price	222.45	222.45	7.37%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
59	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Property management services, warehousing services, etc	Marketing price	22.42	22.42	0.74%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
60	Sichuan Aichuang Science & Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service, warehousing services, etc	Marketing price	4.08	4.08	0.14%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.

	y Co., Ltd.	same controlling shareholder and ultimate controller	s							e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
61	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Service fee	Marketing price	16.11	16.11	0.53%	10,000	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
62	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Providing services	Labor service, Installation service,	Marketing price	26.97	26.97	0.89%	10,000	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
63	Sichuan Changhong New Energy Technology	Other enterprise control under the same controlling shareholder and	Providing services	Installation service,	Marketing price	6.42	6.42	0.21%	4,500	Spot Net exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

	y Co., Ltd.	ultimate controller												037 and 2025-040.
64	Zhongjiu Flash Medical Technology Co., Ltd	Other enterprise control under the same controlling shareholder and ultimate controller	Providing service	Installation service,	Marketing price	71.99	71.99	2.38%	4,500	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
65	Mianyang Huafeng Hulian Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing service	Repair Service	Marketing price	1.42	1.42	0.05%	4,500	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
66	Changhong Huayi Compressor Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing service	Labor service	Marketing price	27.22	27.22	0.90%	220	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.

67	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor service	Marketing price	8.56	8.56	0.28%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
68	Sichuan Ailian Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Warehousing services	Marketing price	0.08	0.08	0.003%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
69	Sichuan Changhong Xinwang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor cost	Marketing price	219.63	219.63	7.27%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
70	Sichuan Service	Other enterprise control	Providing service	Labor cost	Marketing	108.88	108.88	3.61%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	Exp. Appliance Service Chain Co., Ltd.	under the same controlling shareholder and ultimate controller	s		price						e		24,2025	Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
71	Sichuan Aoku Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Labor cost	Marketing price	1.70	1.70	0.06%	4,500	Spot	Exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
72	Sichuan Changhong International Hotel Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Maintenance fees	Marketing price	1.51	1.51	0.05%	4,500	Spot	Exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
73	Sichuan Changhong International Hotel	Other enterprise control under the same controlling	Providing services	Maintenance fees	Marketing price	12.16	12.16	0.40%	10,000	Spot	Exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、

	Co., Ltd.	shareholder and ultimate controller												2024-069,2024-076,2025-036,2025-037 and 2025-040.
74	Sichuan Changhong Electronic Products Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Packaging service	Marketing price	0.15	0.15	0.005%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
75	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing services	Technical service fee	Marketing price	1.28	1.28	0.04%	10,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
76	Sichuan Changhong Property Service	Other enterprise control under the	Providing services	Technical service fee	Marketing price	9.01	9.01	0.30%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn) Announcement

	Co., Ltd.	same controlling shareholder and ultimate controller								e		24,2025	No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
77	Sichuan Changhong Jiechuang Lithium Battery Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing service	Installation service, Labor service	Marketing price	4.30	4.30	0.14%	4,500	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
78	Sichuan Hongwei Technology Co.,Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Providing service	Labor service	Marketing price	0.14	0.14	0.005%	10,000	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
79	Sichuan Changhong	Other enterprise control under the same controlling	Providing service	Air conditioning maintenance service	Marketing price	0.78	0.78	0.03%	4,500	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement

	Education and Technology Co., Ltd	shareholder and ultimate controller												No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
80	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Rent to the related party	Lease of factory, equipment	Marketing price	46.08	46.08	1.28%	4,000	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
81	Sichuan Changhong Jijia Fine Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment, warehouses,plants, equipment	Marketing price	355.93	355.93	9.92%	4,000	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
82	Sichuan Changhong Education and	Other enterprise control under the same controlling shareholder and	Rent to the related party	Lease of factory	Marketing price	0.32	0.32	0.01%	4,500	None	Spot exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-



	Technology Co., Ltd	ultimate controller												037 and 2025-040.
83	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of factory	Marketing price	103.52	103.52	2.88%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
84	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment, office	Marketing price	24.81	24.81	0.69%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
85	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Serviced apartment, office, etc.	Marketing price	33.43	33.43	0.93%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.

86	Sichuan Changhong Mold Plastic Tech. Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Serviced apartment, warehouse, workshop, equipment and living quarters	Marketing price	958.14	958.14	26.69%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
87	Sichuan Changhong Device Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of factory	Marketing price	2.01	2.01	0.06%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
88	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Rental apartment	Marketing price	8.42	8.42	0.23%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
89	Chengdu Changhong Electronic	Other enterprise control under the	Leasing from related	Leasing office	Marketing price	4.21	4.21	0.12%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	Technology Co., Ltd.	same controlling shareholder and ultimate controller	party								e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
90	Sichuan Changhong Minsheng Logistics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of factory	Marketing price	441.10	441.10	12.29%	4,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
91	Guangdong Changhong Electronics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Leasing from related party	Lease of staff dormitory, plant	Marketing price	1.91	1.91	0.05%	4,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
92	Sichuan Huafeng Technology Co.,	Other enterprise control under the same controlling shareholder and	Leasing from related party	Lease of staff dormitory	Marketing price	18.30	18.30	0.51%	5,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-

	Ltd	ultimate controller												037 and 2025-040.
93	Sichuan Jiahong Industrial Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Leasing from related party	Lease of staff dormitory, plant	Marketing price	17.95	17.95	0.50%	5,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
94	Sichuan Changhong Electric Co., Ltd.	Controlling shareholder	Leasing from related party	lease of plant	Marketing price	228.68	228.68	6.37%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
95	Sichuan Changhong Electronics Holding Group Co., Ltd.	Controlling shareholder and ultimate controller	Leasing from related party	Lease of staff dormitory	Marketing price	9.95	9.95	0.28%	350,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
96	Sichuan Zhiyijia Network	Other enterprise control	Rent to the related	Lease office	Marketing	2.16	2.16	0.06%	4,000	N	Spot exchange	-	December 12, 2024, December 28, 2024, May	Juchao Website (www.cninfo.com.cn)

	Technology Co., Ltd.	under the same controlling shareholder and ultimate controller	party		price						e		24,2025	Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
97	Changhong Huayi Compression Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Rent to the related party	Lease of staff dormitory	Marketing price	5.93	5.93	0.17%	80,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
98	Sichuan Changhong Hongwei Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase and construction of fixed assets	Assembly Line body	Marketing price	26.55	26.55	0.11%	600		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
99	Sichuan Changhong Intelligent	Other enterprise control under the same controlling shareholder	Purchase and construction of fixed	Assembly Line body	Marketing price	132.11	132.11	0.54%	5,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、

	Manufacturing Technology Co., Ltd.	r and ultimate controller	assets											2024-069,2024-076,2025-036,2025-037 and 2025-040.
100	Sichuan Hongxin Software Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase and construction of fixed assets	Display glass	Marketing price	23.49	23.49	0.10%	600	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
101	Sichuan Hongxin Software Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase and construction of fixed assets	Information Management System	Marketing price	132.08	132.08	0.54%	600	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.	
102	Sichuan Changhong Xinwang Technology	Other enterprise control under the same controlling shareholder and	Purchase and construction of fixed assets	Evaporator working platform	Marketing price	1.71	1.71	0.01%	600	Spot N exchange	-	December 12, 2024, December 28, 2024, May 24,2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-	

	y Co., Ltd.	ultimate controller												037 and 2025-040.
103	Sichuan Zhiyijia Network Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of fixed assets	TV	Marketing price	3.50	3.50	0.01%	600	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
104	Guangdong Changhong Electronics Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Purchase of fixed assets	Display glass	Marketing price	0.40	0.40	0.002%	600	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.
105	Sichuan Aichuang Technology Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Sale of fixed asset	Line body	Marketing price	66.30	66.30	44.99%	4,500	N	Spot exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website (www.cninfo.com.cn) Announcement No.:2024-067,2024-068、 2024-069,2024-076,2025-036,2025-037 and 2025-040.

106	Yuanxin Financial Lease Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Financial order business, commercial factoring and financial order, etc	Financing business	Marketing price	207,172.10	207,172.10		500,000		Spot N exchange	-	December 12, 2024, December 28, 2024, May 24, 2025	Juchao Website ( www.cninfo.com.cn ) Announcement No.:2024-067,2024-068、2024-069,2024-076,2025-036,2025-037 and 2025-040.
Total					--	--	1,138,186.82	--	2,618,070.00	--	--	--	--	--
Detail of sales return with major amount involved					Not applicable									
Report the actual implementation of the daily related transactions which were projected about their total amount by types during the reporting period (if applicable)					1 It is estimated that the related transaction amount resulted by purchasing goods (including door shell and plastic products etc.) and accepting fuel and power from Sichuan Changhong and its subsidiary by the Company for year of 2025 was 3,030 million yuan at most (tax-excluded), actually 1,441.0079 million yuan occurred in reporting period.									
					2. It is estimated that the related transaction amount resulted by purchasing compressors, Sell goods, accept or provide services with Changhong Huayi and its									



	subsidiary by the Company for year of 2025 was 802.20 million yuan at most (tax-excluded), actually 241.4126 million yuan occurred in reporting period.
	3. It is estimated that the related transaction amount resulted by purchasing or selling equipment, software, maintenance and spare parts and molds etc. from Sichuan Changhong and its subsidiary by the Company for year of 2025 was 6 million yuan at most (tax-excluded), actually 1.8773 million yuan occurred in reporting period.
	4. It is estimated that the related transaction amount resulted by selling goods and providing fuel and power to Sichuan Changhong and its subsidiary by the Company for year of 2025 was 11,717.50 million yuan at most (tax-excluded), actually 4,952.7051 million yuan occurred in reporting period.
	5. It is estimated that the related transaction amount resulted by leasing business to Sichuan Changhong and its subsidiary by the Company for year of 2025 was 40 million yuan at most (tax-excluded), actually 22.1040 million yuan occurred in reporting period.
	6. It is estimated that the related transaction amount from domestic finished goods logistic business outsourcing to Sichuan Changhong Minsheng Logistics Co., Ltd. by the Company for year of 2025 was 850 million yuan at most (tax-excluded), actually 387.36 million yuan occurred in reporting period.
	7. It is estimated that the related transaction amount from after sales service of domestic goods outsourcing to Sichuan Service Exp. Appliance Service Chain Co., Ltd. by the Company for year of 2025 was 510 million yuan at most actually 190.2314 million yuan occurred in reporting period.
	8. It is estimated that the related transaction amount resulted by accepting other service and labor service etc. or providing other service and labor service etc. to Sichuan Changhong and its subsidiary by the Company for year of 2025 was 165 million yuan at most (tax-excluded), actually 53.9064 million yuan occurred in reporting period.
	9. It is estimated that the related transaction amount resulted by selling goods and leasing business from Sichuan Changhong Electronics Holding Group Co., Ltd and its subsidiary by the Company for year of 2025 was 130 million yuan at most (tax-excluded), actually 9.1383 million yuan occurred in reporting period
	10. It is estimated that the related transaction amount resulted by purchasing goods and receiving labor services, fuel power, leasing and purchasing equipment etc. from Sichuan Changhong Electronics Holding Group Co., Ltd. and its subsidiary by the Company for year of 2025 was 3,930 million yuan at most (tax-excluded), actually 2,010.4042 million yuan occurred in reporting period.

	11. It is estimated that the related transaction amount resulted by received the financing lease, commercial factoring and bill financing from Yuanxin Financial Lease Co., Ltd for year of 2025 was 5,000 million yuan at most, actually 2,071.7210 million yuan occurred in reporting period.
Reasons for major differences between trading price and market reference price (if applicable)	Not applicable

**(ii) Related transactions by assets acquisition and sold**

☐Applicable ☒ Not applicable

There are no related transactions by assets acquisition and sold in the period

**(iii) Related party transaction of joint foreign investment**

☐Applicable ☒ Not applicable

There are no related transactions by joint foreign investment in the period

**(iv) Connect of related liability and debt**

☒Applicable ☐ Not applicable

Whether has non-operational contact of related liability and debts or not

☐Yes ☒ No

No non-operational contact of related liability or debts in Period

**(v) Contact with the related finance companies**

☒Applicable ☐ Not applicable

Deposit business

Related party	Relationship	Maximum daily deposit limit (In 10 thousand yuan)	Deposit interest rate range	Opening balance (In 10 thousand yuan)	Amount for the Period		Ending Balance (In 10 thousand yuan)
					Total deposit amount for the Period (In 10 thousand yuan)	The total amount withdrawn in the Period (In 10 thousand yuan)	
Sichuan Changhong Group Finance Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	450,000.00	0.3%-2.4 %	447,850.81	4,407,900.20	4,407,381.90	448,369.11

Credit extension or other financial business

Related party	Relationship	Type of business	Total amount ( in	Actual amount ( in
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			10 thousand yuan)	10 thousand yuan)
Sichuan Changhong Group Finance Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Other financial services - note issuance	300,000.00	80,408.18
Sichuan Changhong Group Finance Co., Ltd.	Other enterprise control under the same controlling shareholder and ultimate controller	Other financial services - note discounting	300,000.00	48,014.90
Sichuan Changhong Group Finance Co., Ltd.	Other enterprises controlled by the same controlling shareholder and ultimate controller	Other financial services - Guarantee issued	100,000.00	115.98

Note 1: As of June 30, 2025, registered capital of Changhong Finance Company is 2,693,938,365.84 yuan. The Company and Changhong Huayi holds 14.96% equity of Chonghong Finance Company respectively, and controlling shareholder of the Company -Sichuan Changhong Electric Co., Ltd and its controlling shareholder Sichuan Changhong Electronics Holding Group Co., Ltd holds 35.04% equity of Changhong Finance Company respectively.

Note 2: After deliberated and approved by the 35th session of 9<sup>th</sup> BOD and 2<sup>th</sup> extraordinary shareholders general meeting of 2023 held on 16 October 2023 and 3 November , it is agreed to continue the financial services cooperation between the Company and Changhong Finance Company and renew the “Financial Service Agreement” for a period of three years. Changhong Finance Company will provides a series of financial services such as deposit and loans within scope of operation according to the requirements of Company and its subsidiaries(Excluding Zhongke Meiling and its subsidiaries).

Note 3: On December 11 and December 27, 2024, the "Proposal on Expected Continuous Related Party Transactions between the Company and Its Subsidiaries and Sichuan Changhong Group Finance Co., Ltd. in 2025" was deliberated and passed in the eighth meeting of the 11th board of directors of the Company and the third extraordinary general meeting of shareholders in 2024, which estimated the amount of related transactions of financial service such as deposits, loans, credit, bill issuance, bill discounting, and guarantee business between the Company and its subsidiaries (excluding Zhongke Meiling and its subsidiaries) and Changhong Finance Co., Ltd. in 2025.

**(vi) Transactions between the finance company controlled by the Company and related parties**

☐ Applicable ☒ Not applicable

**(vii) Other related party transactions**

√Applicable □ Not applicable

1. On May 23, 2025, after deliberation and approval at the 16th meeting of the 11th board of directors and the 10th meeting of the 11th board of supervisors of the Company, it's agreed that the Company will increase the expected amount of routine related party transactions including selling goods to Sichuan Changhong in 2025 by no more than 12.5 million yuan (excluding tax). After this increase, the Company and its subsidiaries expect that the total amount of routine related party transactions such as selling goods, providing fuel and power to Sichuan Changhong will not exceed 17.5 million yuan (excluding tax) in 2025.

2. On May 23, 2025, after deliberation and approval at the 16th meeting of the 11th board of directors and the 10th meeting of the 11th board of supervisors of the Company, according to the Company's strategic development plan and the business development needs of its subsidiary Zhongshan Changhong, in order to solve the capacity demand for air conditioning business sales in overseas markets, the board of directors of the Company agreed that Zhongshan Changhong will invest in the construction of an air conditioning project with an annual output of 4 million sets per shift (hereinafter referred to as the "air conditioning project") with self-raised funds of about 296.42 million yuan. In order to meet the needs of the implementation site of Zhongshan Changhong air conditioning project, after field research, repeated demonstration and evaluation, with the support of the Company's controlling shareholder, Zhongshan Changhong intends to sign the "Industrial Plant Lease Intention Contract" with Guangdong Changhong Electronics Co., Ltd. (hereinafter referred to as "Guangdong Changhong"), a holding subsidiary of Sichuan Changhong, to build a new plant by Guangdong Changhong and leased by Zhongshan Changhong for the implementation of Zhongshan Changhong Construction with an annual output of 4 million sets of air conditioning project per shift. The intended lease period is 5 years (from January 1, 2027 to December 31, 2031), and after the expiration of the lease period, the two parties will continue to negotiate the follow-up lease. The rental price refers to the market price, and the preliminary intention determines that the monthly rent standard is 20 yuan/square meter (excluding tax, including house rent, security fees, etc.), and the total rent for 5 years is expected to not exceed 212.3 million yuan, and the actual amount will be determined according to market conditions after the completion of the plant. The aforesaid term and price are only intentional agreements, and the final lease agreement signed by both parties shall prevail.

Related searches for disclosure website of interim report with major related transaction concerned

Interim report	Disclosure date	Website for disclosure
Resolution Notice of the 16th session of 11 <sup>th</sup> BOD (2025-036)	May 24, 2025	Juchao Website <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Resolution Notice of the 10th session of 11 <sup>th</sup> BOS (2025-037)		
Announcement on the signing of the "Industrial Plant		

Lease Intention Contract"namely the related party transaction by its subsidiary  (2025-039)  Announcement on Increasing the Daily Related Party Transactions in 2025 (2025-040)		
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## XII. Significant contract and implementations

### (i) Entrust, contract and leasing

#### 1. Entrust

☐Applicable ☒ Not applicable

No entrust in Period.

#### 2. Contract

☐Applicable ☒ Not applicable

No contract in Period.

#### 3. Leasing

☒Applicable ☐Not applicable

Note

For the operational leasing of the company, please refer to "investment real estate", "fixed assets", "use assets", "use assets", "related party lease" and "related party lease" in the notes to the financial statements.

Project which generates profit or loss reaching over 10% of total profits of the Company during the Reporting Period

☐ Applicable ☒ Not applicable

There were no leases with a 10% or greater impact on the Company's gross profit in the Reporting Period.

(ii) Major guarantee

√ Applicable    □ Not applicable

In RMB 10,000

Particulars about the external guarantee of the Company and subsidiaries (Barring the guarantee for subsidiaries) )										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collateral (if applicable)	Counter guarantee (if applicable)	Guarantee term	Complete implementation or not	Guarantee for related party
-	-	-	-	-	-	-	-	-	-	-
Total approving external guarantee in report period (A1)			0	Total actual occurred external guarantee in report period (A2)				0		
Total approved external guarantee at the end of report period ( A3)			0	Total actual balance of external guarantee at the end of report period (A4)				0		
Guarantee between the Company and the subsidiaries										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collateral (if applicable)	Counter guarantee (if applicab	Guarantee term	Complete implemen tation or not	Guarantee for related party

							le)			
Changhong Meiling Ridian Technology Co., Ltd.	Announcement No.: 2023-066,2023-067,20 23-070, 2023-080.released on December 5,2023,December 22, 2023.	14,500.00	March 19,2024	3,500.00	Joint liability guaranty		Yes	10.4 month s	Yes	No
Sichuan Changhong Air-conditioner Co., Ltd.	Announcement No.: 2024-020,2024-021,202 4-023, 2024-036.released on April 20,2024,June 19,2024	60,000.00	September 27,2024	60,000.00	Joint liability guaranty		Yes	6.4 months	Yes	No
	Announcement No.: 2024-067,2024-068,202 4-071, 2024-076.released on December 12, 2024, December 28, 2024	61,800.00	-	-	-		-	-	-	-



Jiangxi Meiling Electric Appliance Co., Ltd.	Announcement No.: 2024-067,2024-068,2024-071, 2024-076.released on December 12, 2024, December 28, 2024	10,000.00	-	-	-	-	-	-	-
Hefei Meiling Group Holdings Limited	Announcement No.: 2023-066,2023-067,2023-070, 2023-080.released on December 5, 2023, December 22, 2023	25,000.00	December 6,2024	20,000.00	Joint liability guaranty	Yes	1 year	Yes	No
	Announcement No.: 2024-067,2024-068,2024-071, 2024-076.released on December 12, 2024, December 28, 2024	70,000.00	June 3,2025	40,000.00	Joint liability guaranty	Yes	1 year	No	No
Hefei Changhong Meiling Life Appliances Co.,	Announcement No.: 2022-087,2022-088,2022-091,	35,000.00	December 1,2023	10,000.00	Joint liability guaranty	Yes	1 year	Yes	No

Ltd.	2022-100.released on December 23, 2022, December 21, 2022									
	Announcement No.: 2023-066,2023-067,202 3-070, 2023-080.released on December 5, 2023, December 23, 2023	50,000.00	March 26,2024	8,000.00	Joint liability guaranty		Yes	1 yes	Yes	No
	Announcement No.: 2024-067,2024-068,202 4-071, 2024-076.released on December 12, 2024, December 28, 2024	20,000.00	-	-	-		-	-	-	-
Hefei Changhong Industrial Co., Ltd.	Announcement No.: 2024-067,2024-068,202 4-071, 2024-076.released on December 12, 2024,	40,000.00	April 23,2025	3,000.00	Joint liability guaranty		Yes	11 months	No	No
			May 26,2025	3,579.30 (Note 1 )	Joint liability guaranty		Yes	1 year	No	No

	December 28, 2024		May 28,2025	5,000.00	Joint liability guaranty		Yes	1 year	No	No
Total amount of approving guarantee for subsidiaries in report period (B1)			0	Total amount of actual occurred guarantee for subsidiaries in report period (B2)			153,079.30			
Total amount of approved guarantee for subsidiaries at the end of reporting period (B3)			201,800.00	Total balance of actual guarantee for subsidiaries at the end of reporting period (B4)			51,579.30			
Guarantee of the subsidiaries for the subsidiaries										
Name of the Company guaranteed	Related Announcement disclosure date	Guarantee limit	Actual date of happening	Actual guarantee limit	Guarantee type	Collateral (if applicable)	Counter guarantee (if applicable)	Guarantee term	Complete implementation or not	Guarantee for related party
Anhui Touxing Technology Co., Ltd.	Announcement No.: 2022-087,2022-088,2022-091, 2022-100.released on December 7, 2022, December 23, 2022	8,000.00	August 15,2023	400.00	Joint liability guaranty		Yes	1 year	Yes	No
	Announcement No.:	5,000.00	July 24,2024	1,000.00	Joint liability		Yes	11.5 month	Yes	No

	2023-066,2023-067,2023-070, 2023-080.released on December 5, 2023, December 22, 2023				guaranty			s		
	Announcement No.: 2024-067,2024-068,2024-071, 2024-076.released on December 12, 2024, December 28, 2024	3,000.00	February 14,2025	1,000.00	Joint liability guaranty		Yes	1 year	No	No
Anhui Ling'an Medical Equipment Co., Ltd	Announcement No.: 2023-066,2023-067,2023-070, 2023-080.released on December 5, 2023, December 22, 2023	10,000.00	October 31,2024	1,000.00	Joint liability guaranty		Yes	1 year	No	No
	Announcement No.: 2024-067,2024-068,2024-071, 2024-076.released on	5,000.00	February 11,2025	1,000.00	Joint liability guaranty		Yes	1 year	No	No

	December 12, 2024, December 28, 2024									
Ground Energy Heat Pump Tech.(Zhongshan) Co., Ltd.	Announcement No.: 2024-067,2024-068,2024-071, 2024-076.released on December 12, 2024, December 28, 2024	56,500.00	-	-	-	-	-	-	-	-
Total amount of approving guarantee for subsidiaries in report period (C1)			0	Total amount of actual occurred guarantee for subsidiaries in report period (C2)				4,400.00		
Total amount of approved guarantee for subsidiaries at the end of reporting period (C3)			74,500.00	Total balance of actual guarantee for subsidiaries at the end of reporting period (C4)				3,000.00		
Total amount of guarantee of the Company (total of three abovementioned guarantee)										
Total amount of approving guarantee in report period (A1+B1+C1)			0	Total amount of actual occurred guarantee in report period (A2+B2+C2)				157,479.30		
Total amount of approved guarantee at the end of report period (A3+B3+C3)			276,300.00	Total balance of actual guarantee at the end of report period (A4+B4+C4)				54,579.30		
Ratio of actual guarantee (A4+B4+C4) in net assets of the Company				8.84%						

Including:	
Amount of guarantee for shareholders, actual controller and its related parties (D)	0
The debts guarantee amount provided for the guaranteed parties whose assets-liability ratio exceed 70% directly or indirectly (E)	40,000.00
Proportion of total amount of guarantee in net assets of the Company exceed 50% (F)	0
Total amount of the aforesaid three guarantees (D+E+F)	40,000.00
Explanations on possibly bearing joint and several liquidating responsibilities for undue guarantees (if applicable)	N/A
Explanations on external guarantee against regulated procedures (if applicable)	N/A

Note 1: In order to unify the currency for aggregation, the exchange rate here adopted is 7.1586 of the US dollar to RMB exchange rate on June 30, 2025.

The above-mentioned guarantee objects are the wholly-owned and holding subsidiaries of the Company, and these wholly-owned and holding subsidiaries are in normal production and operation, there are no overdue loans, and the guarantee risks are controllable.

During the reporting period, there were no external guarantees for the Company and its subsidiaries, but there were guarantees from the Company to its subsidiaries, or from such subsidiaries to their subsidiaries.

By the end of the reporting period, the total approved amount of the Company's guarantee provided to its subsidiaries and the guarantee provided by such subsidiaries to their subsidiaries was RMB 2,763 million, the actual amount was RMB 1,574.793 million, The total actual guarantee balance is 545.793 million yuan, accounting for 8.84% of the Company's latest net assets.

Explanation on guarantee with composite way: Not applicable

### (iii) Trust financing

√ Applicable    □ Not applicable

In RMB 10,000

Type	Capital resources	Amount for entrust	Undue balance	Overdue amount	Impairment amount for overdue financial management
Bank financing products	Idle own funds	1,140,000.00	174,000	0	0
Total		1,140,000.00	174,000	0	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity

□ Applicable    √ Not applicable

During the reporting period, the bank wealth management products with high safety, good liquidity, low risk and stability purchased by the Company within one year are as follows:

Trustee institution (or name of trustee)	Trustee type	Product type	Amount	Source of funds	Start date	Expiry date	Capital investment purpose	Criteria for fixing reward	Reference annual rate of return	Anticipated income (if applicable)	Actual gains/losses in period	Actual collected gains/losses in period	Amount of reserve for devaluation of withdrawing in the year(if applicable)	Whether approved by legal procedure (Y/N)	Whether has entrust finance plan in the future	Summary of the items and related query index (if applicable)
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Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	70,000.00	Idle own funds	January 6,2025	January 24,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.40%	Not applicable	82.85	82.85	N/A	Yes	Not applicable	—
Guangfa Bank Zhongshan Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	January 7,2025	April 15,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.52%	Not applicable	12.28	12.28	N/A	Yes	Not applicable	—
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own funds	January 14,2025	April 14,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	2.20%	Not applicable	165.00	165.00	N/A	Yes	Not applicable	—



							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	80,000.00	Idle own funds	January 15,2025	January 22,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.40%	Not applicable	36.82	36.82	N/A	Yes	Not applicable	—
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	January 15,2025	April 15,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.20%	Not applicable	27.50	27.50	N/A	Yes	Not applicable	—
Industrial Bank	Bank	Principal-guaranteed	5,000.00	Idle own funds	January	April	The principal of this product is	Agreement	2.15%	Not	26.21	26.21	N/A	Yes	Not	—

Co., Ltd., Mianyang Branch		ed with floating income			22,2025	21,2025	invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal -guarante ed with floating income	20,000.00	Idle own funds	January 24,2025	January 31,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.40%	Not applicable	9.21	9.21	N/A	Yes	Not applicable	—
Bohai Bank Chengdu Branch	Bank	Principal -guarante ed with floating income	10,000.00	Idle own funds	January 24,2025	April 28,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.40%	Not applicable	57.25	57.25	N/A	Yes	Not applicable	—

							financial instruments.									
China Everbright Bank Co., Ltd., Mianyang Branch	Bank	Principal-guaranteed with floating income	5,000.00	Own funds	February 1,2025	February 28,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.09%	Not applicable	7.84	7.84	N/A	Yes	Not applicable	—
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	80,000.00	Idle own funds	February 7,2025	February 27,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.30%	Not applicable	100.82	100.82	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	20,000.00	Idle own funds	February 8,2025	February 28,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	2.02%	Not applicable	22.44	22.44	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	70,000.00	Idle own funds	February 10,2025	February 26,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.45%	Not applicable	75.18	75.18	N/A	Yes	Not applicable	—
Mianyang branch of Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	February 10,2025	May 13,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.15%	Not applicable	54.19	54.19	N/A	Yes	Not applicable	—
Nantou Branch	Bank	Principal-guaranteed	3,000.00	Idle own funds	February	May 20,2025	The principal of this product is	Agreement	1.03%	Not	7.44	7.44	N/A	Yes	Not	—

of China construction Bank		ed with floating income			14,2025		invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Anhui branch of Bank of Communication s Co., Ltd	Bank	Principal -guarante ed with floating income	5,000.00	Idle own funds	February 24,2025	March 28,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.10%	Not applicable	9.21	9.21	N/A	Yes	Not applicable	—
China Everbright Bank Co., Ltd., Mianyang Branch	Bank	Principal -guarante ed with floating income	5,000.00	Own funds	March 1,2025	March 31,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.18%	Not applicable	8.96	8.96	N/A	Yes	Not applicable	—

							financial instruments.									
Bohai Bank Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	March 3,2025	June 4,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.88%	Not applicable	23.46	23.46	N/A	Yes	Not applicable	—
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	March 3,2025	March 31,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	5.18	5.18	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	20,000.00	Own funds	March 4,2025	March 31,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	2.28%	Not applicable	34.20	34.20	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	60,000.00	Idle own funds	March 5,2025	March 26,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.50%	Not applicable	86.30	86.30	N/A	Yes	Not applicable	—
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	March 6,2025	March 31,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	7.71	7.71	N/A	Yes	Not applicable	—
Bank of China	Bank	Principal-guaranteed	10,000.00	Idle own funds	March	March	The principal of this product is	Agreement	2.56%	Not	17.53	17.53	N/A	Yes	Not	—

		ed with floating income			6,2025	31,2025	invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
China Everbright Bank Co., Ltd., Zhongshan Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	March 6,2025	June 6,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.13%	Not applicable	15.98	15.98	N/A	Yes	Not applicable	—
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	20,000.00	Idle own funds	March 7,2025	May 7,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.20%	Not applicable	73.39	73.39	N/A	Yes	Not applicable	—



							financial instruments.									
Guangfa Bank Heifei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	March 7,2025	June 5,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	27.74	27.74	N/A	Yes	Not applicable	—
Zhongshan branch of Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	March 7,2025	July 1,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.30%/2.10%/2.30%	Not applicable	/	/	N/A	Yes	Not applicable	—
China CITIC Bank Chengdu Branch	Bank	Principal-guaranteed with floating income	5,000.00	Own funds	March 20,2025	June 18,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	2.31%	Not applicable	28.48	28.48	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
ICBC MianyangGaoxin Branch	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	March 28,2025	July 1,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	0.75%-2.45 %	Not applicable	/	/	N/A	Yes	Not applicable	—
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	April 1,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	5.36	5.36	N/A	Yes	Not applicable	—
China	Bank	Principal-guaranteed	5,000.00	Own funds	April 1,2025	April	The principal of this product is	Agreement	2.26%	Not	8.98	8.98	N/A	Yes	Not	—

Merchants Bank Mianyang Branch		ed with floating income				30,2025	invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Guangfa Bank Chengdu Branch	Bank	Principal -guarante ed with floating income	5,000.00	Own funds	April 1,2025	July 1,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%/2.36%	Not applicable	/	/	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal -guarante ed with floating income	10,000.00	Own funds	April 1,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.35%	Not applicable	20.54	20.54	N/A	Yes	Not applicable	—

							financial instruments.									
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	April 1,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	19.74	19.74	N/A	Yes	Not applicable	—
ICBC MianyangGaoxin Branch	Bank	Principal-guaranteed with floating income	20,000.00	Idle own funds	April 2,2025	July 3,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	0.75%-2.45 %	Not applicable	/	/	N/A	Yes	Not applicable	—
ICBC MianyangGaoxin Branch	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	April 2,2025	July 7,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	0.75%-2.45 %	Not applicable	/	/	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
ICBC MianyangGaoxin Branch	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	April 2,2025	July 7,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	0.75%-2.45 %	Not applicable	/	/	N/A	Yes	Not applicable	—
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	April 7,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.25%	Not applicable	7.09	7.09	N/A	Yes	Not applicable	—
Mianyang	Bank	Principal-guaranteed	10,000.00	Own funds	April 7,2025	April	The principal of this product is	Agreement	2.40%	Not	15.33	15.33	N/A	Yes	Not	—

branch of SPD Bank		ed with floating income				30,2025	invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	April 7,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.40%	Not applicable	15.33	15.33	N/A	Yes	Not applicable	—
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	April 9,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.25%	Not applicable	6.16	6.16	N/A	Yes	Not applicable	—

							financial instruments.									
Hefei branch of SPD Bank	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	April 9,2025	April 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.10%	Not applicable	6.13	6.13	N/A	Yes	Not applicable	—
Bank of China	Bank	Principal-guaranteed with floating income	40,000.00	Idle own funds	April 11,2025	May 12,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.45%	Not applicable	51.01	51.01	N/A	Yes	Not applicable	—
Anhui branch of Bank of Communication	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	April 11,2025	May 12,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	1.97%	Not applicable	8.36	8.36	N/A	Yes	Not applicable	—

s Co., Ltd							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	39,000.00	Idle own funds	April 24,2025	October 24,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.5% /2.15% /2.25%	Not applicable	/	/	N/A	Yes	Not applicable	—
China Everbright Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	5,000.00	Idle own funds	April 27,2025	June 27,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.15%	Not applicable	17.91	17.91	N/A	Yes	Not applicable	—
Industrial Bank	Bank	Principal-guaranteed	5,000.00	Own funds	April	July 25,2025	The principal of this product is	Agreement	1.3/2.06%	Not	/	/	N/A	Yes	Not	—



Co., Ltd., Mianyang Branch		ed with floating income			27,2025		invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Bohai Bank Chengdu Branch	Bank	Principal -guarante ed with floating income	10,000.00	Own funds	April 30,2025	August 4,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.25%-2.35 %	Not applicable	/	/	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal -guarante ed with floating income	10,000.00	Own funds	May 6,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.05%	Not applicable	13.67	13.67	N/A	Yes	Not applicable	—

							financial instruments.									
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Idle own funds	May 6,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.05%	Not applicable	13.67	13.67	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	May 6,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.05%	Not applicable	13.67	13.67	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	May 6,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.05%	Not applicable	13.67	13.67	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Industrial Bank Co., Ltd., Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Own funds	May 7,2025	May 27,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.20%	Not applicable	36.16	36.16	N/A	Yes	Not applicable	—
Bank of China	Bank	Principal-guaranteed with floating income	80,000.00	Idle own funds	May 7,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.41%	Not applicable	121.49	121.49	N/A	Yes	Not applicable	—
Industrial Bank	Bank	Principal-guaranteed	3,000.00	Idle own funds	May 7,2025	May 30,2025	The principal of this product is	Agreement	2.20%	Not	4.15	4.15	N/A	Yes	Not	—

Co., Ltd., Hefei Branch		ed with floating income					invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	3,000.00	Idle own funds	May 8,2025	May 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.30%	Not applicable	4.15	4.15	N/A	Yes	Not applicable	—
Mianyang branch of Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	May 15,2025	May 28,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	1.97%	Not applicable	7.02	7.02	N/A	Yes	Not applicable	—

							financial instruments.									
China Everbright Bank Co., Ltd., Mianyang Branch	Bank	Principal-guaranteed with floating income	2,000.00	Own funds	June 1,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1.85%	Not applicable	2.98	2.98	N/A	Yes	Not applicable	—
Mianyang branch of Bank of Communications Co., Ltd	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 3,2025	September 3,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%/2.05%	Not applicable	/	/	N/A	Yes	Not applicable	—
Bank of China	Bank	Principal-guaranteed with floating income	30,000.00	Idle own funds	June 4,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments	Agreement	2.36%	Not applicable	50.43	50.43	N/A	Yes	Not applicable	—

							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	25,000.00	Idle own funds	June 5,2025	June 25,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.35%	Not applicable	32.19	32.19	N/A	Yes	Not applicable	—
Bank of Hangzhou Co., Ltd. Hefei Branch	Bank	Principal-guaranteed with floating income	30,000.00	Idle own funds	June 5,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.35%	Not applicable	48.29	48.29	N/A	Yes	Not applicable	—
Bank of	Bank	Principal-guarante	3,000.00	Idle own funds	June 5,2025	June 30,2025	The principal of this product is	Agreement	2.30%	Not	4.72	4.72	N/A	Yes	Not	—

Hangzhou Co., Ltd. Hefei Branch		ed with floating income					invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
China Merchants Bank Mianyang Branch	Bank	Principal -guarante ed with floating income	5,000.00	Own funds	June 6,2025	July 7,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%/1.86%	Not applicable	/	/	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal -guarante ed with floating income	10,000.00	Own funds	June 9,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	2.00%	Not applicable	11.67	11.67	N/A	Yes	Not applicable	—

							financial instruments.									
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 9,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.00%	Not applicable	11.67	11.67	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 9,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.00%	Not applicable	11.67	11.67	N/A	Yes	Not applicable	—
Mianyang branch of SPD Bank	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 9,2025	June 30,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	2.00%	Not applicable	11.67	11.67	N/A	Yes	Not applicable	—



							include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.									
China CITIC Bank Chengdu Branch	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 11,2025	September 9,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%-1.98%	Not applicable	/	/	N/A	Yes	Not applicable	—
Huaxia Bank Mianyang Branch	Bank	Principal-guaranteed with floating income	10,000.00	Own funds	June 23,2025	September 18,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%-1.91%	Not applicable	/	/	N/A	Yes	Not applicable	—
Chengdu Bank	Bank	Principal-guaranteed	10,000.00	Own funds	June 23,2025	September	The principal of this product is	Agreement	1%-2.4%	Not	/	/	N/A	Yes	Not	—

Mianyang Branch		ed with floating income				23,2025	invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.			applicable					applicable	
Chengdu Bank Mianyang Branch	Bank	Principal-guaranteed with floating income	10,000.00	own funds	June 23,2025	September 23,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative financial instruments.	Agreement	1%-2.4%	Not applicable	/	/	N/A	Yes	Not applicable	—
Chengdu Bank Mianyang Branch	Bank	Principal-guaranteed with floating income	5,000.00	own funds	June 23,2025	September 23,2025	The principal of this product is invested in bank deposits and derivative financial instruments. Derivative financial instruments include but are not limited to credit goods, foreign exchange, interest rate options and other derivative	Agreement	1%-2.4%	Not applicable	/	/	N/A	Yes	Not applicable	—

							financial instruments.									
Total			1,140,000.00								1, 618. 05	1, 618. 05				

Note: Zhongke Meiling, a subsidiary of the Company, is a listed company of the Beijing Stock Exchange. For details of its entrusted financial management, please refer to Zhongke Meiling's 2025 Semi-annual Report.

Entrust financial expected to be unable to recover the principal or impairment might be occurred

☐ Applicable ☒ Not applicable

**(iv) Other material contracts**

☐ Applicable ☒ Not applicable

No other material contracts in the period.

### XIII. Explanation on other significant events

√ Applicable    □ Not applicable

1. Passed by the 10th meeting of the 11th board of directors and the resolution of the 7th meeting of the 11th board of supervisors of the Company, in order to ensure the safety of funds and ensure the compliance and soundness of the cooperation between the Company and Sichuan Changhong Group Finance Co., Ltd., and combined with the actual situation of the Company, it's agreed to revise some provisions of the "Risk Disposal Plan of Changhong Meiling Co., Ltd. for Deposit and Loan Financial Business in Sichuan Changhong Group Finance Co., Ltd.". Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-001, 2025-002 and 2025-003) on January 2, 2025 .

2. On January 23, 2025, the Company held the first extraordinary general meeting of partners in 2025 of Sichuan Hongyun Information Technology Venture Capital Fund Partnership (Limited Partnership) (hereinafter referred to as "Hongyun Fund Phase II")-the Company invested it as a limited partner (LP). Since the second phase of Hongyun Fund Phase II has not yet completed the product filing and has not actually carried out external investment business, all partners unanimously voted to terminate the operation of the partnership, dissolve the partnership, set up a liquidation team to handle the termination and liquidation of the partnership, and authorize the fund manager to handle matters related to liquidation and cancellation. On January 24, 2025, the Company has received a total of 18,152,000 yuan from the paid-in capital contribution and the income from the cash management of the fund. As of June 10, 2025, the Company has received the remaining property distribution of 38,829.19 yuan, as well as the "Registration Notice" issued by the Smart City Operation Bureau of Sichuan Tianfu New Area, and the Hongyun Fund Phase II has been liquidated and cancelled. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-004 and 2025-044) on January 24, 2025 and June 12, 2025. .

3. On March 17, 2025, the "Proposal on Investing in the Establishment of Subsidiary and Participating in the Bidding for Land Use Rights" was passed in the 11th meeting of the 11th board of directors of the Company. According to the Company's strategic development plan and business development needs, in order to solve the future sales capacity gap of the washing machine industry and meet market demand, it's agreed that the Company and its subsidiary Mianyang Meiling shall invest a total of 500 million yuan with their own funds to invest in the establishment of a subsidiary, Mianyang Changhong Smart Home Appliance Co., Ltd. (hereinafter referred to as the "Smart Home Appliance Company"). Among them, the Company invested 495 million yuan, holding 99% of the equity, and Mianyang Meiling invested 5 million yuan, holding 1% of the equity; The Smart Home Appliance Company participated in the bidding for an industrial land located in Fuxin Community, Songya Town, Mianyang Economic and Technological Development Zone, Sichuan Province, which is for the construction land of the Company's washing machine project, with a land area of about 136,737.72 square meters (about 205.11 acres),

and the total authorized bidding price shall not exceed 59.5 million yuan. On March 21, 2025, the Smart Home Appliance Company has completed the registration of industrial and commercial establishment and obtained the "Business License" issued by the Mianyang Municipal Market Supervision and Administration Bureau. On April 18, 2025, the Smart Home Appliance Company has bid for the right to use state-owned construction land located in Fuxin Community, Songya Town, Economic Development Zone, and signed the "Transaction Confirmation of the Transfer of the Right to Use State-owned Construction Land", with a total transaction price of 59,008,598 yuan.

On April 25, 2025, the "Proposal on the Investment and Construction of a Single Shift Annual Output of 1 Million Washing Machine Project by Subordinate Subsidiary" was deliberated and passed by the 14th meeting of the 11th board of directors of the Company, agreeing that the Smart Home Appliance Company will invest about 520 million yuan to build a single-shift annual output of 1 million washing machine project in Mianyang Economic and Technological Development Zone (including the above-mentioned bidden land, plant, equipment investment, etc.), to achieve the ability to add 1 million washing machines per shift per year.

Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-005,2025-006,2025-021, 2025-028 and 2025-029) on March 18,2025, April 18,2025 and April 26, 2025.

4. On April 1, 2025 and April 25, 2025, after the resolution of the 12th meeting of the 11th board of directors of the Company, the 8th meeting of the 11th board of supervisors, and the 2024 annual general meeting of shareholders, it's approved that the Company's 2024 profit distribution plan-based on the Company's total share capital of 1,029,923,715 shares as of December 31, 2024, a cash dividend of 3.3 yuan (including tax) will be distributed to all shareholders for every 10 shares, no bonus shares, no provident fund will be used to increase share capital, and it is expected to distribute cash dividends of 339,874,825.95 yuan (including tax), accounting for 48.60% of the net profit attributable to shareholders of the listed company in 2024. On June 5, 2025, the Company disclosed the "Announcement on the Implementation of the 2024 Profit Distribution Plan" and implemented the aforementioned profit distribution plan. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-007,2025-008,2025-010,2025-030 and 2025-042) on April 3, 2025, April 26,2025 and June 5, 2025.

5. On April 1, 2025 and April 25, 2025, after the resolution of the 12th meeting of the 11th board of directors of the Company and the resolution of the 2024 annual general meeting of shareholders, it's agreed to continue to appoint Tianjian Certified Public Accountants (LLP) as the auditor of the Company's 2025 annual financial report and the Company's internal control for a period of one year. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-007,2025-011 and 2025-030) on April 3, 2025 and April 26,2025.

6. On April 1, 2025 and April 25, 2025, after the resolution of the 12th meeting of the 11th board of directors

of the Company and the resolution of the 2024 annual general meeting of shareholders, it's agreed that the Company and its subsidiaries will carry out forward foreign exchange fund trading business from July 1, 2025 to June 30, 2026, mainly including forward foreign exchange trading business, RMB foreign exchange swap business, RMB foreign exchange options business, non-deliverable forward foreign exchange trading business and other foreign exchange derivatives trading. The transaction balance does not exceed US\$2.009 billion (mainly including: US dollars, Australian dollars, euros, and all other foreign exchange converted into US dollars). Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-007,2025-015 and 2025-030) on April 3, 2025 and April 26,2025.

7. On April 1, 2025, after the resolution of the 12th meeting of the 11th board of directors and the 8th meeting of the 11th board of supervisors of the Company, it's agreed that the Company will change its accounting policy in accordance with the relevant provisions of the Ministry of Finance's Interpretation of Enterprise Accounting Standards No. 17 and Interpretation of Enterprise Accounting Standards No. 18. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-007,2025-008 and 2025-013) on April 3, 2025.

8. On April 1, 2025 and April 25, 2025, after the resolution of the 12th meeting of the 11th board of directors of the Company and the resolution of the 2024 annual general meeting of shareholders, it's agreed that the Company and its subsidiary will apply for a special credit line of up to RMB 400 million for the bill pool from the Hefei Branch of Industrial Bank Co., Ltd, and apply to Hefei Branch of Ping An Bank Co., Ltd. for a special credit line of up to RMB 500 million for the bill pool. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-007,2025-017 and 2025-030) on April 3, 2025 and April 26, 2025.

9. On May 21, 2025, the Company disclosed the "Voluntary Information Disclosure Announcement on Shareholder Gratitude and Feedback Activities", in order to thank the long-term support of all shareholders, establish a variety of shareholder return mechanisms, and meanwhile allow shareholders to experience the Company's new products and services, and improve investors' understanding and recognition of the Company's intrinsic value, the Company held the "Changhong Meiling Shareholder Gratitude Feedback Activity" from May 21, 2025 to May 25, 2025. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-035) on May 21, 2025 .

10. On May 8, 2025, nominated by Mr. Tang Youdao, vice president (acting president) of the Company, reviewed and approved by the nomination committee of the board of directors, and approved by the resolution of the 15th meeting of the 11th board of directors of the Company, the board of directors of the Company agreed to appoint Mr. Wang Xiaocheng as the vice president of the Company for a term from the date of deliberation and approval by the board of directors to the expiration of the term of office of the current board of directors. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website

(www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-031 and 2025-033) on May 9, 2025.

11. On June 18, 2025, in view of the resignation of Mr. Pang Haitao from the Company's financial director due to work changes, nominated by Mr. Tang Youdao, vice president (acting president) of the Company, reviewed and approved by the nomination committee of the board of directors and the audit committee of the board of directors respectively, and approved by the resolution of the 18th meeting of the 11th board of directors of the Company, the board of directors of the Company agreed to appoint Mr. Yang Bing as the financial director of the Company for a term from the date of deliberation and approval by the board of directors to the expiration date of the current board of directors. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-045 and 2025-047) on June 19, 2025.

#### **XIV. Major event of the subsidiary**

√ Applicable    □ Not applicable

1. On May 8, 2025, after the resolution of the 16th meeting of the 11th board of directors of the Company, it's agreed that Changhong Air Conditioning will implement a special renovation project to improve the utilization rate of the park with its self-raised funds of 28,355,000 yuan to ensure its future business development. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-031) on May 9, 2025.

2. On May 23, 2025, after the resolution of the 16th meeting of the 11th board of directors of the Company, it's agreed that Zhongshan Changhong plans to invest in the construction of an air conditioning project with an annual output of 4 million units per shift with self-raised funds of about 296.42 million yuan in the future, so as to achieve adding the capacity of 4 million units of air conditioners per shift per year. The project investment content includes production lines, equipment, working capital, etc.; The project implementation site is to lease the new plant to be built by Guangdong Changhong Electronics Co., Ltd., a holding subsidiary of Sichuan Changhong Electric Appliance Co., Ltd.; The project implementation time is expected to start in 2027 after the completion of the new plant by Guangdong Changhong. After the project is put into operation, it will directly improve the air conditioning production capacity of Zhongshan Changhong, effectively meet the production capacity needs of the Company's air conditioning industry in the future for overseas air conditioning sales, and promote the sustainable development of the Company. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No. 2025-036 and 2025-038) on May 24, 2025.

3. On June 18, 2025, after the resolution of the 18th meeting of the 11th board of directors of the Company, it's agreed that its subsidiary Hefei Changhong Industrial Co., Ltd. will invest in the construction of Hefei Changhong Smart Home Appliance Industrial Park Project (hereinafter referred to as the "Project"), with a

total investment of 877.05 million yuan, and the source of funds is self-raised. After the Project is put into operation, it will effectively increase the production capacity of medium and large volume refrigerators, create a "flexible, digital smart, and green" smart home appliance industrial park, and promote the sustainable development of the Company. The Project still needs to be submitted to the Company's general meeting of shareholders for consideration. Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) that the Company disclosed in the form of announcement (Announcement No. 2025-045 and 2025-046) on June 19, 2025 .



## Section VI Changes in Shares and Particular about Shareholders

### I. Changes in Share Capital

#### (i) Changes in Share Capital

In Shares

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Public reserve transfer into share capital	Others	Subtotal	Amount	Proportion
I. Restricted shares	6,154,085	0.60%	0	0	0	+108	+108	6,154,193	0.60%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. State-owned legal person's shares	1,141,053	0.11%	0	0	0	0	0	1,141,053	0.11%
3. Other domestic shares	5,013,032	0.49%	0	0	0	+108	+108	5,013,140	0.49%
Including: Domestic legal person's shares	3,363,539	0.33%	0	0	0	0	0	3,363,539	0.33%
Domestic natural person's shares	1,649,493	0.16%	0	0	0	+108	+108	1,649,601	0.16%
4. Foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
Including: Foreign legal person's shares	0	0.00%	0	0	0	0	0	0	0.00%

Foreign natural person's shares	0	0.00%	0	0	0	0	0	0	0.00%
II. Unrestricted shares	1,023,769,630	99.40%	0	0	0	-108	-108	1,023,769,522	99.40%
1. RMB ordinary shares	875,579,796	85.01%	0	0	0	-108	-108	875,579,688	85.01%
2. Domestically listed foreign shares	148,189,834	14.39%	0	0	0	0	0	148,189,834	14.39%
3. Overseas listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	1,029,923,715	100.00%	0	0	0	0	0	1,029,923,715	100.00%

### 1. Reasons for share changed

☒ Applicable ☐ Not applicable

The Company held the 15th meeting of the 11th board of directors on May 8, 2025, in which the "Proposal on the Appointment of Vice President of the Company" was deliberated and passed. Nominated by Mr. Tang Youdao, vice president of the Company (acting president), and reviewed and approved by the nomination committee under the board of directors, the board of directors of the Company agreed to appoint Mr. Wang Xiaocheng as the vice president of the Company for a term from the date of deliberation and approval by the board of directors to the expiration of the term of office of the current board of directors. Mr. Wang Xiaocheng holds 144 shares of the Company, and in accordance with the "Rules for the Management of the Company's Shares Held by Directors, Supervisors and Senior Management of Listed Companies and Their Changes" and other relevant regulations, 75% of the total number of shares of the Company, that is, 108 shares, shall be restricted as executive restricted shares.

### 2. Approval of share changed

☐ Applicable ☒ Not applicable

### 3. Ownership transfer of share changed

☐ Applicable ☒ Not applicable

### 4. Implementation progress of shares buy-back

√ Applicable    □ Not applicable

Based on the proposal of the chairman of the Company to repurchase the Company's A shares on April 9, 2025, the Company held the 15th meeting of the 11th board of directors on May 8, 2025, in which the "Proposal on the Plan to Repurchase the Company's A Shares" was deliberated and passed, and the "Proposal on Increasing the Source of Funds for the Repurchase of the Company's A Shares" was approved in the 17th meeting of the 11th board of directors on June 3, 2025. The plan for repurchasing A-shares is as follows: the Company uses its own funds and self-raised funds (including special loans for stock repurchase from financial institutions) of not less than 150,000,000 yuan (inclusive) and no more than 300,000,000 yuan (inclusive) to repurchase part of the Company's A-shares through centralized bidding for the implementation of equity incentives, and the repurchase price is no more than 10.67 yuan per share (due to the Company's implementation of profit distribution, the upper limit of the repurchase price is adjusted from 11 yuan per share (inclusive) to 10.67 yuan per share (inclusive)). The repurchase period is within 12 months from the date of deliberation and approval of the repurchase plan by the board of directors. The specific number and amount of shares repurchased shall be subject to the actual number and amount of shares repurchased at the expiration of the repurchase period or the completion of the implementation of the repurchased shares.

On July 15, 2025, the Company repurchased the Company's A-shares for the first time through a special securities account for stock repurchase through centralized bidding transactions. As of the disclosure date of this announcement, the Company has repurchased a total of 1,237,200 A shares of the Company, accounting for 0.1201% of the Company's total share capital, and the highest transaction price of the repurchased A shares is 7.45 yuan per share, the lowest transaction price is 7.26 yuan per share, and the total transaction amount is 9,021,808 yuan (excluding transaction fees). Found more on appointed media "Securities Times", "China Securities Journal" and Juchao Website (www.cninfo.com.cn) that the Company disclosed in the form of announcement (Announcement No.2025-019,2025-031, 2025-032, 2025-041, 2025-043, 2025-049,2025-050, 2025-051, 2025-052 and 2025-053) on April 10, 2025, May 9, 2025, June 5, 2025, July 2, 2025, July 4, 2025, July 16, 2025 and August 5, 2025. .

#### **5. Implementation progress of reducing holdings of shares buy-back by centralized bidding**

□ Applicable    √ Not applicable

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

□ Applicable    √ Not applicable

#### **7. Other information necessary to disclose or need to disclosed under requirement from security regulators**

□ Applicable    √ Not applicable

#### **(ii) Changes of lock-up stocks**

√ Applicable    □ Not applicable

In: Shares

Shareholders	Opening shares restricted	Shares released in Period	Restricted shares increased in Period	Ending shares restricted	Restricted reasons	Date for released
Wang Xiaocheng	0	0	108	108	Top management lock-in stock	-
Total	0	0	108	108	--	--

## II. Securities issuance and listing

□ Applicable    √ Not applicable

## III. Amount of shareholders of the Company and particulars about shares holding

In Shares

Total shareholders at end of the Period		68, 212		Total preference shareholders with voting rights recovered at end of reporting period (if any)( See Note 8)			0	
Particulars about common shares held above 5% by shareholders or top ten common shareholders(Excludes shares lent through refinancing)								
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Amount of common shares held at the end of reporting period	Changes in report period	Amount of restricted common shares held	Amount of common shares held without restriction	Information of shares pledged, tagged or frozen	
							State of share	Amount
Sichuan Changhong Electric Co., Ltd.	State-owned legal person	24. 12%	248, 457, 724	0	0	248, 457, 724	—	—
CHANGHONG (HK) TRADING LIMITED	Foreign legal	2. 63%	27, 077, 797	0	0	27, 077, 797	—	—

	person							
Hefei Industry Investment Holding (Group) Co., Ltd.	State-owned legal person	1.83%	18,864,896	0	0	18,864,896	—	—
HKSCC	Foreign legal person	1.48%	15,281,866	-15,439,748	0	15,281,866	—	—
CAO SHENGCHUN	Foreign nature person	1.43%	14,766,086	0	0	14,766,086	—	—
The National Social Security Fund 101 portfolio	Domestic non-state-owned legal person	1.36%	13,999,902	-21,423,759	0	13,999,902	—	—
ICBC—China Universal Intelligent manufacturing stock securities investment fund	Domestic non-state-owned legal person	1.11%	11,394,398	+5,531,100	0	11,394,398	—	—
ICBC—Dongfanghong Rui Xi three years holding period of hybrid securities investment fund	Domestic non-state-owned legal person	0.85%	8,731,900	+8,731,900	0	8,731,900	—	—
China Merchants Bank Co., Ltd—Taikang quality life hybrid securities investment fund	Domestic non-state-owned legal person	0.84%	8,700,000	+5,300,000	0	8,700,000	—	—
ICBC—Taikang strategy preferred flexible allocation of hybrid securities investment fund	Domestic non-state-owned legal person	0.83%	8,500,000	+4,700,000	0	8,500,000	—	—
Strategy investors or general legal		Not applicable						

person becomes top 10 shareholders due to rights issued (if applicable)(See note 3)			
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, CHANGHONG (HK) TRADING LIMITED (hereinafter referred to as Hong Kong Changhong) is the wholly-owned subsidiary of Sichuan Changhong Electric Co., Ltd.; except the shares of the Company directly held of the B shares of the Company, 6,296,913 shares of B-stock are also held through Phillip Securities (Hong Kong) Co., Ltd., the foregoing shareholders constitute persons of uniform action. There existed no associated relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electric Co., Ltd, Hong Kong Changhong and other top 8 shareholders (excluding PHILLIP SECURITIES (HK) LIMITED) , The company neither knows whether there is any association among other shareholders, nor knows whether other shareholders belong to the persons acting in concert that is stipulated in the “Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies”.		
Description of the above shareholders in relation to delegate/entrusted voting rights and abstention from voting rights.	Not Applicable		
Special note on the repurchase account among the top 10 shareholders (if applicable)(See Note 11)	Not Applicable		
Particular about top ten shareholders with un-restrict shares held(Excluding shares lent through refinancing and Top management lock-in stock)			
Shareholders' name	Amount of unrestricted shares held at end of Period	Type of shares	
		Type	Amount
Sichuan Changhong Electric Co., Ltd.	248,457,724	Common shares in RMB	248,457,724
CHANGHONG (HK) TRADING LIMITED	27,077,797	Foreign shares in domestic market	27,077,797
Hefei Industry Investment Holding (Group) Co., Ltd.	18,864,896	Common shares in RMB	18,864,896
HKSCC	15,281,866	Common shares in RMB	15,281,866
CAO SHENGCHUN	14,766,086	Foreign shares in domestic market	14,766,086
The National Social Security Fund 101 portfolio	13,999,902	Common shares in RMB	13,999,902

ICBC—China Universal Intelligent manufacturing stock securities investment fund	11,394,398	Common shares in RMB	11,394,398
ICBC—Dongfanghong Rui Xi three years holding period of hybrid securities investment fund	8,731,900	Common shares in RMB	8,731,900
China Merchants Bank Co., Ltd—Taikang quality life hybrid securities investment fund	8,700,000	Common shares in RMB	8,700,000
ICBC—Taikang strategy preferred flexible allocation of hybrid securities investment fund	8,500,000	Common shares in RMB	8,500,000
Expiation on associated relationship or consistent actors within the top 10 un-restrict shareholders and between top 10 un-restrict shareholders and top 10 shareholders	Found more in “Particulars about shares held above 5% by shareholders or top 10 shares holding”		
Explanation on top ten common shareholders involving margin business (if any)	Not applicable		

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

☐ Applicable ☒ Not applicable

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

☐ Applicable ☒ Not applicable

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

☐ Yes ☒ No

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

#### IV. Changes of shares held by directors, supervisors and senior executives

☐ Applicable ☒ Not applicable

The shareholding of directors, supervisors and senior managers of the Company has not changed during the reporting period. For details, please refer to the 2024 annual report

#### V. Changes in controlling shareholders or actual controllers

**(i) Controlling shareholder changes in reporting period**

☐ Applicable ☒ Not applicable

Controlling shareholder stays the same in Period.

**(ii) Changes of actual controller in Period**

☐ Applicable ☒ Not applicable

Actual controller stays the same in Period

**VI. Preferred stock**

☐ Applicable ☒ Not applicable

The Company had no preferred stock in the Period.



## Section VII Corporate Bonds

☐ Applicable ☒ Not applicable

## Section VIII Financial Report

## I. Audit report

Whether the semi-annual report is audited

☐Yes ☒No

The company's semi-annual financial report has not been audited

## II. Financial Statement

Statement in Financial Notes are carried in RMB/CNY

## 1. Consolidated Balance Sheet

Prepared by CHANGHONG MEILING CO., LTD.

June 30, 2025

In RMB

Item	June 30, 2025	January 1, 2025
Current assets:		
Monetary funds	9,480,979,069.79	10,492,450,750.61
Settlement provisions		
Capital lent		
Trading financial assets	2,136,929,526.59	
Derivative financial assets	44,278,588.05	72,010,074.43
Note receivable		
Account receivable	3,506,647,092.19	1,527,978,374.48
Receivable financing	965,174,858.85	1,516,987,953.83
Accounts paid in advance	64,160,196.63	60,352,345.27
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		

Other account receivable	55,585,833.84	135,391,270.79
Including: Interest receivable		
Dividend receivable		12,124,951.70
Buying back the sale of financial assets		
Inventories	3,930,240,031.50	3,514,968,009.34
Including: Data resources		
Contractual assets	1,316,305.32	2,763,866.97
Assets held for sale		
Non-current asset due within one year	499,403,885.22	60,242,921.84
Other current assets	668,438,057.11	562,030,362.98
Total current assets	21,353,153,445.09	17,945,175,930.54
Non-current assets:		
Loans and payments on behalf		
Debt investment	1,578,030,312.23	1,474,153,793.17
Other debt investment		
Long-term account receivable		
Long-term equity investment	84,715,253.90	81,511,146.82
Investment in other equity instrument		
Other non-current financial assets	674,073,432.44	676,094,304.44
Investment real estate	65,158,804.83	66,720,850.69
Fixed assets	2,213,277,937.59	2,218,850,660.12
Construction in progress	137,461,480.68	97,807,983.40
Productive biological asset		
Oil and gas asset		
Right-of-use assets	159,067,320.89	113,784,190.78
Intangible assets	1,000,308,845.16	994,429,966.05
Including: Data resources		

Expense on Research and Development	107,799,601.75	74,710,694.74
Including: Data resources		
Goodwill		
Long-term expenses to be apportioned	25,123,293.83	33,336,772.23
Deferred income tax asset	146,356,862.03	176,953,941.27
Other non-current asset	81,709,327.93	19,073,662.23
Total non-current asset	6,273,082,473.26	6,027,427,965.94
Total assets	27,626,235,918.35	23,972,603,896.48
Current liabilities:		
Short-term loans	1,261,549,788.31	766,747,286.01
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability	53,273,870.31	156,359,680.92
Note payable	10,087,209,450.61	7,934,125,435.65
Account payable	7,338,677,032.64	6,132,020,588.41
Accounts received in advance	665,432.82	11,085.70
Contractual liability	375,324,818.58	609,737,871.24
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	342,796,057.07	389,952,777.46
Taxes payable	85,764,533.83	95,871,539.98
Other account payable	1,097,636,910.83	1,031,439,412.53
Including: Interest payable		

Dividend payable	7,492,505.08	6,005,989.72
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	55,641,504.49	29,135,164.68
Other current liabilities	10,975,143.87	23,824,389.50
Total current liabilities	20,709,514,543.36	17,169,225,232.08
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	138,127,127.13	101,826,405.91
Long-term account payable	284,000.40	455,409.20
Long-term wages payable	9,397,626.43	10,195,289.45
Accrual liability	35,212,748.24	45,030,417.22
Deferred income	113,860,607.33	125,435,177.90
Deferred income tax liabilities	47,065,165.17	44,072,593.30
Other non-current liabilities		
Total non-current liabilities	343,947,274.70	327,015,292.98
Total liabilities	21,053,461,818.06	17,496,240,525.06
Owner's equity:		
Share capital	1,029,923,715.00	1,029,923,715.00
Other equity instrument		

Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	2,750,470,215.39	2,750,470,215.39
Less: Inventory shares		
Other comprehensive income	-21,910,079.52	-21,222,419.68
Reasonable reserve	32,081,084.56	20,968,173.59
Surplus public reserve	502,454,071.02	502,454,071.02
Provision of general risk		
Retained profit	1,880,519,704.39	1,803,207,185.06
Total owner's equity attributable to parent company	6,173,538,710.84	6,085,800,940.38
Minority interests	399,235,389.45	390,562,431.04
Total owner's equity	6,572,774,100.29	6,476,363,371.42
Total liabilities and owner's equity	27,626,235,918.35	23,972,603,896.48

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

## 2. Balance Sheet of Parent Company

In RMB

Item	June 30, 2025	January 1, 2025
Current assets:		
Monetary funds	3,254,462,734.62	3,939,389,057.28
Trading financial assets	492,200,263.89	
Derivative financial assets	11,267,678.39	19,821,438.48
Note receivable		
Account receivable	2,049,122,151.03	833,235,885.99
Receivable financing	751,829,516.66	1,442,869,017.45
Accounts paid in advance	52,082,856.91	48,554,780.33

Other account receivable	67,308,839.63	149,182,032.46
Including: Interest receivable		
Dividend receivable		12,124,951.70
Inventories	555,007,122.72	666,268,187.19
Data resources		
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year	215,284,277.78	
Other current assets	319,148,746.95	291,466,689.98
Total current assets	7,767,714,188.58	7,390,787,089.16
Non-current assets:		
Debt investment	724,001,625.00	925,585,208.34
Other debt investment		
Long-term receivables		
Long-term equity investments	2,166,487,512.17	2,063,325,214.07
Investment in other equity instrument		
Other non-current financial assets	639,116,473.26	641,137,345.26
Investment real estate	3,021,753.51	3,126,179.84
Fixed assets	1,035,503,514.74	1,053,825,318.71
Construction in progress	111,151,501.57	59,788,586.47
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets	12,007,930.10	12,954,326.53
Intangible assets	424,083,069.00	442,210,732.72
Data resources		
Research and development costs	55,670,770.01	38,924,294.89

Data resources		
Goodwill		
Long-term deferred expenses	10,883,455.52	17,709,281.58
Deferred income tax assets	63,730,852.33	95,484,746.18
Other non-current assets	638,649.57	638,649.57
Total non-current assets	5,246,297,106.78	5,354,709,884.16
Total assets	13,014,011,295.36	12,745,496,973.32
Current liabilities:		
Short-term borrowings	1,251,414,538.68	746,224,022.12
Trading financial liability		
Derivative financial liability	21,174,358.12	35,876,471.02
Notes payable	2,907,532,648.73	2,977,167,497.82
Account payable	2,204,911,559.31	2,256,196,451.43
Accounts received in advance		
Contractual liability	84,534,788.16	175,438,827.79
Wage payable	79,831,984.61	107,686,556.89
Taxes payable	11,550,571.72	17,041,928.43
Other accounts payable	1,082,757,601.95	943,872,547.30
Including: Interest payable		
Dividend payable	6,892,505.08	5,405,989.72
Liability held for sale		
Non-current liabilities due within one year	5,860,850.42	2,368,977.68
Other current liabilities	1,549,246.97	7,744,840.19
Total current liabilities	7,651,118,148.67	7,269,618,120.67
Non-current liabilities:		
Long-term loans		



Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	12,027,083.95	12,915,911.24
Long-term account payable		
Long term employee compensation payable	4,741,044.01	5,434,796.15
Accrued liabilities	8,108,377.98	12,165,219.71
Deferred income	76,009,269.64	81,760,946.33
Deferred income tax liabilities	14,795,491.83	15,926,816.74
Other non-current liabilities		
Total non-current liabilities	115,681,267.41	128,203,690.17
Total liabilities	7,766,799,416.08	7,397,821,810.84
Owners' equity:		
Share capital	1,029,923,715.00	1,029,923,715.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	2,601,775,532.74	2,601,775,532.74
Less: Inventory shares		
Other comprehensive income		
Special reserve	1,792,549.38	
Surplus reserve	502,235,905.34	502,235,905.34
Retained profit	1,111,484,176.82	1,213,740,009.40
Total owner's equity	5,247,211,879.28	5,347,675,162.48
Total liabilities and owner's equity	13,014,011,295.36	12,745,496,973.32

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

### 3. Consolidated Profit Statement

Item	In RMB	
	Semi-annual of 2025	Semi-annual of 2024
I. Total operating income	18,071,515,842.15	14,959,351,023.54
Including: Operating income	18,071,515,842.15	14,959,351,023.54
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	17,588,399,482.97	14,503,339,525.46
Including: Operating cost	16,184,229,553.79	13,341,412,638.44
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	58,989,367.55	55,591,644.49
Sales expense	834,522,622.88	757,588,062.94
Administrative expense	196,789,198.82	163,427,965.02
R&D expense	324,890,915.17	287,601,598.28
Financial expense	-11,022,175.24	-102,282,383.71
Including: Interest expenses	16,981,902.08	14,112,775.88
Interest income	71,912,776.32	98,862,200.53
Add: Other income	80,223,527.31	81,279,001.62

Investment income (Loss is listed with “-”)	-1,925,678.15	2,933,725.87
Including: Investment income on affiliated company and joint venture	3,878,898.03	7,391,368.30
The termination of income recognition for financial assets measured by amortized cost	-18,998,835.41	-24,604,289.53
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)	82,283,850.82	-42,719,405.68
Loss of credit impairment (Loss is listed with “-”)	-68,032,093.37	11,712,225.75
Losses of devaluation of asset (Loss is listed with “-”)	-65,475,481.29	-29,258,587.16
Income from assets disposal (Loss is listed with “-”)	108,659.65	36,334.95
III. Operating profit (Loss is listed with “-”)	510,299,144.15	479,994,793.43
Add: Non-operating income	2,294,086.26	2,967,386.19
Less: Non-operating expense	2,468,650.99	4,861,760.61
IV. Total profit (Loss is listed with “-”)	510,124,579.42	478,100,419.01
Less: Income tax expense	80,681,854.99	52,214,844.76
V. Net profit (Net loss is listed with “-”)	429,442,724.43	425,885,574.25
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	429,442,724.43	425,885,574.25
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	417,187,345.27	416,088,950.18
2.Minority shareholders’ gains and losses	12,255,379.16	9,796,624.07
VI. Net after-tax of other comprehensive income	-763,639.02	-1,142,407.83
Net after-tax of other comprehensive income attributable to owners of parent company	-687,659.84	-1,173,618.69
(I) Other comprehensive income items which will not be		

reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-687,659.84	-1,173,618.69
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	-687,659.84	-1,173,618.69
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders	-75,979.18	31,210.86
VII. Total comprehensive income	428,679,085.41	424,743,166.42
Total comprehensive income attributable to owners of parent Company	416,499,685.43	414,915,331.49
Total comprehensive income attributable to minority shareholders	12,179,399.98	9,827,834.93
VIII. Earnings per share:		
(i) Basic earnings per share	0.4051	0.404

(ii) Diluted earnings per share	0.4051	0.404
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In the event of a business merger under the same control in the current period, the net profit realized by the merged party before the merger was 0.00 yuan, and the net profit realized by the merged party in the previous period was 0.00 yuan.

Legal Representative: Wu Dinggang      Person in charge of accounting works: Yang Bing  
Person in charge of accounting institute: Hu Xiangfei

#### 4. Profit Statement of Parent Company

Item	In RMB	
	Semi-annual of 2025	Semi-annual of 2024
I. Operating income	4,939,655,534.15	4,969,902,647.32
Less: Operating cost	4,348,705,689.54	4,532,916,186.15
Taxes and surcharge	19,831,290.74	23,478,425.44
Sales expenses	141,953,661.27	143,132,360.31
Administration expenses	52,820,846.20	50,816,647.13
R&D expenses	180,556,326.20	133,895,567.76
Financial expenses	-25,049,146.25	-41,115,313.08
Including: Interest expenses	8,557,134.21	9,500,234.85
Interest income	24,157,132.82	50,681,932.56
Add: Other income	21,257,955.66	7,598,647.10
Investment income (Loss is listed with “-”)	35,020,778.76	26,670,093.50
Including: Investment income on affiliated Company and joint venture	4,837,089.05	6,158,368.75
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)	556,040.92	-2,635,478.39
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)	8,348,616.70	-21,247,008.05

Loss of credit impairment (Loss is listed with “-”)	-14,690,691.08	-168,300.27
Losses of devaluation of asset (Loss is listed with “-”)	-1,629,084.87	-5,947,448.04
Income on disposal of assets (Loss is listed with “-”)		3,044.16
II. Operating profit (Loss is listed with “-”)	269,144,441.62	133,687,802.01
Add: Non-operating income	681,872.78	165,605.98
Less: Non-operating expense	1,584,752.10	1,260,307.21
III. Total Profit (Loss is listed with “-”)	268,241,562.30	132,593,100.78
Less: Income tax	30,622,568.94	17,312,090.47
IV. Net profit (Net loss is listed with “-”)	237,618,993.36	115,281,010.31
(i) continuous operating net profit (net loss listed with ‘-’)	237,618,993.36	115,281,010.31
(ii) termination of net profit (net loss listed with ‘-’)		
V. Net after-tax of other comprehensive income		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or		

loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	237,618,993.36	115,281,010.31
VII. Earnings per share:		
(i) Basic earnings per share	0.2307	0.1119
(ii) Diluted earnings per share	0.2307	0.1119

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

## 5. Consolidated Cash Flow Statement

In RMB

Item	Semi-annual of 2025	Semi-annual of 2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	18,024,966,579.93	15,348,070,718.35
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from		

other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	859,882,005.15	563,109,006.37
Other cash received concerning operating activities	64,855,328.53	40,441,550.63
Subtotal of cash inflow arising from operating activities	18,949,703,913.61	15,951,621,275.35
Cash paid for purchasing commodities and receiving labor service	15,531,280,024.53	11,553,383,554.37
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		



Cash paid to/for staff and workers	1,216,813,365.26	1,060,547,031.42
Taxes paid	257,324,900.15	204,715,594.76
Other cash paid concerning operating activities	583,711,961.96	398,572,400.77
Subtotal of cash outflow arising from operating activities	17,589,130,251.90	13,217,218,581.32
Net cash flows arising from operating activities	1,360,573,661.71	2,734,402,694.03
II. Cash flows arising from investing activities:		
Cash received from recovering investment	10,349,238,472.00	1,420,000,000.00
Cash received from investment income	44,863,355.09	28,412,801.63
Net cash received from disposal of fixed, intangible and other long-term assets	842,094.55	200,791.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	83,846,728.30	102,139,412.47
Subtotal of cash inflow from investing activities	10,478,790,649.94	1,550,753,005.10
Cash paid for purchasing fixed, intangible and other long-term assets	236,621,756.72	149,362,697.07
Cash paid for investment	13,145,000,000.00	3,580,000,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	103,409,698.19	16,523,261.95
Subtotal of cash outflow from investing	13,485,031,454.91	3,745,885,959.02

activities		
Net cash flows arising from investing activities	-3,006,240,804.97	-2,195,132,953.92
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	2,031,143,747.01	1,127,882,556.92
Other cash received concerning financing activities	538,295,512.53	74,184,955.05
Subtotal of cash inflow from financing activities	2,569,439,259.54	1,202,067,511.97
Cash paid for settling debts	1,536,858,532.12	1,131,967,080.14
Cash paid for dividend and profit distributing or interest paying	356,474,745.48	325,527,935.72
Including: Dividend and profit of minority shareholder paid by subsidiaries	4,066,474.72	5,083,093.40
Other cash paid concerning financing activities	262,259,380.19	79,329,165.34
Subtotal of cash outflow from financing activities	2,155,592,657.79	1,536,824,181.20
Net cash flows arising from financing activities	413,846,601.75	-334,756,669.23
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	6,322,906.16	17,439,311.30
V. Net increase of cash and cash equivalents	-1,225,497,635.35	221,952,382.18

Add: Balance of cash and cash equivalents at the period -begin	9,976,098,734.11	8,391,177,936.62
VI. Balance of cash and cash equivalents at the period -end	8,750,601,098.76	8,613,130,318.80

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

## 6. Cash Flow Statement of Parent Company

In RMB

Item	Semi-annual of 2025	Semi-annual of 2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	4,282,390,841.11	5,280,211,025.34
Write-back of tax received	313,278,239.40	293,706,672.31
Other cash received concerning operating activities	20,710,675.41	14,519,557.10
Subtotal of cash inflow arising from operating activities	4,616,379,755.92	5,588,437,254.75
Cash paid for purchasing commodities and receiving labor service	4,464,130,616.45	4,180,482,491.50
Cash paid to/for staff and workers	284,339,799.32	291,758,151.83
Taxes paid	32,644,734.65	43,581,975.81
Other cash paid concerning operating activities	144,701,747.69	115,440,944.47
Subtotal of cash outflow arising from operating activities	4,925,816,898.11	4,631,263,563.61
Net cash flows arising from operating activities	-309,437,142.19	957,173,691.14

II. Cash flows arising from investing activities:		
Cash received from recovering investment	5,804,238,472.00	620,000,000.00
Cash received from investment income	38,789,848.20	27,533,505.78
Net cash received from disposal of fixed, intangible and other long-term assets	786,413.00	202,186.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	36,637,150.50	53,882,098.29
Subtotal of cash inflow from investing activities	5,880,451,883.70	701,617,790.07
Cash paid for purchasing fixed, intangible and other long-term assets	99,382,132.62	85,678,643.57
Cash paid for investment	6,439,000,000.00	2,100,000,000.00
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	21,079,682.40	
Subtotal of cash outflow from investing activities	6,559,461,815.02	2,185,678,643.57
Net cash flows arising from investing activities	-679,009,931.32	-1,484,060,853.50
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans	1,881,143,747.01	809,669,129.02
Other cash received concerning	142,067,082.00	150,450,083.63

financing activities		
Subtotal of cash inflow from financing activities	2,023,210,829.01	960,119,212.65
Cash paid for settling debts	1,376,108,522.12	1,131,967,080.14
Cash paid for dividend and profit distributing or interest paying	346,136,175.67	316,626,529.97
Other cash paid concerning financing activities	56,284,214.73	7,491,686.80
Subtotal of cash outflow from financing activities	1,778,528,912.52	1,456,085,296.91
Net cash flows arising from financing activities	244,681,916.49	-495,966,084.26
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	4,835,720.68	-1,950,942.84
V. Net increase of cash and cash equivalents	-738,929,436.34	-1,024,804,189.46
Add: Balance of cash and cash equivalents at the period -begin	3,881,601,972.71	4,746,147,736.99
VI. Balance of cash and cash equivalents at the period -end	3,142,672,536.37	3,721,343,547.53

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

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

This Period

In RMB

Item	Semi-annual of 2025														
	Owners' equity attributable to the parent Company													Minority interests	Total owners' equity
	Share capital	Other equity instrument			Capital reserve	Less : Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other	Subtotal		
		Preferred stock	Perpetual securities	Other											
I. The ending balance of the previous year	1,029,923,715.00				2,750,470,215.39		-21,222,419.68	20,968,173.59	502,454,071.02		1,803,207,185.06		6,085,800,940.38	390,562,431.04	6,476,363,371.42

Add: Changes of accounti ng policy															
Error correcti on of the last period															
Other															
II. The beginnin g balance of the current year	1,029,923,715.00				2,750,470,215.39		-21,222,419.68	20,968,173.59	502,454,071.02		1,803,207,185.06		6,085,800,940.38	390,562,431.04	6,476,363,371.42
III. Increase							-687,659.84	11,112,910.97			77,312,519.33		87,737,770.46	8,672,958.41	96,410,728.87

/ Decrease in the period (Decrease is listed with “-”)															
(i) Total comprehensive income							-687,659.84				417,187,345.27		416,499,685.43	12,179,399.98	428,679,085.41
(ii) Owners’ devoted and decreased capital															
1. Common															



shares invested by sharehol ders															
2. Capital invested by holders of other equity instrume nts															
3. Amount reckone d into owners equity with share-ba															

sed payment															
4. Other															
(iii) Profit distribut ion											-339,874,825.94		-339,874,825.94	-4,066,474.72	-343,941,300.66
1. Withdra wal of surplus reserves															
2. Withdra wal of general risk provisio ns															
3.											-339,874,825.94		-339,874,825.94	-4,066,474.72	-343,941,300.66

Distribu tion for owners (or sharehol ders)															
4. Other															
(iv) Carryin g forward internal owners' equity															
1. Capital reserves convers ed to capital (share															

capital)															
2. Surplus reserves convers ed to capital (share capital)															
3. Remedy ing loss with surplus reserve															
4. Carry-o ver retained earnings from the															

defined benefit plans															
5. Carry-over retained earnings from other comprehensive income															
6. Other															
(v) Reasonable reserve								11,112,910.97					11,112,910.97	560,033.15	11,672,944.12
1. Withdrawal in								21,140,216.03					21,140,216.03	991,714.29	22,131,930.32

the report period															
2. Usage in the report period								10,027,305.06					10,027,305.06	431,681.14	10,458,986.20
(vi) Others															
IV. Balance at the end of the period	1,029,923,715.00				2,750,470,215.39		-21,910,079.52	32,081,084.56	502,454,071.02		1,880,519,704.39		6,173,538,710.84	399,235,389.45	6,572,774,100.29

Last Period

In RMB

Item	Semi-annual of 2024												
	Owners' equity attributable to the parent Company											Minority	Total owners'
	Share	Other	Capital	Less:	Other	Reasonable	Surplus	Provisio	Retained profit	Othe	Subtotal		

	capital	equity instrument			reserve	Inventory shares	comprehensive income	reserve	reserve	n of general risk		r		interests	equity
		Pref erred stock	Perp etual capital securities	Other											
I. The ending balance of the previous year	1,029,923,715.00				2,805,503,457.77		-20,704,362.05	11,246,811.91	477,053,194.82		1,521,759,836.64		5,824,782,654.09	369,252,132.37	6,194,034,786.46
Add: Changes of accounting policy															
Error correction															

of the last period															
Other					320,000,000.00						-83,444,712.70		236,555,287.30		236,555,287.30
II. The beginning balance of the current year	1,029,923,715.00				3,125,503,457.77		-20,704,362.05	11,246,811.91	477,053,194.82		1,438,315,123.94		6,061,337,941.39	369,252,132.37	6,430,590,073.76
III. Increase/Decrease in the period (Decrease is listed with “-”)							-1,173,618.69	3,207,366.13			107,111,835.68		109,145,583.12	5,214,743.84	114,360,326.96
(i) Total comprehensive income							-1,173,618.69				416,088,950.18		414,915,331.49	9,827,834.93	424,743,166.42



(ii) Owners’ devoted and decreased capital															
1.Commo n shares invested by sharehold ers															
2. Capital invested by holders of other equity instrument s															
3. Amount reckoned															

into owners equity with share-base d payment															
4. Other															
(iii) Profit distributio n											-308,977,114.50		-308,977,114.50	-5,083,093.40	-314,060,207.90
1. Withdraw al of surplus reserves															
2. Withdraw al of general risk															

provisions															
3. Distributi on for owners (or sharehold ers)											-308,977,114.50		-308,977,114.50	-5,083,093.40	-314,060,207.90
4. Other															
(iv) Carrying forward internal owners’ equity															
1. Capital reserves conversed to capital (share capital)															

2. Surplus reserves conversed to capital (share capital)															
3. Remedyin g loss with surplus reserve															
4. Carry-ove r retained earnings from the defined benefit plans															
5.															

Carry-over retained earnings from other comprehensive income															
6. Other															
(v) Reasonable reserve								3,207,366.13					3,207,366.13	470,002.31	3,677,368.44
1. Withdrawal in the report period								17,312,570.32					17,312,570.32	878,578.37	18,191,148.69
2. Usage in the report period								14,105,204.19					14,105,204.19	408,576.06	14,513,780.25

(vi) Others															
IV. Balance at the end of the period	1,029,923,715.00				3,125,503,457.77		-21,877,980.74	14,454,178.04	477,053,194.82		1,545,426,959.62		6,170,483,524.51	374,466,876.21	6,544,950,400.72

Legal Representative: Wu Dinggang

Person in charge of accounting works: Yang Bing

Person in charge of accounting institute: Hu Xiangfei

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

This Period

In RMB

Item	Semi-annual of 2025											
	Share capital	Other equity instrument			Capital reserve	Less: Inventor y shares	Other compreh ensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Prefer red stock	Perpet ual capital securit ies	Ot he r								
I. The ending balance of the previous year	1,029,923,715.00				2,601,775,532.74				502,235,905.34	1,213,740,009.40		5,347,675,162.48

Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. The beginning balance of the current year	1,029,923,715.00				2,601,775,532.74				502,235,905.34	1,213,740,009.40		5,347,675,162.48
III. Increase/ Decrease in the period (Decrease is listed with “-”)								1,792,549.38		-102,255,832.58		-100,463,283.20
(i) Total comprehensive income										237,618,993.36		237,618,993.36
(ii) Owners’ devoted and decreased capital												
1.Common shares invested by shareholders												
2. Capital invested by holders of other equity instruments												
3. Amount reckoned into												

owners equity with share-based payment												
4. Other												
(iii) Profit distribution										-339,874,825.94		-339,874,825.94
1. Withdrawal of surplus reserves												
2. Distribution for owners (or shareholders)										-339,874,825.94		-339,874,825.94
3. Other												
(iv) Carrying forward internal owners' equity												
1. Capital reserves conversed to capital (share capital)												
2. Surplus reserves conversed to capital (share capital)												
3. Remedying loss with surplus reserve												
4. Carry-over retained earnings												



from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(v) Reasonable reserve								1,792,549.38				1,792,549.38
1. Withdrawal in the report period								4,990,854.12				4,990,854.12
2. Usage in the report period								3,198,304.74				3,198,304.74
(vi) Others												
IV. Balance at the end of the period	1,029,923,715.00				2,601,775,532.74			1,792,549.38	502,235,905.34	1,111,484,176.82		5,247,211,879.28

Last period

In RMB

Item	Semi-annual of 2024											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Preferred stock	Perpetual capital	Other								

			securities									
I. The ending balance of the previous year	1,029,923,715.00				2,740,508,510.57			505,111.75	476,835,029.14	1,294,109,238.10		5,541,881,604.56
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. The beginning balance of the current year	1,029,923,715.00				2,740,508,510.57			505,111.75	476,835,029.14	1,294,109,238.10		5,541,881,604.56

III. Increase/ Decrease in the period (Decrease is listed with “-”)								825,666.62		-193,696,104.19		-192,870,437.57
(i) Total comprehensi ve income										115,281,010.31		115,281,010.31
(ii) Owners’ devoted and decreased capital												
1.Common shares invested by shareholders												
2. Capital invested by holders of other equity												

instruments												
3. Amount reckoned into owners equity with share-based payment												
4. Other												
(iii) Profit distribution										-308,977,114.50		-308,977,114.50
1. Withdrawal of surplus reserves												
2. Distribution for owners (or shareholders )										-308,977,114.50		-308,977,114.50

3. Other												
(iv) Carrying forward internal owners' equity												
1. Capital reserves conversed to capital (share capital)												
2. Surplus reserves conversed to capital (share capital)												
3. Remedying loss with												

surplus reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensi ve income												
6. Other												
(v) Reasonable reserve								825,666.62				825,666.62

1. Withdrawal in the report period								4,842,286.80				4,842,286.80
2. Usage in the report period								4,016,620.18				4,016,620.18
(vi) Others												
IV. Balance at the end of the period	1,029,923,715.00				2,740,508,510.57			1,330,778.37	476,835,029.14	1,100,413,133.91		5,349,011,166.99

Legal Representative: Wu Dinggang    Person in charge of accounting works: Yang Bing    Person in charge of accounting institute: Hu Xiangfei

## **Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

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### **I. Company profile**

Changhong Meiling Co., Ltd (hereinafter referred to as “the Company”) , originally named as Hefei Meiling Co., Ltd. is an incorporated Company established and reorganized by Hefei Meiling Refrigerator General Factory and approved on June 12<sup>th</sup> 1992 through [WanTiGaiHanZi (1992) No.039] issued by original Mechanism Reform Committee of Anhui Province. On August 30<sup>th</sup> 1993, through Anhui Provincial Government [Wanzhenmi (1993) No.166] and re-examination of China Securities Regulatory Commission, the Company made first public issue for 30 million A shares and the Company was listed on Oct. 18<sup>th</sup>, 1993 in Shenzhen Stock Exchange. On August 13<sup>th</sup>, 1996, the Company was approved to issue 100 million B shares to investors abroad through [ZhengWeiFa (1996) No.26] issued by China Securities Regulatory Commission. The Company went public in Shenzhen Stock Exchange on August 28<sup>th</sup>, 1996.

State-owned Assets Supervision & Administration Commission of the State Council approved such transfers with Document Guozi Chanquan (2007) No.253 Reply on Matters of Hefei Meiling Group Holdings Limited Transferring Partial State-owned Ownership, Hefei Meiling Group Holdings Limited (hereinafter referred to as Meiling Group) transferred its holding 37,852,683 shares in 82,852,683 state-owned shares of the Company to Sichuan Changhong Electronic Group Co., Ltd (hereinafter referred to as Changhong Group), other 45,000,000 shares to Sichuan Changhong Electric Co. Ltd (hereinafter referred to as Sichuan Changhong). On Aug 15, 2007, the above ownership was transferred and Cleaning Corporation Limited.

On 27 August 2007, State-owned Assets Supervision & Administration Commission of Anhui Provincial Government replied with Document [WGZCQH (2007) No.309] Reply on “Related Matters of Share Merger Reform of Hefei Meiling Co., Ltd.”, agreed the Company’s ownership split reform plan. The Company made consideration that non-tradable share holders deliver 1.5 shares to A share holders per 10 shares, and original Meiling Group made prepayment 3,360,329 shares for some non-tradable share holders as consideration for split reform plan.

On 29 May 2008, concerning 34,359,384 state-owned shares (including 3,360,329 shares paid for other non-tradable shareholders by original Meiling Group in share reform) held by original Meiling Group, the “Notice of Freely Transfer of Meiling Electrics Equity held by Meiling Group”[HGZCQ(2008) No. 59] issued from State-owned Assets Supervision & Administration Commission of Hefei Municipal, agrees to transfer the above said shares to Hefei Xingtai Holding Group Co., Ltd.(“Xingtai Holding Co.,”) for free. On 7 August 2008, the “Reply of Transfer Freely of Part of the Shares of Hefei Meiling Co., Ltd. held by State-owned shareholders” [GZCQ (2007) No. 752] issued by SASAC, agrees the above said transferring.

On October 29, 2008, Changhong Group signed Agreement on Equity Transfer of Hefei Meiling



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Co., Ltd with Sichuan Changhong, in which 32,078,846 tradable A-shares with conditional subscription of the Company (accounting for 7.76% in total shares) held by Changhong Group. On 23 December 2008, “Reply of Transfer Freely of Part of the Shares of Hefei Meiling Co., Ltd. held by State-owned shareholders” [GZCQ (2008) No. 1413] issued by SASAC agrees the above said share transferring.

On 24 December 2010, being deliberated and approved in 32<sup>nd</sup> Session of 6<sup>th</sup> BOD and 2<sup>nd</sup> Extraordinary Shareholders’ General Meeting of 2010 as well as approval of document [ZJXK (2010) No. 1715] from CSRC, totally 116,731,500 RMB ordinary shares (A stock) were offering privately to target investors with issue price of RMB 10.28/share. Capital collecting amounting to RMB 1,199,999,820 after issuing expenses RMB 22,045,500 deducted, net capital collected amounting to RMB 1,177,954,320, and paid-in capital (share capital) increased RMB 116,731,500 with capital reserve (share premium) RMB 1,061,106,088.5 increased. The increasing capital has been verified by Capital Verification Report No.: [XYZH2010CDA6021] issued from Shin Wing CPA Co., Ltd.

On 20 June 2011, the general meeting of the Company considered and approved the 2010 profit distribution plan, namely to distribute cash dividends of RMB0.5 (tax included) plus two shares for every ten shares held by shareholders to all shareholders, based on the total share capital of 530,374,449 shares as of 31 December 2010. The total share capital of the Company upon profit distribution increased to 636,449,338 shares. The capital increase was verified by Anhui Huashen Zhengda Accounting Firm with the verification report WHSZDKYZ (2011) No.141.

On 26 June 2012, the general meeting of the Company considered and approved the 2011 profit distribution and capitalization of capital reserve plan, namely to distribute cash dividends of RMB0.5 (tax included) plus two shares for every ten shares to all shareholders capitalized from capital reserve, based on the total share capital of 636,449,338 shares as of 31 December 2011. The total share capital of the Company upon implementation of capitalization of capital reserve increased to 763,739,205 shares from 636,449,338 shares, and was verified by Anhui Anlian Xinda Accounting Firm with the verification report WALXDYZ (2012) No.093.

On November 18, 2015, considered and approved by the 12<sup>th</sup> Session of the 8<sup>th</sup> BOD of the company and the first extraordinary general meeting in 2016, and approved by the document of China Securities Regulatory Commission [CSRC License No. (2016) 1396] “Reply to the approval of non-public offering of shares of Hefei Meiling Co., Ltd.”, the company has actually raised funds of 1,569,999,998.84 yuan by non-public offering of no more than 334,042,553 new shares at face value of 1 yuan per share and with issue price no less than 4.70 yuan per share, after deducting the issue costs of 29,267,276.08 yuan, the net amount of raised funds is

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1,540,732,722.76 yuan, the increased paid-in capital (share capital) of 280,858,676.00 yuan, increased capital reserve (share premium) of 1,259,874,046.76 yuan. This capital increase has been verified by No. [XYZH2016CDA40272] capital verification report of Shine Wing Certified Public Accountants (LLP).

Since the first repurchase of shares on November 4, 2020, the company had cumulatively repurchased 14,674,166 shares of the company (B shares) in centralized bidding transactions through the special securities account for repurchase until February 18, 2022, and completed the cancellation procedures of the repurchased shares at the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. on March 2, 2022, a total of 14,674,166 shares of the company (B shares) were cancelled, accounting for 1.4048% of the company's total share capital before cancellation. After the cancellation, the total share capital of the company was reduced from 1,044,597,881 shares to 1,029,923,715 shares.

Ended as June 30, 2025, total share capital of the Company amounting to 1,029,923,715 shares with ordinary shares in full. Among which, 881,733,881 shares of A-share accounting 85.61% in total shares while B-share with 148,189,834 shares accounting 14.39% in total shares. Specific capital structure is as follows:

Type of stock	Quantity	Proportion
(I)Restricted shares	6,154,193	0.60%
1. State-owned shares		
2. State-owned legal person's shares	1,141,053	0.11%
3. Other domestic shares	5,013,140	0.49%
Including: Domestic legal person's shares	3,363,539	0.33%
Domestic natural person's shares	1,649,601	0.16%
4. Foreign shares		
(II)Unrestricted shares	1,023,769,522	99.40%
1. RMB Ordinary shares	875,579,688	85.01%
2. Domestically listed foreign shares	148,189,834	14.39%
3. Overseas listed foreign shares		
4. Others		

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Type of stock	Quantity	Proportion
Total shares	1,029,923,715	100.00%

The Company belongs to the manufacture of light industry, and engaged in the production and sale of refrigerator, freezer and air-conditioner. Unified social credit code of the Company: 9134000014918555XK; Address: No.2163, Lianhua Road, Economy and Technology Development Zone, Hefei City; Legal Representative: Wu Dinggang; register capital (paid-in capital): 1,029,923,715 yuan; type of company: limited liability company(joint venture and listed of Taiwan, Hong Kong and Macao).

This financial statement was approved by the Board of Directors of the Company on August 19, 2025. According to the Articles of Association of the Company, the financial statement will be submitted to the General Meeting of Shareholders for review.

### II. Basis for preparation of financial statement

#### 1.Basis for preparation

According to the actual transactions and matters, the Company's financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and its application guidelines, explanations and other relevant provisions (hereinafter referred to as "Accounting Standards for Business Enterprises") promulgated by the Ministry of Finance, as well as the disclosure-related provisions of No.15 Rules on Information Disclosure and Compilation of Companies Offering Securities to the Public - General Provisions on Financial Reports (revised in 2023) issued by China Securities Regulatory Commission (hereinafter referred to as "CSRC").

#### 2.Continuous operation

The Company recently has a history of profitability operation and has financial resources supporting, and prepared the financial statement on basis of going concern is reasonable.

### III. Significant Accounting Policy and accounting Estimation

Specific accounting policies and accounting estimates tips: The specific accounting policies and accounting estimates formulated by the company according to the actual production and operation characteristics include receivables provisions for bad debts, inventory depreciation provisions, capitalization conditions of R & D expenses, revenue recognition and measurement, etc.

#### 1. Statement on observation of accounting standards for enterprise

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The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises, and truly, accurately and completely reflect the financial status of the Company on June 30, 2025, as well as the operating results and cash flow first half-year of 2025 .

### 2.Accounting period

The accounting period of the Company is the calendar date from 1 January to 31 December.

### 3.Operation cycle

Operation cycle of the Company was 12 months, and it is the standard of flow classification for assets and liabilities.

### 4.Standard currency for accounting

The Company takes RMB as the standard currency for accounting.

### 5.Determination method and selection basis of importance standard

The Company follows the principle of materiality in preparing and disclosing financial statements. The matters disclosed in the notes to the financial statements involving judgement by materiality standard, and the determination method and selection basis of materiality standard are as follows:

Matters disclosed involving the judgment by materiality standards	Determination method and selection basis of importance standard
Recovery or reversal of important accounts receivable bad debt reserves	The individual recovery or reversal amount accounts for more than 10% of the total recovery or reversal amount of accounts receivable, and the amount is greater than RMB 10 million
Actual write off of important accounts receivable	The single item write off amount accounts for more than 10% of the total bad debt write off amount of various receivables, and the amount is greater than 5 million yuan
Important accounts receivable with single provision for bad debt reserves	The single provision amount accounts for 10% of the total bad debt provision for various accounts receivable and is greater than RMB 50 million
Important debt investment	Single debt investment accounts for 5% of the total debt

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Matters disclosed involving the judgment by materiality standards	Determination method and selection basis of importance standard
	investment and the amount is greater than RMB 20 million
Important to other non-current assets	Single non-current assets accounts for 10% of the total non-current assets and the amount is greater than RMB 10 million
Significant changes in the book value of contract assets	The change in the book value of contract assets accounts for more than 30% of the initial balance of contract assets
Material construction in progress	The budget of a single project is more than RMB 50 million
Material capitalized R&D projects	The budget of a single project is more than RMB 20 million
Material contractual liabilities with an age of more than one year	Contractual liabilities with a single aging of more than one year account for more than 10% of the total contractual liabilities and are more than RMB 50 million
Significant changes in the book value of contractual liabilities	The change in the book value of contractual liabilities accounts for more than 30% of the initial balance of contractual liabilities
Important accounts payable	Accounts payable with a single account age exceeding 1 year account for more than 5% of the total accounts payable and with an amount greater than RMB 100 million
Important other payables	Other payables with a single account age exceeding 1 year account for more than 5% of the total other payables and an amount greater than RMB 50 million
Important non wholly-owned subsidiaries	Subsidiary net assets account for over 1% of the company's net assets
Important joint ventures or associates	The book value of long-term equity investments in a single invested entity accounts for more than 1% of the company's net assets and the amount is greater than RMB 50 million, or the investment gains and losses under the equity method account for more than 1% of the company's consolidated net profit

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Matters disclosed involving the judgment by materiality standards	Determination method and selection basis of importance standard
Important investment activities	Individual investment activities account for more than 10% of the total cash inflows or outflows related to received or paid investment activities, and the amount is greater than RMB 100 million
Significant activities that do not involve current cash inflows and outflows	Not involving current cash inflows and outflows, with an impact on the current financial statements greater than 10% of net assets

6.Accountant arrangement method of business combination under common control and not under common control

As acquirer, the Company measures the assets and liabilities acquired through business combination under common control at their carrying values as reflected in the consolidated financial statement of the ultimate controller as of the combination date. Capital reserve shall be adjusted in respect of any difference between carrying value of the net assets acquired and carrying value of the combination consideration paid. In case that capital reserve is insufficient to offset, the Company would adjust retained earnings.

The acquiree's net identifiable assets, liabilities or contingent liabilities acquired through business combination not under common control shall be measured at fair value as of the acquisition date. The cost of combination represents the fair value of the cash or non-cash assets paid, liabilities issued or committed and equity securities issued by the Company as at the date of combination in consideration for acquiring the controlling power in the acquiree, together with the sum of any directly related expenses occurred during business combination(in case of such business combination as gradually realized through various transactions, the combination cost refers to the sum of each cost of respective separate transaction). Where the cost of the combination exceeds the acquirer's interest in the fair value of the acquirer's identifiable net assets acquired, the difference is recognized as goodwill; where the cost of combination is lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the Company shall firstly make further review on the fair values of the net identifiable assets, liabilities or contingent liabilities acquired as well as the fair value of the non-cash assets portion of combination consideration or the equity securities issued by the Company. In case that the Company finds the cost of

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combination is still lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets after such further review, the difference is recognized in non-operating income for the current period when combination occurs.

### **7.Criteria for Control and Preparation Method of Consolidated Financial Statements**

Control means that the Company has the power over the investee, enjoys variable returns by participating in the related activities of the investee, and has the ability to influence the amount of returns by using the power over the investee.

The Company shall put all the subsidiaries controlled and main body structured into consolidated financial statements.

Any difference arising from the inconformity of accounting year or accounting policies between the subsidiaries and the Company shall be adjusted in the consolidated financial statements.

All the material inter-company transactions, non-extraordinary items and unrealized profit within the combination scope are written-off when preparing consolidated financial statement. Owners' equity of subsidiary not attributable to parent company and current net gains and losses, other comprehensive income and total comprehensive income attributable to minority shareholders are recognized as non-controlling interests, minority interests, other comprehensive income attributable to minority shareholders and total comprehensive income attributable to minority shareholders in consolidated financial statement respectively.

As for subsidiary acquired through business combination under common control, its operating results and cash flow will be included in consolidated financial statement since the beginning of the period when combination occurs. When preparing comparative consolidated financial statement, the relevant items in previous years financial statement shall be adjusted as if the reporting entity formed upon combination has been existing since the ultimate controller commenced relevant control.

As for equity interests of the investee under common control acquired through various transactions which eventually formed business combination, the Company shall supplement disclosure of the accounting treatment in consolidated financial statement in the reporting period when controlling power is obtained. For example, as for equity interests of the investee under common control acquired through various transactions which eventually formed business combination, adjustments shall be made as if the current status had been existing when the

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ultimate controller commenced control in connection of preparing consolidated financial statement; in connection with preparing comparative statement, the Company shall consolidate the relevant assets and liabilities of the acquiree into the Company's comparative consolidated financial statement to the extent not earlier than the timing when the Company and the acquiree are all under control of the ultimate controller, and the net assets increased due to combination shall be used to adjust relevant items under owners' equity in comparative statement. In order to prevent double computation of the value of the acquiree's net assets, the relevant profits and losses, other comprehensive income and change of other net assets recognized during the period from the date when the Company acquires original equity interests and the date when the Company and the acquiree are all under ultimate control of the same party (whichever is later) to the date of combination in respect of the long-term equity investment held by the Company before satisfaction of combination shall be utilized to offset the beginning retained earnings and current gains and losses in the period as the comparative financial statement involves, respectively.

As for subsidiary acquired through business combination not under common control, its operating results and cash flow will be included in consolidated financial statement since the Company obtains controlling power. When preparing consolidated financial statement, the Company shall adjust the subsidiary's financial statement based on the fair value of the various identifiable assets, liabilities or contingent liabilities recognized as of the acquisition date.

As for equity interests of the investee not under common control acquired through various transactions which eventually formed business combination, the Company shall supplement disclosure of the accounting treatment in consolidated financial statement in the reporting period when controlling power is obtained. For example, as for equity interests of the investee not under common control acquired through various transactions which eventually formed business combination, when preparing consolidated financial statement, the Company would re-measure the equity interests held in the acquiree before acquisition date at their fair value as of the acquisition date, and any difference between the fair value and carrying value is included in current investment income. in case that the equity interests in acquiree held by the Company before the relevant acquisition date involves other comprehensive income at equity method and change of other owners' equity (other than net gains and losses, other comprehensive income and profit distribution), then the equity interests would transfer to investment gains and losses for the period which the acquisition date falls upon. The other comprehensive income arising from change of the net liabilities or net assets under established benefit scheme as acquiree's re-measured such scheme is excluded.



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The transaction with non-controlling interest to dispose long-term equity investment in a subsidiary without losing control rights over the subsidiary, the difference between the proceeds from disposal of interests and the decrease of the shared net assets of the subsidiary is adjusted to capital premium (share premium). In case capital reserve is not sufficient to offset the difference, retained earnings will be adjusted.

As for disposal of part equity investment which leads to losing control over the investee, the Company would re-measure the remaining equity interests at their fair value as of the date when the Company loses control over the investee when preparing consolidated financial statement. The sum of consideration received from disposal of equity interest and fair value of the remaining equity interest, less the net assets of the original subsidiary attributable to the Company calculated based on the original shareholding proportion since the acquisition date or the date then consolidation commences, is included in investment gains and losses for the period when control is lost, meanwhile to offset goodwill. Other comprehensive income related to equity interest investment in original subsidiaries is transferred into current investment gains and losses upon lost of control.

If the disposal of the equity investment of subsidiary is realized through multiple transaction until loss of control and is a package deal, the accounting treatment of the multiple transactions should be dealt with as one transaction of disposal of the subsidiary until loss of control. However, before the Company loses total control of the subsidiary, the differences between the actual disposal price and the share of the net assets of the subsidiary disposed of in every transaction should be recognized as other comprehensive income in the consolidated financial statements, and transferred to profit or loss when losing control.

### **8. Accounting treatment for joint venture arrangement and joint controlled entity**

The joint venture arrangement of the Company consists of joint controlled entity and joint venture. As for jointly controlled entity, the Company determines the assets held and liabilities assumed separately as a party to the jointly controlled entity, recognizes such assets and liabilities according to its proportion, and recognizes relevant income and expense separately under relevant agreement or according to its proportion. As for asset transaction relating to purchase and sales with the jointly controlled entity which does not constitute business activity, part of the gains and losses arising from such transaction attributable to other participators of the jointly controlled entity is only recognized.

### **9. Cash and cash equivalents**

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Cash in the cash flow statement comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **10. Foreign currency business and foreign currency financial statement conversion**

#### **(1) Foreign currency business**

As for the foreign currency business, the Company converts the foreign currency amount into RMB amount pursuant to the spot exchange rate as of the business day. As at the balance sheet date, monetary items expressed by foreign currency are converted into RMB pursuant to the spot exchange rate as of the balance sheet date. The conversion difference occurred is recorded into prevailing gains and losses, other than the disclosure which is made according to capitalization rules for the exchange difference occurred from the special foreign currency borrowings borrowed for constructing and producing the assets satisfying condition of capitalization. As for the foreign currency non-monetary items measured by fair value, the amount is then converted into RMB according to the spot exchange rate as of the confirmation day for fair value. And the conversion difference occurred during the procedure is recorded into prevailing gains and losses directly as change of fair value. As for the foreign currency non-monetary items measured by historical cost, conversion is made with the spot exchange rate as of the business day, with no change in RMB amount.

#### **(2) Conversion of foreign currency financial statement**

Spot exchange rate as of the balance sheet date is adopted for conversion of assets and liabilities in foreign currency balance sheet; as for the items in statement of owners' equity except for "Retained profit", conversion is made pursuant to the spot exchange rate of business day; income and expense items in income statement then are also converted pursuant to the spot exchange rate of transaction day. Difference arising from the aforementioned conversions shall be listed separately in items of owners' equity. Spot exchange rate as of the occurrence date of cash flow is adopted for conversion of foreign currency cash flow. The amount of cash affected by exchange rate movement shall be listed separately in cash flow statement.

### **11. Financial assets and liabilities**

A financial asset or liability is recognized when the group becomes a party to a financial instrument contract. The financial assets and financial liabilities are measured at fair value on

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initial recognition. For the financial assets and liabilities measured by fair value and with variation reckoned into current gains/losses, the related transaction expenses are directly included in current gains or losses; for other types of financial assets and liabilities, the related transaction costs are included in the initial recognition amount.

### **(1) Method for determining the fair value of financial assets and financial liabilities**

Fair value refers to the price that a market participant can get by selling an asset or has to pay for transferring a liability in an orderly transaction that occurs on the measurement date. For a financial instrument having an active market, the Company uses the quoted prices in the active market to determine its fair value. Quotations in an active market refer to prices that are readily available from exchanges, brokers, industry associations, pricing services, etc., and represent the prices of market transactions that actually occur in an arm's length transaction. If there is no active market for a financial instrument, the Company uses valuation techniques to determine its fair value. Valuation techniques include reference to prices used in recent market transactions by parties familiar with the situation and through voluntary trade, and reference to current fair values of other financial instruments that are substantially identical, discounted cash flow methods, and option pricing models.

### **(2) Category and measurement on financial assets**

The group divided the financial assets as the follow while initially recognized: the financial assets measured at amortized cost; the financial assets measured at fair value and whose changes are included in other comprehensive income; and the financial assets measured by fair value and with variation reckoned into current gains/losses. The classification of financial assets depends on the business model that the Group's enterprises manage the financial assets and the cash flow characteristics of the financial assets.

#### **1) The financial assets measured at amortized cost**

Financial assets are classified as financial assets measured at amortized cost when they also meet the following conditions: The group's business model for managing the financial assets is to collect contractual cash flows; the contractual terms of the financial assets stipulate that cash flow generated on a specific date is only paid for the principal and interest based on the outstanding principal amount. For such financial assets, the effective interest method is used for subsequent measurement according to the amortized cost, and the gains or losses arising from amortization or impairment are included in current profits and losses. Such financial assets mainly include

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monetary funds, notes receivable, accounts receivable, other receivables, debt investment and long-term receivables, and so on. The Group lists the debt investment and long-term receivables due within one year (including one year) from the balance sheet date as non-current assets due within one year, and lists the debt investment with time limit within one year (including one year) when acquired as other current assets.

2) Financial assets measured at fair value and whose changes are included in other comprehensive income

Financial assets are classified as financial assets measured at fair value and whose changes are included in other comprehensive income when they also meet the following conditions: The Group's business model for managing the financial assets is targeted at both the collection of contractual cash flows and the sale of financial assets; the contractual terms of the financial asset stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount. For such financial assets, fair value is used for subsequent measurement. The discount or premium is amortized by using the effective interest method and is recognized as interest income or expenses. Except the impairment losses and the exchange differences of foreign currency monetary financial assets are recognized as the current profits and losses, the changes in the fair value of such financial assets are recognized as other comprehensive income until the financial assets are derecognized, the accumulated gains or losses are transferred to the current profits and losses. Interest income related to such financial assets is included in the current profit and loss. Such financial assets are listed as other debt investments, other debt investments due within one year (including one year) from the balance sheet date are listed as non-current assets due within one year; and other debt investments with time limit within one year (including one year) when acquired are listed as other current assets.

3) Financial assets measured at fair value and whose changes are included in current gains/losses

Financial assets except for the above-mentioned financial assets measured at amortized cost and financial assets measured at fair value and whose changes are included in other comprehensive income are classified as financial assets measured at fair value and whose changes are included in current profits and losses, which adopt fair value for subsequent measurement and all changes in fair value are included in current profits and losses. The Group classifies non-trading equity instruments as financial assets measured at fair value and whose changes are included in current profits and losses. Such financial assets are presented as trading financial assets, and those expire

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after more than one year and are expected to be held for more than one year are presented as other non-current financial assets.

### (3) Devaluation of financial instrument

On the basis of expected credit losses, the Group performs impairment treatment on financial assets measured at amortized cost and financial assets measured at fair value and whose changes are included in other comprehensive income and recognize the provisions for loss.

Credit loss refers to the difference between all contractual cash flows that the Company discounts at the original actual interest rate and are receivable in accordance with contract and all cash flows expected to be received, that is, the present value of all cash shortages. Among them, for the purchase or source of financial assets that have suffered credit impairment, the Company discounts the financial assets at the actual interest rate adjusted by credit.

The Group considers all reasonable and evidenced information, including forward-looking information, based on credit risk characteristics. When assessing the expected credit losses of receivables, they are classified according to the specific credit risk characteristics as follows:

1) For receivables and contractual assets and lease receivables (including significant financing components and not including significant financing components), the Group measures the provisions for loss based on the amount of expected credit losses equivalent to the entire duration.

①Evaluate expected credit losses based on individual items: credit notes receivable (including accepted letters of credit) of financial institutions in notes receivable and accounts receivable, and related party payments (related parties under the same control and significant related parties); dividends receivable, interest receivable, reserve funds, investment loans, cash deposits (including warranty), government grants (including dismantling subsidies) in other receivables, and receivables with significant financing components (i.e. long-term receivables);

②The Group considers all reasonable and evidenced information, including forward-looking information, when assessing expected credit losses. When there is objective evidence that its customer credit characteristics and ageing combination cannot reasonably reflect its expected credit loss, the current value of the expected future cash flow is measured by a single item, and the cash flow shortage is directly written down the book balance of the financial asset.

The Group considers all reasonable and evidenced information, including forward-looking information, when assessing expected credit losses. When there is objective evidence that its

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customer credit characteristics and ageing combination cannot reasonably reflect its expected credit loss, the current value of the expected future cash flow is measured by a single item, and the cash flow shortage is directly written down the book balance of the financial asset.

2) Assess the expected credit losses on a case-by-case basis for other assets to which the financial instruments are impaired, such as the loan commitments and financial guarantee contracts that are not measured at fair value through profit or loss, financial assets measured at fair value and whose changes are recognized in other comprehensive income; other financial assets measured at amortized cost (such as other current assets, other non-current financial assets, etc.).

(4) Reorganization basis and measure method for transfer of financial assets

The financial assets meet one of following requirements will be terminated recognition: ① The contract rights of collecting cash flow of the financial assets is terminated; ②The financial assets has already been transferred, and the Company has transferred almost all risks and remunerations of financial assets ownership to the transferee; ③The financial assets has been transferred, even though the Company has neither transferred nor kept almost all risks and remunerations of financial assets ownership, the Company has given up controlling the financial assets.

If the enterprise has neither transferred or kept almost all risks and remunerations of financial assets ownership, nor given up controlling the financial assets, then confirm the relevant financial assets according to how it continues to involve into the transferred financial assets and confirm the relevant liabilities accordingly. The extent of continuing involvement in the transferred financial assets refers to the level of risk arising from the changes in financial assets value faced by the enterprise.

If the entire transfer of financial assets satisfies the demand for derecognition, reckon the balance between the book value of the transferred financial assets and the sum of consideration received from transfer and fluctuation accumulated amount of fair value formerly reckoned in other consolidated income in the current profits and losses.

If part transfer of financial assets satisfies the demand for derecognition, apportion the integral book value of the transferred financial assets between the derecognized parts and the parts not yet derecognized according to each relative fair value, and reckon the balance between the sum of consideration received from transfer and fluctuation accumulated amount of fair value formerly reckoned in other consolidated income that should be apportioned to the derecognized parts and the apportioned aforementioned carrying amounts in the current profits and losses.

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When the Group sells financial assets adopting the mode of recourse, or endorses and transfers its financial assets, it is necessary to ensure whether almost all the risks and rewards of ownership of the financial assets have been transferred. If almost all the risks and rewards of ownership of the financial assets have been transferred to the transferee, the financial assets shall be derecognized; if almost all the risks and rewards of ownership of the financial assets are retained, the financial assets shall not be derecognized; if almost all the risks and rewards of ownership of the financial assets are neither transferred nor retained, continue to judge whether the company retains control over the assets, and conduct accounting treatment according to the principles described in the preceding paragraphs.

### **(5) Category and measurement of financial liability**

Financial liability is classified into financial liability measured by fair value and with variation reckoned into current gains/losses and other financial liability at initially measurement.

#### **① the financial liability measured by fair value and with variation reckoned into current gains/losses**

The conditions to be classified as trading financial liabilities and as financial liabilities designated to be measured at fair value and whose changes are included in current profit or loss at the initial recognition are consistent with the conditions to be classified as trading financial assets and as financial assets designated to be measured at fair value and whose changes are included in current profit or loss at the initial recognition. Financial liabilities measured at fair value and whose changes are included in current profit or loss are subsequently measured at fair value, and the gain or loss arising from changes in fair value and the dividends and interest expense related to these financial liabilities are included in current profit or loss.

#### **② Other financial liability**

It must go through the delivery of the derivative financial liabilities settled by the equity instrument to link to the equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, and the subsequent measurement is carried out in accordance with the cost. Other financial liabilities are subsequently measured at amortized cost by using the effective interest method. The gain or loss arising from derecognition or amortization is included in current profit or loss.

#### **③ Financial guarantee contract**

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The financial guarantee contract of a financial liability which is not designated to be measured at fair value through profit or loss is initially recognized at fair value, and its subsequent measurement is carried out by the higher one between the amount confirmed in accordance with the Accounting Standards for Business Enterprises No. 13 — Contingencies after initial recognition and the balance after deducting the accumulated amortization amount determined in accordance with the principle of Accounting Standards for Business Enterprises No. 14—Revenue from the initial recognition amount.

### **(6) Termination of recognition of financial liability**

The financial liability or part of it can only be terminated for recognized when all or part of the current obligation of the financial liability has been discharged. The Group (debtor) and the creditor sign an agreement to replace the existing financial liabilities with new financial liabilities, and if the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, terminated for recognized the existing financial liabilities and at the same time recognize the new financial liabilities. If the financial liability is terminated for recognized in whole or in part, the difference between the carrying amount of the part that terminated for recognized and the consideration paid (including the transferred non-cash assets or the assumed new financial liabilities) is included in current profits and losses.

### **(7) Off-set between the financial assets and liabilities**

When the Company has a legal right to offset a recognized financial asset and a financial liability and such legal right is currently enforceable, and the Company plans to settle the financial asset on a net basis or to realize the financial asset and settle the financial liability simultaneously, the financial asset and the financial liability are presented in the balance sheet at their respective offsetting amounts. In addition, the financial assets and financial liabilities are presented in the balance sheet separately, and are not offset against each other.

### **(8) Derivatives and embedded derivatives**

Derivatives are initially measured at fair value on the signing date of the relevant contract, and are subsequently measured at fair value. Except for derivatives that are designated as hedging instruments and are highly effective in hedging, the gains or losses arising from changes in fair value will be determined based on the nature of the hedging relationship in accordance with the requirements of the hedge accounting and be included in the period of profit and loss, other



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changes in fair value of derivatives are included in current profits and losses. For a hybrid instrument that includes an embedded derivative, if it is not designated as a financial asset or financial liability measured at fair value and whose changes are included in current profit or loss, the embedded derivative does not have a close relationship with the main contract in terms of economic characteristics and risks, and as with embedded derivatives, if the tools existing separately conform to the definition of the derivatives, the embedded derivatives are split from the hybrid instruments and are treated as separate derivative financial instruments. If it is not possible to measure the embedded derivative separately at the time of acquisition or subsequent balance sheet date, the whole hybrid instrument is designated as a financial asset or financial liability measured at fair value and whose changes are included in current profits and losses.

### **(9) Equity instrument**

The equity instrument is the contract to prove the holding of the surplus stock of the assets with the deduction of all liabilities in the Group. The Company issues (including refinancing), repurchases, sells or cancels equity instruments as movement of equity. No fair value change of equity instrument would be recognized by the Company. Transaction costs associated with equity transactions are deducted from equity. The Group's various distributions to equity instrument holders (excluding stock dividends) reduce shareholders' equity.

### **12. Inventory**

Inventories of the Company principally include raw materials, stock goods; work in process, self-made semi-finished product, materials consigned to precede, low-value consumption goods, goods in transit, goods in process, mould and contract performance costs.

Perpetual inventory system is applicable to inventories. For daily calculation, standard price is adopted for raw materials, low-value consumption goods and stock goods. Switch-back cost of the current month is adjusted by distribution price difference at the end of the month, the dispatched goods will share the cost differences of inventory while in settlement the business income; and low-value consumption goods is carried forward at once when being applied for use and the mould shall be amortized within one year after receipt.

Inventory at period-end is valued by the Lower-of-value between the cost and net realizable value. The provision for inventory depreciation shall be drawn from the difference between the book cost

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of a single inventory item and its net realizable value, and the provision for inventory depreciation shall be recorded into the current profit and loss.

### **13. Contract assets**

#### **(1) Confirmation methods and standards of contract assets**

Contract assets refer to the right of the Company to receive consideration after transferring goods to customers, and this right depends on factors other than the passage of time. If the Company sells two clearly distinguishable commodities to a customer and has the right to receive payment because one of the commodities has been delivered, but the payment is also dependent on the delivery of the other commodity, the Company shall take the right to receive payment as a contract asset.

#### **(2) Determination method and accounting treatment method of expected credit loss of contract assets**

For the determination method for expected credit loss of contract assets, please refer to the above-mentioned

Accounting treatment methods for financial instrument impairment. The Company calculates the expected credit loss of contract assets on the balance sheet date, if the expected credit loss is greater than the book value of provision for impairment of contract assets, the Company shall recognize the difference as an impairment loss, debiting the "asset impairment loss" and crediting the "contract asset impairment provision". On the contrary, the Company shall recognize the difference as an impairment gain and keep the opposite accounting records.

If the Company actually incurs credit losses and determines that the relevant contract assets cannot be recovered, for those approved to be written off, debit the "contract asset impairment reserve" and credit the "contracted asset" based on the approved write-off amount. If the written-off amount is greater than the provision for loss that has been withdrawn, the "asset impairment loss" is debited based on the difference.

### **14. Contract cost**

#### **(1) The method of determining the amount of assets related to the contract cost**

The Company's assets related to contract costs include contract performance cost and contract acquisition cost.

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The contract performance cost is the cost incurred by the Company for the performance of the contract, those that do not fall within the scope of other accounting standards and meet the following conditions at the same time are recognized as an asset as the contract performance cost: the cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs clarified to be borne by the customer, and other costs incurred solely due to the contract; this cost increases the Company's future resources for fulfilling the contract's performance obligations; this cost is expected to be recovered.

Contract acquisition cost is the incremental cost incurred by the Company to obtain the contract, those that are expected to be recovered are recognized as the contract acquisition cost as an asset; if the asset amortization period does not exceed one year, it shall be included in the current profit and loss when it occurs. Incremental cost refers to the cost (such as sales commission, etc.) that will not incur if the Company doesn't obtain the contract. The Company's expenses (such as travel expenses incurred regardless of whether the contract is obtained) incurred for obtaining the contract other than the incremental costs expected to be recovered are included in the current profits and losses when they are incurred, except those are clarified to be borne by the customer.

### **(2) Amortization of assets related to contract costs**

The Company's assets related to contract costs are amortized on the same basis as the recognition of commodity income related to the asset and included in the current profit and loss.

### **(3) Impairment of assets related to contract costs**

When the Company determines the impairment loss of assets related to the contract cost, it first determines the impairment loss of other assets related to the contract that are confirmed in accordance with other relevant accounting standards for business enterprises; then based on the difference between the book value of which is higher than the remaining consideration that the Company is expected to obtain due to the transfer of the commodity related to the asset and the estimated cost of transferring the related commodity, the excess shall be provided for impairment and recognized as an asset impairment loss.

If the depreciation factors of the previous period changed later, causing the aforementioned difference to be higher than the book value of the asset, the original provision for asset impairment shall be reversed and included in the current profit and loss, but the book value of the asset after the reversal shall not exceed the book value of the asset on the reversal date under the assumption

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that no impairment provision is made.

### 15.Long-term equity investment

Long-term equity investment of the Company is mainly about investment in subsidiary, investment in associates and investment in joint-ventures.

For long-term equity investments acquired through business combination under common control, the initial investment cost shall be the acquirer's share of the carrying amount of net assets of the acquiree as of the combination date as reflected in the consolidated financial statement of the ultimate controller. If the carrying amount of net assets of the acquiree as of the combination date is negative, the investment cost of long-term equity investment shall be zero. For long-term equity investment acquired through business combination not under common control, the initial investment cost shall be the combination cost.

Excluding the long-term equity investment acquired through business combination, there is also a kind of long-term equity investment acquired through cash payment, for which *the actual payment* for the purchase shall be investment cost; If Long-term equity investments are acquired by issuing equity securities, fair value of issuing equity investment shall be investment cost; for Long-term equity investments which are invested by investors, the agreed price in investment contract or agreement shall be investment cost; and for long-term equity investment which is acquired through debt reorganization and non-monetary assets exchange, regulations of relevant accounting standards shall be referred to for confirming investment cost.

The Company adopts cost method for investment in subsidiaries, makes calculation for investments in joint-ventures and associates by equity method.

When calculated by cost method, long-term equity investment is priced according to its investment cost, and cost of the investment is adjusted when making additional investment or writing off investment; When calculated by equity method, current investment gains and losses represent the proportion of the net gains and losses realized by the invested unit in current year attributable to or undertaken by the investor. When the Company is believed to enjoy proportion of net gains and losses of invested unit, gains and losses attributable to the Company according to its shareholding ratio is to computer out according to the accounting policy and accounting period of the Company, on the basis of the fair value of various recognizable assets of the invested unit as at the date of obtaining of the investment, after offset of gains and losses arising from internal transactions with associates and joint-ventures, and finally to make confirmation after adjustment

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of net profit of the invested unit. Confirmation on gains and losses from the long-term equity investment in associates and joint-ventures held by the Company prior to the first execution day, could only stand up with the precedent condition that debit balance of equity investment straightly amortized according to its original remaining term has already been deducted, if the aforementioned balance relating to the investment do exist.

In case that investor loses joint control or significant influence over investee due to disposal of part equity interest investment, the remaining equity interest shall be calculated according to Accounting Standards for Business Enterprise No.22-Recognition and Measurement of Financial Instrument. Difference between the fair value of the remaining equity interest as of the date when loss of joint control or significant influence and the carrying value is included in current gains and losses. Other comprehensive income recognized in respect of the original equity interest investment under equity method should be treated according to the same basis which the investee adopts to directly dispose the relevant assets or liabilities when ceasing adoption of equity method calculation; and also switches to cost method for calculating the long-term equity investments which entitles the Company to have conduct control over the invested units due to its additional investments; and switches to equity method for calculating the long-term equity investments which entitles the Company to conduct common control or significant influence, while no control over the invested units due to its additional investments, or the long-term equity investments which entitles the Company with no control over the invested units any longer while with common control or significant influence.

When disposing long-term equity investment, the balance between it carrying value and effective price for obtaining shall be recorded into current investment income. When disposing long-term equity investment which is calculated by equity method, the proportion originally recorded in owners' equity shall be transferred to current investment income according to relevant ratio, except for that other movements of owners' equity excluding net gains and losses of the invested units shall be recorded into owners' equity

### **16. Investment real estate**

The investment real estate of the Company includes leased houses and buildings, and is accounted value by its cost. Cost of purchased-in investment real estate consists of payment for purchase, relevant taxes and other expenditure which is attributable to the assets directly; while cost of self-built investment real estate is formed with all necessary expenditures occurred before construction completion of the assets arriving at the estimated utilization state.

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Consequent measurement of investment estate shall be measured by cost method. Depreciation is provided with average service life method pursuant to the predicted service life and net rate of salvage value. The predicted service life and net rate of salvage value and annual depreciation are listed as follows:

Category	Depreciation term(Year)	Predicted rate of salvage value (%)	Depreciation rate per annual (%)
House and buildings	30-40	4.00-5.00	2.375-3.20

When investment real estate turns to be used by holders, it shall switch to fixed assets or intangible assets commencing from the date of such turning. And when self-used real estate turns to be leased out for rental or additional capital, the fixed assets or intangible assets shall switch to investment real estate commencing from the date of such turning. In situation of switch, the carrying value before the switch shall be deemed as the credit value after the switch.

When investment real estate is disposed, or out of utilization forever and no economic benefit would be predicted to obtain through the disposal, the Company shall terminate recognition of such investment real estate. The amount of income from disposal, transfer, discarding as scrap or damage of investment real estate after deducting the asset' s carrying value and relevant taxation shall be written into current gains and losses.

### 17.Fixed assets

Fixed assets of the Company are tangible assets that are also held for the production of goods, provision of services, rental or management of operations, have a useful life of more than one year and have a unit value of more than 2,000 yuan.

Their credit value is determined on the basis of the cost taken for obtaining them. Of which, cost of purchased-in fixed assets include bidding price and import duty and relevant taxes, and other expenditure which occurs before the fixed assets arrive at the state of predicted utilization and which could be directly attributable to the assets; while cost of self-built fixed asset is formed with all necessary expenditures occurred before construction completion of the assets arriving at the estimated utilization state; credit value of the fixed assets injected by investors is determined based on the agreed value of investment contracts or agreements, while as for the agreed value of

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investment contracts or agreements which is not fair, it shall take its fair value as credit value; and for fixed assets which are leased in through finance leasing, credit value is the lower of fair value of leased assets and present value of minimized leasing payment as at the commencing date of leasing.

Consequent expenditure related to fixed assets consists of expenditures for repair and update reform. For those meeting requirements for recognition of fixed assets, they would be accounted as fixed asset cost; and for the part which is replaced, recognition of its carrying value shall cease; for those not meeting requirements for recognition of fixed assets, they shall be accounted in current gains and losses as long as they occur. When fixed asset is disposed, or no economic benefit would be predicted to obtain through utilization or disposal of the asset, the Company shall terminate recognition of such fixed asset. The amount of income from disposal, transfer, discarding as scrap or damage of fixed asset after deducting the asset's carrying value and relevant taxation shall be written into current gains and losses.

The Company withdraws depreciation for all fixed assets except for those which have been fully depreciated while continuing to use. It adopts average service life method for withdrawing depreciation which is treated respectively as cost or current expense of relevant assets according to purpose of use. The depreciation term, predicted rate of salvage value and depreciation rate applied to fixed assets of the Company are as follows:

Category	Depreciation term	Predicted rate of salvage value	Depreciation rate per year
House and buildings	30-40 years	4%-5%	2.375%-3.20%
Machinery equipment	10-14 years	4%-5%	6.786%-9.60%
Transport equipment	5-12 years	4%-5%	7.92%-19.20%
Other equipment	8-12 years	4%-5%	7.92%-12.00%

End of each year, the Company makes re-examination on predicted service life, predicted rate of salvage value and depreciation method at each year-end. Any change will be treated as accounting estimation change.

### 18. Construction in progress

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On the day when the construction in progress reaches the expected usable state, it will be carried forward to fixed assets according to the estimated value based on the construction budget, cost or actual construction cost, and depreciation will be accrued from the next month, and the difference in the original value of fixed assets shall be adjusted after the completion of the final accounting procedures.

### **19. Borrowing expense**

For the incurred borrowing expense that can be directly attributable to fixed assets, investment real estate, and inventory which require more than one year of purchase, construction or production activities to reach the intended usable or saleable state, the capitalization begins when the asset expenditure has occurred, the borrowing expense have occurred, and the acquisition, construction or production activities necessary to make the asset reach the intended usable or saleable state have begun; when the acquisition, construction or production of assets that meet the capitalization conditions reaches the intended usable or saleable state, stop the capitalization, the borrowing expense incurred thereafter are included in the current profit and loss. If an asset that meets the capitalization conditions is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 months, the capitalization of borrowing expense shall be suspended until the acquisition, construction or production activities of the asset restart.

Capitalization shall be exercised for interest expense actually occurred from special borrowings in current period after deduction of the interest income arising from unutilized borrowing capital which is saved in banks or deduction of investment income obtained from temporary investment; For recognition of capitalized amount of common borrowing, it equals to the weighted average of the assets whose accumulated expense or capital disburse is more than common borrowing times capitalization rate of occupied common borrowing. Capitalization rate is determined according to weighted average interest rate of common borrowing.

### **20. Right-of-use assets**

Upon becoming a lessee under a lease contract, the Company is entitled to receive substantially all of the economic benefits, arising from the use of the identified assets during the period of use and is entitled to recognized the right-of-use assets at the sum of the present value of the lease liability, prepaid rent and initial direct costs, and to recognized the depreciation and interest expenses



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respectively, when the use of the identified assets dominates during that period of use.

When the Company becomes the lessee of a lease contract, for short-term leases of less than one year without a purchase option and leases with a value of less than 40000 yuan (excluding sublease or expected sublease assets), the Company elects to follow simplified treatment and record the related assets at cost or current gain/loss on a straight-line basis over the lease period.

### 21. Intangible assets

#### (1) Valuation method, service life and impairment test

The Company's intangible assets include land use rights, trademark rights and non-proprietary technology, which are measured at actual cost at the time of acquisition, of which, acquired intangible assets are stated at actual cost based on the price actually paid and related other expenditure; the actual cost of an intangible asset invested by an investor is determined at the value agreed in the investment contract or agreement, except where the agreed value in the contract or agreement is not fair, in which case the actual cost is determined at fair value.

The Company analyzes and judges the service life of intangible assets when acquiring them. Intangible assets with definite service life, such as land use rights, are amortized by the straight-line method during the service life from the time when the intangible assets are available for use until they are no longer recognized as intangible assets. Other intangible assets shall be amortized according to the service life stipulated in the contract or law. Intangible assets with uncertain service life shall not be amortized. Intangible assets developed by the Company shall be generally amortized on an average of 3-5 years according to the benefit period of the results of the project recognized in advance.

The service life and amortization method of intangible assets with limited service life shall be reviewed at the end of the year. If the estimated service life and amortization method of intangible assets are different from those previously estimated, the amortization period and amortization method shall be changed. The service life of intangible assets with uncertain service life shall be rechecked. If there is evidence that their service life is limited, estimate their service life and treat them as intangible assets with limited service life. If there is any change after the recheck, it will be regarded as the change of accounting estimate.

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

The Company's R&D expenditure is directly related to the Company's R&D activities, including

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R&D staff salaries, direct input expenses, depreciation expenses and other expenses.

The R&D expenditure of the Company is divided into research stage expenditure and development stage expenditure according to its nature and whether there is great uncertainty in the final formation of intangible assets from R&D activities. Research stage expenditure is included in the current profits and losses when it occurs; Development stage expenditure is recognized as intangible assets if it meets the following conditions at the same time: (1) It is technically feasible to complete the intangible assets so that they can be used or sold; (2) It has the intention to complete the intangible assets and use or sell them; (3) The products produced by using the intangible assets exist in the market or the intangible assets themselves exist in the market; (4) It has sufficient technical, financial and other resources to support the development of the intangible assets, and has the ability to use or sell the intangible assets; (5) Expenditure attributable to the development stage of the intangible assets can be reliably measured.

-Expenditure attributable to development of the intangible assets could be reliable measured.

Expenditure arising during development not satisfying the above conditions shall be recorded in current gains and losses upon occurrence. Development expenditure which had been recorded in gains and losses in previous period would not be recognized as assets in later period. Expenditure arising during development phase which has been starting capitalization is listed in balance sheet as development expenditure, and transferred to intangible assets since the project reaches at predicted utilization state.

### **22. Impairment of long-term assets**

As at each balance sheet date, the Company has inspection on fixed assets, construction in process and intangible assets with limited service life. When the following indications appear, assets may be impaired, and the Company would have impairment test. As for goodwill and intangible assets which have uncertain service life, no matter there is impairment or not, impairment test shall be conducted at the end of every year. If it is hard to make test on recoverable amount of single asset, test is expected to make on the basis of the assets group or assets group portfolio where such asset belongs to.

Indications for impairment are as follows:

(1) Market value of asset drops a lot in current period, the drop scope is obviously greater than the predicted drop due to move-on of times or normal utilization;

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(2) Economy, technology or law environment where enterprise operates or market where asset is located will have significant change in current or recent periods, which brings negative influence to enterprise;

(3) Market interest rate or returning rate of other market investments have risen in current period, which brings influence in calculating discount rate of present value of predicted future cash flow of assets, which leads to a great drop in recoverable amount of such assets;

(4) Evidence proving that asset is obsolete and out of time or its entity has been damaged;

(5) Asset has been or will be keep aside, terminating utilization or disposed advance;

(6) Internal report of enterprise shows that economic performance of asset has been or will be lower than prediction, such as that net cash flow created by asset or operation profit (or loss) realized by asset is greatly lower (or higher) than the predicted amount;

(7) Other indications showing possible impairment of assets

After impairment test, if the carrying value exceeds the recoverable amount of the asset, the balance is recognized as impairment loss. As long as impairment loss of the aforementioned assets is recognized, it couldn't be switched back in later accounting periods. Recoverable amount of assets refers to the higher of fair value of assets net disposal expense and present value of predicted cash flow of the asset.

### 23. Contract liability

Contract liabilities reflect the Company's obligation to transfer goods to customers for consideration received or receivable from customers. Before the Company transfers the goods to the customer, if the customer has paid the contract consideration or the Company has obtained the right to unconditionally receive the contract consideration, the contract liability is recognized based on the received or receivable amount at the earlier time point of the actual payment by the customer and the payment due.

### 24. Goodwill

Goodwill represents balance between equity investment cost or business combination cost under no common control exceeding the attributable part or fair value of recognizable net assets of party invested or purchased (obtained through business combination) as of acquisition day or purchase day.

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Goodwill relating to subsidiaries is separately listed in consolidated financial statement. And goodwill relating to associates and joint-ventures is included in carrying value of long-term equity investment.

### **25. Long-term deferred expenses**

The company's long-term deferred expenses refer to the expenses that have been paid, but should be borne by the current period and future periods with an amortization period of more than one year (excluding one year), and these expenses are amortized evenly during the benefit period. If the long-term deferred expense item cannot benefit the future accounting period, all the amortized value of the item that has not been amortized will be transferred into the current profit and loss.

### **26. Staff remuneration**

Employee benefits mainly include all kinds of remuneration incurred in exchange for services rendered by employees or compensation to the termination of employment relationship such as short-term wages, post-employment benefits, compensation for the termination of employment relationship and other long-term employee welfare.

Short-term remuneration includes: staff salary, bonus, allowances and subsidies, staff benefits, social insurances like medical insurance, work-related injury insurance and maternity insurance, housing fund, labor union funds and staff education funds, short-term paid absence of duty, short-term profit sharing scheme, and non-monetary benefits as well as other short-term remuneration. During the accounting period when staff provides services, the short-term remuneration actually occurred is recognized as liabilities and shall be included in current gains and losses or related asset costs according to the beneficial items.

Retirement benefits mainly consist of basic pension insurance, unemployment insurance and early-retirement benefits, etc. retirement benefit scheme represents the agreement reached by the Company and its employees in respect of retirement benefits, or the rules or regulations established by the Company for providing retirement benefits to employees. In particular, defined contribution plan means a retirement benefit plan, pursuant to which, the Company makes fixed contribution to independent fund, upon which, and it is not obliged to make further payment. Defined benefit plan refers to retirement benefit scheme other than defined contribution plan.

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The early retirement policy for staff and workers of the Company is the compensation for encouraging staff and workers to accept the reduction voluntarily. The employees make applications voluntarily, the two parties sign the compensation agreement after approved by the Company and calculate the compensation amount according to the compensation standard passed by the staff representative conference, and the Company confirms it as dismiss welfare and reckons it in current profits and losses. As the Company promises to adjust the treatment for early retiring staff and workers with the increase of social basic cost of living allowances, the discount elements will not be considered for calculating the dismiss welfare.

### **27. Lease liability**

Upon becoming a lessee under a lease contract, the Company recognizes a lease liability for the leased-in asset at the present value of the unpaid lease payments, net of lease incentives (except for short-term leases and leases of low-value assets for which simplified treatment is elected), when it is entitled to receive substantially all of the economic benefits arising from the use of the identified asset during the period of use and is entitled to dominate the use of the identified asset during that period of use.

### **28. Accrual liability**

If the business in connection with such contingencies as a security involving a foreign party, commercial acceptance bill discount, pending litigation or arbitration, product quality assurance, etc. meets all of the following conditions, the Company will confirm the aforesaid as liabilities: the obligation is an existing obligation of the Company; performance of the obligation is likely to cause economic benefits to flow out of the enterprise; the amount of the obligation is reliably measurable.

### **29. Special reserve**

The work safety expense extracted according to the regulations will be included in the cost of related products or the current profit and loss, and also included in the special reserve; When used, it will be treated separately according to whether fixed assets are formed or not: if it is an expense expenditure, the special reserve will be directly offset; If the fixed assets are formed, the expenses incurred shall be collected, and the fixed assets shall be confirmed when the predetermined usable state is reached, and at the same time, the equivalent special reserve shall be offset and the equivalent accumulated depreciation shall be confirmed.

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### **30. Revenue**

The Company's sales revenue is mainly comprised of revenue from sale of goods, labor providing income and revenue from assignment of asset use rights.

The Company has fulfilled the performance obligations in the contract, that is, revenue is recognized when the customer obtains control of the relevant goods or services.

If the contract contains two or more performance obligations, the Company will allocate the transaction price to each individual performance obligation according to the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the date of the contract. The revenue is measured according to the transaction price of each individual performance obligation.

The transaction price is the amount of consideration that the Company expects to be entitled to receive due to the transfer of goods or services to customers, excluding payments on behalf of third parties. The transaction price confirmed by the Company does not exceed the amount at which the cumulatively recognized revenue will most likely not to undergo a significant switch back when the relevant uncertainty is eliminated. The money expected to be returned to the customer will be regarded as a return liability and not included in the transaction price. If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable on the assumption that the customer pays in cash when obtaining the control of the goods or services. The difference between the transaction price and the contract consideration shall be amortized by the effective interest method during the contract period. On the starting date of the contract, if the Company expects that the interval between the customer's acquisition of control of the goods or services and the customer's payment of the price doesn't exceed one year, the significant financing components in the contract shall be ruled out.

When meeting one of the following conditions, the Company is to perform its performance obligations within a certain period of time, otherwise, it is to perform its performance obligations at a certain point in time:

- 1) The customer obtains and consumes the economic benefits brought by the Company's performance at the same time as the Company's performance;
- 2) Customers can control the products under construction during the performance of the

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Company;

3) The goods produced by the Company during the performance of the contract have irreplaceable uses, and the Company has the right to collect payment for the accumulated performance part of the contract during the entire contract period.

For performance obligations performed within a certain period of time, the Company recognizes revenue in accordance with the performance progress during that period and determine the progress of performance in accordance with the output method. When the performance progress cannot be reasonably determined, if the cost incurred by the Company is expected to be compensated, the revenue shall be recognized according to the amount of the cost incurred until the performance progress can be reasonably determined.

For performance obligations performed at a certain point in time, the Company recognizes revenue at the point when the customer obtains control of the relevant goods or services. When judging whether a customer has obtained control of goods or services, the Company will consider the following signs:

- 1) The Company has the current right to collect payment for the goods or services;
- 2) The Company has transferred the goods in kind to the customer;
- 3) The Company has physically transferred the goods to the customer;
- 4) The Company has transferred the principal risks and rewards of ownership of the goods to the customer;
- 5) The customer has accepted the goods or services, etc.

The Company's right to receive consideration for goods or services that have been transferred to customers are presented as contractual assets, which are impaired on the basis of expected credit losses. The Company's unconditional right to receive consideration from customers is shown as a account receivable. The obligation to transfer goods or services to customers for which the Company has received consideration receivable from them is shown as a contractual liability.

Specific methods of income recognition:

1. Income from transfer of commodities For the commodities sold between the Company and customers, income is usually recognized at the time when the control right of the commodities

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is transferred, based on comprehensive consideration of the factors such as obtaining the current right to collect the commodity payment, the transfer of the main risks and rewards in the ownership of the commodities, the transfer of the legal ownership of the commodities, the transfer of the physical assets of the commodities, and the acceptance of the commodities by the customers. For the goods picked up by the merchants themselves, the income is recognized when the goods are picked up; For the goods delivered by logistics, the income is recognized when the goods are delivered at the merchant for signing; For the sales business with consignment characteristics, according to the contract, the income is recognized when the merchant provides the commodity settlement list; For the sales business through online sales channels, when the commodities are delivered to customers for receipt, it is regarded as the main risk and rewards on the ownership of the commodities are transferred, and the realization of the sales income of the commodities is recognized; With regard to export income, according to the contract, after the goods are delivered to the port or place designated by the customer or to the carrier designated by the customer, and the customs declaration is passed, the income is recognized.

2. Income from providing labor services For the quality assurance service, the service has been provided according to the contract, and the income is recognized when the payment is received or the documents (including the amount) signed by the customer are obtained (unless it is indicated that it is not a condition for income recognition); For technical development service, the service has been provided according to the contract, and the income is recognized according to the business recognition documents of both parties; For other engineering services, the income is recognized by stages according to the project performance progress, and the performance progress is determined according to the output method.

### **31. Government subsidy**

Government subsidy of the Company include project grants, financial subsidies and job stabilization subsidies. Of which, asset-related government subsidy are government subsidy acquired by the Company for the acquisition or other formation of long-term assets; government subsidy related to revenue are government subsidy other than those related to assets. If the government document does not clearly specify the subsidy object, the Company will judge



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according to the above-mentioned distinguishing principle. If it is difficult to distinguish, it will be overall classified as a government subsidy related to income.

If government subsidies are monetary assets, they are measured according to the amount actually received. For subsidies paid on the basis of a fixed quota standard, when there is conclusive evidence at the end of the year that it can meet the relevant conditions stipulated by the financial support policy and is expected to receive financial support funds, they are measured according to the amount receivable. If the government subsidy is a non-monetary asset, it shall be measured at its fair value, when the fair value cannot be obtained reliably, it shall be measured at its nominal amount (1 yuan).

Government subsidies related to assets are recognized as deferred income. Asset-related government subsidies that are recognized as deferred income are included in the current profit and loss in installments according to the average life method during the useful life of the relevant assets.

If the relevant asset is sold, transferred, scrapped or damaged before the end of its useful life, the undistributed deferred income balance shall be transferred to the current profit and loss of asset disposal.

### **32. Deferred Income Tax Assets and Deferred Income Tax Liabilities**

A deferred tax asset and deferred tax liability shall be determined by a difference (temporary difference) between the carrying amount of an asset or liability and its tax base. The deferred tax asset shall be recognized for the carry forward of unused deductible losses that it is probable that future taxable profits will be available against which the deductible losses can be utilized. For temporary difference arising from initial recognition of goodwill, no corresponding deferred income tax liabilities will be recognized. For temporary difference arising from initial recognition of assets and liabilities occurred in the transaction related to non-business combination which neither affect accounting profit nor taxable income (or deductible losses), no corresponding deferred income tax assets and deferred income tax liabilities will be recognized. As of the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the effective tax rate applicable to the period when recovery of assets or settlement of liabilities occur.

The Company recognizes deferred income tax assets to the extent of future taxable income tax which is likely to be obtained to offset deductible temporary difference, deductible losses and tax credits. For the confirmed deferred income tax assets.

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### **33. Lease**

When the Company becomes the lessee of the lease contract, has the right to obtain almost all the economic benefits arising from the use of the identified assets during the period of use, and has the right to lead the use of the identified assets during the period of use, the present value of unpaid lease payments of the lease assets after deducting lease incentives (except for short-term leases and leases of low-value assets for which simplified treatment is selected) is recognized as a lease liability, and a right-of-use asset is recognized based on the sum of the present value of the lease liability, prepaid rent, and initial direct costs, and depreciation and interest expenses are recognized separately.

When the Company becomes the lessee of a lease contract, for short-term leases of less than one year without a purchase option and leases with a value of less than 40,000 yuan (excluding sublease or expected sublease assets), the Company elects to follow simplified treatment and record the related assets at cost or current gain/loss on a straight-line basis over the lease period.

When the Company becomes the lessor of a lease contract, it classifies the lease into an operating lease and a finance lease at the lease commencement date. A finance lease is a lease that transfers substantially all the risks and rewards associated with the ownership of an asset. Operating leases are leases other than finance leases. Rentals under operating leases are recognized as income on a straight-line basis over the lease term. Finance leases are recorded at the net lease investment value of the finance lease receivable, which is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received as of the commencement date of the lease term.

There are both leasing and non-leasing businesses in the contract and can be split, and the leasing business is financially accounted according to the lease standards. There are both leasing and non-leasing businesses in the contract and cannot be split, and the entire contract is included in the lease business for financial accounting according to the lease standards.

The lease change needs to be judged whether it can be recognized as a single leasing business, and it needs to be recognized separately if it meets the recognition conditions of a single lease; if it does not meet the recognition of a single leasing business, or there is a major event or change within the controllable range of the lessee, re-evaluate and measure the present value of lease liabilities, and adjust the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the lessee shall include the remaining amount in the corresponding expenses for the current period.

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When the Company becomes the lessor of a lease contract, the lease is divided into operating lease and finance lease on the start date of lease. A finance lease is a lease that transfers substantially all the risks and rewards associated with ownership of an asset. An operating lease refers to a lease other than finance leases. The rent of an operating lease is recognized as income on a straight-line basis during the lease term. For an finance lease, the net investment in the lease is regarded as the entry value of the finance lease receivables, and the net investment in the lease is the sum of the unguaranteed residual value and the present value of the lease receipts that have not been received on the start date of the lease term.

### **34. Income tax accounting**

The Company accounted the income tax in a method of debit in balance sheet. The income tax expenses include income tax in the current year and deferred income tax. The income tax associated with the events and transactions directly included in the owners' equity shall be included in the owners' equity; and the deferred income tax derived from business combination shall be included in the carrying amount of goodwill, except for that above, the income tax expense shall be included in the profit or loss in the current period.

The income tax expense in the current year refers to the tax payable, which is calculated according to the tax laws on the events and transactions incurred in the current period. The deferred income tax refers to the difference between the carrying amount and the deferred tax assets and deferred tax liabilities at Current Year-end recognized in the method of debit in the balance sheet.

### **35. Segment information**

Business segment was the major reporting form of the Company, which divided into four parts: air-conditioning, refrigerator & freezer& washing machine, small home appliance and others. The transfer price among the segments will recognize based on the market price, common costs will allocated by income proportion between segments except for the parts that without reasonable allocation.

### **36. Explanation on significant accounting estimation**

The management of the Company needs to apply estimation and assumption when preparing financial statement which will affect the application of accounting policy and amounts of assets, liabilities, income and expense. The actual condition may differ from the estimation. Constant evaluation is conducted by the management in respect of the key assumption involved in the

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estimation and judgment of uncertainties. Effect resulting from change of accounting estimation is recognized in the period the change occurs and future periods.

The following accounting estimation and key assumption may result in material adjustment to the book value of assets and liabilities in future period.

### **(1) Inventory impairment provision**

The Company's provision for impairment of inventories on the balance sheet date is the part of the net realizable value lower than the cost of inventories. The net realizable value of the inventory of goods that are directly used for sale, such as the goods in stock, the goods sent out, and the materials for sale, and the low-consumption goods, shall be determined by the amount of the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes. The net realizable value of the material inventory held for production is determined by the amount of the estimated selling price of the finished product produced minus the estimated cost to be incurred at the time of completion, the estimated selling expenses and relevant taxes.

### **(2) Accounting estimation on long-term assets impairment provision**

The Company makes impairment test on fixed assets such as buildings, machine and equipment which have impairment indication and long-term assets such as goodwill as at the balance sheet date. The recoverable amount of relevant assets and assets group shall be the present value of the projected future cash flow which shall be calculated with accounting estimation.

If the management amends the gross profit margin and discount rate adopted in calculation of future cash flow of assets and assets group and the amended gross profit margin is lower than the currently adopted one or the amended discount rate is higher than the currently adopted one, the Company needs to increase provision of impairment provision. If the actual gross profit margin is higher (or the discount rate is lower) than the estimation of management, the Company can not transfer back the long term assets impairment provision provided already.

### **(3) Accounting estimation on realization of deferred income tax assets**

Estimation on deferred income tax assets needs estimation on the taxable income and applicable tax rate for each future year. Realization of deferred income tax assets depends on whether a company is able to obtain sufficient taxable income in future. Change of future tax rate and switch back of temporary difference could affect the balance of income tax expense (gains) and deferred income tax. Change of the aforesaid estimation may result in material adjustment to deferred

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income tax.

### **(4) Usable term and residual value rate of fixed assets and intangible assets**

The Company, at least at the end of each accounting year, reviews the projected usable life and residual value rate of fixed assets and intangible assets. The projected usable life and residual value rate are determined by the management based on the historical experiences of similar assets by reference to the estimation generally used by the same industry with consideration on projected technical upgrade. If material change occurs to previous estimation, the Company shall accordingly adjust the depreciation expenses and amortization expenses for future period.

### **37. Other comprehensive income**

Other comprehensive income represents various gains and losses not recognized in current gains and losses according to other accounting rules.

Other comprehensive income items shall be reported in the following two classes under other relevant accounting rules:

(1) Other comprehensive income items that can not be reclassified into gains and losses in future accounting periods, mainly including changes arising from re-measurement of net liabilities or net assets under defined benefit plan and interest in investee's other comprehensive income which are measured under equity method and which can not be reclassified into gains and losses in future accounting periods;

(2) Other comprehensive income items that will be reclassified into gains and losses in future accounting periods upon satisfaction of required conditions, mainly includes the share of other comprehensive income that is reclassified into profit and loss when the investee's subsequent accounting periods are accounted for in accordance with the equity method and meet the specified conditions, the fair value changes occurred by the debt investment that is measured at fair value and whose changes are included in other comprehensive income, the difference between the original book value included in other comprehensive income and the fair value when a financial asset measured at amortized cost is reclassified as a financial asset measured at fair value and its changes are included in other comprehensive income, the loss provisions for financial assets measured at fair value and whose changes are included in other comprehensive income, the gains or losses generated from cash flow hedging instruments are part of effective hedging, and the differences in conversion of foreign currency financial statements.

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### 38. Change of significant accounting policies and accounting estimates

(1) Change of significant accounting policy: N/A

(2) Change of significant accounting estimates: N/A

## IV. Taxation

### 1. Major taxes and tax rates

Tax (expenses)	Tax (expenses) base	Tax (expenses) rate
VAT	The output tax is calculated based on the income from sales of goods and taxable services calculated according to the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference is the VAT taxable	13%.9%,6%,5%、 3%
House Property Tax	In case of ad valorem, it will be levied according to 1.2% of the residual value after deducting 30% from the original value of the property; In case of rent-based collection, it will be levied according to 12% of the rental income	1.2%,12%
Land use tax	Actual land area used	1-6 yuan/m <sup>2</sup>
Urban maintenance and construction tax	Turnover tax	7%,5%
Education surcharge	Turnover tax	3%
Local education surcharge	Turnover tax	2%
Corporate income tax	Taxable income	29%,25%,22%,20%,15%

Description of taxpayers with different corporate income tax rates:

Name	Income tax rate
The Company	15.00%
Zhongke Meiling Cryogenic Technology Co., Ltd.	15.00%

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Name	Income tax rate
Zhongshan Changhong Electric Co., Ltd.	15.00%
Sichuan Hongmei Intelligent Technology Co., Ltd.	15.00%
Mianyang Meiling Refrigeration Co., Ltd.	15.00%
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd	15.00%
Hefei Meiling Nonferrous Metal Products Co., Ltd.	15.00%
Jiangxi Meiling Electric Appliance Co., Ltd.	15.00%
Sichuan Changhong Air-conditioner Co., Ltd.	15.00%
Hefei Meiling Wulian Technology Co., Ltd	15.00%
Anhui Tuoxing Technology Co., Ltd.	20.00%
Guangzhou Changhong Trading Co., Ltd.	20.00%
Hebei Hongmao Daily Appliance Technology Co., Ltd.	20.00%
CH-Meiling International (Philippines) Inc.	20.00%
Changhong Ruba Trading Company (Private) Limited	29.00%
CHANGHONG MEILING ELECTRIC INDONESIA,PT	22.00%
Other taxpayers except the above	25.00%

### 2. Preferential tax

(1) On November 30, 2023, the Company passed the high-tech enterprise certification and obtained the high-tech enterprise certificate numbered GR2020340006385, and shall enjoy the national high-tech enterprise income tax rate of 15%, which is valid for three years.

(2) On October 16, 2023, the subsidiary Zhongke Meiling Cryogenic Technology Co., Ltd. obtained the high-tech enterprise certificate numbered GR202334003036 approved by the Anhui Provincial Department of Science and Technology, the Anhui Provincial Department of Finance, and the Anhui Provincial Taxation Bureau of the State Administration of Taxation, and shall enjoy the 15% enterprise income tax rate of the national high-tech enterprise, which is valid for three years.

(3) On December 28, 2023, the subsidiary Zhongshan Changhong Electric Appliance Co., Ltd. obtained a high-tech enterprise certificate with a certificate number of GR202344012950 approved by the Guangdong Provincial Department of Science and Technology, the Guangdong

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Provincial Department of Finance and the Guangdong Provincial Taxation Bureau of the State Administration of Taxation, and shall enjoy a national enterprise income tax rate of 15% for high-tech enterprises, which is valid for three years.

(4) On December 6, 2024, the subsidiary Sichuan Hongmei Intelligent Technology Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202451002000 approved by the Science and Technology Department of Sichuan Province, the Finance Department of Sichuan Province and the Sichuan Provincial Tax Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(5) Subsidiary Mianyang Meiling Refrigeration Co., Ltd., belongs to the encouraged industry in the Industrial Structure Adjustment Guidance Catalog and enjoys the preferential taxation policy of corporate income tax for the Western Development, and the corporate income tax is levied at a reduced tax rate of 15%, valid until December 31, 2030.

(6) On December 22nd, 2022, the subsidiary Hongyuan Ground Energy Heat Pump Technology (Zhongshan) Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202244005222 approved by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Tax Service, State Taxation Administration, and was entitled to the enterprise income tax rate of 15% for national high-tech enterprises for a period of three years.

(7) On November 28, 2024, the subsidiary Hefei Meiling Nonferrous Metal Products Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202434004167 approved by Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance and Anhui Provincial Taxation Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(8) On November 4, 2022, the subsidiary Jiangxi Meiling Electric Appliance Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202236000475 approved by Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance and Jiangxi Tax Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(9) On November 29, 2022, the subsidiary Sichuan Changhong Air Conditioning Co., Ltd.



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obtained the high-tech enterprise certificate with a certificate number of GR202251005824 approved by Science and Technology Department of Sichuan Province, Sichuan Provincial Finance Department and State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(10) On November 28, 2024, the subsidiary Hefei Meiling Wulian Technology Co., Ltd. obtained the high-tech enterprise certificate with a certificate number of GR202434004986 approved by Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance and Anhui Provincial Taxation Service, State Taxation Administration, and was entitled to the income tax rate of 15% for national high-tech enterprises for a period of three years.

(11) According to the Announcement of the Ministry of Finance and the State Taxation Administration on Further Supporting the Development of Tax and Fee Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No.12 of the Ministry of Finance and the State Taxation Administration in 2023), "The taxable income of small and low-profit enterprises will be reduced by 25%, and the enterprise income tax policy will be paid at a rate of 20%, which will be implemented until December 31, 2027". The subsidiaries Anhui Tuoxing Technology Co., Ltd., Guangzhou Changhong Trading Co., Ltd. and Hebei Hongmao Household Appliance Technology Co., Ltd. applied the above preferential policies this year.

### 2.VAT

(1) According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Policy of Adding and Deducting VAT for Advanced Manufacturing Enterprises (Announcement No.43 of the Ministry of Finance and the State Taxation Administration in 2023), additional VAT payable of 5% will be deducted according to the deductible input tax in the current period for advanced manufacturing enterprises from January 1, 2023 to December 31, 2027. The Company and its subsidiaries Zhongke Meiling Cryogenics Technology Co., Ltd., Zhongshan Changhong Electric Co.,Ltd., Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd., Hefei Meiling Non-ferrous Metal Products Co., Ltd., Jiangxi Meiling Electric Appliance Co., Ltd. and Sichuan Changhong Air Conditioning Co., Ltd. applied the above

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preferential policies.

(2) According to the Notice of the Ministry of Finance and the State Taxation Administration on the VAT Policy of Software Products (CS [2011] No.100), for sales by general VAT taxpayers of the software products developed and produced by themselves, after the VAT is levied at the rate of 13%, the part whose actual VAT tax exceeds 3% will be refunded immediately. The subsidiaries Zhongke Meiling Cryogenics Technology Co., Ltd. and Sichuan Hongmei Intelligent Technology Co., Ltd. applied the above preferential policies.

### V. Notes to the major items in the consolidated financial statements

#### (1) Consolidated balance sheet item notes

##### 1. Monetary fund

Item	Ending balance	Beginning balance
Cash	23,466.68	19,623.13
Bank deposit	4,269,948,407.17	5,430,927,146.17
Other monetary fund	708,898,229.24	492,614,908.35
Interest receivable on deposit	4,502,108,966.70	4,568,889,072.96
<b>Total</b>	<b>9,480,979,069.79</b>	<b>10,492,450,750.61</b>
Including: total amount deposited in overseas	45,564,166.58	39,440,542.18

##### 2. Tradable financial assets

Item	Ending Balance	Beginning Balance
Financial assets measured at fair value and whose changes are included in current gains/losses	2,136,929,526.59	
Including: Principal and interest of structured deposits	2,136,929,526.59	
Total	2,136,929,526.59	

##### 3. Derivative financial assets

Item	Ending Balance	Beginning Balance
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Item	Ending Balance	Beginning Balance
forward exchange contract	44,278,588.05	72,010,074.43
Total	44,278,588.05	72,010,074.43

### 4. Account receivable

#### (1) Category of account receivable by aging

Account age	Ending Balance	Beginning Balance
Within 1 year (Including 1 year)	3,564,643,143.09	1,497,253,392.98
Including: Within 3 months	3,228,253,882.80	1,368,463,315.70
3-6 months	271,204,414.23	97,181,265.60
6 months – 1 year	65,184,846.06	31,608,811.68
1-2 years	68,854,146.67	75,307,523.19
2-3 years	54,286,465.24	87,182,259.34
Over 3 years	207,260,293.47	188,612,629.93
Total	3,895,044,048.47	1,848,355,805.44

#### (2) Category of account receivable by bad debt accrual

##### 1) Detail

Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	1,211,199,965.22	31.10	207,910,230.23	17.17	1,003,289,734.99
Including: Account receivable with letter of credit	183,910,670.92	4.72			183,910,670.92
Current payment with related party	980,050,871.59	25.16	160,671,807.52	16.39	819,379,064.07
Receivables whose single amount is not significant but whose single provision for bad	47,238,422.71	1.22	47,238,422.71	100.00	

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Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
debts					
Account receivable withdrawal bad debt provision by portfolio	2,683,844,083.25	68.90	180,486,726.05	6.72	2,503,357,357.20
Including: account receivable of engineering customers	180,053,513.06	4.62	55,655,202.75	30.91	124,398,310.31
Receivables other than engineering customer	2,503,790,570.19	64.28	124,831,523.30	4.99	2,378,959,046.89
Total	3,895,044,048.47	100.00	388,396,956.28	9.97	3,506,647,092.19

(Continued)

Category	Amount at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	736,905,399.87	39.87	174,360,359.87	23.66	562,545,040.00
Including: Account receivable with letter of credit	204,543,428.36	11.07			204,543,428.36
Current payment with related party	485,828,526.67	26.28	129,934,772.07	26.74	355,893,754.60
Receivables whose single amount is not significant but whose single provision for bad debts	46,533,444.84	2.52	44,425,587.80	95.47	2,107,857.04
Account receivable withdrawal bad debt provision by portfolio	1,111,450,405.57	60.13	146,017,071.09	13.14	965,433,334.48
Including: account receivable of engineering customers	185,634,242.24	10.04	54,756,852.90	29.50	130,877,389.34
Receivables other than engineering customer	925,816,163.33	50.09	91,260,218.19	9.86	834,555,945.14
Total	1,848,355,805.44	100.00	320,377,430.96	17.33	1,527,978,374.48

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## 2) Account receivable that withdrawal bad debt provision by single item

Account receivable with single minor amount but withdrawal bad debt provision singly, refers to the minor single receivables, and withdrawal bad debt provision by combination shows no risk characteristic of the receivables, 89 clients involved.

## 3) Account receivable withdrawal bad debt provision by portfolio

## A.Account receivable of engineering customers

Account age	Ending balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	30,324,266.41		
3-6 months	3,467,601.71		
6 months-1 year	29,099,305.06		
1-2 years	63,716,889.63	12,743,377.93	20.00
2-3 years	21,067,250.86	10,533,625.43	50.00
Over 3 years	32,378,199.39	32,378,199.39	100.00
Subtotal	180,053,513.06	55,655,202.75	30.91

(Continued)

Account age	Beginning balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	25,327,660.33		
3-6 months	14,901,434.29		
6 months-1 year	28,923,666.97		
1-2 years	56,974,354.61	11,394,870.93	20.00
2-3 years	32,290,288.15	16,145,144.08	50.00
Over 3 years	27,216,837.89	27,216,837.89	100.00
Subtotal	185,634,242.24	54,756,852.90	29.50

## B.Receivables other than engineering customers

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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Account age	Ending balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	2,202,874,594.00	22,028,745.94	1.00
3-6 months	200,646,356.95	20,064,635.70	10.00
6 months-1 year	19,904,456.20	3,980,891.24	20.00
1-2 years	3,101,972.59	1,550,986.30	50.00
2-3 years	284,631.66	227,705.33	80.00
Over 3 years	76,978,558.79	76,978,558.79	100.00
Subtotal	2,503,790,570.19	124,831,523.30	4.99

(Continued)

Account age	Beginning balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	832,210,142.16	8,322,101.42	1.00
3-6 months	8,867,933.33	886,793.33	10.00
6 months-1 year	2,545,036.25	509,007.25	20.00
1-2 years	1,083,159.99	541,580.00	50.00
2-3 years	545,777.06	436,621.65	80.00
Over 3 years	80,564,114.54	80,564,114.54	100.00
Subtotal	925,816,163.33	91,260,218.19	9.86

### C. Bad debt provision of accounts receivable

#### 1) Detail

Category	Beginning balance	Changes this year				Ending Balance
		Accrual	Withdrawal or reversal	Resale or write-off	Other decreases	

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Category	Beginning balance	Changes this year				Ending Balance
		Accrual	Withdrawal or reversal	Resale or write-off	Other decreases	
Withdrawal bad debt provision by single item	174,360,359.87	43,104,716.93	9,898,942.17		344,095.60	207,910,230.23
Withdrawal bad debt provision by portfolio	146,017,071.09	34,461,468.20			8,186.76	180,486,726.05
Total	320,377,430.96	77,566,185.13	9,898,942.17		352,282.36	388,396,956.28

2) Provision for bad debts of accounts receivable actually recovered or reversed in the current period

None

(4) Account receivable actually written-off in Current Year

None

(5) Top 5 accounts receivable and contract assets amount Top 5 receivables collected by arrears party amounting to 1,645,880,093.00 yuan in total, accounted for 42.09% of the receivables of current year-end, the bad debt provision accrual correspondingly amounting to 110,254,924.82 yuan at year-end balance

### 5. Receivables financing

#### (1) Detail

Item	Ending balance	Beginning balance
Bank acceptance	939,704,220.30	1,482,928,143.55
Financial company acceptance bill	25,470,638.55	34,059,810.28
Total	965,174,858.85	1,516,987,953.83

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### (2) By accrual of bad debt provision

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single item	965,174,858.85	100.00			965,174,858.85
Including: Bank acceptance	939,704,220.30	97.36			939,704,220.30
Financial company acceptance bill	25,470,638.55	2.64			25,470,638.55
Total	965,174,858.85	100.00			965,174,858.85

(Continued)

Category	Beginning balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single item	1,516,987,953.83	100.00			1,516,987,953.83
Including: Bank acceptance	1,482,928,143.55	97.75			1,482,928,143.55
Financial company acceptance bill	34,059,810.28	2.25			34,059,810.28
Total	1,516,987,953.83	100.00			1,516,987,953.83

### (3) Changes in credit impairment provisions

There is no bad debt provision accrued, recovered or reversed this year.

### (4) Financing of receivables that have been pledged at the end of the year

Item	Period-end pledged amount
Bank acceptance	386,358,345.21
Subtotal	386,358,345.21

Note: with purpose of improving the note utilization, the Company draw up bank acceptance by pledge parts of the outstanding notes receivable to the bank. For details of the pledge of bills receivable, see Note V(1). 25. Assets with restricted ownership or use rights.



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(5) Notes endorsement or discount and undue on balance sheet date listed in receivables financing at the end of the period

Item	Amount derecognition at period-end
Bank acceptance	887,317,977.38
Financial company acceptance bill	28,651,396.62
Subtotal	915,969,374.00

**6. Accounts paid in advance**

(1) Age of account paid in advance

Item	Ending balance			
	Amount	Ratio (%)	Provision for impairment	Book value
Within 1 months (1 months included)	63,623,238.10	99.16		63,623,238.10
1-2 years	272,630.15	0.42		272,630.15
2-3 years	157,845.76	0.25		157,845.76
Over 3 years	106,482.62	0.17		106,482.62
Total	64,160,196.63	100.00		64,160,196.63

(Continued)

Account age	Balance at year-begin			
	Book balance	Bad debt provision	Provision ratio (%)	Book value
Within 1 months (1 months included)	59,929,582.83	99.30		59,929,582.83
1-2 years	266,216.81	0.44		266,216.81
2-3 years	47,912.63	0.08		47,912.63
Over 3 years	108,633.00	0.18		108,633.00
Total	60,352,345.27	100.00		60,352,345.27

(2) Top 5 of account paid in advance in balance at year-end amounting to 53,436,424.96 yuan, accounted for 83.29% of the account.

**7. Other account receivable**

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**(1) Detail**

Item	Balance at year-end	Balance at year-begin
Dividend receivable		12,124,951.70
Other account receivable	55,585,833.84	123,266,319.09
Total	55,585,833.84	135,391,270.79

**(2) Dividend receivable**

Item	Balance at year-end	Balance at year-begin
Sichuan Zhiyijia Network Technology Co., Ltd.		11,849,751.70
Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership)		275,200.00
Subtotal		12,124,951.70

**(3) Other receivable****1) Category of other account receivable**

Nature	Balance at year-end	Balance at year-begin
Export rebate	25,228,313.98	95,274,068.20
Cash deposit	13,642,743.06	11,343,322.56
Loans of employee's pretty cash	18,877,349.19	15,452,988.04
Related party not in consolidation statement	739,461.48	3,020,490.22
Other	615,247.62	1,327,326.50
Subtotal	59,103,115.33	126,418,195.52

**(2) By account age**

Account age	Ending balance	Beginning balance
Within 3 months	39,969,753.45	112,225,289.22
3-6 months	3,073,710.28	787,433.33
6 months-1 year	3,399,400.51	3,137,720.39
1-2 years	4,084,826.02	2,433,214.96

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Account age	Ending balance	Beginning balance
2-3 years	1,671,347.00	2,216,446.08
Over 3 years	6,904,078.07	5,618,091.54
Subtotal	59,103,115.33	126,418,195.52

### 3) By accrual of bad debt provision

Category	Amount at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	58,844,476.98	99.56	3,420,646.86	5.81	55,423,830.12
In which: other receivables with no major individual amount but bad debt provision accrued individually	32,876,701.52	55.63	3,420,646.86	10.40	29,456,054.66
Export rebate	25,228,313.98	42.68			25,228,313.98
Related party funds	739,461.48	1.25			739,461.48
Bad debt provision accrued by portfolio	258,638.35	0.44	96,634.63	37.36	162,003.72
In which: other receivables accrued by aging portfolio	258,638.35	0.44	96,634.63	37.36	162,003.72
Total	59,103,115.33	100.00	3,517,281.49	5.95	55,585,833.84

(Continued)

Category	Beginning balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	126,192,156.34	99.82	3,057,306.45	2.42	123,134,849.89

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

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Category	Beginning balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
In which: other receivables with no major individual amount but bad debt provision accrued individually	27,897,597.92	22.07	3,057,306.45	10.96	24,840,291.47
Export rebate	95,274,068.20	75.36			95,274,068.20
Related party funds	3,020,490.22	2.39			3,020,490.22
Bad debt provision accrued by portfolio	226,039.18	0.18	94,569.98	41.84	131,469.20
In which: other receivables accrued by aging portfolio	226,039.18	0.18	94,569.98	41.84	131,469.20
Total	126,418,195.52	100.00	3,151,876.43	2.49	123,266,319.09

### 4) Changes in bad debt provisions

#### ①Detail

Bad debt provision	First stage	Second stage	Third stage	Subtotal
	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Balance at year-begin	5,931.27	22,405.08	3,123,540.08	3,151,876.43
Balance at year-begin in Current Year	—	—	—	
--Transfer to the second stage				
-- Transfer to the third stage				
-- Reversal to the second stage				

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	First stage	Second stage	Third stage	
Bad debt provision	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	Subtotal
-- Reversal to the first stage				
Provision in Current Year	5,232.65	-3,722.65	363,340.41	364,850.41
Reversal in Current Year				
Write off in Current Year				
Other change	554.65			554.65
Balance at year-end	11,718.57	18,682.43	3,486,880.49	3,517,281.49

### ② Bad debt provision for other receivables accrued, recovered or reversed in the current period

Category	Beginning balance	Amount of change this period				Ending balance
		Accrual	Recovery or reversal	Write-off or cancellation	Other	
Withdrawal bad debt provision by single item	3,057,306.45	363,265.42				3,420,571.87
Withdrawal bad debt provision by portfolio	94,569.98	1,584.99			554.65	96,709.62
Total	3,151,876.43	364,850.41			554.65	3,517,281.49

### 5) Other account receivable actually written-off in Current Year:

None

### 6) Top 5 other receivables collected by arrears party at balance of period-end

Name	Nature	Ending balance	Account age	Proportion in total other receivables ending balance (%)	Bad debt provision Ending balance
Unit I	Export rebate	24,659,484.61	Within 3 months	41.72	

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Name	Nature	Ending balance	Account age	Proportion in total other receivables ending balance (%)	Bad debt provision Ending balance
Unit II	Cash deposit	2,642,725.12	Within 3 months, 1-2 years	4.47	
Unit III	Loans of employee's pretty cash	1,551,548.25	Within 3 months	2.63	
Unit IV	Loans of employee's pretty cash	1,467,720.00	3 months-1 year	2.48	
Unit V	Loans of employee's pretty cash	1,406,898.84	3 months, 3-6 months, 1-2 years	2.38	
Total		31,728,376.82		53.68	

### 8. Inventories

#### (1)Detail

Item	Ending Amount		
	Book balance	Inventory price decline provision/contract performance cost impairment provision	Book value
Raw materials	272,752,907.26	5,466,918.51	267,285,988.75
Low value consumable articles	587,349.65	81,096.62	506,253.03
Deferred expense for mould	111,806,400.87		111,806,400.87
Stock commodities	1,614,060,803.61	106,726,572.31	1,507,334,231.30
Goods in transit	2,042,462,238.98	22,639,021.69	2,019,823,217.29
Goods-in-process	15,234,407.57		15,234,407.57
Contract performance cost	8,253,641.07	4,108.38	8,249,532.69
Total	4,065,157,749.01	134,917,717.51	3,930,240,031.50

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(Continued)

Item	Beginning amount		
	Book balance	Inventory price decline provision/contract performance cost impairment provision	Book value
Raw materials	212,959,918.52	5,083,192.31	207,876,726.21
Low value consumable articles	266,404.78	97,317.58	169,087.20
Deferred expense for mould	90,498,578.88		90,498,578.88
Stock commodities	2,140,311,193.05	101,125,135.79	2,039,186,057.26
Goods in transit	1,144,852,004.99	9,982,021.26	1,134,869,983.73
Goods-in-process	10,482,237.67	39,214.30	10,443,023.37
Contract performance cost	31,928,661.07	4,108.38	31,924,552.69
Total	3,631,298,998.96	116,330,989.62	3,514,968,009.34

## (2) Provision for inventory depreciation and contract performance cost impairment provision

### 1) Detail

Item	Amount at period-begin	Increase this period		Decrease this period		Amount at period-end
		Accrual	Other	Reversal or reselling	Other	
Raw materials	5,083,192.31	2,234,176.37		1,850,450.17		5,466,918.51
Low value consumable articles	97,317.58	304.67		16,525.63		81,096.62
Stock commodities	101,125,135.79	43,914,019.15		38,309,478.45	3,104.18	106,726,572.31
Goods in transit	9,982,021.26	19,850,436.50		7,193,436.07		22,639,021.69
Goods-in-process	39,214.30			39,214.30		

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Item	Amount at period-begin	Increase this period		Decrease this period		Amount at period-end
		Accrual	Other	Reversal or reselling	Other	
Contract performance cost	4,108.38					4,108.38
<b>Total</b>	<b>116,330,989.62</b>	<b>65,998,936.69</b>		<b>47,409,104.62</b>	<b>3,104.18</b>	<b>134,917,717.51</b>

### 2) Accrual for inventory falling price reserves

Item	Specific basis for determining of net realizable value	Reasons for the reversal or reselling in Current Year
Raw materials	Cost is higher than net realizable value (The processed products are decline)	For production
Stock commodities	Cost is higher than net realizable value (The market price at period-end fell)	For sale
Goods in transit	Cost is higher than net realizable value (The market price at period-end fell)	For sale
Low value consumable articles	Cost is higher than net realizable value	Already used
Contract performance cost	Engineering construction Cost is higher than net realizable value (The processed products are decline)	Already used

## 9. Contract assets

### (1)Detail

Item	Ending balance		
	Book balance	Impairment provision	Book value
Warranty	1,778,013.37	461,708.05	1,316,305.32
<b>Total</b>	<b>1,778,013.37</b>	<b>461,708.05</b>	<b>1,316,305.32</b>

(Continued)



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Item	Beginning balance		
	Book balance	Impairment provision	Book value
Warranty	3,226,503.19	462,636.22	2,763,866.97
Total	3,226,503.19	462,636.22	2,763,866.97

## (2) Amount and reasons for significant changes in book value during the year

Items	Change amount	Change cause
Warranty	-1,447,561.65	The quality guarantee is due and the contract assets are reclassified as receivables
Subtotal	-1,447,561.65	

## (3) Provision for impairment of contract asset in the Period

Category	Balance at year-end				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single	1,778,013.37	100.00	461,708.05	25.97	1,316,305.32
Total	1,778,013.37	100.00	461,708.05	25.97	1,316,305.32

(Continued)

Category	Amount at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Withdrawal bad debt provision by single	3,226,503.19	100.00	462,636.22	14.34	2,763,866.97
Total	3,226,503.19	100.00	462,636.22	14.34	2,763,866.97

## (4) Changes in bad debt provisions

Item	Amount at	Amount of change this year	Year-end
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	year-begin	Accrual	Recovery or reversal	Write-off or cancellation	Other	
Withdrawal bad debt provision by single	462,636.22		928.17			461,708.05
Total	462,636.22		928.17			461,708.05

## 10. Non-current assets coming due within one year

### (1) Detail

Item	Ending balance			Beginning balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Creditor's right investment due within one year	494,428,966.50		494,428,966.50	53,831,301.37		53,831,301.37
Warranty money due within one year	5,034,918.72	60,000.00	4,974,918.72	6,531,620.47	120,000.00	6,411,620.47
Total	499,463,885.22	60,000.00	499,403,885.22	60,362,921.84	120,000.00	60,242,921.84

### (2) Creditor's right investment due within one year

Name	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
large deposit certificates	494,428,966.50		494,428,966.50	53,831,301.37		53,831,301.37
Total	494,428,966.50		494,428,966.50	53,831,301.37		53,831,301.37

### (3) Creditor's right investment due within 1 year at the end of the year

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Item	Face value	Interest rate	Date of expiring	Actual rate		Overdue principal	
				Closing balance	Init Balance at year-begin	Balance at year-end	Beginning balance
large deposit certificates	80,000,000.00	3.35%	2026/3/28	3.35%	3.35%		

### 11.Other current asset

Item	Balance at year-end			Balance at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
VAT to be deducted	2,186,737.17		2,186,737.17	6,591,963.44		6,591,963.44
Advance payment of income tax	35,978,547.13		35,978,547.13	38,375,210.13		38,375,210.13
VAT to be deducted	163,363,527.05		163,363,527.05	199,284,116.97		199,284,116.97
Held to maturity fixed deposits	302,602,361.11		302,602,361.11	253,112,899.55		253,112,899.55
Held to maturity large deposit certificates	156,945,681.13		156,945,681.13	54,770,499.43		54,770,499.43
Local sales tax in Pakistan	763,825.18		763,825.18	689,887.41		689,887.41
Amortization expense	6,597,378.34		6,597,378.34	9,205,786.05		9,205,786.05
Total	668,438,057.11		668,438,057.11	562,030,362.98		562,030,362.98

### 12.Creditors' right investment

#### (1) Detail

Item	Balance at year-end		
	Book balance	Impairment provision	Book value

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Item	Balance at year-end		
	Book balance	Impairment provision	Book value
large deposit certificates	1,578,030,312.23		1,578,030,312.23
Total	1,578,030,312.23		1,578,030,312.23

(Continued)

Item	Balance at year-begin		
	Book balance	Impairment provision	Book value
large deposit certificates	1,474,153,793.17		1,474,153,793.17
Total	1,474,153,793.17		1,474,153,793.17

## (2) Other important creditor's right investment

Item	Balance at year-end				
	Face value	Interest rate	Actual rate	Date of expiring	Overdue principal
large deposit certificates	100,000,000.00	2.60	2.60	2027-6-21	
large deposit certificates	150,000,000.00	3.15	3.15	2027-5-16	
Fixed certificates	250,000,000.00	3.05	3.05	2027-5-24	
Fixed certificates	150,000,000.00	2.70	2.70	2026-8-7	
Subtotal	650,000,000.00				

(Continued)

Item	Balance at year-begin				
	Face value	Interest rate	Actual rate	Date of expiring	Overdue principal
large deposit certificates	150,000,000.00	3.15	3.15	2027-5-16	
large deposit certificates	100,000,000.00	2.60	2.60	2027-6-21	

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Item	Balance at year-begin				
	Face value	Interest rate	Actual rate	Date of expiring	Overdue principal
large deposit certificates	80,000,000.00	3.35	3.35	2026-3-28	
Fixed certificates	250,000,000.00	3.05	3.05	2027-5-24	
Fixed certificates	150,000,000.00	2.70	2.70	2026-8-7	
Subtotal	730,000,000.00				

### 13. Long-term equity investment

#### (1) Classification situation

Item	Balance at year-end		
	Book balance	Impairment provision	Book value
Associated companies	87,812,658.90	3,097,405.00	84,715,253.90
Total	87,812,658.90	3,097,405.00	84,715,253.90

(Continued)

Item	Balance at year-begin		
	Book balance	Impairment provision	Book value
Associated companies	84,608,551.82	3,097,405.00	81,511,146.82
Total	84,608,551.82	3,097,405.00	81,511,146.82

#### (2) Detail

	Balance at year-begin		Changes in Current Year			
	Book value	Impairment provision	Additi onal invest ment	Disin vestm ent	Investment profit and loss confirmed by equity method	Other comprehen sive income adjustment
Invested enterprise						
Sichuan Zhiyijia Network Technology Co., Ltd.	60,175,669.07				4,835,600.70	
Hefei Xingmei Assets Management Co., Ltd.	14,164,491.99				1,488.35	

# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Invested enterprise	Balance at year-begin		Changes in Current Year			
	Book value	Impairment provision	Additi onal invest ment	Disin vestm ent	Investment profit and loss confirmed by equity method	Other comprehen sive income adjustment
Chengdu Guigu Environmental Tech. Co., Ltd	4,495,425.39	3,008,655.00			-921,828.43	
Sichuan Tianyou Guigu Technology Co., Ltd	2,675,560.37	88,750.00			-36,362.59	
Changhong Ruba Electric Company (Private) Ltd.						
Hefei Xinmei Solar Energy Technology Co., Ltd.note						
Total	81,511,146.82	3,097,405.00			3,878,898.03	

(Continued)

Invested enterprise	Changes in Current period				Ending balance	
	Other changes of equity	Declaration of cash dividends or profits	Provisio n for impairm ent	Other	Book value	Impairment provision
Sichuan Zhiyijia Network Technology Co., Ltd.		674,790.95			64,336,478.82	
Hefei Xingmei Assets Management Co., Ltd.					14,165,980.34	
Chengdu Guigu Environmental Tech. Co., Ltd					3,573,596.96	3,008,655.00
Sichuan Tianyou Guigu Technology Co., Ltd					2,639,197.78	88,750.00
Changhong Ruba Electric Company (Private) Ltd.						
Hefei Xinmei Solar Energy Technology Co., Ltd.note						
Total		674,790.95			84,715,253.90	3,097,405.00

## 14. Other non-current financial assets

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

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(Unless other wise specified, RMB for record in the Statement)

Item	Ending balance	Beginning balance
Sichuan Changhong Group Finance Co., Ltd.	556,681,286.83	556,681,286.83
Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)	28,908,227.25	30,929,099.25
Changhong Group Sichuan Shenwan Hongyuan Strategic New Industrial Parent Fund Partnership (limited partnership)	69,913,918.36	69,913,918.36
Huishang Bank Co., Ltd.	18,570,000.00	18,570,000.00
Total	674,073,432.44	676,094,304.44

**15. Investment real estate****(1) Detail**

Item	House and buildings	Total
Original book value		
Beginning balance	97,362,612.42	97,362,612.42
Increase in this year		
Decrease in this year		
Ending balance	97,362,612.42	97,362,612.42
Accumulated depreciation and accumulated amortization		
Beginning balance	30,641,761.73	30,641,761.73
Increase in this year	1,562,045.86	1,562,045.86
(1) Withdrawal or amortization	1,562,045.86	1,562,045.86
Decrease in this year		
Ending balance	32,203,807.59	32,203,807.59
Book value		
.Ending book value	65,158,804.83	65,158,804.83
Opening book value	66,720,850.69	66,720,850.69

**(2) Investment real estate without property certification held**

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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(Unless other wise specified, RMB for record in the Statement)

Item	Book value	Reasons for failing to complete property rights certificate
J03 Workshop	17,385,049.02	Related property rights in procedure
Subtotal	17,385,049.02	

### 16. Fixed assets

#### (1)Detail

Item	Book value at year-end	Book value at year-begin
Fixed assets	2,180,984,753.83	2,186,003,136.01
Liquidation of fixed assets	32,293,183.76	32,847,524.11
Total	2,213,277,937.59	2,218,850,660.12

#### (2) Fixed assets

##### 1)Detail

Item	House and buildings	Machinery equipment	Transport equipment	Other equipment	Total
Original book value					
Balance at year-begin	1,926,735,273.03	2,008,694,068.48	39,848,511.25	318,556,541.88	4,293,834,394.64
Increase in this year	10,731,769.46	100,841,036.19	2,400,966.54	15,850,504.20	129,824,276.39
Purchase		4,674,298.89	362,440.71	790,977.77	5,827,717.37
Construction in progress transfer-in	10,731,769.46	96,166,737.30	2,038,525.83	15,059,526.43	123,996,559.02
Decrease in this year	130,899.82	38,028,501.24	797,163.50	9,791,105.44	48,747,670.00
Dispose or retirement	98,000.00	26,600,199.25	779,540.44	7,065,194.11	34,542,933.80
Construction in progress transfer-in		11,399,027.65		2,630,279.69	14,029,307.34
3) Foreign currency conversion decreased			17,623.06	95,551.99	113,175.05
4) Other	32,899.82	29,274.34		79.65	62,253.81
Balance at year-end	1,937,336,142.67	2,071,506,603.43	41,452,314.29	324,615,940.64	4,374,911,001.03



## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	House and buildings	Machinery equipment	Transport equipment	Other equipment	Total
Accumulated depreciation					
Balance at year-begin	658,583,789.90	1,249,986,359.00	26,345,062.66	166,836,619.33	2,101,751,830.89
Increase in this year	31,054,703.77	77,343,243.76	1,385,959.24	14,153,752.34	123,937,659.11
(1)Accrual	31,054,703.77	77,343,243.76	1,385,959.24	14,153,752.34	123,937,659.11
Decrease in this year	42,648.81	29,937,724.18	756,705.81	6,996,844.09	37,733,922.89
Dispose or retirement	42,648.81	24,446,881.96	740,563.41	6,667,597.28	31,897,691.46
Construction in progress transfer-in		5,490,842.22		260,475.70	5,751,317.92
3) Foreign currency conversion decreased			16,142.40	68,771.11	84,913.51
Balance at year-end	689,595,844.86	1,297,391,878.58	26,974,316.09	173,993,527.58	2,187,955,567.11
Impairment provision					
.Balance at year-begin	199,392.18	4,854,224.57		1,025,810.99	6,079,427.74
.Increase in this year					
Decrease in this year				108,747.65	108,747.65
1) Dispose or retirement				108,747.65	108,747.65
Balance at year-end	199,392.18	4,854,224.57		917,063.34	5,970,680.09
Book value					
Ending book value	1,247,540,905.63	769,260,500.28	14,477,998.20	149,705,349.72	2,180,984,753.83
Opening book value	1,267,952,090.95	753,853,484.91	13,503,448.59	150,694,111.56	2,186,003,136.01

### 2) Fixed assets temporary idle

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
Machinery equipment	33,625,486.70	26,488,906.13	4,708,327.50	2,428,253.07	

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From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
Transport equipment	311,972.65	296,374.00		15,598.65	
Other equipment	2,499,298.25	2,345,645.00	28,688.29	124,964.96	
Subtotal	36,436,757.60	29,130,925.13	4,737,015.79	2,568,816.68	

### 3) Fixed assets leased through operating lease

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
House and buildings	96,725,138.01	41,961,619.22		54,763,518.79	
Machinery equipment	24,020,373.42	15,314,892.90		8,705,480.52	
Other equipment	290,703.88	285,087.47		5,616.41	
Subtotal	121,036,215.31	57,561,599.59		63,474,615.72	

### 4) Fixed assets without property certificate

Item	Book value	Reason of not complete the property certificate
J01 workshop	24,625,231.24	Related property rights in procedure
J02 workshop	26,568,149.00	Related property rights in procedure
J08 packing materials warehouse	4,089,944.83	Related property rights in procedure
J09 raw material warehouse	5,890,558.98	Related property rights in procedure
J50 finished product warehouse	15,326,068.55	Related property rights in procedure
J51 finished product warehouse	14,870,560.16	Related property rights in procedure
J52 finished product warehouse	10,786,965.59	Related property rights in procedure
J53 finished product warehouse	11,283,811.35	Related property rights in procedure
J54 finished product warehouse	10,546,251.51	Related property rights in procedure
J55 finished product warehouse	9,723,224.02	Related property rights in procedure
J56 finished product warehouse	9,723,224.02	Related property rights in procedure

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

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Item	Book value	Reason of not complete the property certificate
Canopy	1,445,037.22	Related property rights in procedure
Corridor	2,996,203.72	Related property rights in procedure
8# R & D Building	22,720,111.74	Related property rights in procedure
Subtotal	170,595,341.93	

**(3) Disposal of fixed assets**

Item	Amount at year-end	Amount at year-begin
Relevant assets disposal for reserved lands	32,293,183.76	32,293,183.76
Machinery equipment		554,340.35
<b>Subtotal</b>	32,293,183.76	32,847,524.11

Pursuant to the urban planning requirements of Hefei Municipal Government and the Government of Feidong county, the land reserve center of Feidong county will purchase and store the land use right of an economic development zone located at Feidong county, Hefei city, which is owned by the Company's subordinate companies, Equator Electric and Equator Home Appliance, respectively, with an area of 19,245.09 sq.m. (Approximately 28.87 mu, Land Use Right Certificate No.: Dong Guo Yong (2008) No. 0366, the stated use of the land is for industrial purpose) and an area of 46,161.9 sq.m. (Approximately 69.24 mu, Land Use Right Certificate No.: Dong Guo Yong (2008) No. 0367, the stated use of the land is for industrial purpose). The total consideration for purchasing and storage is approximately 36 million yuan, of which the consideration for the land use right owned by Equator Electric and Equator Home Appliance is approximately 10.59 million yuan and 25.41 million yuan, respectively. The Company has completed the relocation of occupants of the premises, and the net fixed assets in relation to the land will transfer as disposal, accounting treatment will be conduct in line with relevant rules upon receiving of the relocation compensation.

No impairment of relevant assets disposal for reserved lands at year-end.

**17. Construction in progress****(1)Detail**

Item	Ending balance	Beginning balance
Construction in progress	137,461,480.68	97,807,983.40

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(Unless other wise specified, RMB for record in the Statement)

Item	Ending balance	Beginning balance
<b>Total</b>	137,461,480.68	97,807,983.40

### (2) Construction in progress

#### 1) Detail

Item	Ending balance			Beginning balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Hefei manufacturing base refrigerator front-end production capacity promotion project	25,142,732.96		25,142,732.96	27,527,110.50		27,527,110.50
Technical transformation project of Zhongshan Changhong	15,445,888.68		15,445,888.68	6,432,519.38		6,432,519.38
Investment Project to Manufacturing Company by Washing Machine Business Department to Increase Production and Guarantee Supply in 2024	14,863,370.92		14,863,370.92	8,092,928.45		8,092,928.45
Intelligent test equipment update project of the testing Center	9,619,337.33		9,619,337.33			
Air conditioning manufacturing system capacity upgrading project	7,961,040.19		7,961,040.19	14,077,889.01		14,077,889.01
Living area No. 3 apartment building renovation project	4,765,530.11		4,765,530.11			
Renewal project of multi-gun filing equipment on the back of large refrigerator	4,429,450.36		4,429,450.36	1,446,902.65		1,446,902.65
Extrusion and Crushing Capacity Improvement	4,060,600.12		4,060,600.12	3,654,455.49		3,654,455.49

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Item	Ending balance			Beginning balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Demand Project of Hefei Refrigerator Manufacturing Company						
Drum washing machine inner cylinder stamping and part loading line equipment procurement project	4,035,398.24		4,035,398.24			
Baster assembly line equipment project	2,649,557.52		2,649,557.52			
The 5g base station equipment project	2,555,715.14		2,555,715.14			
Drum washing machine inner cylinder automatic welding forming equipment project	2,208,849.56		2,208,849.56			
Pre-installation and cleaning of Baotou steel platform construction project of workshop No.1 and No.3	1,885,736.41		1,885,736.41			
Bmachine box front cover stamping molding equipment project	1,853,097.35		1,853,097.35			
Investment Project of Production Equipment for Inner Cylinder of Meiling Export Dryer	1,441,592.92		1,441,592.92	1,441,592.92		1,441,592.92
Door Shell Capacity Equipment Update Project	218,951.80		218,951.80	1,947,251.99		1,947,251.99
To-be-installed Equipment Project				2,774,000.00		2,774,000.00
Plastic Vacuum Forming Machine Project				3,590,796.45		3,590,796.45
Fixed Assets Project of 7 kg Supporting Production Equipment				3,535,542.99		3,535,542.99

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Item	Ending balance			Beginning balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Reconstruction of J05 Two-Device Workshop of Air Conditioning Company - Steel Platform Project				3,447,901.14		3,447,901.14
Investment Project for Switching Technology Platform of Cabinet Air Conditioning Heat Exchanger				1,686,232.80		1,686,232.80
Other project	34,324,631.07		34,324,631.07	18,152,859.63		18,152,859.63
Total	137,461,480.68		137,461,480.68	97,807,983.40		97,807,983.40

### 2) Changes in significant construction in progress

Name of the project	Budget	Beginning balance	Amount increased in the current period	Amount of fixed assets transferred in the current period	Other decreases for the period	Ending balance
Hefei manufacturing base refrigerator front-end production capacity improvement project	88,000,000.00	27,527,110.50	11,219,851.69	13,604,229.23		25,142,732.96

(Continued)

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Name	The proportion of the cumulative investment of the project to the budget	Progress of the project	The accumulated amount of interest capitalization	Thereinto: the amount of interest capitalization in the current period	Capitalization rate of interest for the current period	Funds source
Hefei manufacturing base refrigerator front-end production capacity improvement project	63.91	71.07				Self funds

### 18. Right-of-use assets

Item	House and buildings	Total
Original book value		
.Balance at year-begin	132,214,806.53	132,214,806.53
Increase in this year	58,728,740.68	58,728,740.68
(1) Rent in	58,728,740.68	58,728,740.68
Decrease in this year		
Ending balance	190,943,547.21	190,943,547.21
Accumulated depreciation		
Beginning balance	18,430,615.75	18,430,615.75
Increase in this year	13,445,610.57	13,445,610.57
(1) Accrual	13,445,610.57	13,445,610.57
Decrease in this year		
Ending balance	31,876,226.32	31,876,226.32
.Book value		
Ending book value	159,067,320.89	159,067,320.89
Opening book value	113,784,190.78	113,784,190.78

The Company accrual the depreciation on right-of-use assets from the commencement date of the lease period. Depending on use of the assets, amount of accrual will included in costs of relevant

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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assets or current gain/loss.

### 19. Intangible assets

#### (1) Detail

Item	Land use right	Trademark special right	Non-patent technology	Patent technology	Other	Total
Original book value						
Beginning balance	926,964,151.60	283,292,439.34	838,399,894.77	310,434,004.48	11,769,444.20	2,370,859,934.39
Increase in this year			52,154,815.41	33,979,359.15	2,048,071.46	88,182,246.02
1) Purchase					2,048,071.46	2,048,071.46
2) Internal R & D			52,154,815.41	33,979,359.15		86,134,174.56
3) Other						
Decrease in this year			11,572,776.34			11,572,776.34
1) Disposal			11,572,776.34			11,572,776.34
2) Other						
Ending balance	926,964,151.60	283,292,439.34	878,981,933.84	344,413,363.63	13,817,515.66	2,447,469,404.07
Accumulated amortization						
Beginning balance	271,524,126.38	283,292,439.34	625,782,954.06	115,102,831.62	5,607,264.60	1,301,309,616.00
Increase in this year	9,831,909.67		45,288,523.28	26,565,106.67	617,827.29	82,303,366.91
(1) Accrual	9,831,909.67		45,288,523.28	26,565,106.67	617,827.29	82,303,366.91
2) Other						
Decrease in this year			11,572,776.34			11,572,776.34
1) Disposal			11,572,776.34			11,572,776.34
2) Other						
Ending balance	281,356,036.05	283,292,439.34	659,498,701.00	141,667,938.29	6,225,091.89	1,372,040,206.57
.Impairment provision						
.Beginning balance			49,048,935.23	21,946,682.50	4,124,734.61	75,120,352.34



## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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Item	Land use right	Trademark special right	Non-patent technology	Patent technology	Other	Total
Increase in this year						
1) Accrual						
Decrease in this year						
1) Disposal						
2) Other						
Ending balance			49,048,935.23	21,946,682.50	4,124,734.61	75,120,352.34
Book value						
Ending book value	645,608,115.55		170,434,297.61	180,798,742.84	3,467,689.16	1,000,308,845.16
Opening book value	655,440,025.22		163,568,005.48	173,384,490.36	2,037,444.99	994,429,966.05

The intangible assets resulted from internal research takes 3.52% of the balance of intangible assets at year-end

### 20. Development expense

Item	Ending balance			Beginning balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Technology development for Air-conditioner	52,128,831.74		52,128,831.74	35,786,399.85		35,786,399.85
Technology development for refrigerator	55,670,770.01		55,670,770.01	38,924,294.89		38,924,294.89
Total	107,799,601.75		107,799,601.75	74,710,694.74		74,710,694.74

### 21. Goodwill

#### (1) Original value of goodwill

Invested enterprise	Balance at	Formation	Decrease this year	Ending balance
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(Unless other wise specified, RMB for record in the Statement)

	year-begin	from enterprise merger	Disposal	Other	
Hefei Meiling Group Holdings Limited	3,553,367.77				3,553,367.77
Total	3,553,367.77				3,553,367.77

### (2) Impairment loss of goodwill

Invested enterprise	Beginning balance	Increase this year		Decrease this year		Ending balance
		Accrual	Other	Accrual	Other	
Hefei Meiling Group Holdings Limited	3,553,367.77					3,553,367.77
Total	3,553,367.77					3,553,367.77

## 22. Long-term prepaid expenses

Item	Opening balance	Increase this period	Amortization for the period	Other decreases	Ending balance
Fixed assets overhaul	30,772,234.51	3,233,938.05	10,663,276.93	128,989.20	23,213,906.43
Rental plant decoration project	2,564,537.72		655,150.32		1,909,387.40
Total	33,336,772.23	3,233,938.05	11,318,427.25	128,989.20	25,123,293.83

## 22. Deferred tax assets and deferred tax liabilities

### (1) Deferred income tax assets without the offset

Item	Ending balance		Opening balance	
	Deductible <b>temporary</b> difference	Deferred income tax assets	Deductible <b>temporary</b> difference	Deferred income tax assets
Deduction of loss	156,797,461.99	23,519,619.30	360,864,560.75	54,129,684.11
Asset impairment provision	392,491,757.09	59,240,768.37	338,637,346.07	51,171,867.09
Lease liabilities	173,928,587.46	26,797,777.00	121,116,910.59	18,556,500.32

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Item	Ending balance		Opening balance	
	Deductible <b>temporary</b> difference	Deferred income tax assets	Deductible <b>temporary</b> difference	Deferred income tax assets
Changes in fair value	47,736,138.44	7,160,420.77	156,334,600.79	23,450,190.12
Deferred income	68,768,731.79	10,315,309.78	77,980,146.46	11,697,021.96
Estimated liability	49,148,461.85	7,720,588.16	44,310,978.00	6,994,965.59
Dismission welfare	11,803,234.12	1,770,485.12	12,394,842.89	1,859,226.44
Withholding expenses	8,782,663.76	1,889,281.53	6,624,971.58	1,387,454.96
Accelerated depreciation and amortization of intangible assets	55,758,680.09	7,942,612.00	51,380,204.58	7,707,030.68
Total	965,215,716.59	146,356,862.03	1,169,644,561.71	176,953,941.27

### (2) Deferred income tax liabilities without the offset

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liability	Taxable temporary differences	Deferred income tax liability
Recognized by changes in fair value	119,322,057.32	17,898,308.60	143,241,777.44	21,486,266.61
Deferred income tax liabilities recognized by use asset	158,355,889.37	24,110,814.06	112,973,204.23	17,323,066.27
Recognized by fixed assets depreciation	33,706,949.96	5,056,042.51	35,081,399.76	5,263,260.42
Total	311,384,896.65	47,065,165.17	291,296,381.43	44,072,593.30

### (3) Details of unrecognized deferred income tax assets

Item	Ending balance	Opening balance
Deductible <b>temporary</b> difference	194,824,144.90	175,445,032.54
Deductible loss	250,401,533.29	204,180,133.57
Total	445,225,678.19	379,625,166.11

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### 24. Other non-current assets

#### (1) Detail

Item	Amount at year-end			Amount at year-begin		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Prepaid engineering	139,360.21		139,360.21	276,000.00		276,000.00
Prepaid equipment	11,098,209.79		11,098,209.79	9,704,450.56		9,704,450.56
Prepaid land	61,368,941.92		61,368,941.92			
Warranty money due within one year	9,132,816.01	30,000.00	9,102,816.01	9,623,211.67	530,000.00	9,093,211.67
Total	81,739,327.93	30,000.00	81,709,327.93	19,603,662.23	530,000.00	19,073,662.23

#### (2) Important to other non-current assets

Item	Amount at year-end	Amount at year-begin
Prepaid land	61,368,941.92	
Total	61,368,941.92	

### 25.Assets with restricted ownership or use right

Item	Book Balance	Book value	Restriction type	Restriction information
Monetary funds	723,962,679.56	723,962,679.56	Frozen	Security deposit; Frozen for litigation
Receivable financing	386,358,345.21	386,358,345.21	Pledge	Pledge for issuing bank acceptance bills
Total	1,110,321,024.77	1,110,321,024.77		

(Continued)

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Item	Book Balance	Book value	Restriction type	Restriction information
Monetary funds	510,680,650.07	510,680,650.07	Frozen	Security deposit; Frozen for litigation
Receivable financing	584,233,204.78	584,233,204.78	Pledge	Pledge for issuing bank acceptance bills
Total	1,094,913,854.85	1,094,913,854.85		

**26. Short-term loans**

Category	Ending balance	Opening balance
Loan in credit	1,261,143,747.01	750,608,522.12
Pledge loan		16,000,000.00
Interest payable	406,041.30	138,763.89
Total	1,261,549,788.31	766,747,286.01

**27. Derivative financial liabilities**

Item	Ending balance	Opening balance
Forward exchange contract	53,273,870.31	156,359,680.92
Total	53,273,870.31	156,359,680.92

**28. Note payable**

Type	Ending balance	Beginning balance
Bank acceptance	8,433,910,684.20	6,418,137,195.82
Trade acceptance of Finance Company	789,194,260.53	870,829,729.52
Commercial Acceptance Bill	864,104,505.88	645,158,510.31
Total	10,087,209,450.61	7,934,125,435.65

**29. Account payable****(1) Detail**

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Item	Amount at year-end	Amount at year-begin
Within 1 year	7,268,109,309.01	6,045,137,505.31
Amount aged over 1 year	70,567,723.63	86,883,083.10
Total	7,338,677,032.64	6,132,020,588.41

(2) Major account payable with over one year book age at year-end: N/A

30 Received in advance.

Category	Amount at year-end	Amount at year-begin
Rent received in advance	665,432.82	11,085.70
Total	665,432.82	11,085.70

**31. Contract liabilities**

(1)Detail

Item	Amount at year-end	Amount at year-begin
Within 1 year	344,293,404.98	583,600,476.83
Amount aged over 1 year	31,031,413.60	26,137,394.41
Total	375,324,818.58	609,737,871.24

(2) Major contract liabilities with over one year book age at year-end.: N/A

(3)Significant changes in the book value in the current period

Item	Change amount	Reason
Goods	234,413,052.66	Advance payment for goods decreased
Subtotal	234,413,052.66	

**32. Wages payable**

(1) Detail

Item	Beginning balance	Increase this year	Decrease this year	Ending balance
Short-term compensation	384,437,904.80	1,104,275,728.17	1,150,765,437.75	337,948,195.22

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Item	Beginning balance	Increase this year	Decrease this year	Ending balance
After-service welfare-defined contribution plans	1,400,515.59	79,353,734.52	79,540,506.98	1,213,743.13
Dismiss welfare	4,114,357.07	3,288,187.79	3,768,426.14	3,634,118.72
Total	389,952,777.46	1,186,917,650.48	1,234,074,370.87	342,796,057.07

### (2) Short-term compensation

Item	Beginning balance	Increase this year	Decrease this year	Ending balance
Wages, bonuses, allowances and subsidies	374,843,225.41	992,788,306.08	1,040,405,521.72	327,226,009.77
Welfare for workers and staff	893,842.87	33,375,708.26	32,789,338.20	1,480,212.93
Social insurance	1,457,416.62	33,417,105.65	33,088,142.77	1,786,379.50
Including: Medical insurance	1,433,762.81	30,315,764.46	30,531,921.66	1,217,605.61
Work injury insurance	23,653.81	3,101,341.19	2,556,221.11	568,773.89
Housing accumulation fund	5,552,586.89	41,041,959.49	41,124,962.28	5,469,584.10
Labor union expenditure and personnel education expense	1,690,833.01	3,652,648.69	3,357,472.78	1,986,008.92
Subtotal	384,437,904.80	1,104,275,728.17	1,150,765,437.75	337,948,195.22

### (3) Defined contribution plans

Item	Beginning balance	Increase this year	Decrease this year	Ending balance
Basic endowment insurance	714,811.55	76,541,954.41	76,727,269.49	529,496.47
Unemployment insurance	685,704.04	2,811,780.11	2,813,237.49	684,246.66

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Item	Beginning balance	Increase this year	Decrease this year	Ending balance
Total	1,400,515.59	79,353,734.52	79,540,506.98	1,213,743.13

**33. Tax payable**

Item	Ending balance	Beginning balance
Enterprise income tax	37,481,000.96	37,295,721.67
Value-added tax	15,574,753.90	18,736,805.30
Individual income tax	1,946,893.31	10,765,426.61
Urban maintenance and construction tax	8,972,334.10	9,332,329.70
Educational surtax	6,570,808.34	6,751,533.75
Stamp tax	7,061,732.63	5,165,439.65
Real estate tax	4,719,305.93	4,547,226.68
Land use tax	1,752,087.58	1,752,087.81
Other	1,685,617.08	1,524,968.81
Total	85,764,533.83	95,871,539.98

**34. Other account payable****(1)Detail**

Item	Ending balance	Beginning balance
Dividend payable	7,492,505.08	6,005,989.72
Other account payable	1,090,144,405.75	1,025,433,422.81
Total	1,097,636,910.83	1,031,439,412.53

**(2)Dividend payable**

Dividends payable are classified by the name of the unit payable

Item	Balance at year-end	Balance at year-begin
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Item	Balance at year-end	Balance at year-begin
China Life Insurance (Group) Company	43,992.07	43,992.07
PICC	65,987.57	65,987.57
Bank of Communications-Fuguo Tianyi Value Securities Investment Fund	153,697.50	153,697.50
Hefei Branch of Bank of China	833,894.30	631,013.60
Hefei Collective Industrial Association	833,892.97	631,012.60
Provincial trust and investment company Wuhu office	667,115.46	504,810.90
Other	4,893,925.21	3,975,475.48
Total	7,492,505.08	6,005,989.72

### (3) Other account payable by nature

Item	Balance at year-end	Balance at year-begin
Accrued expenses	569,688,140.93	503,726,134.42
Receivables received temporary and deducted temporary	7,066,209.50	6,356,898.80
Deposit, margin	173,223,703.42	170,587,261.56
Not the come-and-go with related parties in statement scope	303,901,476.91	312,082,468.47
Other	36,264,874.99	32,680,659.56
Total	1,090,144,405.75	1,025,433,422.81

### 35. Non-current liability due within one year

Item	Balance at year-end	Balance at year-begin
Long-term loan principal and interest due within one year	9,594,650.00	9,844,660.00
Lease liabilities due within one year	31,596,844.38	19,290,504.68
Product quality due within one year	14,450,010.11	
Total	55,641,504.49	29,135,164.68

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**36. Other current liabilities**

Item	Balance at year-end	Balance at year-begin
Pending sales tax	10,975,143.87	18,610,598.53
Factoring fees payable		5,213,790.97
Total	10,975,143.87	23,824,389.50

**37. Lease liability**

Item	Balance at year-end	Balance at year-begin
Lease prepayment	156,570,252.98	119,266,218.75
Less: Unrecognized financing charges	18,443,125.85	17,439,812.84
Total	138,127,127.13	101,826,405.91

**38. Long-term payable****(1) Detail**

Item	Ending balance	Beginning balance
Special payable	284,000.40	455,409.20
Total	284,000.40	455,409.20

**(2) Special payable**

Item	Beginning balance	Increase this year	Decrease this year	Ending balance
Special funds for technological transformation from Zhongshan Changhong	455,409.20		171,408.80	284,000.40
Subtotal	455,409.20		171,408.80	284,000.40

**39. Long-term wage payable**

Item	Ending balance	Beginning balance
Dismissal welfare	9,397,626.43	10,195,289.45

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Item	Ending balance	Beginning balance
Total	9,397,626.43	10,195,289.45

**40. Accrual liability**

Item	Ending balance	Beginning balance
Product quality guarantee <sup>note1</sup>	33,279,788.53	41,657,177.57
Litigation matters <sup>note2</sup>	1,932,959.71	3,373,239.65
Total	35,212,748.24	45,030,417.22

Note 1: Product quality deposit is the maintenance expense provided by the Company under the national policy.

Note 2: In November 2021, Zhejiang Teruise Pharmaceutical Inc. filed a lawsuit against Zhongke Meiling for the "Cold Storage Design, Equipment Purchase and Installation Construction Contract". Currently, quality of the subject under the contract is being authenticated by a third party engineering quality appraisal agency, the initial start-up operation test is now completed. Zhongke Meiling intends to maintain the cold storage project, and the estimated maintenance cost is 1,720,534.42 yuan. The management has provided a total estimated liability of 394337.90 yuan for other business lawsuits. The estimated liabilities of RMB 150,000.00 were reversed after the conclusion of the litigation in the current period, and the estimated liabilities of RMB 212,425.29 were remaining in provision.

**41. Deferred income**

Item	Beginning balance	Increase this year	Decrease this year	Ending balance	Reason
Government subsidies---s ubsidies of developmen t project	97,151,856.84	2,727,513.27	12,974,325.85	86,905,044.26	Government subsidies
Government subsidies---s ubsidies of Relocation	28,283,321.06		1,327,757.99	26,955,563.07	Government subsidies

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Item	Beginning balance	Increase this year	Decrease this year	Ending balance	Reason
Total	125,435,177.90	2,727,513.27	14,302,083.84	113,860,607.33	

### 42. Share capital

Items	Beginning balance	Change during the year (+、-)					Ending balance
		New shares issued	Bonus share	Shares transferred from capital reserve	Other	Subtotal	
Total shares	1,029,923,715.00						1,029,923,715.00

### 43. Capital reserve

Item	Beginning balance	Increase this period	Decrease this period	Ending balance
Share premium	2,702,427,123.99			2,702,427,123.99
Other capital reserve	48,043,091.40			48,043,091.40
Total	2,750,470,215.39			2,750,470,215.39

### 44. Other comprehensive income

Item	Beginning balance	Current period		Balance at year-end
		Net after-tax amount of other comprehensive income	Less:	

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		Account before income tax in Current Year	Less: written in other compreh ensive income in previous period and carried forward to gains and losses in current period	Less : Inco me tax expe nses	Belong to parent company after tax	Belong to minority sharehold ers after tax	previousl y included in other comprehe nsive income, transferre d to retained earnings in the current period (after tax attributab le to the parent company)	
Reclassify other comprehensiv e income into profit or loss	-21,222,419.68	-763,639.02			-687,659.84	-75,979.18		-21,910,079.52
Including: Conversion difference arising from foreign currency financial statement	-21,222,419.68	-763,639.02			-687,659.84	-75,979.18		-21,910,079.52
Total	-21,222,419.68	-763,639.02			-687,659.84	-75,979.18		-21,910,079.52

### 45.Special reserves

#### (1) Detail

Item	Amount at year-begin	Increase this year	Decrease this year	Amount at year-end
Safety production costs	20,968,173.59	21,473,282.31	10,360,371.34	32,081,084.56
Total	20,968,173.59	21,473,282.31	10,360,371.34	32,081,084.56

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### (2) Other note

Note: This year's increase refers to the work safety expenses accrued according to the notice issued by the Ministry of Finance on November 21, 2022 on printing and distributing the Administrative Measures for the Extraction and Use of Work Safety Expenses of Enterprises (CZ [2022] No.136).

### 46. Surplus reserves

Item	Amount at year-begin	Increase this year	Decrease this year	Amount at year-end
Statutory surplus reserve	386,846,368.86			386,846,368.86
Discretionary surplus reserve	115,607,702.16			115,607,702.16
Total	502,454,071.02			502,454,071.02

### 47. Retained profit

#### (1) Detail

Item	Current Year	Last Year
Prior year-end balance	1,803,207,185.06	1,521,759,836.64
Add: adjustment from undistributed profit at year-begin		-83,444,712.70
Including: retroactive adjustment by Accounting Standards for Business Enterprise	1,803,207,185.06	1,438,315,123.94
Add: net profit attributable to shareholders of parent company for this year	417,187,345.27	699,270,051.82
Less: withdraw of statutory surplus reserve		25,400,876.20
Withdraw of general risk provision		
Dividend payable for ordinary shares	339,874,825.94	308,977,114.50
Undistributed profit at the end of the period	1,880,519,704.39	1,803,207,185.06

(2) Adjustment of the details of undistributed profits at the beginning of the period The change of consolidation scope caused by the same control affects the undistributed profit at the

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beginning of the period RMB-83,444,712.70.

**(II)Item notes of the consolidated profit statement****1. Operation income and operation cost****(1) Detail**

Item	Current period		Last period	
	Income	Cost	Income	Cost
Main business	17,934,000,029.18	16,111,118,535.91	14,847,789,922.86	13,284,533,174.58
Other business	137,515,812.97	73,111,017.88	111,561,100.68	56,879,463.86
Total	18,071,515,842.15	16,184,229,553.79	14,959,351,023.54	13,341,412,638.44

**(2)The decomposition information of operation income and operation cost**

Type	Current Period		Last Year	
	Income	Cost	Income	Cost
Product				
Including:				
Refrigerator	11,575,132,133.83	10,767,469,443.16	8,499,905,660.36	7,927,249,747.85
Freezer	4,545,124,381.31	3,817,805,494.89	4,739,349,946.80	3,982,766,991.26
Washing machine	1,040,297,063.65	860,191,967.10	783,936,724.28	668,562,117.28
Small household appliances and kitchen and bathroom	698,777,012.65	609,727,061.54	744,514,913.93	645,526,400.45
Other product	74,669,437.74	55,924,569.22	80,082,677.49	60,427,917.74
Other business	137,515,812.97	73,111,017.88	111,561,100.68	56,879,463.86
Area				
Domestic	11,704,228,305.86	10,533,000,655.34	10,141,960,207.61	8,998,678,384.62
Overseas	6,367,287,536.29	5,651,228,898.45	4,817,390,815.93	4,342,734,253.82
Subtotal	18,071,515,842.15	16,184,229,553.79	14,959,351,023.54	13,341,412,638.44

**(3)Information related to the transaction price allocated to the remaining performance obligations**

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On June 30,2025, the income corresponding to the performance obligations that have been signed but not yet fulfilled or not yet fully fulfilled is RMB 61,601,498.50\*, of which RMB 61,374,246.17 is expected to be recognized in 2025, and RMB 227,252.33 in 2026.

### 2. Business tax and extra charges

Item	Current period	Last period
Stamp duty	15,212,183.90	12,585,245.79
City construction tax	12,970,196.28	12,702,987.89
Real estate tax	12,283,335.94	12,315,786.85
Education surcharge	10,076,956.20	9,560,933.80
Land use tax	4,513,182.26	4,513,182.52
Water fund	3,915,580.03	3,898,938.49
Other	17,932.94	14,569.15
Total	58,989,367.55	55,591,644.49

### 3. Sales expense

Item	Current period	Last period
Salary, extra charges and labor service expenses	314,016,874.12	301,793,753.60
Market support expenses	201,984,864.34	187,323,915.04
Shipping and Installation expense	102,076,111.15	91,952,697.03
Storage lease expenses	77,992,927.54	70,156,124.81
Insurance	37,015,580.01	26,125,049.13
Travelling expenses	22,428,121.23	12,042,153.80
Quality compensation fee	14,693,361.45	13,238,020.07
Three fee	13,862,035.97	17,004,634.35
Service	8,335,855.04	136,057.92



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Item	Current period	Last period
Business activity expenses	7,709,818.45	7,428,851.26
Inspection certification fee	6,283,114.50	6,356,358.97
Depreciation expenses	5,870,513.19	4,127,717.61
Vehicle expenses	5,186,209.76	7,091,465.14
Service support fee	5,084,672.79	1,062,989.28
Other expenses	11,982,563.34	11,748,274.93
Total	834,522,622.88	757,588,062.94

**4. Administration expense**

Item	Current Year	Last Year
Salary and social insurance etc.	135,241,937.24	105,453,522.40
Depreciation	23,578,248.25	23,982,635.64
Software use	5,242,763.53	2,036,485.69
Water and electricity fee	3,808,112.62	3,480,062.62
Insurance	2,993,293.26	2,328,910.71
Service support fee	2,790,328.64	3,916,150.51
Business activities fee	2,002,249.17	2,172,710.94
Domestic travelling fee	1,923,419.88	1,704,388.21
Other low-value consumables amortization	1,485,031.26	684,751.97
Safety in production	951,798.97	2,187,081.24
Other expenses	16,772,016.00	15,481,265.09
Total	196,789,198.82	163,427,965.02

**5. R &D expenses**

Item	Current period	Last period
Salary and social insurance etc.	106,858,580.65	101,526,779.61

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Item	Current period	Last period
Amortized intangible assets	84,015,906.64	73,956,521.52
Trial fee of R&D	73,414,296.20	67,287,425.45
Cost of mould	38,833,887.03	19,477,506.31
Water and electricity fee	5,817,758.63	5,451,257.04
Market support fee	5,271,459.06	4,576,957.56
Inspection and authentication fee	4,117,838.43	7,681,408.61
Other expenses	6,561,188.53	7,643,742.18
Total	324,890,915.17	287,601,598.28

**6. Financial expenses**

Item	Current Year	Last Year
Interest expenditure	16,981,902.08	14,112,775.88
Including: No amortization of financing charges	2,570,683.48	1,313,056.18
Less: Interest income	71,912,776.32	98,862,200.53
Add: exchange loss	50,264,386.11	-8,064,704.24
Discount expenditure	-16,786,123.47	-18,083,136.98
Handling fee expenditure	10,430,436.36	8,614,882.16
Total	-11,022,175.24	-102,282,383.71

**7. Other income**

Item	Current Period	Last Period	Amount included in current non-recurring gains and losses
Advanced manufacturing value-added tax deduction	14,473,492.64	15,829,786.63	14,473,492.64
The deferred income is transferred	23,223,527.95	14,215,806.48	20,482,618.09
Immediate VAT refund after collection	2,740,909.86	4,288,247.02	

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Item	Current Period	Last Period	Amount included in current non-recurring gains and losses
Refund of handling fee for personal income tax withheld	927,431.44	765,034.50	
Additional VAT deduction	41,515,022.75	50,468,374.01	
Debt restructuring earnings	84,052.53		84,052.53
Total	80,223,527.31	81,279,001.62	35,040,163.26

**8. Investment income**

Item	Current Year	Last Year
Long-term equity investment income by equity method	3,878,898.03	7,391,368.30
Disposition of the investment income generated by the long-term equity investment	38,829.19	
Investment income of other current financial assets during holding period		1,656,388.88
Investment income of other non-current financial assets during holding period	13,209,863.22	12,912,196.37
Investment income obtained from the disposal of trading financial assets	17,632,788.91	5,161,010.58
Investment income obtained from disposal of derivative financial assets	-41,561,284.50	-11,176,333.81
Interest income from debt investment during the holding period	23,874,062.41	11,593,385.08
The termination of income recognition for financial assets measured by amortized cost	-18,998,835.41	-24,604,289.53
Total	-1,925,678.15	2,933,725.87

**9. Changes in fair value gains**

Item	Current Period	Last Period
Trading financial assets	6,929,526.59	2,440,667.00
Including: The fair value of structured deposits change income	6,929,526.59	2,440,667.00
derivative financial assets	-27,731,486.38	-30,482,326.98

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Item	Current Period	Last Period
Including :Income of fair value changes from derivative financial instruments	-27,731,486.38	-30,482,326.98
derivative financial liabilities	103,085,810.61	-14,677,745.70
Including: Income of fair value changes from derivative financial instruments	103,085,810.61	-14,677,745.70
<b>Total</b>	82,283,850.82	-42,719,405.68

### 10. Credit impairment loss

Item	Current Period	Last Period
Account receivable bad debt loss	-67,667,242.96	11,664,380.12
Other account receivable bad debt loss	-364,850.41	47,845.63
<b>Total</b>	-68,032,093.37	11,712,225.75

### 11. Assets impairment loss

Item	Current Period	Last Period
Loss on inventory valuation	-65,476,409.46	-27,799,697.87
Development expense impairment loss		-1,530,365.17
Impairment loss on contractual assets	928.17	41,475.88
Other impairment losses of non-current assets		30,000.00
<b>Total</b>	-65,475,481.29	-29,258,587.16

### 12. Income from assets disposal

Item	Current Period	Last Period
Income from non-current assets disposal	108,659.65	36,334.95
Including: Income from fixed assets disposal	108,659.65	36,334.95
<b>Total</b>	108,659.65	36,334.95

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**13. Non-operation revenue**

Item	Current Period	Last Period	Amount reckoned into non-recurring gains/losses in Current Period
Income of penalty	709,033.01	1,335,121.66	709,033.01
Other	1,585,053.25	1,632,264.53	1,585,053.25
Total	2,294,086.26	2,967,386.19	2,294,086.26

**14. Non-operation revenue**

Item	Current Period	Last Period	Amount reckoned into non-recurring gains/losses in Current Period
Non-current asset retirement losses	1,894,696.91	1,335,367.01	1,894,696.91
Public welfare donation expenditure	300,000.00		300,000.00
Other	273,954.08	3,526,393.60	273,954.08
Total	2,468,650.99	4,861,760.61	2,468,650.99

**15. Income tax expenses**

Item	Current Year	Last Year
Current income tax	47,092,203.88	41,949,054.19
Deferred income Tax	33,589,651.11	10,265,790.57
Total	80,681,854.99	52,214,844.76

**16. Other comprehensive income**

Found more in 44. Other comprehensive income in V (1)

**(III). Items of cash flow statement****(1) Cash related to business activities**

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## 1) Cash received from other activities relating to operation

Item	Current Year	Last Year
Government subsidy and rewards	23,487,742.60	11,232,990.28
Cash deposit, deposit	20,893,872.41	15,975,517.12
Other	20,473,713.52	13,233,043.23
Total	64,855,328.53	40,441,550.63

## 2) Cash paid for other activities relating to operation

Item	Current Year	Last Year
Operating out of cash expenses	530,326,567.11	368,716,063.12
Petty cash, deposit, Cash deposit	53,385,394.85	29,856,337.65
Total	583,711,961.96	398,572,400.77

## (2) Cash related to Investment activities

## 1) Important cash received related to investment activities

Item	Current Period	Last Period
Structural deposits	10,195,000,000.00	1,300,000,000.00
Total	10,195,000,000.00	1,300,000,000.00

## 2) Important cash payable related to investment activities

Item	Current Period	Last Period
Structural deposits	12,325,000,000.00	2,380,000,000.00
Large deposit certificate		650,000,000.00
Fixed certificate		550,000,000.00
Total	12,325,000,000.00	3,580,000,000.00

## 3) Cash received from other activities relating to investment

Item	Current Period	Last Period
Interest income arising from bank savings	76,719,151.31	99,908,440.75

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Item	Current Period	Last Period
Cash deposit	7,074,091.67	794,951.65
Income of forward exchange settlement	53,485.32	1,436,020.07
Total	83,846,728.30	102,139,412.47

**4) Cash paid for other activities relating to investment**

Item	Current Period	Last Period
Losses of forward exchange settlement	90,873,145.66	7,111,935.45
Pre-hand interest on large certificates of deposit	6,567,929.99	
Cash deposit	5,968,622.54	
Capital collection		9,411,326.50
Total	103,409,698.19	16,523,261.95

**( 3) Cash related to financing activities****1) Cash received from other activities relating to financing**

Item	Current Year	Last Year
Bill discount financing funds	531,629,478.66	1,155,206.59
Recover restricted funds	6,666,033.87	73,029,748.46
Total	538,295,512.53	74,184,955.05

**2) Cash paid for other activities relating to financing**

Item	Current Period	Last Period
Recover restricted funds	219,948,063.36	58,914,165.67
Bill discount financing funds	18,977,201.19	15,883,841.10
Lease liability principal and interest	13,373,499.63	4,300,269.30
Intermediary service fee	9,810,310.42	
Dividend service charge	150,305.59	230,889.27
Total	262,259,380.19	79,329,165.34

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**4. Supplementary of cash flow statement**

Supplementary	Current Period	Last Period
1. Net profit is adjusted to cash flow of operation activities:		
Net profit	429,442,724.43	425,885,574.25
Add: provision for depreciation of assets	18,477,052.07	2,393,554.97
Credit impairment loss	68,384,930.38	-11,474,671.18
Depreciation of fixed assets, consumption of oil gas assets and depreciation of productive biological assets	138,945,315.54	130,257,794.68
Amortization of intangible assets	82,303,366.91	73,229,465.55
Amortization of long-term retained expense	11,318,427.25	7,060,808.34
Loss from disposal of fixed assets, intangible assets and other long term assets (gain is listed with “-”)	-108,659.65	-36,334.95
Loss from discarding fixed assets as useless (gain is listed with “-”)	1,815,264.83	1,317,077.20
Loss from change of fair value (gain is listed with “-”)	-82,283,850.82	42,719,405.68
Financial expense (gain is listed with “-”)	-4,666,488.13	-94,127,185.07
Investment loss (gain is listed with “-”)	1,925,678.15	-2,933,725.87
Decrease of deferred income tax assets (increase is listed with “-”)	30,597,079.24	3,048,274.12
Increase of deferred income tax liabilities (decrease is listed with “-”)	2,992,571.87	7,217,516.45
Decrease of inventories (increase is listed with “-”)	-433,858,750.05	-1,549,851,524.05
Decrease of operational accounts receivable (increase is listed with “-”)	-1,897,314,757.74	-452,052,568.91
Increase of operational accounts receivable (decrease is listed with “-”)	2,992,603,757.43	4,151,749,232.82
Other		



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Supplementary	Current Period	Last Period
Net cash flow arising from operation activities	1,360,573,661.71	2,734,402,694.03
2. Major investment and financing activities that do not involve cash receipts:		
Conversion of debt into capital		
Switching Company bonds due within one year		
New right to use assets		
3. Net change in cash and cash equivalents:		
Balance at period-end of cash	8,750,601,098.76	8,613,130,318.80
Less: Opening balance of cash	9,976,098,734.11	8,391,177,936.62
Add: Balance at period-end of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-1,225,497,635.35	221,952,382.18

### 5. Cash and cash equivalent

#### (1) Detail

Item	Ending balance	Beginning balance
10Cash	8,750,601,098.76	9,976,098,734.11
Including: cash in stock	23,466.68	19,623.13
Bank deposits available for payment at any time.	8,749,533,210.25	9,974,662,103.93
Other monetary fund available for payment at any time	1,044,421.83	1,417,007.05
2)Cash equivalents		
Including: bond investment due within 3 months		
3)Balance of cash and cash equivalents at	8,750,601,098.76	9,976,098,734.11

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Item	Ending balance	Beginning balance
year-end		

### (2) Monetary funds that are not cash and cash equivalents

Item	This period's amount	Last period's amount	Reasons other than cash and cash equivalents
Guarantee and acceptance bill deposit	717,480,487.34	504,942,490.94	Limited use
Judicial freezing of funds due to contract disputes	6,482,192.22	5,738,159.13	Limited use
Interest receivable	6,415,291.47	5,671,366.43	Interest accrual
Subtotal	730,377,971.03	516,352,016.50	

### 6. Changes in liabilities arising from fund-raising activities

Item	Amount at year-begin	Increase this year		Decrease in the year		Amount at year end
		Cash changes	Non cash changes	Cash changes	Non cash changes	
Short-term loans	766,747,286.01	2,031,143,747.01	9,189,617.40	1,545,530,862.11		1,261,549,788.31
Long-term loans (Including long-term loans due within one year)	9,844,660.00		397,995.98	648,005.98		9,594,650.00
Lease liabilities (Including Lease liabilities due within 1 year)	121,116,910.59		84,681,368.03	12,460,579.66	23,613,727.45	169,723,971.51
Subtotal	897,708,856.60	2,031,143,747.01	94,268,981.41	1,558,639,447.75	23,613,727.45	1,440,868,409.82

### 7. Statement of cash flow in net amount

Item	Relevant facts	Basis for adopting net presentation	Financial impact
Forward foreign exchange delivery	As a legal entity, the Company reports the gains or losses of foreign exchange contract delivery to the receipt of other cash related to investment activities and the payment of other cash related to investment activities	The reported information is more intuitive	N/A
Restricted funds	As a legal entity, the Company reports the current year's change of restricted funds to	Rolling reflection	N/A

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Item	Relevant facts	Basis for adopting net presentation	Financial impact
	the receipt of other cash related to fund-raising activities and the payment of other cash related to fund-raising activities		
Meiling (internal) notes discount fund-raising amount	As a legal entity, the Company reclassifies the current year's change in Meiling (internal) notes discount undue, from cash received from sales of goods, service provision/cash paid from purchase of goods, and receipt of services to other received cash related to fund-raising activities/other paid cash related to fund-raising activities	Rolling reflection	N/A

8.It does not involve the current cash receipts and payments, but affects the financial situation of the enterprise or may affect the cash flow of the enterprise in the future

None

(4)Other

1. Foreign currency

(1) Detail

Item	Ending foreign currency balance	Exchange rate	Ending RMB converted balance
Monetary fund			191,736,804.70
Including: USD	11,987,682.34	7.1586	85,815,022.82
Euro	6,362,764.93	8.4024	53,462,496.05
PKR	1,272,235,495.00	0.0252	32,060,334.47
IDR	24,364,214,374.00	0.000442	10,768,982.75
AUD	1,281,281.31	4.6817	5,998,574.71
PHP	28,525,891.63	0.1267	3,614,230.47

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Item	Ending foreign currency balance	Exchange rate	Ending RMB converted balance
Won	3,261,150.00	0.005263	17,163.43
Account receivable			1,847,018,894.59
Including: USD	211,912,844.35	7.1586	1,516,999,287.56
Euro	13,772,009.58	8.4024	115,717,933.29
PKR	441,777,835.00	0.0252	11,132,801.44
IDR	122,017,182,286.39	0.000442	53,931,594.57
AUD	20,699,275.68	4.6817	96,907,798.95
PHP	269,451,951.27	0.1267	34,139,562.23
Won	3,456,187,831.00	0.005263	18,189,916.55
Other account receivable			1,794,618.20
Including: USD	183,173.00	7.1586	1,311,262.24
PKR	3,864,785.09	0.0252	97,392.58
IDR	447,058,839.00	0.000442	197,600.01
PHP	1,486,688.00	0.1267	188,363.37
Account payable			102,947,541.86
Including: USD	684,596.12	7.1586	4,900,749.78
PKR	874,943,912.48	0.0252	22,048,586.59
IDR	116,804,423,691.00	0.000442	51,627,555.27
PHP	192,349,251.94	0.1267	24,370,650.22
Other account payable			15,607,626.94
Including: PKR	281,379,857.52	0.0252	7,090,772.41
IDR	17,293,054,602.00	0.000442	7,643,530.13
PHP	6,892,852.38	0.1267	873,324.40

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### (2) Description of overseas business entities

Name of overseas company	Main place of business	Recording currency	Whether the recording currency changes	Reason of change
CH-Meiling.International (Philippines) Inc.	Philippines	Philippine peso	No	
Changhong Ruba Electric Company (Private) Ltd.	Lahore, Pakistan	PKR	No	
CHANGHONG MEILING ELECTRIC INDONESIA,PT	Indonesia	IDR	No	

### 2.Lease

#### (1) The Company as lessee

1) Please refer to Note V (I) 18 to the financial statements for details about the right-to-use assets.

2) The amount of lease expenses included in the current profits and losses is as follows:

Item	Current amount	Amount of the same period last year
Interest expense of lease liabilities	2,570,683.48	1,313,056.18
Short-term lease expenses with simplified treatment included in current profits and losses	3,106,367.56	5,717,191.23

The Company's accounting policies for short-term lease and low-value asset lease are detailed in Note III (XXXIII) to the financial statements.

3) The total cash outflow related to lease is RMB 15,497,345.83.

4) For details of the maturity analysis of lease liabilities and the corresponding liquidity risk management, please refer to the description of Note X (I)3 to the financial statements

#### (2) The Company as lessor

##### 1) Operating lease of the Company as lessor

Item	Current amount	Amount of the same period last year
Lease income	20,395,120.02	21,030,158.64

For details of operating leased-out fixed assets, please refer to Note V (I) 16 of the financial

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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statements.

### 2) Financial lease

The Company has no financial lease as a lessor

3) The Company does not recognize the profit and loss of financial lease sales as a manufacturer or distributor.

### 3. Supplier financing arrangement

#### (1) Terms and conditions of supplier financing arrangements

Types of supplier financing arrangement	Terms and conditions
Financing business	The supplier handles the financing business with Yuanxin Financial Leasing Co., Ltd. according to the bills issued by the Company, discounts the relevant bills and shortens the payment period

#### (2) Liabilities related to supplier financing arrangements

##### 1) Book value of related liabilities

Item	Ending amount	Opening amount
Account payable	288,420,247.69	185,567,424.38
In which: the supplier has received the payment	288,420,247.69	185,567,424.38
Subtotal	288,420,247.69	185,567,424.38

##### 2) Maturity date range for related liabilities

Item	Maturity date range of final payment
Liabilities belonging to financing arrangements	1-6 months after the invoice is issued

## VI.R&D expenditure

### 1) R&D expenditure

Item	Amount incurred this period	Amount incurred last period
Salary, social security, etc	140,549,570.95	124,747,100.15
Amortization of intangible assets	71,539,912.48	62,574,483.08
Cost of mould	84,262,371.24	76,827,153.20

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Item	Amount incurred this period	Amount incurred last period
R&D and trial production costs	50,013,777.16	41,544,966.98
Technological development expense	49,772,614.99	32,815,454.32
Depreciation expense	11,441,551.99	10,817,365.05
Inspection and certification fees	9,485,660.53	9,214,086.26
Domestic travel expenses	2,000,477.20	2,786,185.99
Other expenses	25,048,060.20	16,628,549.03
Total	444,113,996.74	377,955,344.06
Among them: Expensed R&D expenses	324,890,915.17	287,601,598.28
Capitalized R&D expenditure	119,223,081.57	90,353,745.78

### 2) Development expenses

Item	Beginning balance	Increased amount this year		Decreased amount this year			Ending balance
		Internal development expenditure	Other increase	Recognized as intangible assets	Transfer to current profits and losses	Other	
Development of air conditioning technology	35,786,399.85	86,102,507.43		69,760,075.54			52,128,831.74
Development of ice washing technology	38,924,294.89	33,120,574.14		16,374,099.02			55,670,770.01
Total	74,710,694.74	119,223,081.57		86,134,174.56			107,799,601.75

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### 1. Important capitalized R&D projects

Items	R&D progress	Estimated completion time	Expected economic benefits are generated	The point at which capitalization begins	The specific basis for starting capitalization
Air conditioning technology development project	In development	December 2025	Product sales	January 2026	R&D project capitalization report

## VII. Changes of consolidation range

(1) Enterprise combined are not under the same control

1) Business merger under the same control in this period: N/A

(2) Changes in the scope of merger due to other reasons

1. Increase in the scope of merger

Name of company	Mode of equity acquisition	Time of equity acquisition	Amount of capital contribution (RMB '0,000)	Ratio of contribution (%)
Mianyang Changhong Intelligent Appliance Co., Ltd.	New	March 31, 2025	50,000.00	100.00

## VIII. Equity in other entity

(1) Composition of the enterprise group

1. The Company included 25 subsidiaries including Zhongke Meiling Cryogenics Technology Co., Ltd., Sichuan Changhong Air Conditioning Co., Ltd. and Zhongshan Changhong Electric Co., Ltd. into the scope of consolidated financial statements.

2. Basic information of subsidiaries

Subsidiary	Registered capital(RMB 0'000)	Main office place	Business nature	Shareholding ratio (%)		Acquire by
				Directly	Indirectly	
Jiangxi Meiling Electric Appliance Co., Ltd	5,000.00	Jingdezhen	Manufacturing and sales	98.75	1.25	Investment establishment
Mianyang Meiling Refrigeration Co., Ltd.	10,000.00	Mianyang	Manufacturing and sales	95.00	5.00	Investment establishment



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Subsidiary	Registered capital(RMB 0'000)	Main office place	Business nature	Shareholding ratio (%)		Acquire by
				Directly	Indirectly	
						nt
Zhongke Meiling Cryogenic Technology Co., Ltd	9,673.09	Hefei	Manufacturing and sales	47.4512		Investment establishment
Anhui Tuoxing Technology Co., Ltd.	1,000.00	Hefei	Technology research and development		47.4512	Investment establishment
Anhui Ling'an Medical Equipment Co., Ltd	5,000.00	Lu'an	Manufacturing and sales		47.4512	Investment establishment
Sichuan Changhong Air-conditioner Co., Ltd	85,000.00	Mianyang	Manufacturing and sales	100.00		Enterprise combined under the same control
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	5,000.00	Mianyang	Manufacturing and sales		85.00	Investment establishment
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	4,500.00	Zhongshan	Manufacturing and sales		85.00	Investment establishment
Sichuan Changhong Air-conditioner Co., Ltd	10,000.00	Mianyang	Manufacturing and sales		100.00	Investment establishment
Zhongshan Changhong Electric Co., Ltd	33,400.00	Zhongshan	Manufacturing and sales	90.00	10.00	Enterprise combined under the same

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Subsidiary	Registered capital(RMB 0'000)	Main office place	Business nature	Shareholding ratio (%)		Acquire by
				Directly	Indirectly	
						control
Changhong Ruba Trading Company (Private)Limited	8,308.98	Pakistan	Sales		60.00	Investment establishment
Changhong Meiling Electric Indonesia,PT	4,027.20	Jakarta	Sales		100.00	Investment establishment
Guangzhou Changhong Trading Co., Ltd.	100.00	Guangzhou	Sales		100.00	Investment establishment
Changhong Meiling Ridian Technology Co., Ltd	8,300.00	Zhongshan	Manufacturing and sales	99.0361		Enterprise combined under the same control
Hebei Hongmao Daily Appliance Technology Co., Ltd.	500.00	Handan	Manufacturing and sales		99.0361	Investment establishment
Hefei Meiling Group Holdings Limited	8,000.00	Hefei	Sales	100.00		Enterprise combined not under the same control
Hefei Meiling Nonferrous Metal Products Co., Ltd.	2,428.68	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control

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Subsidiary	Registered capital(RMB 0'000)	Main office place	Business nature	Shareholding ratio (%)		Acquire by
				Directly	Indirectly	
Meiling Equator Household Appliance (Hefei) Co., Ltd.	2,479.31	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control
Hefei Equator Appliance Co., Ltd	1,200.00	Hefei	Manufacturing and sales		100.00	Enterprise combined not under the same control
Hefei Meiling Wulian Technology Co., Ltd	1,000.00	Hefei	Software development	100.00		Investment establishment
CH-Meiling International (Philippines) Inc.	688.91	Philippines	Sales	100.00		Investment establishment
Hefei Changhong Meiling Life Appliances Co., Ltd.	5,000.00	Hefei	Sales	70.00		Investment establishment
Sichuan Hongmei Intelligent Technology Co., Ltd.	500.00	Mianyang	Software development	100.00		Investment establishment
Hefei Changhong Industry Co., Ltd.	10,000.00	Hefei	Manufacturing and sales	99.00	1.00	Enterprise combined under the same control
Mianyang Changhong Intelligent Appliance Co., Ltd	50,000.00	Mianyang	Manufacturing and sales	99.00	1.00	Investment establishment

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Subsidiary	Registered capital(RMB 0'000)	Main office place	Business nature	Shareholding ratio (%)		Acquire by
				Directly	Indirectly	
						nt

### 3. Other note

(1) Basis for holding half or less voting rights but still controlling the investee, and holding more than half voting rights but not controlling the investee

The Company holds 47.4512% equity of Zhongke Meiling and is its largest shareholder. In addition to independent directors, the Board of Directors of Zhongke Meiling comprises a total of three members, of which Chairman Wu Dinggang just serves as the chairman of the controlling shareholder Changhong Meiling, and Director Tang Youdao serves as vice president (acting president) of Changhong Meiling, which controls the daily operation of Zhongke Meiling.

### (2) Major non-wholly-owned subsidiary

#### 1. Detail

Subsidiary	Shareholding ratio of minority	Gains/losses attributable to minority in Current Period	Dividend distributed to minority announced in Current Period	Balance of minority's interest at period-end
Zhongke Meiling	52.5488%	5,804,446.44	4,066,474.72	323,200,512.27
Ground Energy	15.00%	1,103,149.27		12,241,992.74
Ridian Technology	0.9639%	-18,591.54		1,169,111.53
Changmei Life Appliances	30.00%	4,756,217.83		58,519,188.86

### 2. Financial information for major non-wholly-owned subsidiary

#### (1) Asset and Liabilities

Subsidiary	Ending balance					
	Current assets	Non-current assets	Total assets	Current liability	Non-current liability	Total liabilities
Zhongke	608,497,346.23	122,372,260.56	730,869,606.79	106,781,686.57	7,940,412.85	114,722,099.42

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Subsidiary	Ending balance					
	Current assets	Non-current assets	Total assets	Current liability	Non-current liability	Total liabilities
Meiling						
Ground Energy	1,187,102,690.07	187,758,954.09	1,374,861,644.16	1,173,838,271.94	119,566,215.17	1,293,404,487.11
Ridian Technology	178,514,086.93	34,667,666.80	213,181,753.73	90,774,909.22	196,396.27	90,971,305.49
Changmei Life Appliances	661,266,427.36	64,564,442.49	725,830,869.85	530,766,906.99		530,766,906.99

(Continued)

Subsidiary	Beginning balance					
	Current assets	Non-current assets	Total assets	Current liability	Non-current liability	Total liabilities
Zhongke Meiling	616,938,129.16	128,338,295.37	745,276,424.53	125,597,564.66	7,937,753.69	133,535,318.35
Ground Energy	659,779,005.79	119,097,321.45	778,876,327.24	634,669,777.13	69,947,593.70	704,617,370.83
Ridian Technology	203,569,313.35	35,669,577.14	239,238,890.49	114,766,806.02	946,297.67	115,713,103.69
Changmei Life Appliances	626,279,605.77	53,468,923.29	679,748,529.06	497,055,436.73	3,483,188.91	500,538,625.64

### (2) Profit and loss and cash flow situation

Subsidiary	Current Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity
Zhongke Meiling	150,225,865.88	11,045,823.50	11,045,823.50	-8,830,239.19
Ground Energy	1,018,110,817.00	7,354,328.47	7,354,328.47	86,150,681.09

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

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Subsidiary	Current Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity
Ridian Technology	29,814,643.96	-1,928,871.31	-1,928,871.31	-10,655,245.61
Changmei Life Appliances	664,973,555.44	15,854,059.44	15,854,059.44	60,807,851.33

(Continued)

Subsidiary	Last Period			
	Operation income	Net profit	Total comprehensive income	Cash flow from operation activity
Zhongke Meiling	147,052,294.25	10,426,784.69	10,426,784.69	2,863,688.61
Ground Energy	861,624,361.40	-4,658,800.38	-4,658,800.38	-74,764,271.86
Ridian Technology	68,792,446.53	677,890.37	677,890.37	6,073,100.72
Changmei Life Appliances	680,109,991.85	13,774,801.74	13,774,801.74	80,971,196.73

### 3. Equity in joint venture or associate enterprise

#### (1) Major joint venture or associate enterprise

Joint venture or associate enterprise	Main office place	Register place	Business nature	Shareholding ratio (%)		Accounting treatment for investment of joint venture or associate enterprise
				Directly	Indirectly	
Sichuan Zhiyijia Network Technology Co., Ltd.	Mianyang	Mianyang	Sales	50.00		Equity

#### (2) Financial information for major Joint venture:

Item	Sichuan Zhiyijia Network Technology Co., Ltd.	
	Balance at year-end/Current Year	Balance at year-begin /Last Year
Current assets	1,995,399,228.77	2,007,299,998.18
Non-current assets	16,158,938.06	20,768,579.44

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Item	Sichuan Zhiyijia Network Technology Co., Ltd.	
	Balance at year-end/Current Year	Balance at year-begin /Last Year
Total assets	2,011,558,166.83	2,028,068,577.62
Current liability	1,880,299,468.96	1,902,969,573.01
Non-current liability	4,229,494.79	6,391,421.04
Total liabilities	1,884,528,963.75	1,909,360,994.05
Minority's interest		
Equity attributable to shareholder of parent company	127,029,203.08	118,707,583.57
Share of net assets measured by shareholding	63,514,601.54	59,353,791.79
Adjustment	821,877.28	821,877.28
--Goodwill	821,877.28	821,877.28
Book value of the equity investment for associate enterprise	64,336,478.82	60,175,669.07
Fair value of equity investment for the affiliates with consideration publicly		
Operation income	464,294,084.46	259,097,941.96
Net profit	9,671,201.40	11,846,311.80
Net profit from the termination of the business operations		
Other comprehensive income		
Total comprehensive income	9,671,201.40	11,846,311.80
Dividend received from associate enterprise in Current Year	12,524,542.65	5,097,740.91

**3. Financial summary for non-important Joint venture and associate enterprise**

Item	Balance at year-end/Current Year	Balance at year-begin /Last Year
Associated companies:		

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Item	Balance at year-end/Current Year	Balance at year-begin /Last Year
Total book value of investment	20,378,775.08	21,335,477.75
Total amount measured by shareholding ratio		
--Net profit	-465,815.53	-656,570.61
--Other comprehensive income	225,357.00	-1,267,004.52
-- Total comprehensive income	-240,458.52	-1,923,575.13

**4. Excess loss occurred in joint venture or affiliates**

Hefei Meiling Solar Energy Technology Co., Ltd and

ChanghongRubaElectricCompany(Private)Ltd have losses above the quota.

**IX.Government subsidies****(I) New government subsidies in this period**

Item	New subsidy amount in this period
Government subsidies related to assets	2,727,513.27
Of which: included in deferred income	2,727,513.27
Government subsidies related to income	23,423,527.95
In which: included in other income	23,423,527.95
Total	26,151,041.22

**(2) Liabilities involving government subsidies**

Accounting subject	Beginning balance	New subsidy amount this year	Amount transferred to other income this year	Amount included in non-operating income this year
Deferred income	125,435,177.90	2,727,513.27	14,302,083.84	
Subtotal	125,435,177.90	2,727,513.27	14,302,083.84	

(Continued)



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Items presented in financial statements	Amount of cost offset in this period	Amount of assets written off in this period	Other changes	Ending amount	Assets/income-related
Deferred income				113,860,607.33	Asset-related
Subtotal				113,860,607.33	

**(3) Amount of government subsidies included in the current profits and losses**

Accounting subject	Amount incurred this period	Amount incurred last period
Other income	37,697,020.59	30,045,593.11
Total	37,697,020.59	30,045,593.11

**(4) Government subsidies returned in this period**

Item	Returned amount	Return reason
Return the software enterprise income to step up the reward	200,000.00	The audit does not meet the requirements
Total	200,000.00	

**X. Relevant risks related with financial instrument**

The major financial instruments of the Company include borrowings, account receivables, account payable, Trading financial assets, Trading financial liability, the details of which are set out in Note V. Risks related to these financial instruments include exchange risks and interest rate risks. The management of the Company controls and monitors the risk exposures to ensure the above risks are under control.

**1. Various risk management objectives and policies**

The Company's goal in risk management is to strike a proper balance between risks and benefits, reduce the negative impact of risks on the Company's operating performance to the lowest level, and maximize the interests of shareholders and other equity investors. Based on this risk management goal, the basic strategy of the Company's risk management is to identify and analyze all kinds of risks faced by the Company, establish an appropriate risk tolerance bottom line and conduct risk management, and timely and reliably supervise all kinds of risks to control the risks within a limited range.

## **Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

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### **(1) Market risk**

#### **1) Exchange rate risk**

The Company pays close attention to the impact of exchange rate changes on the Company. The Company attaches great importance to the study of exchange rate risk management policies and strategies. In order to avoid the exchange rate risk of foreign currency payment and foreign currency collection and settlement income, the Company has signed several forward foreign exchange contracts with banks. The fair value of forward foreign exchange contracts recognized as derivative financial instruments on June 30, 2025 is RMB -8,995,282.26. Changes in the fair value of derivative financial instruments have been included in the profit and loss, and the relevant contents of "V. 2(9) Income from changes in fair value" in this note. In the meantime, with the constant change in the share of the international market, if there are risks beyond the control of the Company, such as unilateral large changes in the RMB exchange rate, the Company will reduce the risks by adjusting the sales or purchasing strategies.

#### **2) Interest rate risk**

The Company's interest rate risk arises from bank loans and interest-bearing debts. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company decides the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. On June 30, 2025, the Company's interest-bearing debts were mainly the fixed-rate loan contracts denominated in RMB, with a total amount of RMB1,271,144,438.31. The Company's risk of changes in the fair value of financial instruments due to changes in interest rates is mainly related to fixed-rate bank loans. The Company's risk of cash flow changes of financial instruments caused by interest rate changes is mainly related to floating interest rate bank loans. The Company pays close attention to the impact of this part of interest rate changes on the Company and attaches importance to the study of interest rate risk management policies and strategies.

### **(2) Credit risk**

On June 30, 2025, the biggest credit risk exposure that may cause the financial loss of the Company mainly comes from the loss of the Company's financial assets caused by the failure of the other party to the contract and the financial guarantee undertaken by the Company, including: the book amount of the financial assets recognized in the consolidated balance sheet; For financial instruments measured at fair value, the book value reflects their risk exposure, but not the maximum risk exposure, and its maximum risk exposure will change with the change of fair value

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

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in the future. In order to reduce the credit risk, the Company set up a special department to determine the credit line, conduct credit approval, and implement other monitoring procedures to ensure that necessary measures are taken to recover overdue creditor's rights. Meanwhile, the Company tries to reduce the impact of credit default of creditor's rights by purchasing credit insurance. In addition, the Company reviews the recovery of each single receivable on each balance sheet date to ensure that sufficient bad debt provision is made for unrecoverable funds. Therefore, the management of the Company believes that the credit risk assumed by the Company has been greatly reduced. The Company's working capital is deposited in the finance company, so the credit risk of working capital is low. The Company has adopted necessary policies to ensure that all sales customers have good credit records. The total amount of the top five accounts receivable is RMB 1,645,880,093.00, accounting for 42.11% of the accounts receivable at the end of the year, which is dependent on major customers. Except for the top five accounts receivable, the Company has no other major credit risks.

### (3) Liquidity risk

Liquidity risk is the risk that the Company cannot fulfill its financial obligations on the due date. The Company's method of managing liquidity risk is to ensure that there is enough financial liquidity to fulfill the due debts through capital plan management, without causing unacceptable losses or damaging the reputation of the company. According to the requirements of the capital plan cycle, the Company makes a capital plan in advance to ensure that there is sufficient capital when the debt is due. The management of the Company monitors the use of bank loans and ensures compliance with the loan agreement. In the meantime, it conducts financing negotiations with financial institutions to maintain a certain credit line and reduce liquidity risk.

Financial liabilities are classified by remaining maturity date

Item	Ending amount				
	Book value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Bank loan	1,271,144,438.31	1,277,906,973.36	1,277,906,973.36		
Derivative financial liabilities	53,273,870.31	53,273,870.31	53,273,870.31		
Notes payable	10,087,215,050.61	10,087,215,050.61	10,087,215,050.61		
Accounts payable	7,301,249,173.74	7,301,249,173.74	7,301,249,173.74		
other payables	1,090,144,405.75	1,090,144,405.75	1,090,144,405.75		

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Item	Ending amount				
	Book value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Lease liabilities (Including the part due within one year)	169,723,971.51	194,387,654.61	37,817,401.63	68,048,554.38	88,521,698.60
Subtotal	19,972,750,910.23	20,004,177,128.38	19,847,606,875.40	68,048,554.38	88,521,698.60

## 2.Hedging

(1)The Company carries out hedging business and risk management

The Company mainly uses forward foreign exchange contracts to hedge the risk of exchange rate fluctuations. The Company designates the purchased forward foreign exchange contracts as hedging instruments, treats them in accordance with the hedge accounting method, and evaluates the hedged items of unconfirmed asset liability items such as unrecognized fixed commitments at the balance sheet date. The Company uses the ratio analysis method to evaluate the effectiveness of the hedge, and considers that it is highly effective, and the amount of hedge invalidity recognized in the current period is not material.

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	The economic relationship between the hedged item and the related hedging instrument	Expected effective achievement of risk management objectives	The impact of the corresponding hedging activity on the risk exposure
Forward foreign exchange contracts	A foreign exchange risk prevention strategy with hedging as the core and risk prevention as the purpose	The extent to which changes in the fair value of the hedging instrument can offset the change in the fair value or cash flows of the hedged	Forward foreign exchange contracts are hedging instruments that are locked based on the foreign exchange exposure generated by the business: foreign exchange exposures include book assets and irrevocable orders. Irrevocable orders, which	Foreign exchange hedging refers to the risk management activity of designating a financial instrument as a hedging	According to the hedge accounting standards, in order to ensure the effectiveness of hedging, the premise of exposure

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Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	The economic relationship between the hedged item and the related hedging instrument	Expected effective achievement of risk management objectives	The impact of the corresponding hedging activity on the risk exposure
		item caused by the hedged risk	are defined commitments that have not yet been confirmed; Not yet recognized, which means that it has not been recognized in the balance sheet; A firm commitment refers to the exchange of a specific amount of resources at an agreed price and the signing of a legally binding agreement at a specific date or period in the future	instrument in order to manage the risk exposure arising from foreign exchange risk, so that the fair value or cash flow of the hedging instrument changes in anticipation of offsetting all or part of the change in the fair value or cash flow of the hedged item	hedging is that the currency is the same, the direction is opposite, and the expected date of receipt and payment of foreign exchange is similar

### (2) The Company conducts qualified hedging business and applies hedge accounting

Item	Book value related to hedged items and hedging instruments	Hedging adjustment of accumulated fair value of hedged items included in the book value of hedged items recognized	Hedging effectiveness and source of part with invalid hedging	Impact of hedging accounting on the Company's financial statements
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Fair value hedging

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Book value related to hedged items and hedging instruments	Hedging adjustment of accumulated fair value of hedged items included in the book value of hedged items recognized	Hedging effectiveness and source of part with invalid hedging	Impact of hedging accounting on the Company's financial statements
Hedging instruments- Trading financial assets	44,278,588.05		Financial expenses - Exchange losses; Investment income; Change of income fair value	-18,163,955.33
Hedging instruments- Trading financial liabilities	53,273,870.31			
hedged items-assets	5,168,033,771.57			
hedged items-liabilities	663,076,672.49			

### 3. Transfer of financial assets

#### (1) Classification of transfer modes

Transfer mode	Nature of transferred financial assets	Amount of transferred financial assets	Derecognized or not	Judgment basis of derecognition
Notes endorsement/Notes discount	Receivable financing	1,205,689,578.22	Derecognized	Almost all its risks and rewards have been transferred
Factoring	Accounts receivable	4,981,939,811.27	Derecognized	Almost all its risks and rewards have been transferred
Total		6,187,629,389.49		

#### (2) Financial assets that are derecognized due to transfer

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Item	Ways of financial assets transfer	Amount of financial assets derecognized	Gains or losses related to derecognition
Receivable financing	Notes endorsement/Notes discount	1,205,689,578.22	-4,195,035.39
Accounts receivable	Factoring	4,981,939,811.27	-19,083,480.76
Total		6,187,629,389.49	-23,278,516.15

**XI. Fair value disclosure**

1. Asset and liability measured by fair value at end of Current Period and fair value measurement level

Items	Fair value at period-end			
	1 <sup>st</sup> level	2 <sup>nd</sup> level	3 <sup>rd</sup> level	Total
Continuous fair value measurement				
(i) Trading financial assets		2,136,929,526.59		2,136,929,526.59
(1) Principal and interest of structured deposits		2,136,929,526.59		2,136,929,526.59
2. Derivative financial assets	44,278,588.05			44,278,588.05
(1) Forward foreign exchange contracts	44,278,588.05			44,278,588.05
3. Receivables financing			965,174,858.85	965,174,858.85
4. Other non-current financial assets		98,822,145.61	575,251,286.83	674,073,432.44
Total assets continuously measured at fair value	44,278,588.05	2,235,751,672.20	1,540,426,145.68	3,820,456,405.93
5. Derivative financial liability	53,273,870.31			53,273,870.31

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Items	Fair value at period-end			
	1 <sup>st</sup> level	2 <sup>nd</sup> level	3 <sup>rd</sup> level	Total
(1) Forward foreign exchange contracts	53,273,870.31			53,273,870.31
Total liabilities continuously measured at fair value	53,273,870.31			53,273,870.31

### 2. The basis for determining the market price of continuous and non-continuous first-level fair value measurement items

The company's fair value measurement items are futures contracts and foreign exchange options. The market price of futures contracts is determined based on the closing price of the futures contract at the end of the period; the market price of foreign exchange options is determined based on the quotation of contract products of the foreign exchange options at the end of the period.

### 3. Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous second-level fair value measurement items

The fair value measurement items are long-term investments in the fund company. For long-term investments in fund companies, the assessed book value can represent the best estimate of fair value within the scope.

### 4. Qualitative and quantitative information on the valuation techniques used and important parameters for continuous and non-continuous third-level fair value measurement items

The items with fair value measurement refer to the investment of Sichuan Changhong Group Finance Co., Ltd and Huishang Bank Co., Ltd. As the unlisted equity instrument, the fair value are estimated using a range of valuation models, the assumptions used are not supported by observable market prices or interest rates. We believes that the fair value and their changes estimated by valuation techniques are reasonable and are the most appropriate values at the balance sheet date.

## XII. Related parties and related transaction

### (i) Relationship of related parties

#### 1. Controlling shareholder and ultimate controller



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Sichuan Changhong Electronics Holding Group is the controlling shareholder of Sichuan

Controlling shareholder and ultimate controller	Registration place	Business nature	Registered capital	Share-holding ratio in the Company	Voting rights ratio in the Company
Sichuan Changhong Electric Co., Ltd.	Mianyang	Manufacture and sales	4,616,244,222.00	27.36%	27.36%

Changhong Electric Co., Ltd, and the SASAC Mianyang office holds 90% equity interests of Sichuan Changhong Electronic Holding Group, which means that SASAC Mianyang office is the ultimate controller of the Company.

### (2) Register capital and change thereof of controlling shareholder

Controlling shareholder	Beginning balance	Increase this period	Decrease this period	Ending balance
Sichuan Changhong Electric Co., Ltd.	4,616,244,222.00			4,616,244,222.00

### (3) Shares held by the controlling shareholder and its changes on equity

Controlling shareholder	Amount of shares held		Shareholding ratio	
	Ending balance	Beginning balance	Ratio at period-end	Ratio at period-beginning
Sichuan Changhong Electric Co., Ltd.	281,832,434.00	281,832,434.00	27.36%	27.36%

## 2. Subsidiary

Found more in Note “VIII. (1) Enterprise group composition”

## 3. Joint venture and associated enterprise

Other Joint venture and associated enterprise that have related transactions occurred with the Company in Current Period or occurred in last period, and with balance results:

For details of the Company's important joint ventures or joint ventures, please refer to Note VIII (III) 1: Relevant contents of important joint ventures or associated enterprise. Other Joint venture and associated enterprise that have related transactions occurred with the Company in Current Period or occurred in last period, and with balance results:

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Joint venture and associated enterprise	Relationship with the company
Changhong Ruba Electric Company (Private) Ltd.	Associated enterprise of subsidiary Zhongshan Changhong
Chengdu Guigu Environmental Tech. Co., Ltd	Associated enterprise of subsidiary Changhong Air-conditioner
Sichuan Zhiyijia Network Technology Co., Ltd.	Associated enterprise of the Company, has the same controlling shareholder and actual control of the Company

### 4. Other related party

Other related party	Relationship with the company
Mianyang Haili Appliance Co., Ltd.	Associated enterprise of controlling shareholder
Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)	Associated enterprise of controlling shareholder
Sichuan Hongran Green Energy Co., Ltd.	Associated enterprise of controlling shareholder
Sichuan Changxin Refrigeration Parts Co., Ltd.	Associated enterprise of controlling shareholder
Sichuan Baiku Technology Co., Ltd	Associated enterprise of other enterprise that have the same controlling shareholder
CHANGHONG(HK) TRADING LIMITED	Control by same controlling shareholder and ultimate controller
Changhong Europe Electric s.r.o	Control by same controlling shareholder and ultimate controller
CHANGHONG.ELECTRIC.(AUSTRALIA)PTY.LTD.	Control by same controlling shareholder and ultimate controller
Orion.PDP.Co.,ltd	Control by same controlling shareholder and ultimate controller
PT.CHANGHONG ELECTRIC INDONESIA	Control by same controlling shareholder and ultimate controller
Chengdu Changhong Electronic Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller

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Other related party	Relationship with the company
Guangdong Changhong Electronics Co., Ltd.	Control by same controlling shareholder and ultimate controller
081 Electronic Group Co., Ltd.	Control by same controlling shareholder and ultimate controller
Mianyang Hongshang Real Estate Co., Ltd.	Control by same controlling shareholder and ultimate controller
Mianyang Huafeng Hulian Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Aichuang Science & Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Ailink Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Aoiku Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongwei Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongxin Software Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Huafeng Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Jiahong Industry Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Kuaiyidian Electric Appliance Service Chain Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Qiruik Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Package Printing Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Power Source Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Electronic Products Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Gerun Environmental Protection Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong International Hotel Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Group Finance Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Jijia Fine Co., Ltd.	Control by same controlling shareholder and

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Other related party	Relationship with the company
	ultimate controller
Sichuan Changhong Jiahua Information Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Education and Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Jiechuang Lithium Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Minsheng Logistics Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Moulding Tech. Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Device Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Property Service Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong New Energy Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Network Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Changhong Real Estate Co., Ltd.	Control by same controlling shareholder and ultimate controller
Yuanxin Financial Lease Co., Ltd.	Control by same controlling shareholder and ultimate controller
Changhong International Holdings (Hong Kong) Co., Ltd.	Control by same controlling shareholder and ultimate controller
Changhua Huayi Compressor Co., Ltd.	Control by same controlling shareholder and ultimate controller
Zhongjiu Shining Medical Technology Co., Ltd.	Control by same controlling shareholder and ultimate controller
Sichuan Hongcheng Construction Engineering Co., Ltd.	Control by same controlling shareholder and ultimate controller

### (ii) Related transactions

#### 1. Purchasing commodity

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Related party	Content	Current Year (In 10 thousand yuan)	Approved trading quota (In 10 thousand yuan)	Whether the trading inmit is exceeded	Last year (In 10 thousand yuan)
Sichuan Changhong Electronics Holding Group Co., Ltd	Purchasing commodity	184,374.05	350,000.00	No	116,368.50
Sichuan Changhong Model Technology Co., Ltd.	Purchasing commodity	76,273.76	160,000.00	No	59,341.49
Sichuan Changhong Jijia Fine Co., Ltd.	Purchasing commodity	45,802.93	85,000.00	No	40,976.08
Sichuan Changxin Refrigeration Parts Co., Ltd.	Purchasing commodity	45,370.66			40,618.06
Changhong Huayi Compressor Co., Ltd.	Purchasing commodity	24,108.11	80,000.00	No	29,660.37
Sichuan Aichuang Science & Technology Co., Ltd.	Purchasing commodity	12,875.16	28,000.00	No	7,397.51
Sichuan Changhong Package Printing Co., Ltd.	Purchasing commodity	10,858.96	25,000.00	No	8,727.99
Sichuan Changhong Electronic Co., Ltd.	Purchasing commodity	5,824.16	15,000.00	No	6,217.87
Sichuan Changhong Precision Electronics Tech. Co., Ltd.	Purchasing commodity	2,087.69	4,000.00	No	1,976.06
Sichuan Changhong Electronic Products Co., Ltd.	Purchasing commodity	1,866.86	5,000.00	No	1,485.08
Sichuan Aoku Technology Co., Ltd.	Purchasing commodity	1,230.57	7,000.00	No	1,458.92
Sichuan Ailink Technology Co., Ltd.	Purchasing commodity	1,036.45	3,000.00	No	777.61

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Year (In 10 thousand yuan)	Approved tradingquota (In 10 thousand yuan)	Whether the trading inmit is exceeded	Last year (In 10 thousand yuan)
Changhong International Holdings (Hong Kong) Co., Ltd.	Purchasing commodity	704.32	4,000.00	No	432.77
Guangdong Changhong Electronics Co., Ltd.	Purchasing commodity	402.80	5,000.00	No	542.44
Sichuan Zhiyijia Network Technology Co., Ltd.	Purchasing commodity	255.57	5,000.00	No	160.02
ChanghongRuba Electric Company (Private) Ltd.	购 Purchasing commodity	242.53			201.38
Sichuan Hongran Green Energy Co., Ltd.	Purchasing commodity	115.66			70.68
Sichuan Changhong New Energy Technology Co., Ltd.	Purchasing commodity	45.21	5,000.00	No	41.58
Sichuan Changhong Device Technology Co., Ltd	Purchasing commodity	21.42	5,000.00	No	454.57
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Purchasing commodity	5.65	5,000.00	No	0.49
Sichuan Changhong International Hotel Co., Ltd.	Purchasing commodity	2.70	5,000.00	No	
Sichuan Hongwei Technology Co., Ltd.	Purchasing commodity	2.32	5,000.00	No	1.42
Sichuan Jiahong Industrial Co., Ltd.	Purchasing commodity	1.09	5,000.00	No	
Mianyang Haili Appliance Co., Ltd	Purchasing commodity				36,505.44

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Year (In 10 thousand yuan)	Approved trading quota (In 10 thousand yuan)	Whether the trading inmit is exceeded	Last year (In 10 thousand yuan)
Total		413,508.63			353,416.33

### 2. Accept the services

Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Sichuan Changhong Minsheng Logistics Co., Ltd.	Accept the services	387,359,976.16	850,000,000.00	No	456,703,052.23
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Accept the services	190,231,412.49	510,000,000.00	No	196,911,290.80
Sichuan Changhong Moulding Tech. Co., Ltd.	Accept the services	18,006,535.83	65,000,000.00	No	22,376,331.56
Sichuan Changhong Hongwei Technology Co., Ltd.	Accept the services	12,284,620.23	100,000,000.00	No	
Sichuan Changxin Refrigeration Part Co., Ltd.	Accept the services	11,964,184.52			2,101,818.01
Sichuan Changhong Electric Co., Ltd.	Accept the services	11,404,387.76	100,000,000.00	No	1,874,810.21
Sichuan Jiahong Industry Co., Ltd.	Accept the services	6,010,190.93	50,000,000.00	No	3,449,141.57
Sichuan Changhong Jijia Fine Co., Ltd	Accept the services	5,077,115.51	100,000,000.00	No	1,253,524.26
Sichuan Qiruik Technology Co., Ltd.	Accept the services	2,096,001.49	50,000,000.00	No	6,925,324.82

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Accept the services	2,038,679.24	50,000,000.00	No	
Sichuan Changhong International Hotel Co., Ltd.	Accept the services	1,410,213.97	50,000,000.00	No	883,842.53
Sichuan Aichuang Technology Co., Ltd.	Accept the services	761,080.70	50,000,000.00	No	-59,982.26
Sichuan Hongxin Software Co., Ltd.	Accept the services	615,060.22	100,000,000.00	No	1,147,485.86
Sichuan Changhong Electric Holding Group Co., Ltd.	Accept the services	448,961.57	3,500,000,000.00	No	668,221.76
Guangdong Changhong Electric Co., Ltd.	Accept the services	115,107.04	100,000,000.00	No	169,707.88
Sichuan Changhong Gerun Environmental Technology Co., Ltd.	Accept the services	102,372.55	50,000,000.00	No	54,051.42
Sichuan Changhong Property Service Co., Ltd.	Accept the services	44,743.80	50,000,000.00	No	58,338.54
Sichuan Zhiyijia Network Technology Co., Ltd.	Accept the services	16,122.61	100,000,000.00	No	77,108.12
Mianyang High-tech Zone Hongfu Technology Co., Ltd	Accept the services				682,378.32
Sichuan Changhong Appliance Technology Co., Ltd.	Accept the services				178,134.60
Sichuan Changhong Electric Part Co., Ltd.	Accept the services				34,147.70



## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Year	Approved trading quota	Whether the trading limit is exceeded	Last Year
Sichuan Changhong Network Technology Co., Ltd.	Accept the services				733.94
Total		649,986,766.61			695,489,461.87

### 3. Sales of goods

Related party	Content	Current Period (in 10 thousand Yuan)	Last Period (in 10 thousand Yuan)
Sichuan Zhiyijia Network Technolgy Co., Ltd.	Sales of goods	345,985.45	381,470.50
CHANGHONG(HK) TRADING LIMITED	Sales of goods	108,880.15	23,462.80
Changhong International Holdings (Hong Kong) Co., Ltd.	Sales of goods	18,121.67	7,047.95
CHANGHONG.ELECTRIC.(AUSTRALIA)PTY.LTD.	Sales of goods	13,524.24	13,731.67
Changhong Europe Electric s.r.o	Sales of goods	8,071.31	3,386.81
Orion.PDP.Co.,ltd	Sales of goods	627.27	2,058.89
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Sales of goods	318.55	217.07
Sichuan Changhong Network Technology Co., Ltd.	Sales of goods	207.96	7.54
Sichuan Changhong Electric Co., Ltd.	Sales of goods	82.38	49.79
Zhongji Flash Medical Technology Co., Ltd	Sales of goods	72.17	
Sichuan Changhong Minsheng Logistics Co., Ltd.	Sales of goods	59.19	77.98
Sichuan Hongcheng Construction Engineering Co., Ltd.	Sales of goods	29.00	
Sichuan Aichuang Technology Co., Ltd.	Sales of goods	9.82	0.53
Sichuan Changhong Model Technology Co., Ltd.	Sales of goods	8.81	38.38
PT.CHANGHONGELECTRICINDONESIA	Sales of goods	8.31	
Sichuan Ailian Technology Co., Ltd.	Sales of goods	4.96	4.95

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Period (in 10 thousand Yuan)	Last Period (in 10 thousand Yuan)
Sichuan Changhong Device Technology Co., Ltd	Sales of goods	2.09	80.90
Sichuan Aoku Technology Co., Ltd.	Sales of goods	1.96	19.23
Mianyang Hongshang Real Estate Co., Ltd	Sales of goods	0.86	0.72
Sichuan Jiahong Industry Co., Ltd.	Sales of goods	0.74	
Sichuan Changhong Real Estate Co., Ltd.	Sales of goods	0.40	1.44
Sichuan Changhong Jija Fine Co., Ltd.	Sales of goods		84.74
Sichuan Jiahua Information Products Co., Ltd.	Sales of goods		43.24
Mianyang Huafeng Hulian Technology Co., Ltd.	Sales of goods		41.59
Chengdu Guigu Environment Technology Co., Ltd.	Sales of goods		29.05
Sichuan Baiku Technology Co., Ltd.	Sales of goods		2.25
Sichuan Changhong Power Source Co., Ltd.	Sales of goods		0.30
Sichuan Changhong International Hotal Co., Ltd.	Sales of goods		0.11
Total		496,017.29	431,858.43

**4. Providing services**

Related party	Content	Current Period	Last Period
Sichuan Changhong Moulding Tech. Co., Ltd.	Provide the services	2,224,512.15	2,027,703.13
Sichuan Changhong Network Technology Co., Ltd	Provide the services	2,196,330.28	72,169.62
Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Provide the services	1,088,762.30	883,592.07
Zhongji Flash Medical Technology Co., Ltd	Provide the services	719,919.27	
Changhong Huayi Compressor Co., Ltd.	Provide the services	272,215.15	276,535.87
Guangdong Changhong Electronics Co., Ltd.	Provide the services	269,697.41	-52,499.01

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Related party	Content	Current Period	Last Period
Sichuan Changhong Jija Fine Co., Ltd.	Provide the services	224,171.79	188,495.79
Sichuan Zhiyijia Network Technology Co., Ltd.	Provide the services	161,111.99	70,158.00
Sichuan Changhong International Hotel Co., Ltd.	Provide the services	121,622.26	
Sichuan Changhong Property Service Co., Ltd.	Provide the services	90,087.38	85,797.50
Sichuan Changhong Minsheng Logistics Co., Ltd.	Provide the services	85,597.94	27,871.75
Sichuan Changhong New Energy TechnologyCo., Ltd.	Provide the services	64,220.18	
Sichuan Changhong Jiechuang Lithium Battery Technology Co., Ltd.	Providing services	42,952.83	10,912.08
Sichuan Aichuang Technology Co., Ltd.	Providing services	40,798.97	-97,082.07
Sichuan Aoku Technology Co., Ltd.	Provide the services	17,035.53	50,941.15
Sichuan Changhong International Hotel Co., Ltd.	Providing services	15,102.21	26,349.12
Mianyang Huafeng Hulian Technology Co., Ltd.	Providing services	14,221.00	3,954,355.82
Sichuan Changhong Precision Electronic Technology Co., Ltd.	Provide the services	12,822.17	
Sichuan Changhong Education and Technology Co., Ltd	Provide the services	7,800.00	9,000.00
Sichuan Changhong Electronic Products Co., Ltd.	Provide the services	1,522.64	900.00
Sichuan Hongwei Technology Co., Ltd.	Provide the services	1,410.00	
Sichuan Ailian Technology Co.,Ltd.	Provide the services	793.25	1,586.50
Sichuan Changhong Device Technology Co., Ltd	Provide the services		544,959.19
Yuanxin Finance leasing Co., Ltd.	Provide the services		489,372.07
Sichuan Qiruik Technology Co., Ltd.	Provide the services		1,446.00
Sichuan Huafeng Technology Co., Ltd.	Provide the services		-11,201.00
Total		7,672,706.70	8,561,363.58

**5. Related rental**

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

### (1) Rent out

Lessor	Lessee	Type of assets	Leasing income in Current Period	Leasing income in Last Period
Changhong Meiling	Sichuan Changhong Moulding Tech. Co., Ltd.	Apartments, warehouses, factories	1,045,460.41	999,377.25
Changhong Meiling	Sichuan Changhong Jijia Fine Co., Ltd.	Apartments, warehouses	410,968.76	402,946.09
Changhong Meiling	Sichuan Changhong Jijia Fine Co., Ltd.	warehouse, apartment, forklift, warehouse	128,842.73	126,690.06
Changhong Meiling	Sichuan Changhong Minsheng Logistics Co., Ltd.	apartment	103,344.70	114,850.93
Changhong Meiling	Sichuan Zhiyijia Network Technology Co., Ltd.	Apartment	84,220.18	94,128.44
Changhong Meiling	Sichuan Aoku Technology Co., Ltd.	Apartment		5,858.10
Hefei Industry	Sichuan Changhong Moulding Tech. Co., Ltd.	Workshop	4,868,857.38	4,761,352.56
Hefei Industry	Sichuan Changhong Jijia Fine Co., Ltd.	Workshop	1,277,089.20	1,225,767.60
Hefei Industry	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	Workshop	119,275.20	124,675.20
Hefei Industry	Sichuan Changhong Education and Technology Co., Ltd	Workshop	3,240.00	10,800.00
Changhong Air-conditioner	Sichuan Changhong Moulding Tech. Co., Ltd.	Workshop	2,910,566.23	2,927,575.63
Changhong Air-conditioner	Sichuan Changhong Jijia Fine Co., Ltd.	warehouse	1,871,238.14	1,867,409.09
Changhong	Sichuan Changhong Electric Co., Ltd.	Workshop	460,768.76	429,427.67

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Lessor	Lessee	Type of assets	Leasing income in Current Period	Leasing income in Last Period
Air-conditio ner				
Changhong Air-conditio ner	Sichuan Changxin Refrigeration Parts Co., Ltd.	Processing equipment of U		53,333.35
Changhong Air-conditio ner	Chengdu Guigu Environmental Tech. Co., Ltd	House and buildings		14,201.83
Ridian Technology	Sichuan Changhong Device Technology Co., Ltd.	Workshop	1,035,191.67	
Ridian Technology	Sichuan Changhong Minsheng Logistics Co., Ltd.	Workshop	204,508.80	
Ridian Technology	Sichuan Changhong Device Technology Co., Ltd.	Workshop	20,088.87	1,073,574.84
Ridian Technology	Sichuan Qiruik Technology Co., Ltd.	Workshop		47,314.29
Zhongshan Changhong	Sichuan Changhong Minsheng Logistics Co., Ltd.	Parts of the office building rent-out	17,256.88	22,148.58
Jiangxi Meiling	Sichuan Changhong Moulding Tech. Co., Ltd.	Workshop	756,553.76	443,546.86
Jiangxi Meiling	Sichuan Changhong Minsheng Logistics Co., Ltd.	Warehouse,Office	9,142.86	9,142.86
Total			15,326,614.53	14,754,121.23

(2)Lessee of related parties

# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Lessor	Lessee	Type of assets	Rental charges for short-term and low-value assets (if any)		Variable lease payments not included in lease liabilities measurement (if any)		Rent paid		Interest expenses on lease liabilities assumed		Increased use right assets	
			Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period	Amount of current period	Amount of previous period
Sichuan Changhong Electric Co., Ltd.	Hongmei Intelligent	Office					81,117.58		7,300.58			
Chengdu Changhong Electronic Technology Co., Ltd.	Hongmei Intelligent	Office					42,053.79	313,553.36		15,677.67	1,050,743.08	329,231.03
Sichuan Changhong Electronics Holding Group Co., Ltd.	Changhong Air-conditioner	Rental					94,055.52	84,747.84	3,507.46	12,815.14		338,991.37
Sichuan Changhong Electronics Holding Group Co., Ltd.	Changhong Air-conditioner	Staff dormitory	1,920.00									

# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Sichuan Changhong Electric Co., Ltd.	Changhong Air-conditioner	VISA Laboratories					153,431.50	153,431.50	17,157.52	17,157.52		
Sichuan Changhong Electric Co., Ltd.	Changhong Air-conditioner	Workshop leasing	400,557.90	106,678.90								
Sichuan Jiahong Industrial Co., Ltd.	Changhong Air-conditioner	Staff dormitory	117,790.07	271,649.52								
Sichuan Huafeng Technology Co., Ltd.	Changhong Air-conditioner	Staff dormitory	183,000.00									
Sichuan Zhiyijia Network Technology Co., Ltd.	Changhong Air-conditioner	Office	21,600.00									
Guangdong Changhong Electronics Co., Ltd.	Ground energy heat pump	Staff dormitory	19,458.03	46,289.04								
Sichuan Jiahong Industrial Co., Ltd.	Changhong Air-conditioner	Staff dormitory	46,257.80									
Sichuan Changhong	Mianyang	Workshop	47,691.74	64,519.38			1,128,271.95	1,039,954.88	451,314.25	601,697.08	586,216.98	

# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Electric Co., Ltd.	Meiling											
Sichuan Jiahong Industrial Co., Ltd.	Mianyang Meiling	Staff dormitory	15,485.57	15,620.97								
Guangdong Changhong Electronics Co., Ltd.	Ridian Technology	Staff dormitory	-394.06	33,749.28								
Sichuan Changhong Minsheng Logistics Co., Ltd.	Zhongshan Changhong	Workshop					4,126,854.30		284,103.48		406,363.14	
Changhong Huayi Compressor Co., Ltd	Jiangxi Meiling	Staff dormitory	59,331.95	57,000.00								
Total			912,699.00	595,507.09			5,625,784.64	1,591,687.58	763,383.29	647,347.41	2,043,323.20	668,222.40



## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

### 6. Related guarantee

Secured party	Sponsored party	Maximum guarantee amount (in 10 thousand Yuan)	Start	Date due	Completed (Y/N)  Fulfill
Guarantee:					
Changhong Meiling	Meiling Group	20,000.00	2024-10-16	2025-10-15	Yes
Changhong Meiling	Meiling Group	40,000.00	2025-06-03	2026-06-02	No
Changhong Meiling	Hefei Industry	3,000.00	2025-04-23	2026-03-24	No
Changhong Meiling	Hefei Industry	3,579.30	2025-05-26	2026-05-26	No
Changhong Meiling	Hefei Industry	5,000.00	2025-04-27	2026-04-27	No
Changhong Meiling	Ridian Technology	3,500.00	2024-02-06	2024-12-28	Yes
Changhong Meiling	Changmei Life Appliances	8,000.00	2024-01-22	2025-01-22	Yes
Changhong Meiling	Changmei Life Appliances	10,000.00	2023-12-01	2024-11-30	Yes
Changhong Meiling	Changhong air-conditioner	60,000.00	2024-06-18	2024-12-31	Yes
Zhongke Meiling	Tuoxing Technology	400.00	2023-08-15	2024-08-14	Yes
Zhongke Meiling	Tuoxing Technology	1,000.00	2024-07-24	2025-06-17	Yes
Zhongke Meiling	Tuoxing Technology	1,000.00	2025-02-14	2026-02-14	No
Zhongke Meiling	Lingan Medical	1,000.00	2024-10-31	2025-10-30	No
Zhongke Meiling	Lingan Medical	1,000.00	2025-02-11	2026-02-11	No
Counter guarantee:					
Meiling Group	Changhong Meiling	20,000.00	2024-10-16	2025-10-15	Yes

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Secured party	Sponsored party	Maximum guarantee amount (in 10 thousand Yuan)	Start	Date due	Completed (Y/N) Fulfill
Meiling Group	Changhong Meiling	40,000.00	2025-06-03	2026-06-02	No
Hefei Industry	Changhong Meiling	3,000.00	2025-04-23	2026-03-24	No
Hefei Industry	Changhong Meiling	3,579.30	2025-05-26	2026-05-26	No
Hefei Industry	Changhong Meiling	5,000.00	2025-04-27	2026-04-27	No
Ridian Technology	Changhong Meiling	3,500.00	2024-02-06	2024-12-28	Yes
Meiling Life Appliances	Changhong Meiling	8,000.00	2024-01-22	2025-01-22	Yes
Meiling Life Appliances	Changhong Meiling	10,000.00	2023-12-01	2024-11-30	Yes
Changhong air-conditioner	Changhong Meiling	60,000.00	2024-06-18	2024-12-31	Yes
Touxing Technology	Zhongke Meiling	400.00	2023-08-15	2024-08-14	Yes
Touxing Technology	Zhongke Meiling	1,000.00	2024-07-24	2025-06-17	Yes
Touxing Technology	Zhongke Meiling	1,000.00	2025-02-14	2026-02-14	No
Lingan Medical	Zhongke Meiling	1,000.00	2024-10-31	2025-10-30	No
Lingan Medical	Zhongke Meiling	1,000.00	2025-02-11	2026-02-11	No

### 7. Assets transfer and debt reorganization of related parties

Related party	Type	Current Period	Last Period
Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	Purchase and construction of fixed assets	1,321,061.95	352,395.49

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

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(Unless other wise specified, RMB for record in the Statement)

Sichuan Changhong Hongwei Technology Co., Ltd.	Purchase and construction of fixed assets	265,486.73	
Sichuan Hongxin Software Co., Ltd.	Purchase and construction of fixed assets	234,933.63	
Sichuan Changhong Newwang Technology Co., Ltd.	Purchase and construction of fixed assets	17,072.02	
Sichuan Changhong Electric Co., Ltd.	Construction of fixed assets		610,665.49
081 Electronic Group Co., Ltd.	Purchase and construction		184,634.57
Sichuan Zhiyijia Network Technology Co., Ltd.	Purchase and construction of fixed assets	35,020.36	78,818.00
Guangdong Changhong Electric Co., Ltd.	Purchase and construction of fixed assets	3,982.30	
Sichuan Hongxin Software Co., Ltd.	Purchase and	1,320,754.71	

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

	construction of fixed assets		
Sichuang Technology Co., Ltd.	Sale of fixed assets	663,000.00	
Total		3,861,311.7 0	1,226,513.5 5

### 8.Other

Name of company	Content	Current Period (in 10 thousand Yuan)	Last Period (in 10 thousand Yuan)
Yuanxin Financial Lease Co., Ltd.	Financing business	207,172.10	56,792.49

### 9. Related transaction with Changhong Finance Company

#### (1) Saving balance

Name of company	Ending balance	Opening balance	Interest income from bank saving in the period
Changhong Meiling Co., Ltd.	1,376,821,999.01	1,415,028,147.56	11,210,822.47
Sichuan Changhong Air-conditioner Co., Ltd	1,800,552,129.99	1,255,972,933.70	7,604,796.77
Zhongshan Changhong Electric Co., Ltd	809,239,720.89	1,283,231,387.72	5,728,040.50
Hefei Changhong Meiling Life Appliances Co., Ltd.	258,197,877.33	240,741,317.89	916,635.14
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	176,995,430.51	169,736,029.92	1,825,415.73
Zhongke Meiling Cryogenic Technology Co., Ltd	3,019,009.43	80,025,044.46	404,805.85
Changhong Meiling Ridian Technology Co., Ltd.	10,057,239.76	80,215,052.07	192,758.74
Hefei Changhong Industry Co., Ltd.	49,377,729.28	33,061,349.30	104,296.86
Hefei Meiling Group Holdings Limited	2,405,866.00	498,534.27	14,367.87
Anhui Tuoxing Technology Co., Ltd.	5,331,703.57	7,364,529.96	59,728.57

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Name of company	Ending balance	Opening balance	Interest income from bank saving in the period
Mianyang Meiling Refrigeration Co., Ltd.	33,887.03	14,082.62	26.89
Ground Energy Heat Pump Tech. Co., Ltd	0.02		0.02
Jiangxi Meiling Electric Appliance Co., Ltd.	9,244.84	9,230.50	13.93
Anhui Ling'an medical equipment Co., Ltd.	10,067,129.04	2,991,432.99	48,510.56
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd			13,691.36
Total	4,502,108,966.70	4,568,889,072.96	28,123,911.26

### (2) Discounted bills

	Bank acceptance Discounted face amount	Bank acceptance Discounted amount	Discounting fees Amount of expenses
Changhong Meiling Co., Ltd.	174,459,489.40	173,594,037.19	865,452.21
Sichuan Changhong Air-conditioner Co., Ltd	244,402,463.78	243,206,643.46	1,195,820.32
Zhongshan Changhong Electric Co., Ltd	7,506,244.48	7,450,521.36	55,723.12
Hefei Changhong Meiling Life Appliances Co., Ltd.	58,406,853.83	58,117,733.11	289,120.72
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	1,399,232.70	1,385,084.90	14,147.80
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd	611,420,094.49	605,667,217.81	5,752,876.68
Total	1,097,594,378.68	1,089,421,237.83	8,173,140.85

### (3) Issuance of invoices

Name of company	Issuer	Bill amount	Types
Zhongshan Changhong Electric Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	27,930,000.00	Financial company acceptance bill
Sichuan Changhong Air-conditioner Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	225,580,466.27	Financial company acceptance bill
Zhongshan Changhong Electric Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	334,322,340.88	Financial company acceptance bill

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Name of company	Issuer	Bill amount	Types
Hefei Meiling Group Holdings Limited	Sichuan Changhong Group Finance Co., Ltd.	27,720,920.90	Financial company acceptance bill
Hefei Changhong Meiling Life Appliances Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	47,757,741.34	Financial company acceptance bill
Changhong Meiling Ridian Technology Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	2,686,895.04	Financial company acceptance bill
Ground Energy Heat Pump Tech. (Zhongshan) Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	76,146,686.85	Financial company acceptance bill
Zhongke Meiling Cryogenic Technology Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	15,115,731.41	Financial company acceptance bill
Anhui Ling'an medical equipment Co., Ltd.	Sichuan Changhong Group Finance Co., Ltd.	384,650.14	Financial company acceptance bill
Sichuan Changhong Intelligent Air Conditioning Technology Co., Ltd	Sichuan Changhong Group Finance Co., Ltd.	69,978,942.11	Financial company acceptance bill
Total		827,624,374.94	

### (4) Credit or other financial services

Name	Transaction content	Amount incurred this year
Sichuan Changhong Air Conditioning Co., Ltd	Guarantee letter	182,592.00
Total		182,592.00

(5) Borrowings: None

(6) Receivable factoring: None

(iii) Come and go balance with related parties

### 1. Receivable items

Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	CHANGHONG(HK)TRADING LIMITED	341,628,774.75	18,060,561.30	124,276,627.62	
Account receivable	Changhong International Holdings (Hong Kong) Co., Ltd.	222,101,819.77	6,086,902.62	90,937,385.97	5,052,875.52
Account receivable	Sichuan Zhiyijia Network Technology Co., Ltd.	208,549,752.32	95,267,798.10	128,220,885.04	83,477,192.59
Account receivable	CHANGHONGELECTRI(AUSTRALIA)PTY.LTD.	96,532,492.53		74,487,210.94	39,350.40
Account receivable	Changhong EuropeElectric s.r.o	57,549,465.33		2,558,625.17	42,995.83
Account receivable	ChanghongRubaElectricCompany(Private) Ltd.	41,190,978.17	41,190,978.17	41,322,357.73	41,322,357.73
Account receivable	Orion.PDP.Co.,ltd	6,970,291.67	60,622.92	12,279,923.14	
Account receivable	Mianyang Huafeng Hulian TechnologyCo., Ltd.	2,071,072.00		9,218,144.00	
Account receivable	Sichuan Changhong Xinwang Technology Co., Ltd.	1,660,394.05			
Account receivable	Sichuan Changhong Electric Appliance Co., Ltd	999,632.15	4,944.41	729,165.87	
Account receivable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	522,289.97		323,007.09	
Account receivable	Sichuan Hongzheng Construction Engineering Co., Ltd.	131,101.20			
Account receivable	Changhong Huayi Compressor Co., Ltd.	88,920.00		380,929.13	

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Sichuan Changhong Jijia Fine Co., Ltd.	53,887.68		293,742.36	
Account receivable	Sichuan Aichuang Technology Co., Ltd.			402,121.61	
Account receivable	Yuanxin Financing Lease Co., Ltd.			381,503.00	
Account receivable	Sichuan Changhong Device Technology Co., Ltd			8,300.00	
Account receivable	Sichuan Aoku Technology Co., Ltd.			5,618.00	
Account receivable	Sichuan Changhong Minsheng Logistics Co., Ltd.			2,980.00	
Account receivable	Sichuan Changhong Minsheng Logistics Co., Ltd.	361,512.31		248,306.00	
Account receivable	Sichuan Ailian Technology Co., Ltd.	50,889.49		50,889.49	
Account receivable	Sichuan Changhong Electric Co., Ltd.	8,090.38			
Account receivable	Chengdu Changhong Electric Technology Co., Ltd.			345,692.58	
Account receivable	Sichuan Zhiyijia Network Technology Co., Ltd.	305,127.24		209,510.00	
Account receivable	Sichuan Changhong Minsheng Logistics Co., Ltd.	224,334.24			
Account receivable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	200,000.00		570,493.29	



## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end		Balance at year-begin	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Account receivable	Sichuan Jiahong Industry Co., Ltd.	10,000.00		19,982.00	
Account receivable	Sichuan Hongyun New-Generation Information technology Venture Capital Fund Partnership (limited partnership)			2,217,600.00	
Account receivable	Sichuan Changhong Property Service Co., Ltd.			2,904.93	
Contract assets	Yuanxin Financial Leasing Co., Ltd			534,886.00	
Contract assets	Sichuan Aichuang Technology Co., Ltd.	74,919.00			
Contract assets	Sichuan Changhong Electric Appliance Co., Ltd	36,000.00			
Total		981,321,744.25	160,671,807.52	490,028,790.96	129,934,772.07

### 2. Payable items

Item	Related party	Balance at year-end	Balance at year-begin
Account payable	Sichuan Changhong Moulding Tech. Co., Ltd.	339,510,277.27	258,862,002.89
Account payable	Sichuan Changhong Electric Holdings Group Co., Ltd.	289,846,347.57	299,558,983.37
Account payable	Sichuan Changxin Refrigeration Parts Co., Ltd.	104,652,935.00	55,712,908.20
Account payable	Changhong Huayi Compressor Co., Ltd.	93,545,228.01	106,340,141.35
Account payable	Sichuan Changhong Jijia Fine Co., Ltd.	74,660,061.25	130,536,924.54
Account payable	Sichuan Changhong Package Printing Co., Ltd.	72,948,675.82	37,429,782.71

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end	Balance at year-begin
Account payable	Sichuan Aichuang Science & Technology Co., Ltd.	62,166,902.30	50,559,432.86
Account payable	Changhong International Holdings (Hong Kong) Co., Ltd.	61,652,576.36	16,331,072.34
Account payable	Changhong Ruba Electric Company (Private) Ltd.	22,048,586.59	19,165,511.45
Account payable	Sichuan Changhong Precision Electronics Tech. Co., Ltd.	14,808,726.87	7,834,650.42
Account payable	PT.CHANGHONG ELECTRIC INDONESIA	13,170,988.27	
Account payable	Sichuan Changhong Electronics Products Co., Ltd	12,565,705.76	6,151,227.60
Account payable	Sichuan Changhong Electric Co., Ltd.	11,949,593.98	16,714,312.78
Account payable	Sichuan Changhong Minsheng Logistics Co., Ltd.	9,685,814.79	3,463,779.16
Account payable	Sichuan Aoku Technology Co., Ltd.	8,950,815.32	7,036,322.79
Account payable	Sichuan Ailian Technology Co., Ltd.	7,458,215.90	3,277,511.80
Account payable	Guangdong Changhong Electric Co., Ltd.	1,958,232.75	3,006,306.65
Account payable	Sichuan Hongxin Software Co., Ltd.	1,441,783.96	779,047.17
Account payable	Sichuan Service Exp. Appliance Service Chain Co., Ltd.	509,559.41	892,549.81
Account payable	Sichuan Hongwei Technology Co., Ltd.	300,000.00	297,860.00

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end	Balance at year-begin
Account payable	Sichuan Changhong New Energy Technology Co., Ltd.	281,492.92	252,981.10
Account payable	Sichuan Jiahong Industry Co., Ltd.	106,420.80	
Account payable	Sichuan Changhong International Hotel Co., Ltd.	96,173.00	106,873.00
Account payable	Sichuan Changhong Intelligent Manufacturing Technology Co., Ltd.	81,196.58	239,196.58
Account payable	Sichuan Qiruik Technology Co., Ltd.	32,000.00	32,000.00
Account payable	Sichuan Changhong Device Technology Co., Ltd	8,628.14	272,906.94
Account payable	Chengdu Guigu Environmental Tech. Co., Ltd	8,247.36	8,247.36
Account payable	Sichuan Zhiyijia Network Technology Co., Ltd.	3,396.22	32,784.73
Contract liability	Sichuan Zhiyijia Network Technology Co., Ltd.	3,450,733.06	71,546,849.75
Contract liability	Sichuan Changhong New Energy Technology Co., Ltd.	862,831.86	
Contract liability	Yuanxin Financial Leasing Co., Ltd	427,148.11	
Contract liability	Sichuan Changhong Electric Appliance Co., Ltd	353,941.29	354,131.55
Contract liability	Changhong International Holdings (Hongkong) Co., Ltd.	229,685.31	427,524.59
Contract liability	Sichuan Baiku Technology Co., Ltd.	16,569.91	138,472.56

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end	Balance at year-begin
Contract liability	Sichuan Changhong Minsheng Logistics Co., Ltd.	16,052.57	14,654.89
Contract liability	Sichuan Service Exp. Appliance Service Chain Co., Ltd	662.83	42,786.17
Contract liability	Zhongji Flash Medical Technology Co., Ltd		419,207.79
Contract liability	Sichuan Aichuang Technology Co., Ltd.		198,900.00
Contract liability	Sichuan Changhong Gerun Environmental Protection Technology Co., Ltd		175,023.04
Contract liability	CHANGHONG(HK) TRADING LIMITED		922.22
Lease liability	Sichuan Changhong Electric Co., Ltd.	24,244,202.23	24,991,184.60
Lease liability	Sichuan Changhong Minsheng Logistics Co., Ltd.	22,592,089.99	
Lease liability	Chengdu Changhong Electronic Technology Co., Ltd.	1,001,346.79	345,692.58
Lease liability	Sichuan Changhong Electric Holding Group Co., Ltd.	94,055.50	188,111.02
Other payable	Sichuan Service Exp. Appliance Service Chain Co., Ltd	148,102,810.09	129,354,211.90
Other payable	Sichuan Changhong Minsheng Logistics Co., Ltd.	145,679,090.02	168,320,548.19
Other payable	Sichuan Changhong Electric Holding Group Co., Ltd	3,445,191.35	2,235,171.18
Other payable	Sichuan Changhong Moulding Tech. Co., Ltd	2,104,216.97	1,933,572.12
Other payable	Changhong Huayi Compressor Co., Ltd.	1,648,900.00	1,801,167.60
Other payable	sichuan Changhong Electric Co., Ltd.	1,337,485.35	4,455,214.28
Other payable	Sichuan Changhong Jijia Fine Co., Ltd.	430,500.00	430,500.00
Other payable	Sichuan Zhiyijia Network Technology Co., Ltd.	217,378.80	232,021.08

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Related party	Balance at year-end	Balance at year-begin
Other payable	Sichuan Changhong Hongwei Technology Co., Ltd.	188,779.24	1,262,762.78
Other payable	Sichuan Changhong Electronic Products Co., Ltd.	161,820.00	100,000.00
Other payable	Sichuan HongXin Software Co., Ltd.	150,000.00	187,735.85
Other payable	Sichuan Aoku Technology Co., Ltd.	132,973.56	132,973.56
Other payable	Sichuan Aichuang Technology Co., Ltd.	108,584.90	101,132.08
Other payable	Sichuan Changhong Package Printing Co., Ltd.	60,900.78	50,000.00
Other payable	Sichuan Ailian Technology Co., Ltd.	50,000.00	51,306.28
Other payable	081 Electronic Group Co., Ltd.	40,867.89	40,867.89
Other payable	Sichuan Changxin Refrigeration Parts Co., Ltd.	23,052.00	57,098.03
Other payable	Guangdong Changhong Electric Co., Ltd.	11,497.96	17,514.52
Other payable	Sichuan Qiruik Technology Co., Ltd.	7,410.00	826,071.35
Other payable	Sichuan Jiahong Industrial Co., Ltd.	18.00	301,482.92
Other payable	Sichuan Changhong Gerun Environmental Protection Technology Co., Ltd		150,000.00
Other payable	Sichuan Changhong Intelligence Manufacturing Technology Co., Ltd.		34,550.00
Other payable	Chengdu Guigu Environmental Tech. Co., Ltd		5,717.80
Other payable	Sichuan Changhong International Hotel Co., Ltd		849.06
Received in advance	Sichuan Changhong Jijia Fine Co., Ltd.	309,333.09	
Received in advance	Sichuan Changhong Moulding Tech. Co., Ltd.	308,092.28	
Total		1,562,256,803.93	1,435,821,246.83

## XIII. Commitments and contingencies

### (I) Important commitments

## **Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

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As of June 30, 2025, the Company has no important commitments that should be disclosed but not disclosed.

### **(II) Contingency**

#### **1. Pending action or possible liabilities formed from arbitration**

In November 2021, Zhejiang Teruisi Pharmaceutical Co., Ltd. filed a lawsuit against Zhongke Meiling for the "Contract for Cold Storage Design, Equipment Procurement and Installation Construction". Up to now, Zhongke Meiling and Zhejiang Teruisi Pharmaceutical Inc. have reached a preliminary settlement intention, and have withdrawn the third-stage cost appraisal from the court, and both are communicating the project maintenance plan. The estimated maintenance cost is RMB 1,720,534.42. As of June 30, 2025, apart from the aforementioned lawsuits, some of our subsidiaries have been defendants in certain legal proceedings and plaintiffs in other lawsuits that arise in our daily business operations. Although the outcome of these contingencies, legal proceedings, or other lawsuits cannot be determined at present, the management believes that any resulting liabilities will not have a significant negative impact on the financial condition or operating performance of the company

### **XIV. Events occurring after the balance sheet date**

1. Important non-adjustment items: None
2. Profit distribution: None
3. Major sales return: None
4. Other than the above mentioned events, the Company have no other events occurred after balance sheet date.

### **XV. Other significant matters**

#### **(I) Branch information**

1. Determine the factors considered by the reporting segment The Company determines the reporting segment based on the internal organizational structure, management requirements and internal reporting system, and according to the business segment. It assesses the operating

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

performance of refrigerator, freezer and washing machine business, air conditioner business, small home appliances business and other product business respectively.

**2.Branch information**

In RMB 10,000

Item	Refrigerator, freezer Washing machine	Air-conditione r	Small home appliances	Other	Sales in branch	Total
Operation income	566,304.55	1,168,281.70	79,095.46	20,460.11	26,990.24	1,807,151.58
Including: foreign trade income	560,415.78	1,168,281.70	69,780.74	8,673.36		1,807,151.58
Income from transactions between divisions	5,888.77		9,314.72	11,786.75	26,990.24	
Operation expenses	555,021.52	1,147,432.81	77,106.28	19,704.16	27,074.07	1,772,190.70
Other	6,855.16	8,827.55	228.44	2.40	-138.03	16,051.58
Total profit	18,138.19	29,676.44	2,217.62	758.35	-221.86	51,012.46
Total assets	1,346,887.96	1,461,774.34	92,994.64	25,213.92	178,882.95	2,747,987.91
Total liability	868,044.25	1,248,261.85	61,395.88	9,277.81	86,340.12	2,100,639.67
Supplementary information						
Depreciation and amortization expenses	11,671.01	8,523.65	153.73	421.43	-10.49	20,780.31
Capital expenditure	13,171.18	14,252.52	0.61	247.65		27,671.96

Note: Total assets do not include deferred income tax assets, and total liabilities exclude deferred income tax liabilities.

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

**XVI. Notes to main items of financial statement of parent company**

## 1.Account receivable

## (1) By account age

Account age	Balance at year-end	Balance at year-begin
Within 1 year (Including 1 year)	2,072,291,787.44	844,020,537.28
Including: Within 3 months	1,960,777,263.43	804,602,070.05
3-6 months	94,614,258.11	37,341,630.48
6 months-1 year	16,900,265.90	2,076,836.75
1-2 years	2,917,359.83	967,919.29
2-3 years	6,068,876.14	6,068,876.14
Over 3 years	46,551,037.50	46,551,037.50
Total	2,127,829,060.91	897,608,370.21

## (2) By accrual of bad debt provision

## 1) Detail

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	1,183,806,587.03	55.63	58,349,972.31	4.93	1,125,456,614.72
Including: Account receivable with letter of credit	60,616,343.65	2.85			60,616,343.65
Current payment with related party	1,106,027,343.33	51.98	41,187,072.26	3.72	1,064,840,271.07
Receivables whose single amount is not significant but whose single provision for bad debts	17,162,900.05	0.81	17,162,900.05	100.00	



# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable withdrawal bad debt provision by portfolio	944,022,473.88	44.37	20,356,937.57	2.16	923,665,536.31
Including: account receivable of engineering customers	944,022,473.88	44.37	20,356,937.57	2.16	923,665,536.31
Total	2,127,829,060.91	100.00	78,706,909.88	3.70	2,049,122,151.03

(Continued)

Category	Amount at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Account receivable that withdrawal bad debt provision by single item	550,963,154.98	61.38	57,852,034.98	10.50	493,111,120.00
Including: Account receivable with letter of credit	24,607,781.54	2.74			24,607,781.54
Current payment with related party	506,527,455.83	56.43	40,131,974.45	7.92	466,395,481.38
Receivables whose single amount is not significant but whose single provision for bad debts	19,827,917.61	2.21	17,720,060.53	89.37	2,107,857.08
Account receivable withdrawal bad debt provision by portfolio	346,645,215.23	38.62	6,520,449.24	1.88	340,124,765.99
Including: account receivable of engineering customers	346,645,215.23	38.62	6,520,449.24	1.88	340,124,765.99
Total	897,608,370.21	100.00	64,372,484.22	7.17	833,235,885.99

## 2) Account receivable withdrawal bad debt provision by portfolio

Account age	Balance at year-end		
	Book balance	Bad debt provision	Provision ratio (%)

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Account age	Balance at year-end		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	861,730,454.73	8,617,304.55	1.00
3-6 months	73,527,797.59	7,352,779.76	10.00
6 months-1 year	3,765,454.92	753,090.98	20.00
1-2 years	2,730,008.49	1,365,004.25	50.00
2-3 years	0.60	0.48	80.00
Over 3 years	2,268,757.55	2,268,757.55	100.00
Subtotal	944,022,473.88	20,356,937.57	2.16

(Continued)

Account age	Balance at year-begin		
	Book balance	Bad debt provision	Provision ratio (%)
Within 3 months (3 months included)	341,176,281.76	3,411,762.82	1.00
3-6 months	342,770.62	34,277.06	10.00
6 months-1 year	2,076,836.75	415,367.35	20.00
1-2 years	780,567.95	390,283.98	50.00
2-3 years	0.60	0.48	80.00
Over 3 years	2,268,757.55	2,268,757.55	100.00
Subtotal	346,645,215.23	6,520,449.24	1.88

### (3) Changes in bad debt provisions

#### 1) Detail

Category	Balance at year-begin	Changes this year				Balance at year-end
		Accrual		Resale or write-off	Other	
Withdrawal bad debt provision by single item	57,852,034.98	1,036,344.25	538,406.92			58,349,972.31

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Category	Balance at year-begin	Changes this year				Balance at year-end
		Accrual		Resale or write-off	Other	
Withdrawal bad debt provision by portfolio	6,520,449.24	13,836,488.33				20,356,937.57
Total	64,372,484.22	14,872,832.58	538,406.92			78,706,909.88

### (5) Top 5 accounts receivable and contract assets amount

Top 5 receivables collected by arrears party amounting to 500,242,601.58 yuan in total, accounted for 23.51% of the receivables of current year-end, the bad debt provision accrual correspondingly amounting to 24,509,098.18 yuan at year-end balance.

### 2.Other account receivable

#### (1) Detail

Item	Balance at year-end	Balance at year-begin
Dividend receivable		12,124,951.70
Other account receivable	67,308,839.63	137,057,080.76
Total	67,308,839.63	149,182,032.46

#### (2) Dividend receivable

##### Detail

Item	Balance at year-end	Balance at year-begin
Sichuan Zhiyijia Network Technology Co., Ltd		11,849,751.70
Sichuan Hongyun New Generation Information Technology Venture Capital Fund Partnership Enterprise (Limited Partnership		275,200.00
Subtotal		12,124,951.70

#### (3) Other receivable

##### 1) Category of other account receivable

Item	Balance at year-end	Balance at year-begin
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## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Item	Balance at year-end	Balance at year-begin
Loans of employee's pretty cash	9,026,605.63	5,755,189.42
Cash deposit	4,480,139.99	4,369,898.32
Export rebate	24,659,484.61	95,274,068.20
Related party	29,796,768.60	31,839,049.68
Other	356,265.42	473,034.34
Total	68,319,264.25	137,711,239.96

### 2) By account age

Account age	Balance at year-end	Balance at year-begin
Within 3 months (3 months included)	29,402,348.78	105,115,890.25
3-6 months	2,774,050.88	370,007.17
6 months-1 year	3,778,594.37	971,808.01
1-2 years	1,820,224.58	1,486,879.41
2-3 years	909,242.00	313,350.00
Over 3 years	29,634,803.64	29,453,305.12
Total	68,319,264.25	137,711,239.96

### 3) By accrual of bad debt provision

#### ①Detail

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	68,319,264.25	100.00	1,010,424.62	1.48	67,308,839.63
In which: other receivables with no major individual amount but bad debt provision	13,863,011.04	20.29	1,010,424.62	7.29	12,852,586.42

# Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Category	Ending balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
accrued individually					
Export rebate receivable	24,659,484.61	36.10			24,659,484.61
Other receivables under the same control and of related parties with significant influence	29,796,768.60	43.61			29,796,768.60
other receivables accrued by aging portfolio					
Subtotal	68,319,264.25	100.00	1,010,424.62	1.48	67,308,839.63

(Continued)

Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
That withdrawal bad debt provision by single item	137,711,239.96	100.00	654,159.20	0.48	137,057,080.76
In which: other receivables with no major individual amount but bad debt provision accrued individually	10,598,122.08	7.70	654,159.20	6.17	9,943,962.88
Export rebate receivable	95,274,068.20	69.18			95,274,068.20
Other receivables under the same control and of related parties with significant influence	31,839,049.68	23.12			31,839,049.68
other receivables accrued by aging portfolio					

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Category	Balance at year-begin				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Ratio (%)	
Subtotal	137,711,239.96	100.00	654,159.20	0.48	137,057,080.76

### 4) Changes in bad debt provisions

#### ①Detail

Bad debt provision	First stage	Second stage	Third stage	Subtotal
	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	
Balance at year-begin			654,159.20	654,159.20
Balance at year-begin in Current Year	_____	_____	_____	
--Transfer to the second stage				
-- Transfer to the third stage				
-- Reversal to the second stage				
-- Reversal to the first stage				
Provision in Current Year			356,265.42	356,265.42
Reversal in Current Year				
Write off in Current Year				

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

	First stage	Second stage	Third stage	
Bad debt provision	Expected credit loss in next 12 months	Expected credit loss for the whole duration (no credit impairment)	Expected credit loss for the whole duration (credit impairment has occurred)	Subtotal
Other change				
Balance at year-end			1,010,424.62	1,010,424.62

### ② Bad debt provision for other receivables accrued, recovered or reversed this year

Category	Year-beginning	Amount of change this year				Year-end
		Accrual	Recovery or reversal	Write-off or cancellation	Other	
Withdrawal bad debt provision by single item	654,159.20	356,265.42				1,010,424.62
Total	654,159.20	356,265.42				1,010,424.62

### 5) Top 5 other receivables

Name	Nature	Balance at year-end	Account age	Proportion in total other receivables ending balance (%)	Bad debt provision Balance at year-end
Unit I	Export rebates	24,659,484.61	Within 3 months	36.09	
Unit II	Employee petty cash	1,467,720.00	Within 3 months, 6 months- 1 year	2.15	
Unit III	Employee petty cash	1,214,824.51	Within 3 months, 3-6 months, 1-2 years	1.78	
Unit IV	Employee petty cash	1,087,984.07	3 Within 3 months	1.59	

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Name	Nature	Balance at year-end	Account age	Proportion in total other receivables ending balance (%)	Bad debt provision Balance at year-end
,Unit V	Employee petty cash	744,600.00	3 Within 3 months	1.09	
Total		29,174,613.19		42.70	

### 3. Long-term equity investments

#### (1) Detail

Item	Ending balance		
	Book balance	Impairment loss	Book value
Investment in subsidiaries:	2,087,985,053.01		2,087,985,053.01
Investment in associates:	78,502,459.16		78,502,459.16
Total	2,166,487,512.17		2,166,487,512.17

(Continued)

Item	Opening balance		
	Book balance	Impairment loss	Book value
Investment in subsidiaries:	1,988,985,053.01		1,988,985,053.01
Investment in associates:	74,340,161.06		74,340,161.06
Total	2,063,325,214.07		2,063,325,214.07

#### (2) Investment in subsidiaries

Invested enterprise	Opening balance	Changes in Current Period
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## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

	Book value	Impairment loss	Additional Investment	Negative Investment	Provision for impairment loss	Other
Zhongke Meiling Cryogenic Technology Co., Ltd	42,652,000.00					
Mianyang Meiling Refrigeration Co., Ltd.	95,000,000.00					
Mianyang Chonghong Intelligence Appliance Co., Ltd.			99,000,000.00			
Zhongshan Changhong Electric Co., Ltd	304,856,419.37					
Sichuan Changhong Air-conditioner Co., Ltd	955,600,437.79					
Hefei Meiling Group Holdings Limited	113,630,000.00					
Jiangxi Meiling Electric Appliance Co., Ltd.	79,000,000.00					
Changhong Meiling Ridian Technology Co., Ltd.	91,082,111.12					
Hefei Meiling Wulian Technology Co., Ltd.	10,000,000.00					
CH-Meiling.International (Philippines) Inc.	6,889,100.00					
Hefei Changhong Meiling Life Appliances Co., Ltd.	35,000,000.00					
Sichuan Hongmei Intelligence Technology Co., Ltd.	22,725,052.60					
Hefei Changhong Industry Co., Ltd.	232,549,932.13					
Subtotal	1,988,985,053.01		99,000,000.00			

(Continued)

Invested enterprise	Ending balance	
	Book balance	Impairment loss

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Invested enterprise	Ending balance	
	Book balance	Impairment loss
Zhongke Meiling Cryogenic Technology Co., Ltd	42,652,000.00	
Mianyang Meiling Refrigeration Co., Ltd.	95,000,000.00	
Mianyang Chonghong Intellegence Appliance Co., Ltd.	99,000,000.00	
Zhongshan Changhong Electric Co., Ltd	304,856,419.37	
Sichuan Changhong Air-conditioner Co., Ltd	955,600,437.79	
Hefei Meiling Group Holdings Limited	113,630,000.00	
Jiangxi Meiling Electric Appliance Co., Ltd.	79,000,000.00	
Changhong Meiling Ridian Technology Co., Ltd.	91,082,111.12	
Hefei Meiling Wulian Technology Co., Ltd.	10,000,000.00	
CH-Meiling.International (Philippines) Inc.	6,889,100.00	
Hefei Changhong Meiling Life Appliances Co., Ltd.	35,000,000.00	
Sichuan Hongmei Intellgence Technology Co., Ltd.	22,725,052.60	
Hefei Changhong Industry Co., Ltd.	232,549,932.13	
Subtotal	2,087,985,053.01	

### (3) Investment in associates

Invested enterprise	Beginning balance		Changes in Current Period			
	Book value	Impairment loss	Additonal Investment	Negative Investment	Investment income recognized under equity	Adjustment for other comprehensive income
Hefei Xingmei Assets Management Co., Ltd.	14,164,491.99				1,488.35	
Sichuan Zhiyijia Network Technology Co., Ltd.	60,175,669.07				4,835,600.70	

## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

	Beginning balance		Changes in Current Period			
	Book value	Impairment loss	Addi onal Invest ment	Negative Investmen t	Investment income recognized under equity	Adjustment for other comprehens ive income
Invested enterprise						
Total	74,340,161.06				4,837,089.05	

(Continued)

	Changes in Current Period				Ending balance	
	Other equity change	Cash dividend or profit announced to issued	Provisio n for impairm ent loss	Other	Book value	Impairme nt loss
Invested enterprise						
Hefei Xingmei Assets Management Co., Ltd.					14,165,980.34	
Sichuan Zhiyijia Network Technology Co., Ltd.		674,790.95			64,336,478.82	
Total		674,790.95			78,502,459.16	

### (II) Profit statement item notes of parent company

#### 1. Operation income, operation cost

##### (1) Detail

Item	Current Period		Last Period	
	Income	Cost	Income	Cost
Main business	4,643,697,112.91	4,076,775,488.87	4,736,689,610.11	4,319,866,502.23
Other business	295,958,421.24	271,930,200.67	233,213,037.21	213,049,683.92
Total	4,939,655,534.15	4,348,705,689.54	4,969,902,647.32	4,532,916,186.15

##### (2) Income information

Item	Current Year	Last Year
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## Annotations of Financial Statements of Changhong Meiling Co., Ltd.

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

	Income	Cost	Income	Cost
Product				
Air-conditioning	2,388,159.28	2,388,170.75	3,193,017.71	3,193,033.03
Refrigerator	3,553,250,909.02	3,134,690,054.32	3,855,961,141.78	3,537,763,720.65
Washing machine	979,953,883.74	845,538,266.35	765,993,263.60	684,787,139.73
Small household appliances and kitchen and bathroom	108,104,160.87	94,158,997.45	111,542,187.02	94,122,608.82
Other	295,958,421.24	271,930,200.67	233,213,037.21	213,049,683.92
Area				
Domestic	2,461,842,181.03	2,197,992,715.31	2,731,861,997.32	2,572,947,105.99
Overseas	2,477,813,353.12	2,150,712,974.23	2,238,040,650.00	1,959,969,080.16
Total	4,939,655,534.15	4,348,705,689.54	4,969,902,647.32	4,532,916,186.15

## 2. Investment income

Item	Current Year	Last Year
Long-term equity investment income by equity method	4,837,089.05	6,158,368.75
Disposition of the investment income generated by the long-term equity investments	38,829.19	
Long-term equity investment income by Cost method	3,672,000.00	4,590,000.00
Investment income obtained from the disposal of trading financial assets	8,556,050.14	2,244,378.39
Investment income obtained from disposal of derivative financial assets	-9,549,788.20	-4,940,274.02
Interest income from debt investment during the holding period	13,700,694.44	6,946,457.96
Investment income of other non-current financial assets during holding period	13,209,863.22	12,912,196.37
The termination of income recognition for financial assets measured by amortized cost	556,040.92	-2,635,478.39
Investment income of other current assets during the holding period		1,394,444.44

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Total	35,020,778.76	26,670,093.50
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**XVII.Other Supplementary information****1. Non-recurring gains and losses for this year****(1) Detail**

Item	Amount	Note
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-1,706,605.18	
Government subsidies recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	34,956,110.73	
Losses/gains from changes of fair values occurred in holding trading financial assets and trading financial liabilities, and investment income obtaining from the disposal of trading financial assets,trading financial liability and financial assets available-for-sale, excluded effective hedging business relevant with normal operations of the Company	-12,600,475.24	
Reversal of the account receivable depreciation reserves subject to separate impairment test	9,898,942.17	
Debt restructuring gains and losses	84,052.53	
Other non-operating income and expenses other than the above	1,640,700.10	
Subtotal	32,272,725.11	
Less: Impact number of enterprise income tax	3,625,743.11	
Impact on minority shareholders' equity (post-tax)	2,506,761.26	
Net non-recurring gains and losses attributable to the owner of the parent company	26,140,220.74	

**2. Return on equity and earnings per share**

Profit during the report period	Weighted average return on equity	Earnings per share/EPS (RMB/Share)	
		Basic EPS	Diluted EPS

**Annotations of Financial Statements of Changhong Meiling Co., Ltd.**

From 1 January 2025 to 30 June 2025

(Unless other wise specified, RMB for record in the Statement)

Profit during the report period	Weighted average return on equity	Earnings per share/EPS (RMB/Share)	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the parent company	6.63	0.4051	0.4051
Net profit attributable to ordinary shareholders of the parent company after deduction of the non-recurring gains/losses	6.21	0.3797	0.3797

Changhong Meiling Co., Ltd.

Chairman: Wu Dinggang

August 21, 2025