



Zhejiang Yongtai Technology Co., Ltd.

2026 Semi-Annual Report

August 2026

Section I Important Notice, Table of Contents, and Interpretation

The Board of Directors, directors, and senior management of the Company guarantee the authenticity, accuracy, and completeness of the semi-annual report, without any false records, misleading statements, or major omissions, and shall bear individual and joint legal responsibilities.

Declaration by Wang Yingmei, the person in charge of the Company, Ying Yangfeng, the responsible person for accounting work, and Ni Xiaoyan, the person in charge of the accounting agency (accountant in charge): They guarantee the authenticity, accuracy, and completeness of the financial report in this semi-annual report.

All directors have attended the board meeting to deliberate this semi-annual report.

The forward-looking statements concerning future plans in this semi-annual report are planned matters and shall not constitute a substantial commitment of the Company to investors. The investors and related persons shall maintain an adequate awareness of the risks and shall understand the differences between plans, forecasts and commitments.

In the “X. Risks faced by the Company and countermeasures” of the Section III “Discussion and Analysis by Management” of this report, the Company describes specifically the potential risks that may occur in the Company’s business process and countermeasures. Investors are kindly requested to read the relevant content and pay attention to investment risks.

The Company plans not to pay cash dividends, bonus shares, or convert accumulation fund to share capital.

This report is prepared in both Chinese and English. In case of any ambiguity in the understanding of the Chinese and foreign texts, the Chinese text shall prevail.

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Contents of Reference Documents

- I. Financial statements containing the signatures and seals of the person in charge of the Company, the responsible person for accounting work and the person in charge of the accounting agency;
- II. The original copies of all company documents and announcements publicly disclosed during the reporting period;
- III. Other relevant information

Interpretation

Interpretation Items	Refer to	Interpretation content
the Company, company	Refer to	Zhejiang Yongtai Technology Co., Ltd.
Controlling shareholder and actual controller	Refer to	Couple Mr. He Renbao and Ms. Wang Yingmei
Yongtai Holdings	Refer to	Zhejiang Yongtai Technology Holdings Co., Ltd., the wholly-owned company of the actual controller of the Company
Binhai Yongtai	Refer to	Binhai Yongtai Technology Co., Ltd., a subsidiary of the Company
Shandong Yongtai	Refer to	Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd., a subsidiary of the Company
SYT pharm (Shanghai)	Refer to	SYT pharm (Shanghai) Co. Ltd., a subsidiary of the Company
Yongtai Pharma	Refer to	Zhejiang Yongtai Pharmaceutical Co., Ltd., a subsidiary of the Company
Yongtai New Material	Refer to	Zhejiang Yongtai New Material Co., Ltd., a subsidiary of the Company
Xinhui Mining	Refer to	Hainan Xinhui Mining Co., Ltd., a subsidiary of the Company
Youngtech Pharmaceuticals	Refer to	Youngtech Pharmaceuticals, Inc., a subsidiary of the Company
Shanghai E-Tong	Refer to	Shanghai E-Tong Chemical Co., Ltd., a subsidiary of the Company
Yongtai New Energy	Refer to	Zhejiang Yongtai New Energy Material Co., Ltd., a subsidiary of the Company
Yongtai Chiral	Refer to	Zhejiang Yongtai Chiral Medicine Technology Co., Ltd., a subsidiary of the Company
Zhejiang Chiral	Refer to	Zhejiang Chiral Medicine Chemicals Co., Ltd., a subsidiary of the Company
Foshan Soin	Refer to	Foshan Soin Chiralpharma Co., Ltd., a subsidiary of the Company
Yongtai Hi-tech	Refer to	Shaowu Yongtai Hi-tech Material Co., Ltd., a subsidiary of the Company
Chongqing Yongyuansheng	Refer to	Chongqing Yongyuansheng Technology Co., Ltd., a subsidiary of the Company
Binhai Meikang	Refer to	Binhai Meikang Pharmaceutical Co., Ltd., a subsidiary of the Company
Inner Mongolia Yongtai	Refer to	Inner Mongolia Yongtai Chemical Co., Ltd., a subsidiary of the Company
Hangzhou Yongtai	Refer to	Hangzhou Yongtai Biomedical Co., Ltd., a subsidiary of the Company
Yongtai Fule	Refer to	Zhejiang Yongtai Fule Technology Co., Ltd., a subsidiary of the Company
Yongtai Fuyuan	Refer to	Fujian Yongtai Fuyuan Technology Co., Ltd., a subsidiary of the Company
Hangzhou Yongtai Chiral	Refer to	Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd, a subsidiary of the Company
Anbison	Refer to	Shanghai Anbison Lab. Co., Ltd., a participating company of the Company
Yongtaixin Fluorine	Refer to	Shanghai Yongtaixin Fluorine New Materials Co., Ltd., a subsidiary of the Company
Yancheng Yongtai	Refer to	Yancheng Yongtai New Material Co., Ltd., an indirectly controlled subsidiary of the Company
Jiangsu Subin	Refer to	Jiangsu Subin Agrochemical Co., Ltd., an indirectly controlled subsidiary of the Company
Foshan Yongtai Chiral	Refer to	Foshan Yongtai Chiral Pharmaceutical Co., Ltd., an indirectly controlled subsidiary of the Company
Foshan Yongtai Chiral Pharmacy	Refer to	Foshan Yongtai Chiral Pharmacy Co., Ltd., an indirectly controlled subsidiary of the Company
E-TONG CHEMICAL (HONGKONG)	Refer to	E-TONG CHEMICAL (HONG KONG) CO., LIMITED, an indirectly controlled subsidiary of the Company
E-TONG CHEMICAL	Refer to	E-TONG CHEMICAL CO., LIMITED, an indirectly controlled subsidiary of the Company
PT. ETONG	Refer to	PT. ETONG CHEMICAL INDONESIA, an indirectly controlled subsidiary of the Company
E-TONG CHEMICAL (PHILIPPINES)	Refer to	E-TONG CHEMICAL (PHILIPPINES) INC., an indirectly controlled subsidiary of the Company
Etong Agrotech Nigeria	Refer to	E-TONG AGROTECH NIGERIA LIMITED, an indirectly controlled subsidiary of the Company

Interpretation Items	Refer to	Interpretation content
LIDEAL MINES	Refer to	LIDEAL MINES LIMITED, an indirectly controlled subsidiary of the Company
Etong Chemicals (Pvt.)	Refer to	E-TONG CHEMICALS (PVT.) LTD., an indirectly controlled subsidiary of the Company
Agro Juntos Colombia	Refer to	AGRO JUNTOS COLOMBIA S.A.S., an indirectly controlled subsidiary of the Company
Farmaline Cropcare Bangladesh	Refer to	FARMALINE CROPCARE BANGLADESH LIMITED, an indirectly controlled subsidiary of the Company
Etong Vietnam	Refer to	QUANG HOP BIOCHEMICAL COMPANY LIMITED, an indirectly controlled subsidiary of the Company
E-tong Cambodia	Refer to	MONAGRO CROPSCIENCE CO.,LTD., an indirectly controlled subsidiary of the Company
E-TONG THAILAND	Refer to	E-TONG CHEMICAL (THAILAND) CO.,LTD., an indirectly controlled subsidiary of the Company
AGRO JUNTOS BRAZIL	Refer to	AGRO JUNTOS COLOMBIA S.A.S., an indirectly controlled subsidiary of the Company
SENWELL AGROCHEM NIGERIA	Refer to	SENWELL AGROCHEM NIGERIA LIMITED, an indirectly controlled subsidiary of the Company
Shanghai Youngcobe	Refer to	Shanghai Youngcobe Bio-pharma Co., Ltd., an indirectly controlled subsidiary of the Company
H&G (China)	Refer to	H&G (China) Chemical Ltd., an indirectly controlled subsidiary of the Company
Lithium battery and other materials	Refer to	Lithium battery materials, fluoro liquid-crystal intermediates, fluorochemical liquids, and other products produced and sold by the Company
Pharmaceutical products	Refer to	Pharmaceutical intermediates, pharmaceutical APIs, and pharmaceutical finished dosages, and other products produced and sold by the Company
Crop science products	Refer to	Pesticide intermediates, pesticide AIs, pesticide preparations, and other products produced and sold by the Company
FDA	Refer to	U.S. Food and Drug Administration
Merck	Refer to	Merck KGaA, headquartered in Germany
Merck Sharp & Dohme	Refer to	Merck Sharp & Dohme Corp., headquartered in the United States
BASF	Refer to	BASF Group, headquartered in Germany
Bayer	Refer to	Bayer AG, headquartered in Germany
Sumitomo	Refer to	Sumitomo Corporation, headquartered in Japan
Syngenta	Refer to	Syngenta, headquartered in Basel, Switzerland
CATL	Refer to	Contemporary Amperex Technology Co., Ltd.
BYD	Refer to	BYD COMPANY LIMITED
Reporting period, this reporting period, this period	Refer to	01 January 2026 to 30 June 2026

Section II Company Profile and Key Financial Indicators

I. Company Profile

Stock abbreviation of A shares	YONGTAI TECH.	Stock code of A shares	002326
Stock exchange where A shares are listed	Shenzhen Stock Exchange		
GDR transaction code	YTT		
Stock exchange where GDR is listed	London Stock Exchange		
Chinese name of the Company	Zhejiang Yongtai Technology Co., Ltd.		
Chinese name abbreviation of the Company (if any)	永太科技		
Foreign name of the Company (if any)	Zhejiang Yongtai Technology Co., Ltd.		
Foreign name abbreviation of the Company (if any)	YONGTAI TECH.		
Legal representative of the Company	Wang Yingmei		

II. Contact Person and Contact Information

	Secretary of the Board of Directors	Representative of Securities Affairs
Name	Zhang Jiangshan	Wang Ying
Contact address	No. 1 Donghai Fifth Avenue, Linhai Park, Zhejiang Chemical API Base, Zhejiang Province, China	No. 1 Donghai Fifth Avenue, Linhai Park, Zhejiang Chemical API Base, Zhejiang Province, China
Tel.:	0576-85588006	0576-85588960
Fax	0576-85588006	0576-85588006
Email:	jiangshan.zhang@yongtaitech.com	zhengquan@yongtaitech.com

III. Other Matters

1. Contact information of the Company

Whether the registered address, office address, postal code, website, and email, etc. of the Company changed during the reporting period

☐ Applicable ☒ Not applicable

There was no change in the registered address, office address, postal code, website, and email, etc. of the Company during the reporting period, with details as shown in the 2025 annual report.

2. Information disclosure and location of preparation and retention

Whether the information disclosure and location of preparation and retention changed during the reporting period

☐ Applicable ☒ Not applicable

There was no change in the website, media name and website address of the stock exchange where the Company disclosed its semi-annual report, and the location of preparation and retention of the Company's semi-annual report during the reporting period,

with details as shown in the 2025 annual report.

3. Other relevant information

Whether other relevant information changed during the reporting period

☐ Applicable ☒ Not applicable

IV. Major Accounting Data and Financial Indicators

Whether the Company needs to retroactively adjust or restate the accounting data from previous years.

☐ Yes ☒ No

Item	This reporting period	Same period last year	Increase/decrease in this reporting period over the same period a year earlier
Operating income (Yuan)	3,746,224,420.10	2,609,315,432.03	43.57%
Net profit attributable to shareholders of the listed company (Yuan)	273,853,465.42	58,800,194.22	365.74%
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses (Yuan)	249,062,248.72	22,520,447.98	1,005.94%
Net cash flow from operating activities (Yuan)	578,823,276.77	221,270,811.80	161.59%
Basic earnings per share (Yuan/share)	0.296	0.064	362.50%
Diluted earnings per share (Yuan/share)	0.296	0.064	362.50%
Weighted average return on net assets	9.75%	2.18%	Increased by 7.57 percent points
Item	At the end of this reporting period	At the end of the previous year	Increase or decrease at the end of this reporting period compared to the end of the previous year
Total assets (Yuan)	12,704,363,336.93	11,215,467,046.58	13.28%
Net assets attributable to shareholders of the listed company (Yuan)	2,958,246,267.83	2,671,765,055.73	10.72%

V. Differences in Accounting Data under Domestic and Foreign Accounting Standards

1. Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards

☐ Applicable ☒ Not applicable

There were no differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards during the reporting period of the Company.

2. Differences in net profit and net assets in financial reports disclosed in accordance with overseas accounting standards and Chinese accounting standards

☐ Applicable ☒ Not applicable

There were no differences in net profit and net assets in financial reports disclosed in accordance with overseas accounting

standards and Chinese accounting standards during the reporting period of the Company.

VI. Non-recurring profit and loss items and amounts

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount	Explanation:
Profits and losses from disposal of non-current assets (including the writing-off part of the assets with impairment provision withdrawn)	-14,338,903.01	It was mainly due to investment losses arising from the disposal of subsidiaries during the reporting period.
Government subsidies included in the current profits and losses (except for those closely related to the Company's normal business operations, in compliance with national policies and regulations, enjoyed according to the determined standards, and have a continuous impact on the Company's profits and losses)	23,762,468.31	It was mainly due to the government subsidies received during the reporting period.
The profits and losses from changes in fair value arising from the holding of financial assets and financial liabilities as well as the profits and losses arising from the disposal of financial assets and financial liabilities by non-financial enterprises, except for the effective hedging business related to the normal operation of the Company.	14,632,739.02	It was mainly due to futures gains and losses during the reporting period.
Non-operating income and expenses other than those mentioned above	2,190,441.30	
Less: amount impacted of income tax	-2,019,549.62	
Amount impacted of minority shareholders' equity (after tax)	3,475,078.54	
Total	24,791,216.70	

Specific situation of other profit and loss items that satisfy the definition of non-recurring profits and losses:

☐ Applicable ☒ Not applicable

The Company does not have any other specific items that meet the definition of non-recurring profits and losses.

Explanation of defining non-recurring profit and loss items set out in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-Recurring Profits and Loss* as recurring profit and loss items.

☐ Applicable ☒ Not applicable

There was no situation of defining non-recurring profit and loss items set out in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-Recurring Profit and Loss* as recurring profit and loss items in the Company.

Section III Management Discussion and Analysis

I. Main businesses engaged by the Company during the reporting period

(I) Industry situation of the Company during the reporting period

(1) Lithium battery industry

The lithium battery materials industry is currently in a period of dual resonance driven by both demand expansion and supply recovery. On the demand side, downstream demand for power batteries and energy storage batteries continues to grow. Catalyzed by multiple factors, including the accelerated construction of new power systems and the expansion of overseas energy storage markets, energy storage batteries have surpassed power batteries to become the primary engine driving the growth of lithium battery materials demand. On the supply side, following an extensive clearance of effective capacity in the previous cycle, the industry's supply-demand balance and product prices have entered a recovery channel. On the policy front, the National Development and Reform Commission, in its document "Vigorously Promoting the Optimization and Upgrading of Traditional Industries," explicitly outlined priorities for the 15th Five-Year Plan period : regulating market competition order in the new energy vehicle and lithium battery industries; preventing low-price disorderly competition and increasing industry concentration; strengthening supply chain governance to foster a sound ecosystem of mutual benefit and win-win cooperation; and enhancing macroeconomic regulation by promoting the exit of backward and inefficient capacity through market-oriented and law-based measures. Looking ahead, the lithium battery materials industry will undergo profound evolution toward greater capacity concentration and deeper supply chain collaboration.

The company has formed a vertically integrated industrial chain spanning from lithium salt raw materials, lithium salts, additives to electrolytes. It will continue to monitor market dynamics, flexibly adjust production and sales strategies in response to industry supply-demand changes, and strengthen cost control capabilities through process iteration and upgrading as well as refined operational management, so as to nimbly navigate market fluctuations and ensure the company's long-term sustainable development.

(2) Pharmaceutical industry

Currently, driven by both policy regulation and market iteration, China's traditional generic drugs industry is accelerating its in-depth transformation from scale expansion to quality upgrading. On the one hand, the normalized implementation of national centralized procurement, coupled with the coordinated launch of regional alliance procurement, has covered core fields of traditional generic drugs including anti-infective, cardiovascular and digestive system drugs. Advantages in large-scale production, multi-product bidding capacity and a full-chain supply system have gradually become the core competitiveness of enterprises, driving the continuous improvement of industry concentration. On the other hand, the Digital-Intelligent Transformation Implementation Plan for the Pharmaceutical Industry (2025–2030), jointly issued by seven ministries including the Ministry of Industry and Information Technology, clearly puts forward the goal of “accelerating the digital-intelligent transformation of the pharmaceutical industry and enhancing the quality and safety of drugs”, so as to empower the high-quality development of the pharmaceutical sector and build a modern industrial ecosystem driven by digital intelligence with safety and controllability.

In response to the current situation of the deepening medical reform, the Company will closely monitor policy directions and market demands, and will continue to develop deeply on the basis of its vertically integrated industry chain from intermediates, APIs to finished dosage forms, to build a vertically integrated product chain. Meanwhile, the Company will further expand into the

international market, advance its internationalization projects for finished dosage forms, and vigorously promote the approval and consistency evaluation of generic drugs in the domestic market, thereby enhancing the profitability, stability, and scalability of its pharmaceutical sector.

(3) Crop science industry

The crop science industry is the cornerstone underpinning food security and the sustainable development of agriculture. From a fundamentals standpoint, market demand exhibits a dual nature: on one side, the combination of global population growth and the pressure to control pests and diseases renders crop science products inherently inelastic; on the other, the crop science industry faces structural contradictions. Against this backdrop, China's crop science industry is undergoing an in-depth transformation toward policy compliance, green product development, and industrial intensification, accelerating the construction of a modern crop science system that prioritizes "prevention first, combining prevention with control". On the policy side, the "One Certificate, One Product" regime is raising entry barriers and steering the crop science industry toward greater concentration, scale, and standardization, while ever-stricter environmental mandates are compelling firms to optimize capacity structures and accelerate the development and adoption of green technologies. At the same time, with the widespread adoption of green crop science concepts and the comprehensive promotion of green prevention technologies, China's crop science industry will develop towards environmental protection, multi market, digitalization, intelligence, and other aspects. The integration and optimization of industrial chain has become an inevitable trend.

The company has established a vertically integrated industrial chain covering intermediates, technical materials, and formulations in the crop science sector. Going forward, the company will steadily advance capacity construction, strengthen coordination across the entire production-supply-marketing chain, fully leverage the advantages of its overseas platforms to further expand market share, and continuously enhance its core competitiveness in the crop science field.

(4) Liquid Cooling Industry

At present, the liquid cooling industry is at a strategic opportunity period where technological upgrades intersect with market transformation. From the demand side, the rapid development of artificial intelligence, high-performance computing, and advanced semiconductor processes is driving the cooling needs of data centers and chip manufacturing towards higher density and lower energy consumption. Immersion liquid cooling, with its high-efficiency heat exchange characteristics, is accelerating market penetration, and fluorochemical liquids, as the core cooling medium, are seeing continuous growth in demand. On the policy level, the *Special Action Plan for the Green and Low-Carbon Development of Data Centers* jointly issued by four ministries, reinforces energy efficiency standards through the construction targets of green data centers, accelerating the large-scale application of liquid cooling technology and further catalyzing market expansion. On the industry supply side, structural gaps have emerged due to strategic adjustments by international giants, prompting a global supply chain restructuring and creating a window of opportunity for the domestic development of fluorochemical liquids. Opportunities and challenges coexist in the liquid cooling industry. High barriers to entry include long validation cycles for material compatibility, high complexity in process integration, and non-uniform standards for cross-field applications. Currently, fluorochemical liquid products are showing a trend of diversification, with different technical routes developing for specific scenarios. In the future, the liquid cooling market will continue to evolve towards specialization and refinement under the combined effects of technological iteration, policy guidance, and ecosystem collaboration, forming a stratified competitive market ecosystem.

The Company's current layout in the liquid cooling industry includes fluorochemical liquids for phase-change immersion liquid cooling and single-phase immersion liquid cooling. The electronic fluorochemical liquids produced by the Company are environmentally friendly, energy-efficient, safe, and low-noise. They do not contain "forever chemicals" PFOS or PFOA and offer high heat dissipation efficiency, insulation, thermal stability, and chemical stability. Depending on the performance of different

product models, they can be applied to a range of niche application scenarios, including semiconductor temperature control, data center cooling, 5G base station liquid cooling, energy storage thermal management, industrial lubrication, and chip packaging. Currently, this business accounts for a relatively small proportion of the Company's total revenue. However, the Company will follow industry development trends and downstream application demands, continue to advance product iteration and upgrades, actively promote product market expansion, and strive to grow this business to create a new growth curve.

(II) Main business of the Company

The Company is a fluorinated pharmaceutical, crop science, and new energy materials manufacturer with fluorine-containing technology as the core, technological innovation as the impetus, and intelligent manufacturing as the driving force, with its vertically integrated industrial chain, a flexible and comprehensive production platform, and specialized R&D innovation teams. The Company not only provides customized R&D, production, and technical services to domestic and overseas customers, but also relies on the trading platform of its subsidiary, Shanghai E-Tong, to conduct global sales of crop science products, achieving coordinated development of R&D, production, and trade.

(III) Main products and applications

The main products of the Company are divided into three categories based on their terminal application fields, including pharmaceutical product business, crop science product business lithium battery materials and other materials. The Company has a very rich range of fluorine-containing fine chemicals, which are mainly used in different terminal markets such as downstream pharmaceuticals, crop science, new energy and electronic materials, and supply diversified important raw materials for the products of domestic and foreign customers. Among them, pharmaceutical products include key fluorinated intermediates, pharmaceutical APIs and finished dosages in the fields of cardiovascular diseases, diabetes, central nervous system, anti-infection and anti-virus; crop science products mainly include intermediates in the fields of fluorine-containing herbicides, fungicides, insecticides, etc., as well as crop science AIs and crop science formulations; lithium battery and other materials products mainly include lithium battery materials, fluoro liquid-crystal intermediates, fluorinated liquid, etc. The main products of the Company's trading business are herbicides, fungicides, insecticides, and other pesticide active ingredients and formulations. the Company also engages in the trade of chemical products such as lithium carbonate.

(IV) Business model of the Company

(1) Procurement model

A qualified supplier access system is adopted by the Company to determine the suppliers of raw materials. The evaluation of qualified suppliers is carried out at regular intervals, and the evaluation criteria mainly include supply price, timely supply status, packaging quality, after-sales service, cooperation, etc. The Company determines qualified suppliers as the objects of annual raw material procurement according to the evaluation results. The Company determines at least two qualified suppliers for each major raw material to ensure a stable supply of raw material.

The Production Department submits the next month's production and procurement plans to the general manager according to the inventory level and the production capacity of the current month, based on which, in turn, the general manager adjusts the procurement plan according to the market supply and demand, and issue the procurement plan to the Procurement Department after confirmation for implementation.

The procurement price of the Company's main raw materials is mainly determined through Invitation to Bid and commercial negotiations. The daily procurement of main raw materials is mainly conducted in the form of bidding quotation. A specific bidding department and personnel are responsible for organizing Invitation to Bid and bid opening to standardize the Company's procurement and minimize raw material procurement costs as much as possible. Certain special raw materials are procured at negotiated prices. If the supplier intends to adjust the price, a written request for price increase shall be issued in advance, so that

the Company can respond in advance to changes in raw material prices and minimize the impact of cost fluctuations as much as possible.

(2) Production model

A production model of producing according to sales is adopted by the Company to formulate the next month's production plan based on the sales order volume. In addition, the Company will also prepare corresponding products in advance based on market conditions, while maintaining reasonable inventory levels based on sales forecasts. The sales orders, stocking, and reasonable inventory together constitute the planned production volume for next month.

The Production Department is responsible for formulating production plans, which prepares monthly production plans and distributes them to each workshop for implementation. The Quality Department supervises the quality issues throughout the production process and takes charge of product quality control. During the production process, centralized control is carried out, and quality inspection is performed before the finished products are put into storage, all of which shall pass the inspection.

(3) Sales model

A method of direct sales is adopted by the Company, and the Sales Department is responsible for domestic and international sales business. On the one hand, the Company has established a relatively wide customer base in the long-term operation process, with stable sales channels formed to ensure product sales. On the other hand, the Sales Department of the Company timely obtains market information, tracks customer needs, and formulates sales schemes based on market conditions and the actual production situation of the Company by means of network, and exhibitions, etc. The sales price of products is mainly determined based on market prices, and the production of products is also adjusted according to market trends.

(V) Overall operation

During the reporting period, the Company achieved operating revenue of 3,746,224,400 Yuan, an increase of 43.57% year-on-year; the net profit attributable to shareholders of the listed company was 273,853,500 Yuan, with a year-on-year increase of 365.74%; and the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses was 249,062,200 Yuan, with a year-on-year increase of 1,005.94%. The substantial performance growth was primarily driven by the dual engines of simultaneous volume and price increases in the lithium battery materials segment, coupled with the ramp-up of new capacity: on the one hand, both sales volume and prices of core lithium battery material products achieved year-on-year growth; on the other hand, the new 5,000 t/a VC capacity, which commenced production at the end of 2025, is continuously ramping up output. The above two factors jointly expanded operating revenue and improved operating efficiency, providing strong support for the robust growth of performance.

The revenue of the pharmaceutical segment decreased by 2.20% year-on-year in the current period, while its gross profit margin dropped by 10.14%. This was mainly because amid intensifying market competition, downstream customers' pressure on cost reduction continued to pass upstream. In addition, the adjustment of the industrial chain landscape triggered by the expiration of original drug patents is still deepening, which has altered the demand structure of supporting products and led to declines in the sales volume or price of some products. Affected by the phased adjustment of revenue scale, capacity utilization fluctuated accordingly, economies of scale have not yet been fully realized, and the fixed cost allocated to each unit product rose correspondingly. Combined together, these factors formed an operating landscape featuring "basically stable revenue, dual pressure on volume-price performance and economies of scale, and phased pressure on profitability". In the next stage, the Company will accelerate the vertical integration of the pharmaceutical industrial chain and cost reduction through technological upgrading, actively explore emerging markets, strive to expand revenue scale to fully unlock capacity potential, continuously optimize the cost structure, and advance the steady recovery of profitability.

The revenue of the crop science segment decreased by 28.15% year-on-year in the current period, and its gross profit margin recorded a phased decline of 20.42 percentage points. This was mainly due to adjustments in the demand schedule of downstream customers. In accordance with customers' orders and delivery schedules, the Company slowed down the production and delivery progress of certain products for its custom processing business, resulting in a year-on-year decline in revenue for the current period. Meanwhile, some of the Company's production lines have been switched to manufacturing high-margin lithium battery material products to safeguard the resilience of overall profitability. Faced with market fluctuations, the Company has promptly launched response plans: on the one hand, it will deepen communication with customers to accelerate order turnover; on the other hand, it will fully develop diversified market channels and continuously advance internal cost reduction and efficiency improvement initiatives. The Company is confident in the long-term development of its crop science business. It is expected that as the macro environment gradually improves and internal potential tapping moves forward, the profitability of this segment will gradually return to normal levels.

II. Analysis of core competitiveness

(I) Covering diversified industries horizontally and running through the entire industrial chain vertically to form a long-term competitive advantage

With a focus on fluorine-containing technology, the Company operates in the fields of inorganic and organic fluorine chemicals, and its diversified fine chemical industries include new energy lithium battery materials, pharmaceuticals, and crop science. The Company has a rich range of product types throughout the vertically integrated industrial chains upstream, midstream, and downstream vertically by extending the pharmaceutical and crop science industrial chain to the downstream high value-added APIs and formulations, forming a vertically integrated industrial chain from intermediates, APIs to formulations, while extending lithium battery material products to raw materials for lithium fluoride upstream and electrolyte solution products downstream, forming a vertically integrated industrial chain from raw materials for lithium salts, lithium salts to electrolyte solutions, which allows for effectively improving the Company's operating efficiency, strengthening business collaboration, guaranteeing supply of raw materials, and enhancing cost advantages, further developing a long-term competitive advantage.

(II) Having several innovative technology platforms, specialized R&D innovation teams and a series of leading technology patents

As one of the first batch of national "Hi-tech Enterprises" and "National Intellectual Property Demonstration Enterprises", the Company has R&D innovation platforms such as "National Enterprise Technology Center", "Postdoctoral Research Workstation", "Zhejiang Provincial Key Enterprise Research Institute", and "CNAS Certified Safety Laboratory", which has won the China Patent Gold Award and Patent Excellence Award, and has won multiple provincial and municipal science and technology awards. Besides, it has also applied for multiple "National Torch Plan Projects". With highly specialized R&D innovation teams, the Company has set up R&D centers in Taizhou, Hangzhou, Shanghai, and maintained good cooperation with several colleges & universities and scientific research institutions, building a perfect, leading and efficient R&D system through the close cooperation with a flurry of colleges & universities and industry experts. Upholding the R&D concept of continuous innovation, the Company has mastered a number of industry-leading comprehensive and innovative technologies, including directional introduction of fluorine atom technology, chiral enzyme-catalyzed reaction technology, micro-channel reaction technology, green reaction technology and other advanced technologies.

(III) Possessing a product structure with complete series and variety, comprehensive production platforms

Through years of development, the Company has a wide variety of fluorobenzene intermediate products, which falls into several product series with nearly a hundred products, such as difluoro, trifluoro, pentafluoro, hexafluoro, ortho fluoro, and para fluoro. The vast majority of the products in the product chain can be sold as separate products, showing unique market resilience

and broad space for adjustment and upgrading of product structure. In terms of lithium battery materials, the Company has operated raw materials for lithium salts, lithium salts, additives, electrolyte solutions and other products, with its business covering solid products, liquid products and other product forms. With comprehensive production platforms, the Company has formed several relatively sound product matrices to provide a variety of products with complete categories, with highly stable product quality, which is conducive to the centralized ordering of various products required by existing customers. The complete product structure is also conducive to attracting new customers for purchasing.

(IV) Producing various products from the same starting material, with obvious cost advantages

Different from other enterprises in the industry that use purchased intermediate chemicals as raw materials for production, the Company has realized the integration of production with its sound product chain. The production starts from the basic raw materials at the source to effectively reduce the production costs, avoid the joint and several effects of purchased intermediate products due to market supply shortage or price fluctuation, further guaranteeing the stable product quality. Meanwhile, the integration of production brings about more complementary products. Therefore, the Company can flexibly adjust the product structure according to the market demand, so as to avoid risks and maximize its interests. With a rich product structure and proprietary cogeneration technology and equipment, the Company has realized the production model of “producing various products from the same starting material”, which can comprehensively utilize the by-products generated in the production process to produce other products with higher economic value, thereby reducing the overall production costs.

(V) Accumulating long-term and stable industry-leading partners

By means of strong technology, production strength and customized service capabilities, the Company has been recognized by many well-known enterprises at home and abroad, and currently has established stable cooperation with internationally renowned chemical enterprises such as Merck, BASF, Bayer, Sumitomo, Merck Sharp & Dohme and Syngenta, as well as a number of domestic well-known enterprises such as CATL and BYD. The Company has earned the trust of partners with outstanding product quality, good delivery records and strong technical strength. Moreover, it has successfully passed the audit verification conducted by partners with its stringent environmental protection, safety and quality assurance system, thus ensuring the stable cooperation and enhancing the trust of customers.

(VI) Having the ability to flexibly respond to different market demands with multiple production bases nationwide

The Company has established multiple production bases in Zhejiang, Inner Mongolia, Fujian, Guangdong, and other regions to support the growth of the Company’s core business in the future. In reliance on the sound industrial chain and product reserves, the Company can flexibly respond to different market demands through scientific and reasonable allocation of production capacity and synergistic operation of multiple production bases.

III. Analysis of main businesses

Overview

Refer to “I. Main businesses engaged by the Company during the reporting period” for relevant information.

Year-on-year changes in major financial data

Unit: Yuan

Item	This reporting period	Same period last year	Year-on-year increase/decrease	Reasons result in change
Operating revenue	3,746,224,420.10	2,609,315,432.03	43.57%	It was mainly due to the significant growth in sales of lithium battery-related products during the reporting period.

Item	This reporting period	Same period last year	Year-on-year increase/decrease	Reasons result in change
Business costs	2,809,397,292.35	2,134,643,802.13	31.61%	It was mainly due to the simultaneous increase in costs corresponding to the significant growth in sales of lithium battery-related products during the reporting period.
Marketing expenses	52,497,135.08	54,067,643.60	-2.90%	No significant changes;
Management expenses	263,592,435.42	257,043,122.28	2.55%	No significant changes;
Financial expenses	152,280,902.39	69,412,875.90	119.38%	It was mainly due to the increase in interest expenses resulting from the expansion of financing scale in the current period. In addition, exchange losses rose year-on-year due to exchange rate fluctuations.
Income tax expenses	79,760,778.29	15,911,034.78	401.29%	It was mainly due to the increase in income tax expenses accrued correspondingly due to higher profits during the reporting period.
R&D investment	87,594,970.98	66,355,093.55	32.01%	It was mainly due to increased input of R&D materials resulting from the price rise of lithium battery R&D materials during the reporting period.
Net cash flows from operating activities	578,823,276.77	221,270,811.80	161.59%	It was mainly due to the increase in net profit for the current period as well as the growth of contract liabilities in the lithium battery segment.
Net cash flow from investment activities	-373,680,420.89	-267,282,146.77	-39.81%	It was mainly due to the increase of input of Inner Mongolia Yongtai project, etc.
Net cash flow from financing activities	-43,089,977.66	44,710,340.17	-196.38%	It was mainly due to the payment for the maturity of some financial leases during the reporting period.
Net increase in cash and cash equivalents	153,872,781.87	5,850,871.51	2,529.91%	It was mainly due to the increase in inflows from operating activities during the reporting period;
Gains arising from changes in fair value	6,519,778.45	-758,533.70	959.52%	It was mainly due to changes in futures market prices during the reporting period.
Credit impairment losses	-33,085,876.75	2,400,227.92	-1,478.45%	It was mainly due to the increase in provision for bad debts corresponding to the growth of accounts receivable and other receivables at the end of the reporting period.
Assets impairment losses	0.00	5,550,999.97	-100.00%	It was mainly due to the reversal and write-off of inventory impairment losses in the same period of the prior year.
Gain on disposal of assets	-1,174,934.04	-141,488.45	-730.41%	It was mainly due to the increase in losses from disposal of fixed assets during the reporting period.
Non-operating income	3,715,974.41	23,704,701.23	-84.32%	It was mainly due to the large amount of long-outstanding accounts payable written off in the same period of the prior year and the corresponding reduction in the current period.

Item	At the end of this reporting period	Opening balance	Year-on-year increase/decrease	Reasons result in change
Monetary Capital	953,115,224.82	423,412,552.85	125.10%	It was mainly due to the increase in various guarantees issued to meet business requirements during the reporting period, together with the year-on-year growth of net cash inflows from operating activities.
Accounts receivable	2,116,274,840.18	1,445,257,530.40	46.43%	It was mainly due to an increase in sales revenue during the reporting period;

Item	At the end of this reporting period	Opening balance	Year-on-year increase/decrease	Reasons result in change
Receivables Financed	69,587,936.73	25,059,585.66	177.69%	It was mainly due to the increase in notes settlements during the reporting period.
Other receivables	94,501,710.25	37,008,345.80	155.35%	It was mainly due to the increase in recoverable current fund receivables expected from the compulsory liquidation of the subsidiary Chongqing Yongyuansheng during the reporting period.
Other current assets	58,594,462.87	133,858,413.45	-56.23%	It was mainly due to the decrease in pending certified input VAT during the reporting period.
Right-of-use assets	4,968,563.59	2,832,079.11	75.44%	It was mainly due to lease payments made for renewal upon expiration of the original leases during the reporting period.
Other non-current assets:	174,778,851.13	102,608,346.36	70.34%	It was mainly due to the increase in prepaid construction fund during the reporting period.
Trading financial assets	333,080.00	7,329,373.65	-95.46%	It was mainly due to the decline in fair value of derivatives positions held for hedging purposes at the end of the reporting period compared with that at the end of the prior period;
Trading financial liabilities	3,363,480.00	1,528,080.00	120.11%	It was mainly due to the decline in fair value of derivatives positions held for hedging purposes at the end of the reporting period compared with that at the end of the prior period;
Notes payable	879,471,442.20	369,115,147.42	138.26%	It was mainly due to the increase in notes settlements during the reporting period.
Contract liabilities	270,089,425.37	76,813,885.07	251.62%	It was mainly due to the increase in advance receipts during the reporting period.
Employee compensation payable	43,710,071.95	70,183,008.22	-37.72%	It was mainly due to the payment of last year's year-end bonuses during the reporting period;
Taxes payable	66,666,982.52	46,953,633.29	41.98%	It was mainly due to the increase in corporate income tax payable during the reporting period.
Other payables	82,489,770.69	388,834,740.86	-78.79%	It was mainly due to repayment of the long-term loan during the reporting period;

Whether there been any significant changes in composition or sources of the Company's profits during the reporting period

☐ Applicable ☒ Not applicable

No significant change in composition or sources of the Company's profits during the reporting period.

Composition of operating income

Unit: Yuan

Item	This reporting period		Same period last year		Year-on-year increase/decrease
	Amount	Proportion in operating income	Amount	Proportion in operating income	
Total operating income	3,746,224,420.10	100%	2,609,315,432.03	100%	43.57%
By industry					
Industry	3,012,760,451.27	80.42%	1,798,338,441.47	68.92%	67.53%
Trade	726,193,095.47	19.38%	805,468,925.24	30.87%	-9.84%
Others	7,270,873.36	0.20%	5,508,065.32	0.21%	32.00%
By product					
Pharmaceutical products	409,260,875.47	10.92%	418,468,980.05	16.04%	-2.20%
Crop science products	365,659,184.49	9.76%	508,945,246.26	19.50%	-28.15%

Item	This reporting period		Same period last year		Year-on-year increase/decrease
	Amount	Proportion in operating income	Amount	Proportion in operating income	
Lithium battery and other materials	2,237,840,391.31	59.74%	870,924,215.16	33.38%	156.95%
Trade	726,193,095.47	19.38%	805,468,925.24	30.87%	-9.84%
Others	7,270,873.36	0.20%	5,508,065.32	0.21%	32.00%
By region					
Domestic	2,401,281,469.32	64.10%	1,472,573,553.64	56.44%	63.07%
Abroad	1,344,942,950.78	35.90%	1,136,741,878.39	43.56%	18.32%

Industries, products, and regions accounting for more than 10% of the Company's operating income or profit

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Operating revenue	Business costs	Gross margin	Increase or decrease in operating income over the same period a year earlier	Increase or decrease in operating costs over the same period a year earlier	Increase or decrease in gross profit margin over the same period a year earlier
By industry						
Industry	3,012,760,451.27	2,125,805,412.42	29.44%	67.53%	54.17%	6.12%
Trade	726,193,095.47	670,165,397.20	7.72%	-9.84%	-10.51%	0.69%
By product						
Pharmaceutical products	409,260,875.47	291,771,214.45	28.71%	-2.20%	14.01%	-10.14%
Crop science products	365,659,184.49	312,688,873.31	14.49%	-28.15%	-5.61%	-20.42%
Lithium battery and other materials	2,237,840,391.31	1,521,345,324.66	32.02%	156.95%	92.16%	22.93%
Trade	726,193,095.47	670,165,397.20	7.72%	-9.84%	-10.51%	0.69%
By region						
Domestic	2,394,010,595.96	1,751,344,740.43	26.84%	63.18%	36.07%	14.57%
Abroad	1,344,942,950.78	1,044,626,069.19	22.33%	18.32%	24.25%	-3.71%

The Company's main business data for the latest period adjusted according to the caliber at the end of the reporting period if the statistical caliber of the Company's main business data is adjusted during the reporting period.

☐ Applicable ☒ Not applicable

IV. Analysis of non-main businesses

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount	Proportion to total profit	Explanation of the cause	Sustainable or not
Investment income	14,651,488.79	3.89%	It was mainly due to gains from long-term equity investments accounted for using the equity method, futures trading gains and gains on disposal of non-current assets during the reporting period.	No
Profits and losses from changes in fair value	6,519,778.45	1.73%	It was mainly due to changes in futures market prices during the reporting period.	No

Item	Amount	Proportion to total profit	Explanation of the cause	Sustainable or not
Non-operating income	3,715,974.41	0.99%	It was mainly due to the write-off of long-outstanding accounts payable during the reporting period.	No
Non-operating expenses	4,142,909.95	1.10%	It was mainly due to losses on disposal of non-current assets during the reporting period.	No
Credit impairment losses	-33,085,876.75	8.79%	It was mainly due to the accrual of allowance for bad debts on accounts receivable and other receivables.	No
Other income	23,762,468.31	6.31%	It was mainly due to the government subsidies received.	No

V. Analysis of assets and liabilities

1. Significant changes in asset composition

Unit: Yuan

Item	At the end of this reporting period		At the end of previous year		Increase or decrease in proportion	Explanation of significant changes
	Amount	Proportion to total assets	Amount	Proportion to total assets		
Monetary Capital	953,115,224.82	7.50%	423,412,552.85	3.78%	3.72%	It was mainly due to the increase in various guarantees issued to meet business requirements during the reporting period, together with the year-on-year growth of net cash inflows from operating activities.
Accounts receivable	2,116,274,840.18	16.66%	1,445,257,530.40	12.89%	3.77%	It was mainly due to an increase in sales revenue during the reporting period;
Inventory	1,381,426,797.95	10.87%	1,107,788,659.76	9.88%	0.99%	It is mainly due to the increase in inventories corresponding to the growth in sales of lithium battery products during the reporting period;
Real estate for investment purposes	16,842,877.13	0.13%	17,448,766.61	0.16%	-0.03%	No significant changes;
Long-term equity investment	261,460,255.40	2.06%	254,383,993.38	2.27%	-0.21%	No significant changes;
Fixed assets	3,745,025,705.84	29.48%	3,908,728,868.31	34.85%	-5.37%	It was mainly due to the compulsory liquidation of the subsidiary Chongqing Yongyuansheng during the reporting period.
Construction in process	1,676,354,570.09	13.20%	1,599,879,666.64	14.26%	-1.06%	It was mainly due to the increase of input of Inner Mongolia Yongtai project
Right-of-use assets	4,968,563.59	0.04%	2,832,079.11	0.03%	0.01%	No significant changes;
Short-term loan	2,622,250,291.80	20.64%	2,303,099,403.93	20.54%	0.10%	It was mainly due to an

Item	At the end of this reporting period		At the end of previous year		Increase or decrease in proportion	Explanation of significant changes
	Amount	Proportion to total assets	Amount	Proportion to total assets		
						increase in short-term borrowings during the reporting period;
Contract liabilities	270,089,425.37	2.13%	76,813,885.07	0.68%	1.45%	It was mainly due to the increase in advance receipts during the reporting period.
Long-term borrowings	714,950,000.01	5.63%	814,215,058.63	7.26%	-1.63%	It was mainly due to repayment of the long-term loan during the reporting period;
Lease liabilities	2,358,339.36	0.02%	1,088,336.12	0.01%	0.01%	It was mainly due to the increase in unpaid lease payments during the reporting period.

2. Major foreign assets

☐ Applicable ☒ Not applicable

3. Assets and liabilities measured at fair value

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Opening balance	Profits and losses from changes in fair value in the current period	Accumulated changes in fair value recognized in equity	Impairment provision for the current period	Purchase amount for the current period	Sales amount for the current period	Other changes	Closing Amount of the Period
Financial assets								
1. Derivative financial assets	7,329,373.65	333,080.00				7,329,373.65		333,080.00
2. Investment in other equity instruments	84,071,111.51		54,920,039.51					84,071,111.51
Subtotal of financial assets	91,400,485.16	333,080.00	54,920,039.51			7,329,373.65		84,404,191.51
Accounts receivable financing	25,059,585.66				842,807,329.33	798,278,978.26		69,587,936.73
Total of the above items	116,460,070.82	333,080.00	54,920,039.51		842,807,329.33	805,608,351.91		153,992,128.24
Financial liabilities	1,528,080.00	3,363,480.00				1,528,080.00		3,363,480.00

Whether there been any significant changes in the measurement attributes of the Company's main assets during the reporting period

☐ Yes ☒ No

4. Limitation of rights in assets as of the end of the reporting period

Unit: Yuan

Item	Period ending			
	Book balance	Book value	Limited type	Limited situation
Monetary Capital	691,595,646.69	691,595,646.69	Pledge and freezing	Used for issuing bank acceptance bills, bank loans, futures accounts, and court litigation freezing
Accounts receivable	47,299,223.85	44,934,262.66	Pledge	Used for issuing bank acceptance bills and bank loans
Notes receivable	339,261,221.50	339,261,221.50	Others	Endorsed/ discounted but not expired and not derecognized
Fixed assets	3,611,363,975.11	2,183,862,589.96	Mortgage	Used for bank loans
Real estate for investment purposes	25,834,250.40	16,842,877.13	Mortgage	Used for bank loans
Intangible assets	364,025,757.26	276,646,063.31	Mortgage	Used for bank loans
Construction in process	99,220,200.97	99,220,200.97	Mortgage	Used for bank loans
Investments in other equity instruments	83,091,525.58	83,091,525.58	Freeze	Court litigation freeze
Accounts receivable financing	1,912,600.00	1,912,600.00	Pledge	Used for issuing bank acceptance bills
Total	5,263,604,401.36	3,737,366,987.80		

VI. Analysis of investment status**1. Overall situation**☒ Applicable ☐ Not applicable

Investment amount during the reporting period (Yuan)	Investment amount for the same period last year (Yuan)	Change amplitude
260,413,351.32	212,405,723.59	22.60%

2. Significant equity investments obtained during the reporting period☐ Applicable ☒ Not applicable**3. Significant non-equity investments in progress during the reporting period**☒ Applicable ☐ Not applicable

Unit: Yuan

Project name	Investment method	Whether it is fixed-asset investment	Industry for project investment	Investment amount in this reporting period	Accumulated actual investment amount as of the end of the reporting period	Source of funds	Project progress	Expected revenue	Accumulated realized revenue as of the end of the reporting period	Reasons for not achieving planned progress and expected revenue	Disclosure date (if any)	Disclosure index (if any)
Inner Mongolia Yongtai Project	Self-build	Yes	Pharmaceutical intermediates, pesticide intermediates and AIs, lithium battery materials, etc.	95,291,849.64	2,824,112,111.96	Own funds or self-raised funds	94.14%	/	/	Under construction	29 February 2020, 28 May 2021, 5 June 2021, 1 September 2021, 18 November, 2025	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2020-011, 2021-030, 2021-031, 2021-065, 2025-079)
Yancheng Yongtai 200,000 Tons Annual Lithium Battery Electrolyte Project	Self-build	Yes	Lithium battery materials	0.00	0.00	Own funds or self-raised funds	/	/	/	Under construction	03 March 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-014)
The Annual 50,000-Ton Lithium Hexafluorophosphate Technical Renovation and Expansion Project of Yongtai Hi-tech	Self-build	Yes	Lithium battery materials	29,804,861.93	29,804,861.93	Self-financing Fund	5.42%	/	/	Under construction	14 March 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-020)
The Annual 5,000-Ton New Lithium Supplement Construction Project of Yongtai Hi-tech	Self-build	Yes	Lithium battery materials	0.00	0.00	Self-financing Fund	/	/	/	Under construction	14 March 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-020)
The Annual 50,000-Ton VC and Supporting Facilities Construction Project of	Self-build	Yes	Lithium battery materials	0.00	0.00	Self-financing Fund	/	/	/	Under construction	24 June 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-044)

Project name	Investment method	Whether it is fixed-asset investment	Industry for project investment	Investment amount in this reporting period	Accumulated actual investment amount as of the end of the reporting period	Source of funds	Project progress	Expected revenue	Accumulated realized revenue as of the end of the reporting period	Reasons for not achieving planned progress and expected revenue	Disclosure date (if any)	Disclosure index (if any)
Inner Mongolia Yongtai												
Total	--	--	--	125,096,711.57	2,853,916,973.89	--	--	/	/	--	--	--

4. Investment in financial assets

(1) Investment in securities

☐ Applicable ☒ Not applicable

There was no investment in securities by the Company during the reporting period.

(2) Investment in derivatives

☒ Applicable ☐ Not applicable

1) Derivative investments for hedging purposes during the reporting period

☒ Applicable ☐ Not applicable

Unit: RMB 10,000

Types of investment in derivatives	Initial investment amount	Period-beginning amount	Profits and losses from changes in fair value in the current period	Accumulated changes in fair value recognized in equity	Purchase amount during the reporting period	Sales amount during the reporting period	Period-ending amount	Ratio of ending investment amount to the Company's net assets at the end of the reporting period
Futures contracts	0	-152.81	-303.04	0	0	-152.81	-303.04	-0.10%
Total	0	-152.81	-303.04	0	0	-152.81	-303.04	-0.10%
Explanation on the accounting policies and specific accounting principles for hedging business during the reporting period and whether there are significant changes compared to the previous reporting period			There are no significant changes in the accounting policies and specific accounting principles of the Company's derivatives during the reporting period compared to the previous reporting period.					
Explanation on actual profits and losses situation during the reporting period			The actual profits and losses during the reporting period was RMB 14,632,700.00 Yuan					
Explanation on hedging effectiveness			The Company carried out derivatives hedging business in a moderate manner based on					

Types of investment in derivatives	Initial investment amount	Period-beginning amount	Profits and losses from changes in fair value in the current period	Accumulated changes in fair value recognized in equity	Purchase amount during the reporting period	Sales amount during the reporting period	Period-ending amount	Ratio of ending investment amount to the Company's net assets at the end of the reporting period
			specific circumstances, which can effectively reduce foreign exchange risks and market risks, lock in the order profits of its business, and reasonably control relevant risks in operations.					
Source of funds for investment in derivatives			Own funds					
Explanation of risk analysis and control measures for derivative holdings during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)			The Company has established a stringent risk control system for investment in derivatives, including authorization, approval, operation and recording of transactions by appropriate personnel, as well as regular analysis and inspection of relevant risk factors by the Management.					
In case of any changes in market prices or fair value of products of derivatives invested during the reporting period, the analysis of fair value of derivatives should disclose the specific methods used, relevant assumptions, and parameter settings			The Company performs recognition and measurement in accordance with the relevant provisions of <i>Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments</i> , <i>Accounting Standards for Business Enterprises No. 24 - Hedge Accounting</i> , and <i>Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments</i> . The fair value of foreign exchange contracts is determined according to the price provided or obtained by bank pricing service providers, which is measured and recognized quarterly, and the changes in fair value of forward foreign exchange settlement business is mainly caused by differences in exchange rate fluctuation.					
Litigation situation (if applicable)			Not Applicable					
Disclosure date of announcement by the Board of Directors for approval of investment in derivatives (if any)			28 April 2026					
Disclosure date of announcement by the shareholders' meeting for approval of investment in derivatives (if any)			19 May 2026					

2) Derivative investments for speculative purposes during the reporting period

☐ Applicable ☒ Not applicable

The Company has no derivative investment for speculative purposes during the reporting period.

5. Usage of raised funds

☒ Applicable ☐ Not applicable

(1) Overall usage of raised funds

☒ Applicable ☐ Not applicable

Unit: RMB 10,000

Year of fund-raising	Fund-raising methods	Securities listing date	Total amount of raised funds	Net amount of raised funds (1)	Total amount of raised funds used in this period	Accumulated total amount of raised funds used (2)	Proportion of raised funds used at the end of the reporting period (3) = (2) / (1)	Total amount of raised funds with changed purposes during the reporting period	Accumulated total amount of raised funds with changed purposes	The proportion of the accumulated total amount of raised funds with changed purposes	Total amount of raised funds not yet utilized	The purpose and destination of the raised funds not yet utilized	Idle amount of raised funds for more than two years
2023	Issuance of Global Depository Receipts	11 July 2023	50,235.54	47,659.9	0	50,748.17	106.48% ^{Note 1}	0	0	0.00%	90.12	As of the end of the period, the balance of unused raised funds is deposited in the special fund-raising account and will be invested in the construction of fund-raising projects as planned.	0
Total	--	--	50,235.54	47,659.9	0	50,748.17	106.48%	0	0	0.00%	90.12	--	0

Overall usage of raised funds:

Item	Amount (RMB)
Net amount of raised funds	476,598,996.87
Less: Cumulative amount invested in raised-fund projects	507,481,696.76
Of which: Amount invested from January to June 2026	0.00
Plus: Interest income from the special fund-raising account minus the handling expenses	11,397,273.86
Plus: Exchange profits and losses from special fund-raising account	1,427,445.82
Plus: Others ^{Note 2}	18,959,214.78
Balance of fund-raising account as of 30 June 2026	901,234.57

Note 1: As of the end of this period, the funds for which the investment progress exceeded 100% were derived from interest income, exchange gains and losses, as well as the issuance expenses that had been pre-paid with self-raised funds in the early stage and for which no replacement is intended.

Note 2: The remaining portion covers issuance expenses that were previously paid in advance using the Company's self-raised funds and are not intended to be replaced.

(2) Project situation of fund-raising commitment

☐ Applicable ☒ Not applicable

(3) Project situation of fund-raising changes

☐ Applicable ☒ Not applicable

The Company has no change in fund-raising projects during the reporting period.

VII. Major asset and equity sales**1. Disposal of material assets**

☐ Applicable ☒ Not applicable

No material assets were sold by the Company at the end of the reporting period.

2. Material Disposal of equity

☐ Applicable ☒ Not applicable

VIII. Analysis of major holding and participating companies

☒ Applicable ☐ Not applicable

Condition of principal subsidiaries and investees with an impact on the Company's net profit of more than 10%

Unit: Yuan

Company name	Corporation Type	Major business	Registered Capital	Total assets	Net Assets	Operating revenue	Operating profit	Net profit
Inner Mongolia Yongtai	Subsidiary company	Production and sale of chemical raw materials and chemical products	1,291,000,000.00	3,305,013,836.33	1,288,093,595.90	561,403,903.36	106,263,365.79	91,284,854.32
Zhejiang Chiral	Subsidiary company	Manufacturing and sales of pharmaceutical intermediates and APIs	20,348,152.00	667,058,721.60	414,833,953.47	176,818,509.73	51,237,022.42	44,450,390.74
Yongtai Chiral	Subsidiary company	Manufacturing and sales of pharmaceutical intermediates and APIs	400,000,000.00	1,188,383,356.80	195,309,561.25	700,296,205.99	39,160,299.30	30,950,846.96
Yongtai New Energy	Subsidiary company	Manufacturing and sales of electronic special materials	330,000,000.00	2,105,994,973.61	197,209,285.05	1,523,607,671.65	89,838,866.68	71,269,320.48
Yongtai Hi-tech	Subsidiary company	Manufacturing and sales of lithium battery materials	300,000,000.00	2,314,354,213.94	864,736,069.91	886,777,865.28	130,519,237.56	97,883,325.75

Acquisition and disposal condition of subsidiaries during the reporting period

☒ Applicable ☐ Not applicable

Company name	Ways of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operation and performance
Yancheng Yongtai New Material Co., Ltd.	Newly established	It will not have a material impact on the Company's production and operating, overall business development, current period profit, or subsequent period profit.
Foshan Yongtai Chiral Pharmaceutical Co., Ltd.	Newly established	It will not have a material impact on the Company's production and operating, overall business development, current period profit, or subsequent period profit.
Foshan Yongtai Chiral Pharmacy Co., Ltd.	Newly established	It will not have a material impact on the Company's production and operating, overall business development, current period profit, or subsequent period profit.
Chongqing Yongyuansheng Technology Co., Ltd.	Compulsory liquidation	It will not have a material impact on the Company's production and operating, overall business development, current period profit, or subsequent period profit.

Description of principal holding and participating companies

1. Inner Mongolia Yongtai is the Company's major subsidiary in the field of fluorobenzene fine chemicals, mainly producing pharmaceutical intermediates, crop science intermediates, and lithium battery additive products. During the reporting period, the newly expanded production capacity of lithium battery additives of this subsidiary was gradually released. Coupled with the year-on-year price increase of core lithium battery material products, the overall profitability improved significantly, with net profit rising by 39.09% year on year.

2. Zhejiang Chiral and Yongtai Chiral are the Company's major subsidiaries under the pharmaceutical segment, mainly producing pharmaceutical active pharmaceutical ingredients and pharmaceutical preparations. Among them, Zhejiang Chiral faced pressure on both product sales volume and prices under the dual squeeze of intensifying market competition and changes in the downstream demand structure, resulting in a year-on-year decrease in net profit of approximately 16.90%. Yongtai Chiral continued to promote business structure optimization and cost control. Its operating performance improved significantly during the reporting period, achieving a turnaround from loss to profit.

3. Yongtai New Energy and Yongtai Hi-tech are the Company's major subsidiaries under the lithium battery segment, mainly producing lithium battery electrolyte and lithium salt products. During the reporting period, the sustained high prosperity of the downstream new energy vehicle and energy storage markets was transmitted to the midstream and upstream sectors, effectively driving a simultaneous rise in demand and prices for the core lithium battery material products of the aforesaid subsidiaries. The performance of the two subsidiaries increased by 395.96% and 7947.39% year on year respectively.

IX. Structural subject of the Company's control

☐ Applicable ☒ Not applicable

X. Risks faced by the Company and countermeasures

1. Macroeconomic risks

The current international economic situation is complex and severe, with global economy facing many uncertainties; The domestic economy has recovered steadily. However, as there is uncertainty about the impact of the complex international situation on the domestic economy, with the overall internal circulation still facing great pressure, the comprehensive recovery of the domestic economy still faces many challenges. Due to the external macroeconomic situation with complexity and change, there is also an uncertain impact on the development of enterprises.

The Company will prudently assess macroeconomic risks, and adjust its business strategy accordingly. With the national industrial development plan as guidance, investment will be increased in research and development, with research and development of new products, and exploration of new markets, thus ensuring the Company's sustainable development; Market sensitivity and forward-looking research should be increased, with the grasp of pace of industry changes, and it shall adjust business strategies in a timely manner. It shall make full use of and tap superior resources to ensure the Company's stable development.

2. Risks of industry and market competition

The fine chemical industry where the Company is engaged and the downstream pharmaceutical, crop science and new energy materials industries have fierce market competition, and technology iteration continues. The emergence of new technologies and new processes of domestic and foreign competitors will bring a certain impact to the entire market, and will also bring challenges to the Company's market position in the industry.

The Company will continuously focus on the changes in the industry, continuously improve the Company's operation and management mechanism, with improvement of the ability to respond to market risks. R&D investment, technological innovation and process improvement will be strengthened, and it shall continue to expand the R&D team, develop and master the industry's cutting-edge technologies in a timely manner, and strengthen the Company's technological advantages. Quality management and cost control will be strengthened, and better products and services will be provided for customers, with improvement of the Company's overall competitiveness.

3. Raw material price fluctuation risk

In terms of the composition of the Company's main business costs, the cost of raw materials accounts for a relatively large proportion. Therefore, in case there are certain extent fluctuations for price of the main raw materials of the Company's product, these fluctuations will have a certain impact on the Company's production and operation. The Company's main customers are well-known enterprises at home and abroad, and the Company's product sales price is basically locked when the customer places an order. During the period from the time when customer place orders to the realization of sales, the large fluctuation of raw material prices will have a short-term impact on the Company's gross profit margin.

The Company will closely focus on changes in the economic situation, track the market price trend of main raw materials, adopt multi-party price comparison, bulk procurement and other measures to reasonably arrange inventory. While carrying out corresponding strategic reserves, the Company will actively seek in-depth cooperation with upstream suppliers, try to stabilize the purchase price of raw materials, and timely adjust the sales price of products, which can alleviate the risk caused by the rise in raw material prices to a certain extent. However, in case the price of main raw materials fluctuates sharply, it will still have a certain impact on the Company's product costs and profits.

4. Project construction risk

Prior to deciding to invest in the construction project, the Company has carried out in-depth market research and strict feasibility demonstration of the project products, and made prudent calculations and evaluations of the investment income, financial internal rate of return and payback period. However, the Company may be still affected by market demand, macro and industrial policies, changes in competitive conditions and technological updates in the process of project implementation, thus resulting in the risk of project termination, partial termination, change, unrecoverable initial investment, and production capacity and income not meeting expectations.

The Company will integrate resources, concentrate on promoting the construction progress of various projects, and endeavor to shorten the project construction time under the condition of ensuring the quality of project construction; It shall always pay

attention to the macroeconomic situation, market development status and policy trends, and connect production and market well to guarantee the achievement of the expected benefits for projects.

5. Safety and environmental protection risk

With the continuous advancement of national safety and environmental protection governance and under the promotion of the ecological civilization construction of the CPC Central Committee and the strategic goal of “carbon peaking and carbon neutrality”, the policy requirements of energy conservation, emission reduction, safety and environmental protection have been further enhanced. Supervision has been further strengthened. The environmental protection standards that are implemented by the Company will also be higher and stricter. The increasing costs of environmental protection governance lead to an increase in production and operation costs. The income level of the project might be affected.

The policy of energy conservation, emission reduction and green development will be strictly carried out by the Company. Environmental protection design and environmental protection investment will be taken into full account to upgrade the equipment and constantly enhance the safety and environmental protection level of the Company. In addition, the level of recycling and waste treatment of by-products that are produced in the production process will also be improved. The Company pays attention to industrial policies in time and learns national environmental laws and regulations as well as local policies to adapt to new environmental requirements.

6. Risk of foreign exchange rate changes

The export business of the Company is mainly settled in US dollars. In addition, the price of the export products of the Company and export sales revenue will be influenced by the fluctuation of RMB exchange rate. Therefore, it will bring uncertain risk to the operation performance of the Company to a certain extent. The export revenue and import costs of the Company will be directly affected if the RMB exchange rate fluctuates significantly against the US dollars. Moreover, it will cause foreign currency assets and foreign currency liabilities to generate exchange profits and losses. Therefore, the performance of the Company will be impacted to a certain extent.

The Company will avoid and prevent risks arising from significant exchange rate fluctuations by shortening the quotation cycle to adjust product prices in a timely manner, sharing relevant impacts between customers and the Company when exchange rate movements exceed a certain range, and conducting forward foreign exchange settlement and sale. Nevertheless, the implementation of the aforesaid measures still entails certain lag and uncertainty. The Company’s export business may still incur certain exchange losses, thereby reducing the Company’s profitability.

7. Debt repayment risk caused by a relatively high asset-liability ratio

The Company is currently in the development stage and has a large capital demand for daily operations and project construction. Coupled with the impact of continuous losses in recent years, the Company’s profitability fails to effectively support its capital requirements, resulting in a high volume of current liabilities and an elevated asset-liability ratio. As a whole, the Company faces certain liquidity pressure and debt repayment risk.

The Company has maintained long-term sound cooperation with its major lending banks and holds a relatively high credit line, which provides necessary financial support for the Company. The Company will focus on strengthening capital liquidity management and reasonably controlling the scale of interest-bearing liabilities. Meanwhile, it will actively expand diversified capital replenishment channels, continuously optimize the asset-liability structure, further promote cost reduction and efficiency improvement, and strive to enhance profitability and operating accumulation capacity, so as to strengthen the overall risk resistance capacity and the foundation for sustainable development.

8. Intellectual property risks

Through continuous exploration and accumulation and based on long-term R&D investment, the Company has developed proprietary core technologies with independent intellectual property rights and corresponding technical reserves. As an important form of protection for R&D achievements, patents help the Company build technical barriers and play a key role in product development. If the Company is subject to intellectual property litigation filed by competitors, or its own intellectual property rights are infringed, such circumstances may adversely affect the Company's operation and business activities.

The Company will continue to improve the management and protection mechanism for intellectual property rights, deepen cooperation with external professional institutions, enhance the capability to identify, control and prevent intellectual property risks, and establish a sound creation model for intellectual property rights. Meanwhile, the Company will carry out systematic arrangements focusing on the protection of core intellectual property rights and risk defence, strengthen risk investigation and promote the effective implementation of solutions, so as to properly address potential intellectual property risks.

XI. Formulation and Implementation of Market Value Management System and Valuation Enhancement Plan

Has the company formulated a market value management system?

☐ Yes ☒ No

Has the company disclosed a valuation enhancement plan?

☐ Yes ☒ No

XII. Implementation of the Action Plan for "Double Improvement of Quality and Return"

Has the Company disclosed an action plan for "Double Improvement of Quality and Return"?

☐ Yes ☒ No

Section IV Corporate Governance, Environment and Society

I. Changes in directors and senior management of the Company

☐ Applicable ☒ Not applicable

There were no changes in the Company's directors and senior management during the reporting period. For details, please refer to the 2025 Annual Report.

II. Profit distribution and conversion of capital reserve fund into share capital during the reporting period

☐ Applicable ☒ Not applicable

The company plans not to distribute cash dividends, issue bonus shares, or convert capital reserves into share capital for the half-year period.

III. Implementation of the equity incentive scheme, employee stock ownership plan or other employee incentives of the Company

☒ Applicable ☐ Not applicable

1. Equity incentive

1. On 28 June 2024, the 15th Meeting of the 6th Board of Directors of the Company deliberated and approved the Proposal on the Company's '2024 Restricted Stock Incentive Plan (Draft)' and its summary, the Proposal on the Company's 'Management Measures for the Implementation and Assessment of the 2024 Restricted Stock Incentive Plan' and the Proposal on 'Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Matters Related to Equity Incentives'. In addition, Shanghai Jintiancheng Law Firm issued a legal opinion. The number of restricted shares to be granted under this incentive plan is 12,310,000, and the number of grantees is 321.

2. On 28 June 2024, the 8th Meeting of the 6th Supervisory Board of the Company deliberated and approved the Proposal on the Company's '2024 Restricted Stock Incentive Plan (Draft)' and its summary, the proposal on the company's 'Management Measures for the Implementation and Assessment of the 2024 Restricted Stock Incentive Plan' and the Proposal on the Company's 'Management Measures for the Implementation and Assessment of the 2024 Restricted Stock Incentive Plan' and the Proposal on Verifying the List of Incentive Objects for the Company's '2024 Restricted Stock Incentive Plan'. In addition, the Company's Supervisory Board issued a verification opinion on the related matters of this incentive plan.

3. From 29 June 2024 to 8 July 2024, the Company published the names and positions of the incentive objects of this incentive plan in the 'Notice and Announcement' section of the internal OA system. As of the end of the publicity period, the Company's Supervisory Board had not received any objections to the proposed incentive objects of this incentive plan from any organization or individual. On 9 July 2024, the Company disclosed the 'Supervisory Board's Explanation on the Publicity of the List of Incentive Objects for the 2024 Restricted Stock Incentive Plan and Its Review Opinion'.

4. On 15 July 2024, the Company's 2024 Second Extraordinary Shareholders' Meeting deliberated and approved the Proposal on the Company's '2024 Restricted Stock Incentive Plan (Draft)' and its summary, the Proposal on the Company's 'Management Measures for the Implementation and Assessment of the 2024 Restricted Stock Incentive Plan' and the proposal on 'Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Matters Related to Equity Incentives'. At the same time, the Company disclosed the 'Self-Inspection Report on the Trading of Company Shares by Insiders and Incentive Objects in the 2024

Restricted Stock Incentive Plan'. The Company conducted a self-inspection of the trading of company shares by insiders and incentive objects within six months prior to the initial public disclosure of the draft of this incentive plan. No instances were found where insiders or incentive objects used inside information related to this incentive plan to trade company shares or disclosed inside information related to this incentive plan.

5. On 16 July 2024, the 16th Meeting of the Sixth Board of Directors and the 9th Meeting of the Sixth Supervisory Board of the Company deliberated and approved the Proposal on 'Adjusting Matters Related to the 2024 Restricted Stock Incentive Plan', the Proposal on 'Granting Restricted Stock to the Incentive Objects of the Company's 2024 Restricted Stock Incentive Plan', the company's Supervisory Board verified the grant conditions and the list of incentive objects for this incentive plan on the grant date. Shanghai Jintiancheng Law Firm issued a legal opinion. The Board of Directors determined that the grant date for this incentive plan would be 16 July 2024, with a grant price of 4.30 Yuan per share. Given that the originally intended 16 incentive objects voluntarily gave up all the restricted stocks that the Company planned to grant them due to personal reasons, the Company has made corresponding adjustments to the incentive objects and the number of granted shares in this incentive plan. The number of incentive objects has been adjusted from 321 persons to 305 persons, and the total number of restricted stocks has been adjusted from 12,310,000 shares to 11,790,000 shares

6. On 29 July 2024, the Company disclosed the Announcement on the Completion of the Grant Registration for the 2024 Restricted Stock Incentive Plan. The listing date for the restricted stocks in this incentive plan is 30 July 2024. During the process of capital contribution after the determination of the grant date, 3 incentive objects voluntarily gave up 150,000 shares of restricted stock that the Company had planned to grant them due to personal reasons. The actual number of incentive objects granted and registered by the company this time is 302 persons, with the granted and registered volume of restricted stocks of 11,640,000 shares.

7. On 31 July 2025, the second meeting of the 7th Board of Directors of the Company deliberated and approved the *Proposal on the Satisfaction of the Conditions for the Release of Restrictions in the First Restriction Release Period under the 2024 Restricted Stock Incentive Plan of the Company*. The Company agreed to handle the restriction release procedures for 298 incentive recipients of restricted stock who meet the conditions for the release of restrictions, and the number of restricted shares eligible for the release of restrictions is 4,454,841 shares. The Remuneration and Evaluation Committee of the Company's Board of Directors has verified the relevant matters and issued verification opinions. Shanghai Jintiancheng Law Firm has issued a legal opinion with respect to the aforesaid matters. The above restricted shares with lifted restrictions were listed and traded on 12 August 2025.

8. On 31 July 2025, the 2nd meeting of the 7th Board of Directors of the Company reviewed and approved the *Proposal on the Repurchase and Cancellation of Part of the Granted but Unreleased Restricted Shares Held by Incentive Recipients*. The Company agreed to repurchase and cancel 273,159 granted but not yet restriction-lifted restricted shares held by incentive recipients at a repurchase price of RMB 4.30 per share. The Remuneration and Evaluation Committee of the Company's Board of Directors has verified the relevant matters and issued verification opinions. Shanghai Jintiancheng Law Firm has issued a legal opinion with respect to the aforesaid matters. The proposal was deliberated and approved at the 2025 Second Extraordinary Shareholders' Meeting of the Company on 21 August 2025. As of 31 October 2025, the Company had completed the repurchase and cancellation procedures for the above restricted shares at China Securities Depository and Clearing Corporation Limited, Shenzhen Branch. In November 2025, the Company completed the industrial and commercial change registration for registered capital reduction and obtained a new *Business License*.

2. Implementation of the employee stock holding plan

☐ Applicable ☒ Not applicable

3. Other employee incentive measures

☐ Applicable ☒ Not applicable

IV. Disclosure of Environmental Information

Whether the listed company and its major subsidiaries are included in the list of enterprises required to disclose environmental information in accordance with the law

☒ Yes ☐ No

Number of enterprises (enterprise) included in the list of enterprises required to disclose environmental information in accordance with the law		7
S.N.	Enterprise Name	Index for Inquiring Reports on the Legal Disclosure of Environmental Information
1	Zhejiang Yongtai Technology Co., Ltd.	Zhejiang Provincial Department of Ecology and Environment - Enterprise Environmental Information Legal Disclosure System (https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search)
2	Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.	Zhejiang Provincial Department of Ecology and Environment - Enterprise Environmental Information Legal Disclosure System(https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search)
3	Zhejiang Yongtai Pharmaceutical Co., Ltd.	Zhejiang Provincial Department of Ecology and Environment - Enterprise Environmental Information Legal Disclosure System(https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search)
4	Zhejiang Chiral Medicine Chemicals Co., Ltd.	Zhejiang Provincial Department of Ecology and Environment - Enterprise Environmental Information Legal Disclosure System(https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-search)
5	Foshan Soin Chiralpharma Co., Ltd.	Enterprise Environmental Information Mandatory Disclosure System of Department of Ecology and Environment of Guangdong Province (https://www-app.gdeei.cn/gdeepub/front/dal/dal/newindex)
6	Inner Mongolia Yongtai Chemical Co., Ltd.	Enterprise Environmental Information Legal Disclosure System (Inner Mongolia) (http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplHomeNew/index.js&cantonCode=150000)
7	Shaowu Yongtai Hi-tech Material Co., Ltd.	Enterprise Environmental Information Mandatory Disclosure System (Fujian Beta Version) (http://220.160.52.213:10053/idp-province/#/home)

V. Situation of social responsibility

The Company focuses on the fulfillment of social responsibility. Therefore, the Company vigorously supports the construction of local economy, insists on actively repaying the society with contributions to social welfare and charity. In addition, the Company is endeavoring to realize a dynamic balance between economic, social and environmental responsibilities in order to achieve a healthy and harmonious development between the Company and its shareholders, the Company and its employees, the Company and the society, as well as the Company and the environment.

1. Adequately safeguard rights and interests of shareholders and creditors

The Company has established a relatively well-established corporate governance structure with a completed internal control system. Platform for investor interaction has also been established and improved, in which an information platform open to all shareholders has been constructed in terms of mechanism. The platform truly achieves fair, just and open environment, and legitimate rights and interests formulated by laws, regulations and rules are available. The Company discloses information timely and accurately in strict accordance with the requirements of laws and regulations, *Articles of Association* and relevant systems of the Company, so as to ensure that all shareholders of the Company are provided with equal access to the Company's information, which protects the legitimate rights and interests of all shareholders. Meanwhile, the Company communicates with investors in a variety of ways such as online performance explanation session, investor calls, and interactive platform for investors, which ensures the transparency and openness of the Company's information.

2. Care about employees with emphasis on their rights and interests

The Company strictly abides by the relevant national laws and regulations such as Labor Law, which is mainly reflected in the Company's signing of written employment contracts with its employees, paying all kinds of social insurance in accordance with the law, and continuously increasing the investment in informatization of the production workshop to improve the working environment of the employees. Meanwhile, the Company also carries out regular employee occupational health examination, providing employees with labor protection appliance and further improving the salary assessment system. All of these have improved the Company's sustainable development ability, enabling the Company's management, core technical personnel and shareholders to form a community of interest, which improves the cohesion and combat effectiveness of the enterprise.

3. Operate in a fair manner to protect the rights of suppliers, customers and consumers

The Company has always insisted on operating in compliance with the law. Business dealings with customers and suppliers are undertaken in strict compliance with national laws and regulations, social and commercial ethics, honesty and trustworthiness. In addition, it always accepts the supervision of the government and the public as well as assumes social responsibility. A series of internal control systems, such as the *Sales Management Measures* and *Purchasing Management Measures*, have been established and improved by the Company to standardize business operations and provide institutional safeguards for fair operations. The Company endeavors to achieve harmonious win-win situation with suppliers and customers, in which they jointly create value and share results, with emphasis on communication and coordination with all relevant parties, so as to co-construct a platform of trust and cooperation.

4. Focus on environmental protection

The Company places significant emphasis on environmental protection with rigorous implementation of the development approaches of energy conservation and emission reduction for green development. The Company regards environmental protection as an important task. The Company strictly complies with the relevant national environmental protection laws and regulations as well as regulations related to local environmental protection. Equipment improvement and process modification are continuously conducted by the Company, which reduces the emissions of three wastes. For the management of three wastes, the Company strictly implements the national standards to ensure that the three wastes are discharged after reaching the standards. The Company requires that all investment projects shall be subject to environmental protection and safety requirements. Environment protection design and environment protection inputs shall be fully taken into account. Meanwhile, the "three simultaneous" system for environment protection and safety should be strictly enforced to ensure that investment projects and environment protection and safety supporting facilities are put into use together.

5. Proactively participate in social welfare services

Focusing on the creation of social value, the Company consciously pays attention to the fulfillment of social responsibility by proactively participating in social welfare activities with an active engagement in social welfare and charitable undertakings, in an effort to create harmonious public relations. The Company has provided necessary support to local education, culture, science, health and poverty alleviation within its capacity, contributing to local economic construction and social development.

The Company constantly keeps the mission firmly in mind to build up a clear awareness of social responsibility and highly emphasizes the practice of corporate social responsibility. Management of social responsibility has been continuously strengthened. Besides, the Company has persevered in incorporating the concept of social responsibility into the development strategy of the Company, as well as in implementing the fulfillment of corporate social responsibility into every aspect and parts of its daily operation and management.

Section V Important Matters

I. Commitment matters fulfilled by the Company's actual controllers, shareholders, related parties, acquirers, the Company and other commitment parties during the reporting period and those remaining unfulfilled for an unspecified period of time as of the end of the reporting period

☐ Applicable ☒ Not applicable

The Company has no commitment matters that have been fulfilled by the Company's actual controllers, shareholders, related parties, acquirers, the Company and other commitment parties during the reporting period and those remaining unfulfilled for an unspecified period of time as of the end of the reporting period.

II. Non-operational appropriation by controlling shareholders and other related parties for funds of the listed company

☐ Applicable ☒ Not applicable

The Company does not have any non-operational appropriation by controlling shareholders and other related parties for funds of the listed company during the reporting period.

III. Illegal external guarantee

☐ Applicable ☒ Not applicable

The Company has no illegal external guarantees during the reporting period.

IV. Employment and termination of accounting firms

Whether the semi-annual financial report has been audited

☐ Yes ☒ No

The semi-annual report of the Company is unaudited.

V. Explanation of the Board of Directors and the Board of Supervisors on the “modified audit report” issued by the accounting firm for the reporting period

☐ Applicable ☒ Not applicable

VI. Explanation of the Board of Directors on the situation related to the “modified audit report” of the previous year

☐ Applicable ☒ Not applicable

VII. Matters related to bankruptcy and reorganization

☐ Applicable ☒ Not applicable

The Company has not experienced any bankruptcy and reorganization related matters during the reporting period.

VIII. Litigation matters

Significant litigation and arbitration matters

☒ Applicable ☐ Not applicable

Basic information on litigation (arbitration)	Amount of money involved (ten thousand)	Whether or not an estimated liability has been generated	Progress of litigation (arbitration)	Outcome and impact of litigation (arbitration) trial	Enforcement of litigation (arbitration) judgments	Disclosure date	Index for disclosure
1、Case of Trade Secret Infringement Dispute filed by Jiujiang Tianci High-Tech Materials Co., Ltd. against the Company and Yongtai Hi-tech 2、Related Case: Dispute over Liability for Damages Arising from Malicious Initiation of Intellectual Property Litigation filed by the Company against Guangzhou Tianci High-Tech Materials Co., Ltd.(hereinafter referred to as “Tianci Materials”), Jiujiang Tianci High-Tech Materials Co., Ltd. and Xu Jinfu	888,250,000.00 and 100,000,000.00	No	Under trial	No judgement rendered yet	No judgement rendered yet	03 July 2025, 15 July 2025, 28 April 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2025-043, 2025-055) and (2025 Annual Report)
Reputation Right and Commercial Defamation Dispute filed by the Company and Yongtai Hi-tech against Tianci Materials	5,751.93	No	1. The first- instance judgement has been rendered in the reputation infringement case filed by Yongtai Hi-tech against Tianci Materials; the second- instance hearing	1. For the second- instance case of Yongtai Hi-tech v. Tianci Materials over reputation infringement, the second- instance hearing has not been commenced. The first- instance judgement is as follows: (1) Tianci Materials shall publish an apology statement for salutation and elimination of adverse impact in Securities Times for no less than three consecutive days; (2) Dismiss Yongtai Hi-tech’s claim for compensatory damages for reputation loss	No final judgement formed	04 July 2025	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2025-044)

Basic information on litigation (arbitration)	Amount of money involved (ten thousand)	Whether or not an estimated liability has been generated	Progress of litigation (arbitration)	Outcome and impact of litigation (arbitration) trial	Enforcement of litigation (arbitration) judgments	Disclosure date	Index for disclosure
			has not yet commenced. 2. The commercial defamation dispute filed by the Company against Tianci Materials is still under trial.	of RMB 1.00. 2. No judgement has been made for the commercial defamation dispute filed by the Company against Tianci Materials.			

Other litigation matters

☒ Applicable ☐ Not applicable

Basic information on litigation (arbitration)	Amount of money involved (ten thousand)	Whether or not an estimated liability has been generated	Progress of litigation (arbitration)	Outcome and impact of litigation (arbitration) trial	Enforcement of litigation (arbitration) judgments	Disclosure date	Index for disclosure
Summary of litigation and arbitration matters not meeting the disclosure standards for major litigation	26,154.36	No	Amount of money involved in closed or mediated cases is RMB 14,927,300; the amount of money involved in pending cases is RMB 246,616,300.	Some cases have been closed or the counterparty has withdrawn the lawsuit, and some cases are under trial, with no significant impact on the Company's operations.	Not Applicable	Not Applicable	Not Applicable

IX. Penalties and rectification☐ Applicable ☒ Not applicable

There were no penalties or rectifications during the reporting period of the Company.

X. Honesty of the Company and its controlling shareholders and actual controllers☐ Applicable ☒ Not applicable**XI. Substantial related transactions****1. Related party transactions related to daily operations**☐ Applicable ☒ Not applicable

No related party transactions related to daily operations occurred during the reporting period.

2. Related party transactions in relation to the acquisition or disposal of assets or equity interests

☐ Applicable ☒ Not applicable

No related party transactions in relation to respect of the acquisition or disposal of assets or equity interests occurred during the reporting period.

3. Related party transactions of joint investments

☐ Applicable ☒ Not applicable

No related transactions of joint investment occurred during the reporting period.

4. Related claims and debts transactions

☐ Applicable ☒ Not applicable

No related claims and debts transactions existed during the reporting period.

5. Transactions with financial companies with which the Company has a relationship

☐ Applicable ☒ Not applicable

No deposit, loan, facility or other financial business exists between the Company and the financial company with which the Company has a relationship and the related parties.

6. Transactions between the financial company held by the Company and related parties

☐ Applicable ☒ Not applicable

No deposit, loan, facility or other financial business exists between the financial company held by the Company and related parties.

7. Other material related party transactions

☐ Applicable ☒ Not applicable

No other material related party transactions occurred during the reporting period of the Company.

XII. Material contracts and their fulfillment

1. Trusteeship, contracting and leasing matters

(1) Trusteeship

☐ Applicable ☒ Not applicable

No trusteeship existed during the reporting period of the Company.

(2) Contracting

☐ Applicable ☒ Not applicable

No contracting existed during the reporting period of the Company.

(3) Leasing

☒ Applicable ☐ Not applicable

Description of the leasing

As the lessee:

Unit: Yuan

Item	Amount in this period	Amount in last period
Interest cost on lease liabilities	80,074.06	89,002.86
Short-term lease expenses included in the cost of the related assets or in the current profits and losses for simplified treatment	2,146,464.80	1,536,902.80
Total cash outflows related to leases	2,226,538.86	2,301,388.58

As the lessor

(1) Operating lease

Unit: Yuan

Item	Amount in this period	Amount in last period
Operating lease income	611,087.04	607,050.56

Items generating profit or loss for the Company amounting to 10% or more of the total profit in the reporting period of the Company

☐ Applicable ☒ Not applicable

No leasing items that generated profit or loss for the Company amounting to 10% or more of the total profit in the reporting period of the Company.

2. Material guarantees

☒ Applicable ☐ Not applicable

Unit: RMB 10,000

External guarantees of the Company and its subsidiaries (excluding guarantees to subsidiaries)										
Name of the guaranteed object	Date of disclosure of announcement relating to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual amount of guarantee	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Guarantee period	Fulfillment or not	Guarantee for related parties or not
None										
Guarantee provided by the Company for subsidiaries										
Name of the guaranteed object	Date of disclosure of announcement relating to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual amount of guarantee	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Guarantee period	Fulfillment or not	Guarantee for related parties or not
Inner Mongolia	20 May	150,000	27 July 2023	0	Joint and			33	Yes	No

Yongtai Chemical Co., Ltd.	2025				several liability guarantee			months		
			17 January 2025	5,000	Joint and several liability guarantee			1 year	Yes	No
Shanghai E-Tong Chemical Co., Ltd.	20 May 2025	60,000	15 January 2025	4,850	Joint and several liability guarantee			1 year	Yes	No
			14 March 2025	3,400	Joint and several liability guarantee			18 months	Yes	No
Shaowu Yongtai Hi-tech Material Co., Ltd.	20 May 2025	100,000	11 October 2024	0	Joint and several liability guarantee			2 years	Yes	No
			24 January 2025	7,000	Joint and several liability guarantee			1 year	Yes	No
Zhejiang Chiral Medicine Chemicals Co., Ltd.	20 May 2025	20,000	31 January 2023	5,500	Joint and several liability guarantee			3 years	Yes	No
Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.	20 May 2025	30,000	10 April 2023	17,000	Joint and several liability guarantee			3 years	Yes	No
Foshan Soin Chiralpharma Co., Ltd.	19 May 2026	5,000	21 August 2025	1,000	Joint and several liability guarantee			10 years	No	No
			08 December 2025	1,000	Joint and several liability guarantee			1 year	No	No
Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd.	19 May 2026	10,000	10 November 2025	10,000	Joint and several liability guarantee			10 years	No	No
Inner Mongolia Yongtai Chemical Co., Ltd.	19 May 2026	200,000	08 October 2020	30,000	Joint and several liability guarantee			6 years	No	No
			13 June 2023	40,000	Joint and several liability guarantee			6 years	No	No
			05 November 2024	20,000	Joint and several liability guarantee			3 years	No	No
			27 February 2025	12,000	Joint and			3 years	No	No

					several liability guarantee					
			16 June 2025	5,000	Joint and several liability guarantee			7 years	No	No
			26 June 2025	2,680.42	Joint and several liability guarantee			2 years	No	No
			29 October 2025	2,566.48	Joint and several liability guarantee			1 year	No	No
			17 December 2025	15,000	Joint and several liability guarantee			1 year	No	No
			06 January 2026	10,441.74	Joint and several liability guarantee			2 years	No	No
			03 February 2026	5,000	Joint and several liability guarantee			1 year	No	No
			02 June 2026	10,000	Joint and several liability guarantee			3 years	No	No
Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd.	19 May 2026	5,000	21 May 2024	1,676.95	Joint and several liability guarantee			3 years	No	No
Shanghai E-Tong Chemical Co., Ltd.	19 May 2026	40,000	27 March 2024	2,400	Joint and several liability guarantee			3 years	No	No
			31 October 2024	5,000	Joint and several liability guarantee			10 years	No	No
			22 January 2025	17,000	Joint and several liability guarantee			5 years	No	No
			20 June 2025	3,000	Joint and several liability guarantee			3 years	No	No
			07 January 2026	3,000	Joint and several liability guarantee			3 years	No	No
			13 January 2026	4,850	Joint and			1 year	No	No

					several liability guarantee					
			23 March 2026	3,400	Joint and several liability guarantee			9 months	No	No
Shaowu Yongtai Hi-tech Material Co., Ltd.	19 May 2026	140,000	29 September 2022	40,000	Joint and several liability guarantee			6 years	No	No
			28 December 2023	9,600	Joint and several liability guarantee			3 years	No	No
			28 October 2025	10,000	Joint and several liability guarantee			11 months	No	No
			02 February 2026	5,000	Joint and several liability guarantee			3 years	No	No
			10 February 2026	11,700	Joint and several liability guarantee			3 years	No	No
			09 March 2026	9,861.97	Joint and several liability guarantee			3 years	No	No
			16 March 2026	7,000	Joint and several liability guarantee			18 months	No	No
			17 March 2026	9,768.81	Joint and several liability guarantee			3 years	No	No
Zhejiang Chiral Medicine Chemicals Co., Ltd.	19 May 2026	22,000	24 June 2024	5,000	Joint and several liability guarantee			5 years	No	No
			06 January 2025	3,500	Joint and several liability guarantee			5 years	No	No
			29 October 2025	2,566.48	Joint and several liability guarantee			1 year	No	No
			10 March 2026	5,500	Joint and several liability guarantee			3 years	No	No
Zhejiang Yongtai Chiral	19 May 2026	8,000	20 April 2026	5,000	Joint and several			3 years	No	No

Medicine Technology Co., Ltd.					liability guarantee					
Zhejiang Yongtai New Energy Material Co., Ltd.	19 May 2026	100,000	05 June 2024	3,556.09	Joint and several liability guarantee			3 years	No	No
			29 December 2025	11,000	Joint and several liability guarantee			2 years	No	No
			29 December 2025	9,500 ^{Note 1}	Joint and several liability guarantee			10 years	No	No
			05 February 2026	4,960	Joint and several liability guarantee			3 years	No	No
Total amount of approvals of guarantees to subsidiaries during the reporting period (B1)		550,000		Total amount of guarantees to subsidiaries actually incurred during the reporting period (B2)		95,482.52				
Total amount of guarantees to subsidiaries approved at the end of the reporting period (B3)		550,000		Total balance of guarantees to subsidiaries at the end of the reporting period (B4)		358,528.94				
Guarantees by subsidiaries to subsidiaries										
Name of the guaranteed object	Date of disclosure of announcement relating to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual amount of guarantee	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Guarantee period	Fulfillment or not	Guarantee for related parties or not
Refers to Note 1										
Total amount of Company’s guarantee (i.e., total of the first three major items)										
Total amount of approvals of guarantees during the reporting period (A1+B1+C1)		550,000		Total amount of guarantees actually incurred during the reporting period (A2+B2+C2)		95,482.52				
Total amount of guarantees approved at the end of the reporting period (A3+B3+C3)		550,000		Total balance of all guarantees at the end of the reporting period (A4+B4+C4)		358,528.94				
Ratio of guarantees balance (i.e. A4+B4+C4) to the net assets of the Company				121.20%						
Of which:										
Balance of guarantees in favor of shareholders, actual controllers and their related parties (D)				0						
Balance of guarantees provided directly or indirectly for the debts				74,343.04						

of guaranteed objects with asset-liability ratios exceeding 70% (E)	
Amount of the portion of total amount of guarantees exceeding 50% of net assets (F)	147,912.31
Total amount of the above three guarantees (D+E+F)	222,255.35

Note 1: Yongtai Technology and Binhai Meikang jointly provided guarantees for a credit facility with a principal amount of RMB 95,000,000 granted to Yongtai New Energy.

Description of the specific circumstances of the adoption of composite method of guarantee: None.

3. Entrusted financial management

☐ Applicable ☒ Not applicable

No entrusted financial management existed during the reporting period of the Company.

4. Other material contracts

☒ Applicable ☐ Not applicable

Name of Contract-making Party (Company Side)	Name of Counterparty to the Contract	Subject-matter of Contract	Contract Signing Date	Book Value of Assets Involved in the Contract (Ten Thousand) (if any)	Appraised Value of Assets Involved in the Contract (Ten Thousand) (if any)	Name of Appraisal Institution (if any)	Appraisal Benchmark Date (if any)	Pricing Principle	Transaction Price (Ten Thousand)	Related-party Transaction or Not	Related-party Relationship	Implementation Status as of the End of Reporting Period	Disclosure date	Index for disclosure
Yongtai New Energy	CATL	Electrolyte	08 June 2026	Not Applicable	Not Applicable	Not Applicable	Not Applicable	The final transaction price is determined with full reference to fair market prices, combined with factors such as actual costs and expenses.	Not Applicable	No	No	Under performance	09 June 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-042)
Yongtai New Energy	CATL	Vinylene Carbonate (VC)	25 June 2026	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Fair pricing with reference to market prices	Not Applicable	No	No	Under performance ^{Note 1}	26 June 2026	Juchao Information Website (http://www.cninfo.com.cn) (Announcement No.: 2026-045)

Note 1: As stipulated in the contract for “Vinylene Carbonate (VC)” in the table, the supply obligation shall commence from 2027.

Only contract signing took place in 2026 without actual product supply.

XIII. Registration form of activities such as research reception, communication, interview, and other activities during the reporting period

☒ Applicable ☐ Not applicable

Reception time	Reception location	Reception method	Reception object type	Reception object	The main content of the discussion and the materials provided	Index of basic information of investigation
29 April 2026	Network platform	Online communication with network platform	Others	The investors participating in performance briefing through Panorama Network's "Investor Relations Interaction Platform" (https://ir.p5w.net)	Development of the Company's main business	Juchao Information Website (http://www.cninfo.com.cn)
14 May 2026	The Company's meeting room	On-site research	Institution	Shenwan Hongyuan Securities	Development of the Company's main business	Juchao Information Website (http://www.cninfo.com.cn)

XIV. Description of other significant events

☒ Applicable ☐ Not applicable

1. On 06 March 2026, the plan for certain directors and senior management personnel to increase their shareholdings in the Company was fully implemented. For details, please refer to the relevant announcement published by the Company on 07 March 2026, in the *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, and Juchao Information Website (<http://www.cninfo.com.cn>)

XV. Significant events of the Company's subsidiaries

☒ Applicable ☐ Not applicable

1. The subsidiary Foshan Soin has passed the re-recognition as a High-tech Enterprise. For details, please refer to the relevant announcement published by the Company on 10 March 2026, in the *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, and Juchao Information Website (<http://www.cninfo.com.cn>)

2. To improve capital-utilization efficiency and optimize resource allocation, the Company has systematically reviewed and optimized its overall strategic layout: it cancels the construction of the originally-planned 200,000-ton electrolyte project and 67,000-ton liquid lithium hexafluorophosphate project of its subsidiary Yongtai Hi-tech, and sets up Yancheng Yongtai Investment in Binhai Coastal Industrial Park to invest in and construct a new 200,000-ton-per-annum lithium-ion-battery electrolyte project. For details, please refer to the relevant announcements published by the Company on 03 March 2026 and 14 March 2026, in the *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, and Juchao Information Website (<http://www.cninfo.com.cn>)

3. On 22 April 2026, pursuant to the application filed by Chongqing Guanyu Electromechanical Equipment Installation Co., Ltd., the Fifth Intermediate People's Court of Chongqing Municipality issued *Civil Ruling* ((2026) Y. 05 Q.S. No. 15), ordering to accept the compulsory liquidation case of Chongqing Yongyuansheng Technology Co., Ltd. On 13 May 2026, the Court issued *Letter Decision* ((2026) Y.05 Q.Q. No.37), appointing Gongyuqin Bankruptcy Liquidation Services (Chongqing) Co., Ltd. to serve as the liquidation group of Chongqing Yongyuansheng Technology Co., Ltd. After the court ruled to accept the case, the Company

handed over liquidation work to the court- appointed liquidation group with effect from May of the same year. Since then, Chongqing Yongyuansheng Technology Co., Ltd. has no longer been included in the scope of consolidation.

Section VI Changes in shares and Information on shareholders

I. Changes in shares

1. Changes in shares

Unit: Shares

Item	Before this change		Increase/decrease of this change (+, -)					After this change	
	Quantity	Percentage	Issue of new shares	Stock dividend	Transfer from provident fund	Others	Subtotal	Quantity	Percentage
I. Restricted shares	116,968,594	12.64%				-384,016	-384,016	116,584,578	12.60%
1. Shares held by state									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic investors	116,968,594	12.64%				-384,016	-384,016	116,584,578	12.60%
Of which: Shares held by domestic legal persons									
Shares held by domestic natural persons	116,968,594	12.64%				-384,016	-384,016	116,584,578	12.60%
4. Shares held by foreign investors									
Of which: Shares held by foreign legal persons									
Shares held by overseas natural persons									
II. Non-restricted shares	808,159,042	87.36%				384,016	384,016	808,543,058	87.40%
1. RMB ordinary shares	808,159,042	87.36%				384,016	384,016	808,543,058	87.40%
2. Foreign shares listed in the PRC									
3. Foreign shares listed overseas									
4. Others									
III. Total number of shares	925,127,636	100.00%				0	0	925,127,636	100.00%

Reasons for changes in shares

☒ Applicable ☐ Not applicable

An decrease of 384,016 shares in the Company's limited shares with conditions during the reporting period was attributable to the change in the lock-up shares of the senior management.

Approval of share changes

☐ Applicable ☒ Not applicable

Transfer of share changes

☐ Applicable ☒ Not applicable

Progress of implementation of share repurchase

☐ Applicable ☒ Not applicable

Progress in the implementation of reducing the repurchased shares by means of centralized bidding method

☐ Applicable ☒ Not applicable

Impact of share changes on the financial indicators such as basic and diluted earnings per share and net assets per share attributable to ordinary shareholders of the Company for the latest year and the latest period.

☐ Applicable ☒ Not applicable

Other disclosures deemed necessary by the Company or required by securities regulatory authorities.

☐ Applicable ☒ Not applicable

2. Changes in restricted shares

☒ Applicable ☐ Not applicable

Unit: Shares

Name of shareholder	Number of restricted shares at the beginning of the period	Number of restricted shares released during the period	Number of increase of restricted shares during the period	Number of restricted shares at the end of the period	Reason for restriction	Date for release of restricted stock trade
Shares locked up by senior management	110,056,594	553,903	169,887	109,672,578	Shares locked up by senior management	The number of shares held each year to be released from lock-up is subject to <i>No. 10 Guidelines on Self-Regulation for Listed Companies by Shenzhen Stock Exchange - Management of Changes in Shares</i> .
Restricted shares of equity incentive	6,912,000	0	0	6,912,000	Restricted shares of equity incentive	The restricted stock releasing date will be arranged in accordance with the relevant provisions of the 2024 Restricted Stock Incentive Plan of Zhejiang Yongtai Technology Co., Ltd.
Total	116,968,594	553,903	169,887	116,584,578	--	--

II. Issuance and listing of securities

☐ Applicable ☒ Not applicable

III. Number of shareholders and shareholdings of the Company

Unit: Shares

Total number of ordinary shareholders at the end of the reporting period			131,320		Total number of preferred shareholders with voting rights restored (if any) at the end of the reporting period			0	
Shareholdings of the shareholders holding more than 5% or the top 10 shareholders (excluding the shares lent through refinancing)									
Name of shareholder	Nature of shareholders	Shareholding ratio	Number of shares held at the end of the	Increase or decrease during the	Number of shares held with limited sales	Number of shares held without limited	Pledge, mark or freeze		
							Status of	Quantity	

			reporting period	reporting period	conditions	sales conditions	shares	
Wang Yingmei	Domestic natural persons	15.59%	144,248,400	0	108,186,300	36,062,100	Pledge	31,000,000
He Renbao	Domestic natural persons	12.04%	111,400,000	0	0	111,400,000	Pledge	40,000,000
Zhejiang Yongtai Holdings Co., Ltd.	Domestic non-state-owned legal person	1.39%	12,887,500	0	0	12,887,500	Pledge	12,887,500
Hong Kong Securities Clearing Co., Ltd.	Overseas legal person	0.63%	5,806,964	-3,243,070	0	5,806,964	Not Applicable	0
Shanghai Axing Investment Management Co., Ltd. - Axing Gezhi No.12 Private Equity Investment Fund	Others	0.49%	4,530,000	0	0	4,530,000	Not Applicable	0
Ma Zhe	Domestic natural persons	0.43%	3,986,400	1,643,700	0	3,986,400	Not Applicable	0
Xie Huiming	Domestic natural persons	0.32%	2,932,000	2,932,000	0	2,932,000	Not Applicable	0
Galaxy Derivatives Capital Management Co., Ltd.	Domestic non-state-owned legal person	0.30%	2,736,436	1,520,349	0	2,736,436	Not Applicable	0
Shanghai Xitai Investment Management Co., Ltd. - Xitai Dongsheng No.1 Private Securities Investment Fund	Others	0.29%	2,658,100	2,658,100	0	2,658,100	Not Applicable	0
Li Jie	Domestic natural persons	0.27%	2,538,100	8,100	0	2,538,100	Not Applicable	0
Information on strategic investors or general legal persons becoming the top 10 shareholders (if any) due to the placing of new shares		None.						
Description of the above shareholders' relationship or concerted action		Mr. He Renbao, Ms. Wang Yingmei, Zhejiang Yongtai Holdings Co., Ltd. and Shanghai Axing Investment Management Co., Ltd. – Axing Gezhi No.12 Private Equity Investment Fund are parties acting in concert. Among them, Mr. He Renbao and Ms. Wang Yingmei are spouses, who collectively held 100% equity interest in Zhejiang Yongtai Technology Holdings Co., Ltd., and Mr. He Kuang, the son of both of them, held 100% equity interest in Shanghai Axing Investment Management Co., Ltd. – Axing Gezhi No.12 Private Equity Investment Fund. Other than this, it is unknown to the Company whether the remaining shareholders mentioned above are related to each other or are acting in concert.						
Description of the above shareholders involved in proxy/trustee voting rights and waiver of voting rights		None.						
Special description of the existence of repurchase special accounts among the top 10 shareholders (if any)		None.						
Shareholdings of the top 10 shareholders without limited sales conditions (excluding shares lent through refinancing and shares locked by senior management								

personnel)			
Name of shareholder	Number of shares held without limited sales conditions at the end of the reporting period	Type of shares	
		Type of shares	Quantity
He Renbao	111,400,000	RMB ordinary shares	111,400,000
Wang Yingmei	36,062,100	RMB ordinary shares	36,062,100
Zhejiang Yongtai Holdings Co., Ltd.	12,887,500	RMB ordinary shares	12,887,500
Hong Kong Securities Clearing Co., Ltd.	5,806,964	RMB ordinary shares	5,806,964
Shanghai Axing Investment Management Co., Ltd. - Axing Gezhi No.12 Private Equity Investment Fund	4,530,000	RMB ordinary shares	4,530,000
Ma Zhe	3,986,400	RMB ordinary shares	3,986,400
Xie Huiming	2,932,000	RMB ordinary shares	2,932,000
Galaxy Derivatives Capital Management Co., Ltd.	2,736,436	RMB ordinary shares	2,736,436
Shanghai Xitai Investment Management Co., Ltd. — Xitai Dongsheng No.1 Private Securities Investment Fund	2,658,100	RMB ordinary shares	2,658,100
Li Jie	2,538,100	RMB ordinary shares	2,538,100
Description of the affiliation or acting in concert among the top 10 shareholders of ordinary shares with unlimited sales conditions, and between the top 10 shareholders of ordinary shares with unlimited sales conditions and the top 10 shareholders of ordinary shares	Mr. He Renbao, Ms. Wang Yingmei, Zhejiang Yongtai Holdings Co., Ltd. and Shanghai Axing Investment Management Co., Ltd. – Axing Gezhi No.12 Private Equity Investment Fund are parties acting in concert. Among them, Mr. He Renbao and Ms. Wang Yingmei are spouses, who collectively held 100% equity interest in Zhejiang Yongtai Technology Holdings Co., Ltd., and Mr. He Kuang, the son of both of them, held 100% equity interest in Shanghai Axing Investment Management Co., Ltd. – Axing Gezhi No.12 Private Equity Investment Fund. Other than this, it was unknown to the Company whether the remaining shareholders mentioned above are related to each other or are acting in concert, and it was also unknown to the Company whether the top 10 shareholders of circulating shares without limited sales conditions and the top 10 shareholders of ordinary shares are related to each other or are acting in concert.		
Description of participation in securities margin trading business by the top 10 ordinary shareholders (if any)	4,530,000 shares were held by Shanghai Axing Investment Management Co., Ltd. – Axing Gezhi No. 12 Private Equity Investment Fund through an investor credit securities account; 3,434,000 shares were held by Ma Zhe through an investor credit securities account, 2,922,000 shares were held by Xie Huiming through an investor credit securities account, and 2,658,100 shares were held by Shanghai Xitai Investment Management Co., Ltd. — Xitai Dongsheng No.1 Private Securities Investment Fund through an investor credit securities account.		

Information of the shareholders holding more than 5% of the shares, the top 10 shareholders, and the top 10 shareholders of unrestricted trading shares participating in the lending of shares through refinancing business

☐ Applicable ☒ Not applicable

the top 10 shareholders, and the top 10 shareholders of unrestricted trading shares change compared to the previous period due to securities lending / borrowing through refinancing business

☐ Applicable ☒ Not applicable

Engagement of agreed repurchase transactions by the Company's top 10 ordinary shareholders and top 10 ordinary shareholders without limited sales conditions during the reporting period.

☐ Yes ☒ No

There were no agreed repurchase transactions by the Company's top 10 ordinary shareholders and top 10 ordinary shareholders without limited sales conditions during the reporting period.

IV. Changes in shareholdings of directors and senior management

☒ Applicable ☐ Not applicable

Name	Position	Term status of office	Number of shares held at the beginning of the period (shares)	Number of shares increased in this period (shares)	Number of shares reduced in this period (shares)	Number of shares held at the end of the period (shares)	Number of restricted shares granted at the beginning of the period	Number of restricted shares granted during this period (shares)	Number of restricted shares granted at the end of the period (shares)
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							(shares)		
Chen Lijie	Vice Chairman of the Board	Incumbent	1,288,824	44,000	0	1,332,824	90,000	0	90,000
Jin Yizhong	Director, Deputy General Manager	Incumbent	328,044	44,400	0	372,444	90,000	0	90,000
Zhang Jiangshan	Director, Deputy General Manager, Secretary of the Board of Directors	Incumbent	138,476	45,000	0	183,476	84,000	0	84,000
Wang Zichen	Deputy General Manager	Incumbent	138,140	44,400	0	182,540	84,000	0	84,000
Ying Yangfeng	CFO	Incumbent	0	44,200	0	44,200	0	0	0
Total	--	--	1,893,484	222,000	0	2,115,484	348,000	0	348,000

V. Changes in controlling shareholders or actual controllers

Please explain the progress of the change-of-control transaction if the Company has previously disclosed that its actual controller is planning a change of control which has not yet been completed.

☐ Applicable ☒ Not applicable

Changes in controlling shareholders during the reporting period

☐ Applicable ☒ Not applicable

No changes in controlling shareholders occurred during the reporting period of the Company.

Changes in actual controller during the reporting period

☐ Applicable ☒ Not applicable

No changes in actual controller occurred during the reporting period of the Company.

VI. Related Conditions of Preferred Shares

☐ Applicable ☒ Not applicable

There were no preference shares in the Company during the reporting period.

Section VII Related Conditions of Bonds

☐ Applicable ☒ Not applicable

Section VIII Financial Reports

I. Audit Report

Whether the semi-annual report is audited or not

☐ Yes ☒ No

The semi-annual financial report of the Company was not audited.

II. Financial Statements

The unit of the statement in the financial notes is: RMB

1. Consolidated Balance Sheet

Prepared by: Zhejiang Yongtai Technology Co., Ltd.

30 June 2026

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Current assets:		
Monetary Capital	953,115,224.82	423,412,552.85
Deposit reservation for balance		
Lending funds		
Trading financial assets	333,080.00	7,329,373.65
Derivative financial assets		
Notes receivable	384,952,128.83	358,677,475.83
Accounts receivable	2,116,274,840.18	1,445,257,530.40
Accounts receivable financing	69,587,936.73	25,059,585.66
Prepayments	107,590,243.63	83,361,322.60
Premiums receivable		
Reinsurances receivable		
Reinsurance contract reserves receivable		
Other receivables	94,501,710.25	37,008,345.80
Of which: Interest receivable		
Dividend receivable		
Purchase of resale financial assets		
Inventories	1,381,426,797.95	1,107,788,659.76
Of which: Data resources		
Contract assets		
Assets held for sale	599,943.92	599,943.92
Non-current assets due within one year		
Other current assets	58,594,462.87	133,858,413.45
Total Current Assets	5,166,976,369.18	3,622,353,203.92

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Non-current assets:		
Loans and advances issued		
Debt investments		
Other debt investments		
Long-term accounts receivable		
Long-term equity investments	261,460,255.40	254,383,993.38
Investments in other equity instruments	84,071,111.51	84,071,111.51
Other non-current financial assets		
Real estate for investment purposes	16,842,877.13	17,448,766.61
Fixed assets	3,745,025,705.84	3,908,728,868.31
Construction in process	1,676,354,570.09	1,599,879,666.64
Productive biological assets		
Oil and gas assets		
Right-of-use assets	4,968,563.59	2,832,079.11
Intangible assets	486,571,253.04	500,404,802.85
Of which: Data resources		
Development expenditure	43,272,226.33	36,147,355.09
Of which: Data resources		
Goodwill	600,936,834.86	600,936,834.86
Long-term deferred expenses	10,865,944.85	12,379,102.18
Deferred income tax assets	432,238,773.98	473,292,915.76
Other non-current assets:	174,778,851.13	102,608,346.36
Total Non-current Assets	7,537,386,967.75	7,593,113,842.66
Total Assets	12,704,363,336.93	11,215,467,046.58
Current liabilities:		
Short-term loan	2,622,250,291.80	2,303,099,403.93
Borrowing from the Central Bank		
Borrowing funds		
Trading financial liabilities	3,363,480.00	1,528,080.00
Derivative financial liabilities		
Notes payable	879,471,442.20	369,115,147.42
Accounts payable	1,706,504,399.75	1,505,751,100.52
Advances from customers		
Contract liabilities	270,089,425.37	76,813,885.07
Financial assets sold for repurchase		
Savings absorption and interbank deposits		
Acting trading securities		
Acting underwriting securities		
Employee benefits payable	43,710,071.95	70,183,008.22
Taxes payable	66,666,982.52	46,953,633.29

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Other payables	82,489,770.69	388,834,740.86
Of which: Interest payable		
Dividend payable		
Handling charges and commissions payable		
Accounts payable reinsurance		
Liabilities held for sale		
Non-current liabilities due within one year	1,616,009,030.94	1,547,959,984.76
Other current liabilities	1,081,818,540.95	957,631,582.03
Total current liabilities	8,372,373,436.17	7,267,870,566.10
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	714,950,000.01	814,215,058.63
Bonds payable		
Of which: Preferred shares		
Perpetual debt		
Lease liabilities	2,358,339.36	1,088,336.12
Long-term payables	257,120,162.59	75,679,981.11
Long-term employee benefits payable		
Provisions		
Deferred benefits	204,397,550.84	179,216,244.68
Deferred income tax liability	6,208,442.74	6,666,547.96
Other non-current liabilities:		
Total non-current liabilities	1,185,034,495.54	1,076,866,168.50
Total liabilities	9,557,407,931.71	8,344,736,734.60
Owners' equity:		
Share Capital	925,127,636.00	925,127,636.00
Other equity instruments		
Of which: Preferred shares		
Perpetual debt		
Capital reserves	718,060,004.59	710,190,044.59
Less: Treasury shares	29,721,600.00	29,721,600.00
Other comprehensive incomes	22,459,192.22	18,459,093.57
Special reserves	10,710,866.71	9,953,178.68
Surplus reserves	218,347,987.76	218,347,987.76
Common risk provision		
Retained earnings	1,093,262,180.55	819,408,715.13
Total equity attributable to shareholders of the Company	2,958,246,267.83	2,671,765,055.73
Non-controlling interests	188,709,137.39	198,965,256.25
Total Owners' equity:	3,146,955,405.22	2,870,730,311.98
Total liabilities and owner's equity	12,704,363,336.93	11,215,467,046.58

Legal representative: Wang Yingmei

Person in charge of accounting work: Ying Yangfeng

Head of accounting agency: Ni Xiaoyan

2. Balance Sheet of Parent Company

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Current assets:		
Monetary Capital	132,307,368.22	21,540,658.93
Trading financial assets		
Derivative financial assets		
Notes receivable	197,525,281.30	133,682,930.15
Accounts receivable	210,059,231.24	116,295,330.28
Accounts receivable financing	751,058.47	110,000.00
Prepayments	11,841,714.23	10,443,779.73
Other receivables	970,374,837.64	939,686,448.15
Of which: Interest receivable		
Dividend receivable		
Inventory	290,303,505.59	276,415,677.46
Of which: Data resources		
Contract assets		
Assets held for sale	599,943.92	599,943.92
Non-current assets due within one year		
Other current assets	8,869,736.41	22,878,387.54
Total Current Assets	1,822,632,677.02	1,521,653,156.16
Non-current assets:		
Debt investments		
Other debt investments		
Long-term accounts receivable		
Long-term equity investments	4,569,456,212.17	4,646,171,498.26
Investments in other equity instruments	83,571,111.51	83,571,111.51
Other non-current financial assets		
Real estate for investment purposes	103,392,495.04	106,923,396.23
Fixed assets	365,923,629.76	399,794,672.98
Construction in process	10,599,620.82	5,442,375.82
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	35,400,264.06	35,565,895.19
Of which: Data resources		
Development expenditure		
Of which: Data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	182,292,487.70	157,782,614.95

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Other non-current assets:	171,268,585.97	176,325,046.89
Total Non-current Assets	5,521,904,407.03	5,611,576,611.83
Total Assets	7,344,537,084.05	7,133,229,767.99
Current liabilities:		
Short-term loan	1,338,743,579.83	1,034,877,437.80
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	180,611,402.92	57,400,000.00
Accounts payable	230,053,358.14	210,034,786.39
Advances from customers		
Contract liabilities	160,725,006.28	18,503,221.62
Employee compensation payable	10,412,254.06	18,340,693.96
Taxes payable	4,219,603.58	7,999,009.57
Other payables	404,380,834.68	579,084,348.38
Of which: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	787,702,307.37	990,020,509.03
Other current liabilities	141,994,864.50	64,363,511.91
Total current liabilities	3,258,843,211.36	2,980,623,518.66
Non-current liabilities:		
Long-term borrowings	224,950,000.00	242,700,000.00
Bonds payable		
Of which: Preferred shares		
Perpetual debt		
Lease liabilities		
Long-term payables	104,145,526.66	44,863,022.67
Long-term employee benefits payable		
Provisions		
Deferred benefits	22,321,643.33	22,872,900.00
Deferred income tax liability		
Other non-current liabilities:		
Total non-current liabilities	351,417,169.99	310,435,922.67
Total liabilities	3,610,260,381.35	3,291,059,441.33
Owners' equity:		
Share Capital	925,127,636.00	925,127,636.00
Other equity instruments		
Of which: Preferred shares		
Perpetual debt		
Capital reserves	1,382,044,263.44	1,374,174,303.44
Less: Treasury shares	29,721,600.00	29,721,600.00
Other comprehensive incomes	47,634,093.48	47,634,093.48

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Special reserves		
Surplus reserves	215,539,960.36	215,539,960.36
Retained earnings	1,193,652,349.42	1,309,415,933.38
Total Owners' equity:	3,734,276,702.70	3,842,170,326.66
Total liabilities and owner's equity	7,344,537,084.05	7,133,229,767.99

3. Consolidated Income Statement

Unit: Yuan

Item	Semi-annual 2026	Semi-annual 2025
I. Gross Revenue	3,746,224,420.10	2,609,315,432.03
Of which: Operating revenue	3,746,224,420.10	2,609,315,432.03
Interest income		
Premium earned		
Incomes for handling charges and commissions		
II. Total operating cost	3,380,157,396.14	2,595,627,681.58
Including: Operating costs	2,809,397,292.35	2,134,643,802.13
Interest expenses		
Expenditures for handling charges and commissions		
Surrender value		
Net amount of compensation expenditure		
Net insurance liability reserve withdrawn		
Policyholder dividend expenditure		
Reinsurance expenses		
Taxes and surcharges	21,919,531.16	20,193,658.29
Marketing expenses	52,497,135.08	54,067,643.60
Management expenses	263,592,435.42	257,043,122.28
R&D expenses	80,470,099.74	60,266,579.38
Financial expenses	152,280,902.39	69,412,875.90
Of which: Interest expenses	106,117,723.80	72,142,594.29
Interest income	1,399,239.10	4,635,486.08
Plus: other income	23,762,468.31	22,570,910.38
Income from investment (loss expressed with "-")	14,651,488.79	16,112,977.78
Of which: income from investment to associated enterprises and joint ventures	7,076,262.02	9,262,517.75
Profit or loss arising from derecognized financial assets at amortized cost		
Income from exchange (loss expressed with "-")		
Net exposure hedging income (loss expressed with "-")		
Income from changes in fair value (loss expressed with "-")	6,519,778.45	-758,533.70
Credit impairment loss (loss expressed with "-")	-33,085,876.75	2,400,227.92
Asset impairment loss (loss expressed with "-")		5,550,999.97
Income from disposal of assets (loss expressed with "-")	-1,174,934.04	-141,488.45

Item	Semi-annual 2026	Semi-annual 2025
III. Operating profit (loss expressed with "-")	376,739,948.72	59,422,844.35
Plus: non-operating income	3,715,974.41	23,704,701.23
Minus: Non-operating expenses	4,142,909.95	3,978,709.51
IV. Total profit (total loss expressed with "-")	376,313,013.18	79,148,836.07
Less: Income tax expenses	79,760,778.29	15,911,034.78
V. Net profit (loss expressed with "-")	296,552,234.89	63,237,801.29
(I) Classification by business continuity		
1. Net profit from going concern (net loss expressed with "-")	306,386,318.17	48,218,285.93
2. Net profit from discontinued operations (net loss expressed with "-")	-9,834,083.28	15,019,515.36
(II) Classification by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with "-")	273,853,465.42	58,800,194.22
2. Minority shareholders' profits and losses (net loss expressed with "-")	22,698,769.47	4,437,607.07
VI. Net after-tax amount of other comprehensive incomes	4,000,098.65	-2,757,057.10
Net after-tax amount of other comprehensive incomes attributable to the owner of the company	4,000,098.65	-2,757,057.10
(I) Other comprehensive incomes not to be reclassified into profits and losses		
1. Remeasurement of changes in defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise's own credit risk		
5. Others		
(II) Other comprehensive income to be reclassified to profits and losses	4,000,098.65	-2,757,057.10
1. Other comprehensive incomes that will be reclassified to profit or loss under equity method		
2. Changes in fair value of other credits investments		
3. Amount of financial assets reclassified into other comprehensive incomes		
4. Provision for credit impairment of other credit investments		
5. Cash flow hedging reserve		
6. The differences arisen from the translation of foreign currency financial statements	4,000,098.65	-2,757,057.10
7. Others		
Net after-tax amount of other comprehensive incomes attributable to minority shareholders		
VII. Total comprehensive income	300,552,333.54	60,480,744.19
Total comprehensive incomes attributable to owners of the company	277,853,564.07	56,043,137.12
Total comprehensive incomes attributable to minority shareholders	22,698,769.47	4,437,607.07
VIII. Earnings per share		
(1) Basic earnings per share	0.296	0.064
(2) Diluted earnings per share	0.296	0.064

Legal representative: Wang Yingmei

Person in charge of accounting work: Ying Yangfeng

Head of accounting agency: Ni Xiaoyan

4. Profit Statement of Parent Company

Unit: Yuan

Item	Semi-annual 2026	Semi-annual 2025
I. Revenue	487,207,690.78	384,454,923.46
Less: Cost of sales	431,819,627.50	319,468,084.91
Taxes and surcharges	4,851,553.93	6,063,861.18
Marketing expenses	5,717,231.88	5,790,782.34
Management expenses	81,333,605.17	97,748,914.68
R&D expenses	21,441,301.27	23,297,605.23
Financial expenses	49,256,196.75	30,086,465.06
Of which: Interest expenses	44,996,256.37	49,704,972.76
Interest income	775,742.36	19,451,516.19
Plus: other income	2,261,597.42	5,589,015.42
Income from investment (loss expressed with "-")	8,313,255.00	92,891,160.82
Of which: income from investment to associated enterprises and joint ventures	7,076,262.02	9,262,517.75
Gains on derecognition of financial assets measured at amortized cost ("losses" are presented as "-")		
Net exposure hedging income (loss expressed with "-")		
Income from changes in fair value (loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-39,450,579.95	33,436,206.55
Asset impairment loss (loss expressed with "-")		4,921,088.81
Income from disposal of assets (loss expressed with "-")	64,763.20	-12,415.41
II. Operating profit (loss expressed with "-")	-136,022,790.05	38,824,266.25
Plus: non-operating income	1,633,921.03	839,930.73
Minus: Non-operating expenses	3,270,627.69	3,905,217.14
III. Total profit (total loss expressed with "-")	-137,659,496.71	35,758,979.84
Less: Income tax expenses	-21,895,912.75	-7,544,546.84
IV. Net profit (net loss expressed with "-")	-115,763,583.96	43,303,526.68
(I) Net profit from going concern (net loss expressed with "-")	-115,763,583.96	43,303,526.68
(II) Net profit from discontinued operations (net loss expressed with "-")		
V. Net after-tax amount of other comprehensive incomes		
(I) Other comprehensive income that will not be reclassified to profit or loss		
1. Remeasurement of changes in defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise's own credit risk		
5. Others		
(II) Other comprehensive income to be reclassified to profits and losses		
1. Other comprehensive incomes that will be		

Item	Semi-annual 2026	Semi-annual 2025
reclassified to profit or loss under equity method		
2. Changes in fair value of other credits investments		
3. Amount of financial assets reclassified into other comprehensive incomes		
4. Provision for credit impairment of other credit investments		
5. Cash flow hedging reserve		
6. The differences arisen from the translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	-115,763,583.96	43,303,526.68
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

5. Consolidated Statement of Cash Flow

Unit: Yuan

Item	Semi-annual 2026	Semi-annual 2025
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,231,947,289.17	1,507,857,972.15
Net increase in customer bank deposits and interbank deposits		
Net increase in borrowings from the Central Bank		
Net increase in borrowings from other financial institutions		
Cash received from premiums obtained from original insurance contracts		
Net cash received from reinsurance business		
Net increase of policy holder deposits and investment funds		
Cash received from interests, handling charges and commissions		
Net increase in borrowing funds		
Net increase in repurchase business capital		
Net cash received from agency purchases and sales of securities		
Refund of taxes and surcharges	85,682,214.54	90,348,648.33
Other cash payments related to investment activities	73,494,141.45	54,162,108.64
Sub-total of cash inflows from operating activities	2,391,123,645.16	1,652,368,729.12
Cash payments for purchasing goods and receiving labor services	1,270,669,344.23	841,404,297.47
Net increase in borrowings and advances		

Item	Semi-annual 2026	Semi-annual 2025
Net increase of deposits in the Central Bank and other financial institutions		
Cash paid for original insurance contract claims		
Net increase in lending funds		
Cash paid for interests, handling charges and commissions		
Cash paid for the policy dividends		
Cash paid to and on behalf of employees	243,165,046.54	232,718,989.68
All types of taxes paid	57,264,842.26	58,421,296.16
Other cash payment related to operating activities	241,201,135.36	298,553,334.01
Sub-total of cash outflows from operating activities	1,812,300,368.39	1,431,097,917.32
Net cash flows from operating activities	578,823,276.77	221,270,811.80
II. Cash flows from investment activities		
Cash received from disposal of investments		17,256,941.00
Cash received from returns on investments	18,121,818.90	3,628,643.07
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	91,960.00	16,968.99
Net cash received from disposal of subsidiaries and other business entities		
Other cash received related to investment activities		
Sub-total of cash inflows from investment activities	18,213,778.90	20,902,553.06
Cash paid to acquire and construct fixed assets, intangible assets, and other long-term assets	383,787,750.33	281,954,699.83
Cash paid to acquire investments	8,106,449.46	6,230,000.00
Net increase in pledged loans		
Net cash paid for the acquisition of subsidiaries and other business units		
Cash payments relating to other investing activities		
Sub-total of cash outflows for investment activities	391,894,199.79	288,184,699.83
Net cash flow from investment activities	-373,680,420.89	-267,282,146.77
III. Cash flows from financing activities		
Cash received from capital contributions		
Of which: Cash received from capital contributions by non-controlling interests of subsidiaries		
Cash received from borrowings	2,295,979,502.02	1,891,126,849.90
Cash received relating to other financing activities	851,844,000.00	47,500,000.00
Sub-total of cash inflows from financing activities	3,147,823,502.02	1,938,626,849.90
Cash payments for debt repayment	2,140,863,749.90	1,665,345,373.99

Item	Semi-annual 2026	Semi-annual 2025
Cash payments for distributing dividends, profits or paying interest	116,341,559.58	88,099,647.31
Of which: share dividends and profits paid to minority shareholders by subsidiaries		
Cash payments relating to other financing activities	933,708,170.20	140,471,488.43
Sub-total of cash inflows from financing activities	3,190,913,479.68	1,893,916,509.73
Net cash flow from financing activities	-43,089,977.66	44,710,340.17
IV. Impact of currency fluctuation on cash and cash equivalents	-8,180,096.35	7,151,866.31
V. Net increase in cash and cash equivalents	153,872,781.87	5,850,871.51
Plus: balance of cash and cash equivalents at the beginning of the period	107,646,796.26	213,923,592.02
VI. Balance of cash and cash equivalents at the end of the period	261,519,578.13	219,774,463.53

6. Cash Flow Statement of Parent Company

Unit: Yuan

Item	Semi-annual 2026	Semi-annual 2025
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	461,588,640.46	157,997,051.68
Refunds of taxes received	21,276,610.15	31,230,715.82
Other cash payments related to investment activities	397,309,331.93	1,348,447,360.49
Sub-total of cash inflows from operating activities	880,174,582.54	1,537,675,127.99
Cash payments for purchasing goods and receiving labor services	287,414,401.90	78,863,221.97
Cash paid to and on behalf of employees	63,517,674.96	65,505,907.11
All types of taxes paid	10,192,712.61	11,755,289.61
Other cash payment related to operating activities	407,939,067.52	259,452,467.67
Sub-total of cash outflows from operating activities	769,063,856.99	415,576,886.36
Net cash flows from operating activities	111,110,725.55	1,122,098,241.63
II. Cash flows from investment activities		
Cash received from disposal of investments		
Cash received from returns on investments	3,489,079.88	83,628,643.07
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	57,000.00	12,415.41
Net cash received from disposal of subsidiaries and other business entities		
Other cash received related to investment activities		
Sub-total of cash inflows from	3,546,079.88	83,641,058.48

Item	Semi-annual 2026	Semi-annual 2025
investment activities		
Cash paid to acquire and construct fixed assets, intangible assets, and other long-term assets	10,429,975.90	33,451,023.92
Cash paid to acquire investments	2,908,451.89	1,053,500,000.00
Net cash received from payments of subsidiaries and other business entities		
Cash payments relating to other investing activities		
Sub-total of cash outflows for investment activities	13,338,427.79	1,086,951,023.92
Net cash flow from investment activities	-9,792,347.91	-1,003,309,965.44
III. Cash flows from financing activities		
Cash received from capital contributions		
Cash received from borrowings	1,256,360,000.00	974,573,500.00
Cash received relating to other financing activities	216,100,000.00	
Sub-total of cash inflows from financing activities	1,472,460,000.00	974,573,500.00
Cash payments for debt repayment	1,264,035,000.00	985,273,500.00
Cash payments for distributing dividends, profits or paying interest	45,801,351.94	51,735,516.07
Other cash payments related to fund-raising activities	232,405,940.41	53,082,334.76
Sub-total of cash inflows from financing activities	1,542,242,292.35	1,090,091,350.83
Net cash flow from financing activities	-69,782,292.35	-115,517,850.83
IV. Impact of currency fluctuation on cash and cash equivalents	-872,491.68	2,645,521.55
V. Net increase in cash and cash equivalents	30,663,593.61	5,915,946.91
Plus: balance of cash and cash equivalents at the beginning of the period	8,485,086.49	47,605,160.28
VI. Balance of cash and cash equivalents at the end of the period	39,148,680.10	53,521,107.19

7. Consolidated Statement of Changes in Owner's Equity

Amount in this period

Unit: Yuan

Item	Semi-annual 2026														
	Equity attributable to shareholders of the Company												Non-controlling interests	Total Owners' equity:	
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others			Subtotal
		Preferred shares	Perpetual debt	Others											
I. Balance at the end of last year	925,127,636.00				710,190,044.59	29,721,600.00	18,459,093.57	9,953,178.68	218,347,987.76		819,408,715.13		2,671,765,055.73	198,965,256.25	2,870,730,311.98
Plus: Changes in accounting policies															
Correction of prior errors															
Others															
II. Balance at the beginning of this year	925,127,636.00				710,190,044.59	29,721,600.00	18,459,093.57	9,953,178.68	218,347,987.76		819,408,715.13		2,671,765,055.73	198,965,256.25	2,870,730,311.98
III. Increase/decrease amount of the current period (decrease expressed with "-")					7,869,960.00		4,000,098.65	757,688.03			273,853,465.42		286,481,212.10	-10,256,118.86	276,225,093.24
(I) Total comprehensive income							4,000,098.65				273,853,465.42		277,853,564.07	22,698,769.47	300,552,333.54
(II) Capital contributed or withdrawn by owners					7,869,960.00								7,869,960.00	-33,468,970.88	-25,599,010.88

Item	Semi-annual 2026													
	Equity attributable to shareholders of the Company												Non-controlling interests	Total Owners' equity:
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others		
Preferred shares		Perpetual debt	Others											
1. Common share capital contribution by shareholders														
2. Capital contribution by holders of other equity instruments														
3. Amount recorded in shareholders' equity arising from share-based payment arrangements					7,869,960.00							7,869,960.00		7,869,960.00
4. Others													-33,468,970.88	-33,468,970.88
(III) Profit distribution														
1. Appropriation to surplus reserves														
2. Appropriation to common risk provision														
3. Distribution to shareholders														
4. Others														
(IV) Transfer within shareholders'														

Item	Semi-annual 2026														
	Equity attributable to shareholders of the Company													Non-controlling interests	Total Owners' equity:
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others	Subtotal		
Preferred shares		Perpetual debt	Others												
equity															
1. Transfer from capital reserves to share capital															
2. Transfer from surplus reserves to share capital															
3. Surplus reserves to cover losses															
4. Transfer remeasurement s of defined benefit obligation to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others															
(V) Special reserves								757,688.03					757,688.03	514,082.55	1,271,770.58
1. Accrual in the period								15,609,006.69					15,609,006.69	897,213.83	16,506,220.52
2. Use in the period								14,851,318.66					14,851,318.66	383,131.28	15,234,449.94
(VI) Others															
IV. Ending	925,127,636.				718,060,004.	29,721,600.	22,459,192.	10,710,866.	218,347,987.		1,093,262,180.		2,958,246,267.	188,709,137.	3,146,955,405.

Item	Semi-annual 2026														
	Equity attributable to shareholders of the Company												Non-controlling interests	Total Owners' equity:	
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others			Subtotal
		Others	Perpetual debt	Preferred shares											
balance of the period	00				59	00	22	71	76		55		83	39	22

Amount in last Year

Unit: Yuan

Item	Semi-annual 2025														
	Equity attributable to shareholders of the Company												Non-controlli ng interests	Total Owners' equity:	
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others			Subtotal
Preferred shares		Perpetual debt	Others												
I. Balance at the end of last year	925,400,795. 00				681,527,776. 74	50,052,000.0 0	20,060,026.2 9	10,475,162.6 5	218,347,987. 76		865,509,364. 95		2,671,269,113. 39	171,896,999.0 7	2,843,166,112. 46
Plus: Changes in accounting policies															
Correction of prior errors															
Others															
II. Balance at the beginning of this year	925,400,795. 00				681,527,776. 74	50,052,000.0 0	20,060,026.2 9	10,475,162.6 5	218,347,987. 76		865,509,364. 95		2,671,269,113. 39	171,896,999.0 7	2,843,166,112. 46
III. Increase/decrea se amount of the current period					18,196,765.1 8	-430,000.00	-2,757,057.1 0	993,736.92			58,800,194.2 2		75,663,639.22	4,547,939.77	80,211,578.99

Item	Semi-annual 2025													
	Equity attributable to shareholders of the Company												Non-controlling interests	Total Owners' equity:
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others	Subtotal	
		Preferred shares	Perpetual debt	Others										
(decrease expressed with "-")														
(I) Total comprehensive income							-2,757,057.10				58,800,194.22		56,043,137.12	4,437,607.07
(II) Capital contributed or withdrawn by owners					18,196,765.18	-430,000.00	0.00	0.00					18,626,765.18	18,626,765.18
1. Common share capital contribution by shareholders						-430,000.00							430,000.00	430,000.00
2. Capital contribution by holders of other equity instruments														
3. Amount recorded in shareholders' equity arising from share-based payment arrangements														
4. Others					18,196,765.18								18,196,765.18	18,196,765.18
(III) Profit distribution														
1. Appropriation to surplus reserves														

Item	Semi-annual 2025													
	Equity attributable to shareholders of the Company												Non-controlli ng interests	Total Owners' equity:
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others		
Preferred shares		Perpetual debt	Others											
2. Appropriation to common risk provision														
3. Distribution to shareholders														
4. Others														
(IV) Transfer within shareholders' equity														
1. Transfer from capital reserves to share capital														
2. Surplus reserve converted into capital (or share capital)														
3. Surplus reserves to cover losses														
4. Transfer remeasurements of defined benefit obligation to retained earnings														
5. Other comprehensive income carried forward to retained														

Item	Semi-annual 2025														
	Equity attributable to shareholders of the Company													Non-controlli ng interests	Total Owners' equity:
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Common risk provision	Retained earnings	Others	Subtotal		
		Preferred shares	Perpetual debt	Others											
earnings															
6. Others															
(V) Special reserves								993,736.92					993,736.92	110,332.70	1,104,069.62
1. Accrual in the period								12,291,156.4 5					12,291,156.45	554,749.32	12,845,905.77
2. Use in the current period								11,297,419.5 3					11,297,419.53	444,416.62	11,741,836.15
(VI) Others															
IV. Ending balance of the period	925,400,795. 00				699,724,541. 92	49,622,000.0 0	17,302,969.1 9	11,468,899.5 7	218,347,987. 76		924,309,559. 17		2,746,932,752. 61	176,444,938.8 4	2,923,377,691. 45

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

Amount in this period

Unit: Yuan

Item	Semi-annual 2026											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Othe rs	Total Owners' equity:
		Prefe rred share s	Perp etual debt	O th er s								
I. Balance at the end of last year	925,127,636.00				1,374,174,303.44	29,721,600.00	47,634,093.48		215,539,960.36	1,309,415,933.38		3,842,170,326.66

Item	Semi-annual 2026											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Others	Total Owners' equity:
		Preferred shares	Perpetual debt	Others								
Plus: Changes in accounting policies												
Correction of prior errors												
Others												
II. Balance at the beginning of this year	925,127,636.00				1,374,174,303.44	29,721,600.00	47,634,093.48		215,539,960.36	1,309,415,933.38		3,842,170,326.66
III. Increase/decrease amount of the current period (decrease expressed with "-")					7,869,960.00					-115,763,583.96		-107,893,623.96
(I) Total comprehensive income										-115,763,583.96		-115,763,583.96
(II) Capital contributed or withdrawn by owners					7,869,960.00	0.00						7,869,960.00
1. Common share capital contribution by shareholders												
2. Capital contribution by holders of other equity instruments												
3. Amount recorded in shareholders' equity arising from share-based payment arrangements					7,869,960.00							7,869,960.00
4. Others												
(III) Profit distribution												
1. Appropriation to surplus reserves												
2. Distribution to shareholders												
3. Others												
(IV) Internal transfer of owners' equity												
1. Transfer from capital reserves to share capital												
2. Surplus reserve converted into capital (or share capital)												
3. Surplus reserves to cover losses												

Item	Semi-annual 2026											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Others	Total Owners' equity:
		Preferred shares	Perpetual debt	Others								
4. Transfer remeasurements of defined benefit obligation to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserves												
1. Accrual in the period								2,832,981.45				2,832,981.45
2. Use in the current period								2,832,981.45				2,832,981.45
(VI) Others												
IV. Ending balance of the period	925,127,636.00				1,382,044,263.44	29,721,600.00	47,634,093.48		215,539,960.36	1,193,652,349.42		3,734,276,702.70

Amount in last Year

Unit: Yuan

Item	Semi-annual 2025											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Others	Total Owners' equity:
		Preferred shares	Perpetual debt	Others								
I. Balance at the end of last year	925,400,795.00				1,345,512,035.59	50,052,000.00	55,766,444.42		215,539,960.36	1,392,756,850.11		3,884,924,085.48
Plus: Changes in accounting policies												
Correction of prior errors												
Others												
II. Balance at the beginning of this year	925,400,795.00				1,345,512,035.59	50,052,000.00	55,766,444.42		215,539,960.36	1,392,756,850.11		3,884,924,085.48
III. Increase/decrease amount of the current period					18,196,765.18	-430,000.00				43,303,526.68		61,930,291.86

Item	Semi-annual 2025											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Others	Total Owners' equity:
		Preferr ed shares	Perp etual debt	Oth ers								
(decrease expressed with "-")												
(I) Total comprehensive income										43,303,526.68		43,303,526.68
(II) Capital contributed or withdrawn by owners					18,196,765.18	-430,000.00						18,626,765.18
1. Common share capital contribution by shareholders						-430,000.00						430,000.00
2. Capital contribution by holders of other equity instruments												
3. Amount recorded in shareholders' equity arising from share-based payment arrangements												
4. Others					18,196,765.18							18,196,765.18
(III) Profit distribution												
1. Appropriation to surplus reserves												
2. Distribution to shareholders												
3. Others												
(IV) Internal transfer of owners' equity												
1. Transfer from capital reserves to share capital												
2. Surplus reserve converted into capital (or share capital)												
3. Surplus reserves to cover losses												
4. Transfer remeasurements of defined benefit obligation to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserves												

Item	Semi-annual 2025											
	Share Capital	Other equity instruments			Capital reserves	Less: Treasury shares	Other comprehensive incomes	Special reserves	Surplus reserves	Retained earnings	Oth ers	Total Owners' equity:
		Preferr ed shares	Perp etual debt	Oth ers								
1. Accrual in the period								2,749,239.95				2,749,239.95
2. Use in the current period								2,749,239.95				2,749,239.95
(VI) Others												
IV. Ending balance of the current period	925,400,795.00				1,363,708,800.77	49,622,000.00	55,766,444.42		215,539,960.36	1,436,060,376.79		3,946,854,377.34

III. Basic information about the Company

1. Company overview

Zhejiang Yongtai Technology Co., Ltd. (hereinafter referred to as “Company” or “the Company” or “YONGTAI TECH.”) is a company limited by shares through overall change from original Zhejiang Yongtai Chemical Co., Ltd., with Zhejiang Yongtai Technology Holdings Co., Ltd. (formerly Linhai City Yongtai Investment Co., Ltd.) and 25 natural persons such as Wang Yingmei, He Renbao, Liu Hong as sponsors and total share capital amount of 100 million shares (the face value per share is RMB 1). Unified social credit code of business license of the Company: 91330000719525000X. The Company was listed in Shenzhen Stock Exchange in December 2009. Industry: Chemical raw materials and chemical products manufacturing industry.

As of 30 June 2026, the Company has issued a cumulative total of 925,127,636 shares, with a registered capital of RMB 925,127,636, registered office at No.1 Donghai Fifth Avenue, Linhai Park, Zhejiang Chemical Raw Material Medicine Base, and head office at No.1 Donghai Fifth Avenue, Linhai Park, Zhejiang Chemical Raw Material Medicine Base. The Company’s principal business activities are the manufacture and sale of fluorinated pharmaceuticals, crop science, and new energy materials, as well as trading business of related materials. Actual controllers of the Company are the couple He Renbao and Wang Yingmei.

The financial statements have been approved by the Board of Directors of the Company for reporting on 25 August 2026.

2. Scope of consolidated financial statements

Subsidiaries within the scope of the consolidated financial statements of the Company as of 30 June 2026 are as follows:

Name of subsidiary
Binhai Yongtai Technology Co., Ltd. (hereinafter referred to as “Binhai Yongtai”)
Shanghai E-tong Chemical Co., Ltd. (hereinafter referred to as “Shanghai E-tong”)
Shaowu Yongtai Hi-tech Material Co., Ltd. (hereinafter referred to as “Yongtai Hi-tech”)
Hainan Xinhui Mining Co., Ltd. (hereinafter referred to as “Xinhui Mining”)
Zhejiang Yongtai Pharmaceutical Co., Ltd. (hereinafter referred to as “Yongtai Pharma”)
Youngtech Pharmaceuticals Co., Ltd. (hereinafter referred to as “Youngtech Pharmaceuticals”)
Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd. (hereinafter referred to as “Shandong Yongtai”)
Zhejiang Yongtai New Material Co., Ltd. (hereinafter referred to as “Yongtai New Material”)
SYT pharm (Shanghai) Inc. (hereinafter referred to as “SYT pharm (Shanghai)”)
Zhejiang Yongtai New Energy Material Co., Ltd. (hereinafter referred to as “Yongtai New Energy”)
Shanghai Youngcobe Bio-pharma Co., Ltd. (hereinafter referred to as “Shanghai Youngcobe”)
E-TONG CHEMICAL (HONGKONG) CO., LIMITED (hereinafter referred to as “E-TONG CHEMICAL (HONGKONG)”)
Zhejiang Chiral Medicine Chemicals Co., Ltd. (hereinafter referred to as “Zhejiang Chiral”)
Foshan Soin Chiralpharma Co., Ltd. (hereinafter referred to as “Foshan Soin”)
Zhejiang Yongtai Chiral Medicine Technology Co., Ltd. (hereinafter referred to as “Yongtai Chiral”)
Jiangsu Subin Agrochemical Co., Ltd. (hereinafter referred to as “Jiangsu Subin”)
H&G (China) Chemical Ltd. (hereinafter referred to as “H&G (China)”)
Binhai Meikang Pharmaceutical Co., Ltd. (hereinafter referred to as “Binhai Meikang”)
Inner Mongolia Yongtai Chemical Co., Ltd. (hereinafter referred to as “Inner Mongolia Yongtai”)
E-TONG CHEMICAL CO., LIMITED (hereinafter referred to as “E-TONG CHEMICAL”)
Hangzhou Yongtai Biomedicine Co., Ltd. (hereinafter referred to as “Hangzhou Yongtai”)
PT. ETONG CHEMICAL INDONESIA (hereinafter referred to as “PT. ETONG”)
E-TONG CHEMICAL (PHILIPPINES) INC. (hereinafter referred to as “E-TONG PHILIPPINES ”)
E-TONG AGROTECH NIGERIA LIMITED (hereinafter referred to as “Etong Agrotech Nigeria”)
E-TONG CHEMICALS (PVT.) LTD. (hereinafter referred to as “Etong Chemicals (Pvt.)”)
LIDEAL MINES LIMITED (hereinafter referred to as “Lideal Mines”)

Name of subsidiary
AGRO JUNTOS COLOMBIA S.A.S. (hereinafter referred to as “Agro Juntos Colombia”)
FARMALINE CROPCARE BANGLADESH LIMITED (hereinafter referred to as “Farmaline Cropcare Bangladesh”)
Zhejiang Yongtai Fule Technology Co., Ltd. (hereinafter referred to as “Yongtai Fule”)
Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd. (hereinafter referred to as “Hangzhou Yongtai Chiral”)
QUANG HOP BIOCHEMICAL COMPANY LIMITED (hereinafter referred to as “Etong Vietnam”)
Fujian Yongtai Fuyuan Technology Co., Ltd. (hereinafter referred to as “Yongtai Fuyuan”)
MONAGRO CROPSOURCE CO., LTD., (hereinafter referred to as “E-tong Cambodia”)
E-TONG CHEMICAL(THAILAND) CO.,LTD., (hereinafter referred to as “E-tong Thailand”)
Shanghai Yongtaixin Fluorine New Materials Co., Ltd.(hereinafter referred to as “Yongtaixin Fluorine”)
AGRO JUNTOS BRAZIL LTDA (hereinafter referred to as “E-tong Brazil”)
SEWELL AGROCHEM NIGERIA CO LIMITED (hereinafter referred to as “SEWELL Nigeria”)
Yancheng Yongtai New Material Co., Ltd. (hereinafter referred to as “Yancheng Yongtai”)
Foshan Yongtai Soin Chiralpharma Co., Ltd. (hereinafter referred to as “Foshan Yongtai Soin”)
Foshan Yongtai Soin Pharmacy Co., Ltd. (hereinafter referred to as “Foshan Yongtai Soin Pharmacy”)

See “Note X. Interests in Other Entities” for details of the Company's subsidiaries.

For details of changes in consolidation scope during the reporting period, please refer to “Note IX. Changes in Consolidation Scope”.

4. The preparation basis of Financial Statements

1. Preparation basis

The financial statements have been prepared in accordance with the *Accounting Standards for Business Enterprises - Basic Standards* and various specific accounting standards, guidelines for the application of accounting standards for enterprises, interpretations of accounting standards for enterprises and other related regulations (hereinafter collectively referred to as “Accounting Standards for Business Enterprises”) issued by the Ministry of Finance, and the relevant provisions of *Disclosure and Reporting Rules for Companies Issuing Public Securities No. 15 – General Provisions on Financial Reporting* of China Securities Regulatory Commission (the “CSRC”).

2. Continuing operations

The financial statements are prepared on a going-concern basis.

The Company has the ability of continuing operations for at least 12 months since the end of the reporting period, and there are no major matters affecting its ability of continuing operations.

V. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates tips: No

1. The declaration on compliance with the Accounting Standards for Business Enterprises

These financial statements comply with the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance and give a true and complete view of the consolidated and parent company's financial positions as of 30 June 2026 and the consolidated and parent company's business performance and cash flows for January-June 2026.

2. Accounting Period

The fiscal year is from January 1 to December 31 of the Gregorian calendar.

3. Business cycle

The business cycle of the Company is 12 months.

4. Bookkeeping base currency

The Company adopts RMB as the bookkeeping base currency. The subsidiaries of the Company have determined their bookkeeping standard currencies according to the major economic environments in which they operate. Among them, the bookkeeping standard currencies of the Company's American subsidiary Youngtech Pharmaceuticals, the Hong Kong sub-subsidiaries E-Tong Chemical (Hong Kong) Co., Limited and E-Tong Chemical Co., Limited are U.S. Dollars, the bookkeeping standard currency of the Indonesian sub-subsidiary PT. Etong Chemical Indonesia is Rupiah, and the bookkeeping standard currencies of the Filipino sub-subsidiary E-tong Chemical (Philippines) Inc. is Philippine Peso, the bookkeeping standard currency of the Nigerian sub-subsidiaries Etong Agrotech Nigeria, Lideal Mines and Senwell Nigeria is Nigerian Naira, the bookkeeping standard currency of Pakistan's sub-subsidiary Etong Chemicals (Pvt.) Ltd. is Pakistani Rupee, and the bookkeeping standard currency of the Colombian sub-subsidiary Agro Juntos Colombia is Colombian Peso, the bookkeeping standard currency of Bangladeshi sub-subsidiary Farmaline Cropcare Bangladesh is Bangladesh Taka, the bookkeeping standard currency of Vietnamese sub-subsidiary Etong Vietnam is VND, the bookkeeping standard currency of Cambodian sub-subsidiary Etong Cambodian is Cambodian Riel, the bookkeeping standard currency of Thailand sub-subsidiary Etong Thailand is THB, the bookkeeping standard currency of Brazil sub-subsidiary E-tong Brazil is BRL, and the bookkeeping standard currencies of the rest of the subsidiaries are all in RMB. These financial statements are presented in RMB.

5. Determination method and selection basis for importance criteria

☒ Applicable ☐ Not applicable

Item	Importance criteria
Important ongoing project	Single item amount $\geq$ RMB 20 million
Important development expenses	Single item amount $\geq$ RMB 10 million
Other important accounts receivable with individual provision for bad debts	Single item amount $\geq$ RMB 8 million
Significant accounts payable, prepayments or contractual liabilities that have been outstanding for more than one year or are overdue	Single item amount $\geq$ RMB 15 million
Significant joint ventures or associates	The amount of long-term equity investment exceeds 5% of the total consolidated assets of the Company
Significant non-wholly owned subsidiaries	The total assets or revenue of a non-wholly-owned subsidiary exceed 10% of the total assets or revenue of the Company
Cash related to important investment/financing activities	Single investment/financing activities with cash amount exceeding 5% of total assets

6. The accounting treatment method for business mergers under the same control and those not under the same control

Business combinations under common control: Assets and liabilities acquired by a merging party in a business combination (including goodwill resulting from the acquisition of the merged party by the ultimate controlling party) are measured at the book value of the merged party's assets and liabilities in the consolidated financial statements of the ultimate controlling party at the date of the merger. As for the balance between the net assets book value obtained and the merger consideration book value paid during

a merger (or the total book value of the shares issued), the additional share capital in capital reserve shall be adjusted. If the additional share capital in capital reserve is not sufficient for offset, the retained earnings shall be adjusted.

Business combination not under common control: Merger cost is the fair value of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer to obtain control of the acquiree at the date of acquisition. Goodwill is recognized as the positive difference between the merger cost and the share of the fair value of the acquiree's identifiable net assets acquired in the merger; the difference between the merger cost and the share of the fair value of the acquiree's identifiable net assets acquired in a merger is included into the current profits and losses. Each identifiable asset, liability and contingent liability of the acquiree acquired in a merger that qualifies for recognition is measured at fair value at the date of acquisition.

Directly related costs incurred for a business combination are included into the current profits and losses as incurred; transaction costs for the issuance of equity securities or debt securities for a business combination are included into the initial recognition amount of the equity securities or debt securities.

7. Standards for control judgement and the methods for preparing consolidated financial statements

1. Criteria for judging the controlling

The scope of consolidation in the consolidated financial statements is determined based on control, and the scope of consolidation includes the Company and all of its subsidiaries. Control refers to that the Company has power over investees and has a variable return through participation in the related activities of the investees, and has the ability to use the power over the investees to affect its return amount.

2. Consolidation procedures

The Company considers the entire enterprise group as one accounting entity, and prepares consolidated financial statements in accordance with uniform accounting policies to reflect the financial position, business performance and cash flows of the enterprise group as a whole. The effects of internal transactions that occurred between the Company and its subsidiaries and between subsidiaries are offset. If an internal transaction indicates that there is an impairment loss on the related asset, the full amount of such loss is recognized. If a subsidiary adopts accounting policies and accounting periods that are not consistent with those of the Company, the subsidiary's accounting policies and accounting periods shall be adjusted according to those of the Company as necessary in preparing the consolidated financial statements.

The shares held by non-controlling interests in shareholders' equity, the current net profits and losses and the current comprehensive income of subsidiaries, are separately listed under the items of shareholders' equity in the Consolidated Balance Sheet, net profit and total comprehensive income in the Consolidated Income Statement. The balance of current loss borne by non-controlling interests of the subsidiary subtracting the shares enjoyed by non-controlling interests from period-beginning shareholders' equity of the subsidiary shall offset against the non-controlling interests.

(1) Increase subsidiaries or business

During the reporting period, if a subsidiary or any business is added as a result of a business combination under common control, the operating results and cash flows of the subsidiary or business from the beginning of the current consolidation period to the end of the reporting period are included in the consolidated financial statements, while the opening balance of the consolidated financial statements and the related items in the comparative statements are adjusted as if the merged reporting entity had been in existence since the point when the ultimate controlling party began to control it.

If additional investments enable control over an investee under common control, the equity investments held before the acquisition of control of the merged party, and the relevant profits and losses, other comprehensive income and other changes in net assets that have been confirmed from the date when the original equity is acquired or the date when the merging party and the

merged party are under common control (whichever is later) to the merger date will write down the opening retained earnings or current profits and losses for the period of comparative statement, respectively.

During the reporting period, if a subsidiary or any business is added as a result of a business consolidation not under the same control, each identifiable asset, liability and contingent liability determined at the date of acquisition based on their fair value are included in the consolidated financial statements from the date of acquisition.

Where the investees not under the same control can be controlled due to additional investment or other reasons, the Company shall re-measure the acquiree's equity held before the date of purchase according to the fair value of the equity at the date of purchase, and include the difference between the fair value and its book value into the current investment income. Other comprehensive income related to the equity of the acquiree held before the acquisition date, which will be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method accounting are converted into the current investment income of the acquisition date.

(2) Disposal of subsidiaries

① General disposal method

If the control right over the investee is lost due to the disposal of partial equity investment or other reasons, the Company shall re-measure the remaining equity investment after disposal according to the fair value on the date of losing control right. The sum of the consideration acquired by the disposal of equity and the fair value of the remaining equity minus the sum of the shares of the net assets of the original subsidiary continuing to calculate from the date of purchase or merger according to the original shareholding ratios and the goodwill, such obtained difference shall be included into the investment income on that very period of losing the control right. Other comprehensive income related to the equity investment of the original subsidiary that will be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method accounting are converted into the current investment income when the control right is lost.

② Disposal of subsidiaries step by step

If the terms, conditions, and economic impacts on various transactions of disposing the equity investment of subsidiaries conform to one or more of the following situations provided that the equity investment of subsidiaries is disposed step by step through multiple transactions until the loss of control right, it usually indicates that the multiple transactions shall be taken as a package deal:

- i. These transactions are made simultaneously or in consideration of each other's influence;
- ii. These transactions as a whole can achieve a complete business result;
- iii. The occurrence of a transaction depends on the occurrence of at least one of other transactions;
- iv. A transaction is uneconomical individually, but it's economical when you consider it with other transactions.

Where the transactions are part of a package, the transactions are accounted for as one disposal of subsidiaries with loss of control; The difference between each disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the investment prior to the loss of control is included into the consolidated financial statements as other comprehensive income and is transferred into profit or loss for the current period when control is lost.

Where the respective transactions are not part of a package, the equity investments in the subsidiary are conducted with accounting treatment method as a partial disposal without loss of control until such time as control is lost; upon loss of control, accounting is performed in accordance with the general method for disposal of subsidiaries.

(3) Purchasing minority equity of subsidiaries

The stock premium in the capital reserves in the Consolidated Balance Sheet is adjusted according to the difference between the long-term equity investments newly-obtained by the Company for the purchase of non-controlling interests and the net asset share continuously calculated from the purchase date or the merger date of subsidiaries that shall be enjoyed by the Company by calculating as per the newly-increased shareholding ratio; when the stock premium in the capital reserves is not sufficient to offset, the retained earnings shall be adjusted.

(4) Disposing partly the equity investment in subsidiaries without losing the control

For the difference between the disposal price and the share of net assets of the subsidiary corresponding to the disposal of the long-term equity investments calculated on an ongoing basis from the date of acquisition or the date of merger, adjust the stock premium in capital surplus in the Consolidated Balance Sheet, and if the stock premium in capital surplus is not sufficient for write-down, adjust the retained earnings.

8. Classification of joint venture arrangements and accounting treatment methods for joint operations

The joint venture arrangements are divided into joint operation and joint venture.

A joint operation is a joint venture arrangement in which the joint venturers enjoy the assets and bear the liabilities associated with the arrangement.

The Company recognizes the following items related to its share of interest in joint operations:

- (1) To confirm the assets held by the Company separately, and the assets jointly held according to the Company's shares;
- (2) To confirm the liabilities assumed by the Company separately, and the liabilities jointly assumed according to the Company's shares;
- (3) To confirm the revenue generated by the sale of the output shares of joint operation enjoyed by the Company;
- (4) To confirm the revenue generated by the sale of output of joint operation according to the Company's shares;
- (5) To confirm the expenses incurred separately, and the expenses incurred in joint operation according to the Company's shares.

The Company's investment in joint ventures is accounted for by the equity method, as described in "V. (XV) Long-term Equity Investments" this Notes to the Financial Statements.

9. Confirmation standard of cash and cash equivalent

Cash refers to the Company's cash on hand and deposits that are available for payment at any time. Cash equivalents refer to the short-term and highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

10. Foreign currency business and conversion of foreign currency statements**1. Foreign currency transactions**

For foreign currency transactions, the approximate exchange rate of the spot exchange rate on the transaction date is used as the conversion rate to convert foreign currency amounts into RMB for accounting purposes.

The balances of foreign monetary items at the balance sheet date are converted at the spot rate on the balance sheet date, and the resulting exchange differences are included into profit or loss for the current period, except for those arising from special

borrowings in foreign currencies related to the acquisition of assets eligible for capitalization, which are treated in accordance with the principle of capitalization of borrowing costs.

2. Conversion of foreign currency financial statements

Asset and liability items of balance sheet are converted using the spot rate at the balance sheet date; items of shareholders' equity, except for "retained earnings", are converted using the spot rate at the time of occurrence. Income and expense items in the income statement are converted using the approximate exchange rate of the spot exchange rate on the transaction date.

During the disposal of overseas operation, the balance arising from the translation of foreign currency financial statements related to the overseas operation shall be transferred from owner's equity items to the disposal of current profit and loss.

11. Financial instruments

The Company recognizes a financial asset, a financial liability or an equity instrument when it becomes a party to a financial instrument contract.

1. Classification of financial instruments

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets, the financial assets are classified at initial recognition as: Financial assets measured at amortized cost, financial assets at fair value through other comprehensive incomes, and financial assets at fair value through profit or loss.

The Company classifies financial assets that meet the following criteria and that are not designated as financial assets at fair value through profit or loss as financial assets measured at amortized cost:

- Business model is targeted at collecting contractual cash flows;
- Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

The Company classifies financial assets that meet the following criteria and that are not designated as financial assets at fair value through profit or loss as financial assets at fair value through other comprehensive incomes (debt instruments):

- A business model with the objective of both collecting the contractual cash flows and selling the financial asset;
- Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

For investments in non-trading equity instruments, the Company may, on initial recognition, irrevocably designate them as financial assets at fair value through other comprehensive incomes (equity instruments). The designation is made on the basis of a single investment and the underlying investment meets the definition of an equity instrument from the perspective of the issuer.

Except for the above-mentioned financial assets measured at amortized cost and financial assets at fair value through other comprehensive income, the Company classifies all remaining financial assets as financial assets at fair value through profit or loss. On initial recognition, if it is possible to eliminate or significantly reduce the accounting mismatch, the Company may irrevocably designate financial assets that would otherwise be classified as financial assets measured at amortized cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss.

Financial liabilities are classified on initial recognition as: Financial liabilities at fair value through profit or loss and financial liabilities measured at amortized cost.

For those financial liabilities, if one of the following conditions is met, they may be designated, on initial recognition, as financial liabilities at fair value through profit or loss:

1) The designation can eliminate or significantly reduce accounting mismatches.

2) According to enterprise's risk management or investment strategy as set out in formal written documents, management and performance evaluation of a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities are conducted on a fair value basis. And within the enterprise, report to key management personnel on this basis.

3) The financial liability contains embedded derivatives that are subject to separate spin-off.

2. Determination basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

Financial assets measured at amortized cost, including notes receivable, accounts receivable, other receivables, long-term receivables and debt investments, are initially measured at fair value, with related transaction costs included in the initial recognition amount; Accounts receivable that do not contain a significant financing component and those that the Company has decided not to consider a financing component of more than one year are initially measured at the contractual transaction price.

Interest calculated using the effective interest method during the holding period is included into the current profits and losses.

During recovery or disposal, the difference between the acquired price and the book value of the financial assets shall be included into profit or loss for the current period.

(2) Financial assets at fair value through other comprehensive income(debt instruments)

Financial assets at fair value through other comprehensive income (debt instruments), including receivables financing and other debt investments, are initially measured at fair value with related transaction costs included into the initially recognized amount. The financial asset is subsequently measured at fair value, and changes in fair value are included into other comprehensive income, except for interest, impairment loss or gain and exchange gain or loss calculated using the effective interest method.

Upon derecognition, the cumulative gain or loss previously included into other comprehensive incomes is transferred from other comprehensive incomes and included into the current profits and losses.

(3) Financial assets at fair value through other comprehensive income (equity instruments)

Financial assets at fair value through other comprehensive income (equity instruments), including investments in other equity instruments, are initially measured at fair value, with related transaction costs included into the initial recognition amount. The financial asset is subsequently measured at fair value, with changes in fair value included into other comprehensive income. Dividends received are included into profit or loss for the current period.

Upon derecognition, the cumulative gain or loss previously included into other comprehensive incomes is transferred from other comprehensive incomes and included in retained earnings.

(4) Financial assets at fair value through profit or loss

Financial assets measured at fair value whose changes are included into the current profits and losses, including financial assets held for trading, derivative financial assets and other non-current financial assets, are initially measured at fair value, with related transaction costs included into the current profits and losses. The financial asset is subsequently measured at fair value, with changes in fair value included into the current profits and losses.

(5) Financial liabilities at fair value through profit or loss

Financial liabilities measured at fair value whose changes are included into the current profits and losses, including financial liabilities held for trading and derivative financial liabilities, are initially measured at fair value, with related transaction costs included into the current profits and losses. The financial liability is subsequently measured at fair value, with changes in fair value included into the current profits and losses.

On derecognition, the difference between its book value and the consideration paid is included into the current profits and losses.

(6) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost, including short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable and long-term payables, are initially measured at fair value, with related transaction costs included into the initial recognition amount.

Interest calculated using the effective interest method during the holding period is included into the current profits and losses.

On derecognition, the difference between the consideration paid and the book value of the financial liability is included into the current profits and losses.

3. Recognition basis and measurement method for derecognition and transfer of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

- Termination of contractual rights to receive cash flows from financial assets;
- The financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transfer-in side;
- The financial asset has been transferred. Although the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial assets, it doesn't retain control over the financial asset.

If the Company and the counterparty modify or renegotiate the contract and constitute a substantial modification, the original financial asset shall be derecognized, and a new financial asset shall be recognized in accordance with the modified terms.

A financial asset is not derecognized when a transfer of the financial asset occurs and substantially all the risks and rewards of ownership of the financial asset are retained.

In the event of determining whether the transfer of financial assets meets the termination recognition conditions of the aforesaid financial assets, the principle of substance over form shall be adopted.

The Company divides the financial asset transfer zone into the overall transfer and partial transfer of financial assets. If the transfer of an entire financial asset satisfies the conditions for stopping recognition, the difference between the amounts of the following two items shall be included into profit or loss for the current period:

- (1) The book value of the transferred financial assets;
- (2) The sum of the consideration received for the transfer and the cumulative amount of changes in fair value originally recognized directly in owners' equity (in the case where the financial asset involved in the transfer is a financial asset (debt instrument) measured at fair value through other comprehensive income).

Where partial transfer of financial assets satisfies the termination recognition conditions, the entire book value of the transferred financial assets shall be apportioned between the part for which termination is determined and the part for which

termination is not determined as per respective relative fair values, and the difference between the following two items shall be included into profit or loss for the current period:

(1) The book value of the derecognized part;

(2) The sum of the consideration for the derecognized portion and the amount corresponding to the derecognized portion of the cumulative amount of changes in fair value originally recognized directly in owners' equity (in the case where the financial asset involved in the transfer is a financial asset (debt instrument) measured at fair value through other comprehensive income).

Where the transfer of financial assets doesn't meet the recognition conditions, the financial assets shall be continually confirmed, and the received consideration is confirmed as one financial liability.

4. Derecognition of financial liabilities

When the prevailing obligations of a financial liability are relieved in whole or in part, the financial liability can be derecognized in whole or in part. Where the Company enters into an agreement with a creditor so as to substitute the existing financial liability by way of new financial liability, and if the contract terms regarding the new financial liability are substantially different from that regarding the existing financial liability, it shall derecognize the existing financial liability, and shall recognize the new financial liability at the same time.

Where an enterprise makes substantial revisions to some or all of the contractual stipulations of the existing financial liability, it shall terminate the recognition of the existing financial liability or part of it, and at the same time recognize the financial liability after revising the contractual stipulations as a new financial liability.

Where the recognition of a financial liability is fully or partially terminated, the difference between the book value of financial liability which has been terminated from recognition and the paid considerations (including the non-cash assets it has transferred out and the new financial liabilities it has assumed) shall be included into the current profits and losses.

Where our enterprise buys back part of its financial liabilities, it shall distribute, on the buy-back day, the carrying amount of the whole financial liabilities according to the comparatively fair value of the part that continues to be recognized and the part whose recognition has already been terminated. The difference between the carrying amount which is distributed to the part whose recognition has terminated and the considerations it has paid (including the non-cash assets it has transferred out and the new financial liabilities it has assumed) shall be included into the current profits and losses.

5. Method for determining the fair value of financial assets and financial liabilities

If there are active financial instruments, the fair value is determined using quoted prices in an active market. If there are no active financial instruments, the fair value is determined using valuation techniques. In its valuation, the Company uses valuation techniques that are applicable in the current circumstances and supported by sufficient available data and other information, selects inputs that are consistent with the characteristics of the asset or liability considered by market participants in transactions for the relevant asset or liability, and gives preference to the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are not available or not practical to obtain.

6. Test methods and accounting treatment methods for impairment of financial instruments

The Company applies impairment accounting based on expected credit losses for financial assets measured at amortized cost, financial assets (debt instruments) measured at fair value through other comprehensive income, and financial guarantee contracts.

The Company recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, taking into account

reasonable and substantiated information about past events, current conditions and forecasts of future economic conditions, weighted by the risk of default.

For receivables and contract assets resulting from transactions governed by *Accounting Standards for Business Enterprises No. 14 - Revenue*, the Company consistently measures its provision for losses at an amount equal to the expected credit loss over the entire life of the asset, whether or not it contains a significant financing component.

For lease receivables arising from transactions regulated by the *Accounting Standards for Business Enterprises No. 21 - Leases*, the Company chooses to always measure the loss provision at an amount equal to the expected credit losses over the entire duration.

For other financial instruments, the Company assesses the changes in credit risk of the relevant financial instruments from initial recognition at each balance sheet date.

The Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of default of the financial instrument at the balance sheet date with the risk of default at the date of initial recognition to determine the relative change in the risk of default over the expected life of the financial instrument. The Company considers that the credit risk of a financial instrument has increased significantly when it is normally more than 30 days past due, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures its provision for losses at an amount equal to the expected credit loss over the entire life of the financial instrument; if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company measures its provision for loss at an amount equal to the expected credit loss of the financial instrument over the next 12 months. The resulting increase or reversal of the provision for losses is recognized as an impairment loss or gain in the current profits and losses. For financial assets (debt instruments) measured at fair value through other comprehensive income, the loss provision is recognized in other comprehensive income, and impairment losses or gains are included in the current period's profit or loss, without reducing the carrying amount of the financial asset as presented in the balance sheet.

If there is objective evidence that a certain account receivable has incurred credit impairment, the Company will make an impairment provision for that account receivable on an individual basis.

Except for the above-mentioned accounts receivable for single provision for bad debt reserves, the Company divides other financial instruments into several combinations based on credit risk characteristics and determines expected credit losses based on these combinations. The combination categories and determination basis for the provision of expected credit losses for notes receivable, accounts receivable, accounts receivable financing, other receivables, contract assets, long-term receivables, etc. of the Company are as follows:

Item	Combination category	Determination basis
Notes receivable	Aging analysis combination	Notes receivables are categorized based on the credit risk characteristics of the acceptor.
	Low risk portfolio	
Accounts receivable and other receivables	Aging analysis combination	Except for the accounts receivable and other accounts receivable for which separate provisions for losses have been measured, the Company determines the provision for losses

Item	Combination category	Determination basis
		based on the expected credit losses of accounts receivable combinations with similar credit risk characteristics divided by age groups that are same as or similar with those in previous years, with the forward-looking information considered.

The Company uses the recognition date of accounts receivable as the starting point for aging and calculates the aging based on the principle of “first in, first out”.

If the Company no longer has a reasonable expectation that the contractual cash flows from a financial asset will be fully or partially recovered, the book balance of the financial asset is written down directly.

12. Contract assets

1. Methods and criteria for recognition of contract assets

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance obligation and the customer's payment. The right to receive consideration for goods or services that the Company has transferred to customers (and which is dependent on factors other than the passage of time) is presented as a contract asset. Contract assets and contract liabilities under the same contract are presented on a net basis. The Company's unconditional (depending only on the passage of time) right to receive consideration from customers is shown separately as a receivable.

2. Method of determining expected credit losses on contract assets and accounting treatment method

The determining method and accounting treatment method for the expected credit losses on contract assets are detailed in Note (XI) 6. Test Methods and Accounting Treatment Methods for Impairment of Financial Instruments.

13. Inventory

1. Classification and cost of inventories

Inventory is classified as: Raw materials, materials in transit, turnover materials, finished product, work in progress, goods shipped but not sold, materials on consignment for processing, etc.

Inventories are initially measured at cost. The cost of inventories includes the cost of purchase, processing costs and other expenditures incurred in bringing the inventories to their present location and condition.

2. Pricing method of issued inventory

Inventories are valued by weighted average method when they are delivered.

3. Inventory system for inventories

The perpetual inventory system is used.

4. Amortization method of low-value consumables and packaging

(1) Low value consumables adopt one-off write-off method;

(2) The packaging uses one-time direct amortized method.

5. Standards for recognizing and methods for provisioning inventory falling price reserves

On the balance sheet date, the inventory is measured at the lower of the cost or the net realizable value. When the cost of inventories is higher than their net realizable value, a provision for inventory decline should be made. Net realizable value refers to the amount after deducting the cost to be incurred upon estimation until the completion, the estimated sales expenses, and related taxes from the estimated selling price of inventory in daily activities.

The net realizable value of finished goods, finished goods and materials for sale and other merchandise inventories used directly for sale, in the normal course of production and operation, is determined as the estimated selling price of such inventories, less estimated selling expenses and related taxes; the net realizable value of inventories of materials subject to processing is determined in the normal course of production operations as the estimated selling price of the finished goods produced, less the estimated costs to be incurred for completion, estimated selling expenses and related taxes; the net realizable value of inventories held for the execution of sales contracts or labor contracts is calculated based on the contract price. If the quantity of inventories held is more than the quantity ordered in the sales contract, the net realizable value of the excess inventories is calculated based on the general sales price.

After the provision for decline in value of inventory, if the factors affecting the previous write-down of inventory value have disappeared, resulting in the net realizable value of the inventory being higher than its book value, the provision for decline in value of inventory is reversed within the original provision amount, and the amount reversed is included into the current profits and losses.

14. Assets held for sale

1. Assets held for sale

A non-current asset or disposal group whose book value is recovered principally through sale (including exchange of non-monetary assets with commercial substance) rather than through continuing use is classified as held for sale.

The Company classifies non-current assets or disposal groups as held for sale if they meet the following conditions:

(1) In accordance with the practice in similar transactions for the sale of such assets or disposal groups, they can be sold immediately in their current condition;

(2) The sale is highly likely to occur, i.e., the Company has resolved on a sale plan and obtained firm purchase commitments, and the sale is expected to be completed within one year. Where the relevant regulations require the approval of the relevant authority or regulatory authority of the Company before the sale can be made, such approval has been obtained.

If the book value of a non-current asset (excluding financial assets, deferred income tax assets and assets resulting from employee compensation) or disposal combinations classified as held for sale is higher than the fair value less costs to sell, the book value is written down to the net value of fair value less costs to sell, and the write-down amount is recognized as an impairment loss on the asset and included into the current profit and loss, together with a provision for impairment of assets held for sale.

2. Termination of operations

A discontinued operation is a separately distinguishable component that meets one of the following conditions and which has been disposed of by the Company or classified by the Company as held for sale:

(1) The component represents a separate principal business or a separate principal area of operation;

(2) The component is part of a related plan to dispose of an independent principal business or a separate principal area of operation;

(3) The component is a subsidiary acquired exclusively for resale.

Gains or losses from continuing operations and gains or losses from discontinued operations are presented separately in the income statement. Operating gains and losses such as impairment losses and reversals of amounts from discontinued operations and gains and losses on disposals are reported as gains and losses from discontinued operations. For discontinued operations presented in the current period, the Company restates the information previously reported as gain or loss from continuing operations in the current period financial statements as gain or loss from discontinued operations in the comparable accounting period.

15. Long-term equity investment

1. Judgment standards for same control and great influence

The same control refers to the control commonly owned for a certain arrangement according to the relevant agreement, in which the related activities of such arrangement can be decided only after the consensus of participants who share the control right. Where the Company and other joint ventures implement same control over the invested unit and have the right to the net assets of the invested unit, the invested unit is the joint venture of the Company.

Significant impact refers to the power to participate in making decisions on the financial and operating policies of an invested unit, but not to control or do joint control together with other parties over the formulation of these policies. Where the Company can have significant influence on an invested unit, the invested unit is the associated enterprise of the Company.

2.Determination of initial investment cost

(1) Long-term equity investment formed by business consolidation(combination)

For long-term equity investments in subsidiaries acquired through business combination under common control, the initial investment cost of long-term equity investments at the date of merger is based on the share of the shareholders' equity of the merged party in the book value of the consolidated financial statements of the final controlling party. For the difference between the initial investment cost of the long-term equity investments and the book value of the consideration paid, the stock premium in capital surplus shall be adjusted; if the stock premium in capital surplus is not sufficient for write-down, the retained earnings shall be adjusted. If it is possible to exercise control over an investee under common control due to additional investment, for the difference between the initial investment cost of the long-term equity investments recognized in accordance with the above principle and the sum of the book value of the long-term equity investments before merger and the book value of the consideration paid for further acquisition of shares at the date of merger, adjust the stock premium, and if the stock premium is not sufficient for write-down, the retained earnings shall be written down .

For long-term equity investments in subsidiaries formed by business combinations not under common control, the initial investment cost of long-term equity investments is based on the merger cost determined at the date of acquisition. Where the invested units not under common control can be controlled due to additional investment or other reasons, the sum of the book value of the equity investments originally held and the newly added investment cost shall be taken as the initial investment cost.

(2) Long-term equity investments acquired through means other than business combination

The initial cost of a long-term equity investments obtained by making payment in cash shall be the purchase cost actually paid.

The initial cost of a long-term equity investments obtained based on issuing equity securities shall be the fair value of the equity securities issued.

3.Confirmation method of subsequent measurement and profits and losses

(1) Long-term equity investment accounted by cost method

The Company accounts for its long-term equity investments in subsidiaries using the cost approach, unless the investments qualify as held for sale. Except for the actual paid price when acquiring investment or, the cash dividends or profits that has declared but not yet released in the consideration, the Company shall recognize the current investment income according to the cash dividends or profits issued by the invested unit.

(2) Long-term equity investment accounted by equity method

The long-term equity investments in associated enterprises and joint ventures shall be accounted by equity method. For the positive difference between the initial investment cost and the share of the fair value of the identifiable net assets of the investee at the time of investment, the initial investment cost of the long-term equity investments is not adjusted; for the negative difference between the initial investment cost and the share of the fair value of the identifiable net assets of the investee at the time of investment, it shall be included into the current profits and losses, and the cost of long-term equity investments is adjusted.

The Company recognizes investment income and other comprehensive income in accordance with its share of the net profit or loss realized by the investee and other comprehensive income that shall be shared or born, respectively, while adjusting the book value of the long-term equity investments; the portion of the entitlement shall be calculated based on the profit or cash dividends declared by the investee, with a corresponding reduction in the book value of the long-term equity investments; for changes in the ownership interest of the investee other than net profit or loss, other comprehensive income and profit distribution ("changes in other shareholders' equity"), adjust the book value of the long-term equity investments and recognize them in shareholders' equity.

In recognizing the share of the investee's net income or loss, other comprehensive income and other changes in shareholders' equity, the fair value of the investee's identifiable net assets at the time the investment is acquired is used as the basis for recognition, and the net income and other comprehensive income of the investee are adjusted in accordance with the Company's accounting policies and accounting periods.

Unrealized gains or losses on internal transactions between the Company and associated enterprises or joint ventures that are attributable to the Company based on their proportionate share are offset, and investment income is recognized on this basis, except when the assets invested or sold constitute a business. The unrealized internal transaction losses with the invested unit, which belongs to the impairment loss of assets, shall be recognized in full.

For the net loss incurred by joint ventures or associated enterprises, the Company, except for the obligation to assume additional losses, is limited to a write-down to zero of the book value of the long-term equity investments and other long-term interests that substantially constitute the net investment in joint ventures or associated enterprises. If joint ventures or associated enterprises later realize net profit, the Company resumes the recognition of attributable share of income after the attributable share of income makes up for the unrecognized attributable share of loss.

(3) Disposal of long-term equity investment

When disposing of a long-term equity investments, the difference between its book value and the actual purchase price shall be included into the current profits and losses.

If a long-term equity investments accounted with the equity method is partially disposed of and the remaining equity interest is still accounted with the equity method, other comprehensive income recognized under the former equity method is carried forward in proportion to the corresponding percentage using the same basis as the direct disposal of the related assets or liabilities by the investee, and other changes in shareholders' equity are carried forward to profit or loss in proportion to the period.

If the common control or significant influence over the investee is lost due to the disposal of the equity investments, etc., other comprehensive incomes recognized as a result of the equity method accounting for the original equity investments is conducted with accounting treatment method on the same basis as the direct disposal of the related assets or liabilities by the

investee upon the termination of the equity method accounting, and all changes in other shareholders' equity are transferred to current profits and losses upon the termination of the equity method accounting.

If control over the investee is lost due to the disposal of part of the equity investments, the remaining equity interest that can exercise joint control or significant influence over the investee is accounted with the equity method when preparing the individual financial statements, and the remaining equity interest is adjusted as if it had been accounted with the equity method from the time of acquisition, and other comprehensive incomes recognized prior to the acquisition of control over the investee is recognized using the same basis as that used for the direct disposal of the related assets or liabilities by the investee, and the changes in other shareholders' equity recognized as a result of the adoption of the equity method of accounting are carried forward proportionately to current profits and losses; if the remaining equity interest cannot exercise joint control or significant influence over the investee, it is recognized as a financial asset, and the difference between its fair value and its book value at the date of loss of control is included into the current profits and losses, and all other comprehensive incomes and other changes in shareholders' equity recognized before control of the investee is obtained are carried forward.

Disposal of equity investments in subsidiaries through multiple transactions in steps until the loss of control, where they are a package transaction, each transaction is conducted with accounting treatment method as one disposal of equity investments in subsidiaries with loss of control; the difference between the disposal price and the book value of the long-term equity investments corresponding to the equity interest disposed of for each disposal prior to the loss of control is recognized as other comprehensive income in the individual financial statements first, and is transferred to the current profits and losses when control is lost. If the transaction is not part of a package, each transaction is conducted with accounting treatment method separately.

16. Real estate for investment purposes

Investment property measurement model: Cost method of measurement

Depreciation or amortization method

Real estate for investment purposes are real estate held for rental income or capital appreciation, or both, and include land use rights that have been leased, land use rights that are held and intended to be transferred after appreciation, and buildings that have been leased (including buildings that will be used for leasing after completion of self-construction or development activities and buildings that will be used for leasing in the future while under construction or development).

Subsequent expenditures related to investment properties are included in the cost of investment properties when it is probable that the related economic benefits will flow in and their cost can be measured reliably; otherwise, it is included into the current profits and losses as incurred.

The Company measures the existing investment real estate using the cost model. The investment real estate - rental building measured at cost model shall be adopted with the same depreciation policies as the fixed assets of the Company, and the rental land use right shall be subject to the same amortization policies as the intangible assets.

17. Fixed assets

1. Recognition conditions

Fixed assets refer to the tangible assets which are held for producing commodities, providing labor services, leasing or operation management and have a service life of over one fiscal year. Fixed assets are recognized when the following conditions are met simultaneously:

- (1) The economic benefits pertinent to the fixed asset are likely to flow into the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (and the effect of expected abandonment cost factors shall be considered).

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when it is probable that the economic benefits associated with them will flow in and their cost can be measured reliably; derecognition of the book value for the replaced portion; all other subsequent expenses are included into the current profits and losses as incurred.

A fixed asset shall be derecognized when it is in a state of disposal or when no economic benefits are expected to arise from its use or disposal. The amount obtained after deducting the book value and relevant taxes from the disposal income from the sale, transfer, scrapping or damage of fixed assets shall be included into the current profit and loss.

2. Depreciation method

Category	Depreciation method	Depreciable life	Residual value rate	Annual depreciation rate
House and building	Straight-line method	20 Years	5.00%	4.75%
Machinery equipment	Straight-line method	2-10 years	5.00%	47.50-9.50%
Electronic equipment and others	Straight-line method	5-10 years	5.00%	19.00-9.50%
Transportation equipment	Straight-line method	5 Years	5.00%	19.00%

18. Construction in processing

Construction in progress is measured at the actual cost incurred. Actual costs include construction costs, installation costs, borrowing costs eligible for capitalization and other necessary expenditures incurred to bring construction in progress to its intended serviceable condition. Construction in progress is transferred to fixed assets when it reaches its intended serviceable condition and provision for depreciation starts from the following month. The criteria and timing for transferring construction in progress to fixed assets are as follows:

Category	The criteria and timing for converting to fixed assets
House and building	(1) The main construction projects and supporting facilities have been completed substantially; (2) The construction projects meet the predetermined design requirements and are inspected and accepted by the units in charge of survey, design, construction, and supervision; (3) Inspected and accepted by external departments such as fire protection, national land, and planning; (4) If any construction project reaches the predetermined usable state but has not yet completed the final settlement, it shall be transferred to fixed assets at the estimated value based on the actual cost of the project from the date of reaching the predetermined usable state.
Machines and equipment that need to be installed and debugged	(1) The relevant equipment and other supporting facilities have been installed; (2) The equipment can maintain normal and stable operation for some time after debugging; (3) Production equipment can produce qualified products stably for some time; (4) The equipment has been inspected and accepted by asset management and using personnel.

19. Borrowing costs

1. Confirmation principles for capitalization of borrowing costs

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of assets eligible for capitalization, they shall be capitalized and included into the costs of relevant assets; Other borrowing costs shall be recognized as expenses based on the incurred amount and shall be included into the current profits and losses.

Assets eligible for capitalization refer to the fixed assets, investment real estate, inventories, and other assets, of which the acquisition and construction or production may take quite a long time to get ready for its intended use or sale.

2.Capitalization period of borrowing costs

Capitalization period refers to the period from the commencement to the cessation of capitalization of the borrowing costs, excluding the period of suspension of capitalization of the borrowing costs.

The borrowing costs shall not be capitalized unless they meet the following conditions simultaneously:

(1) The asset expenditure has already incurred, which shall include cash payment, transfer of non-cash assets or interest-bearing debts for the acquisition and construction or production of assets eligible for capitalization;

(2) The borrowing costs have already incurred;

(3) The acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

When the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased.

3.Suspension of capitalization period

Capitalization of borrowing costs is suspended if an unusual interruption occurs during the acquisition or production of an asset eligible for capitalization and the interruption lasts for more than three consecutive months; if the interruption is necessary to bring the asset acquired or produced that is eligible for capitalization to its intended usable or marketable condition, the borrowing costs continue to be capitalized. The borrowing costs incurred during the interruption shall be recognized as the current profits and losses and shall not be capitalized until the acquisition and construction or production of the asset restarts.

4. Calculation of capitalization rate and capitalization amount of borrowing costs

For the special borrowings borrowed for the acquisition and construction or production of assets eligible for capitalization, the capitalization amount of borrowing costs is determined by the borrowing costs actually incurred in the period of the special borrowings minus the interest income obtained from the unused borrowing funds deposited in the bank or the investment income obtained from temporary investment.

Where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the Company shall calculate and determine the to-be-capitalized amount of borrowing costs on the general borrowing by multiplying the weighted average of cumulative asset expenditure exceeding the asset expenditure of special loan by the capitalization rate of the general borrowing used. The capitalization rate shall be calculated and determined based on the weighted average real interest rate of the general borrowing.

During the period of capitalization, the exchange difference of principal and interest of special foreign currency borrowings shall be capitalized and included into the cost of assets eligible for capitalization. Exchange differences arising from the principal amount of foreign currency borrowings other than specialized foreign currency borrowings and their interest are included into the current profits and losses.

20. Intangible assets

(1) Determination basis for useful life, estimation, amortization methods, or review procedures

1. Pricing method of intangible assets

(1) Intangible asset acquired by the Company is measured initially upon the cost;

The cost of outsourced intangible asset includes purchase price, related taxes, and other expenditures directly attributable to making such asset reach intended use.

(2) Subsequent measurement

Analyze and judge the service life of intangible assets when obtaining them.

For intangible assets with finite useful lives, amortize over the period that provides economic benefits to the enterprise; intangible assets with an indefinite useful life are not amortized if it is not foreseeable that they will provide economic benefits to the enterprise.

2. Service life estimation for the intangible assets with limited service life

Item	Estimated service life	Amortization method	Residual value rate	Basis for determining estimated useful life
Land-use right	40-50 years	Straight-line method	None	Land-use Right Certificate
Trademarks	10 Years	Straight-line method	None	Estimated service life
Patent and proprietary technology	5-10 years	Straight-line method	None	Estimated service life
Software and others (pollution discharge license, production permission, etc.)	5-10 years	Straight-line method	None	Estimated service life

3. Basis for determining intangible assets with indefinite service life and procedures for reviewing their service life

The Company has no intangible assets with uncertain service life as of the balance sheet date.

(2) Scope and accounting treatment methods of R&D expenditures

1. Scope of R&D expenditures

The Company classifies expenses directly related to the conduct of R&D activities as R&D expenditures, including employee compensation for personnel engaged in R&D activities, materials consumed, related depreciation and amortization expenses, outsourcing expenses, and other related expenditures.

2. Specific criteria for classifying the research and development stages

The expenditures of the internal R&D project of the Company are divided into the expenditure in the research stage and the expenditure in the development stage.

Research stage: the stage of creative and planned investigation and research activities conducted to acquire and understand new scientific or technical knowledge.

Development stage: the stage of application of the research findings or other knowledge to certain plan or design to manufacture new or substantially improved materials, devices or products before commercial production or application.

3. Specific conditions for capitalization of development stage expenditures

The expenditure of research stage shall be included into the current profits and losses as incurred. The expenditure in the development stage is recognized as intangible assets if the following conditions are met, and the expenditure in the development stage that cannot meet the following conditions is included into the current profits and losses:

(1) It is technically feasible to finish the intangible assets for use or sale;

(2) It is intended to finish and use or sell the intangible assets;

(3) The means for intangible assets to generate economic benefits include: proving that the products produced using such intangible asset have market or that the intangible asset has market itself. Where the intangible asset is used internally, its usefulness can be proved;

(4) There is sufficient support of technological and financial resources and other resources to complete the development of the intangible assets, and the ability to use or sell the intangible assets;

(5) The expenditure ascribed to the development stage of the intangible assets can be reliably measured.

If it is not possible to distinguish the expenditure in the research stage from the expenditure in the development stage, all R&D expenditures incurred are included into the current profits and losses.

21. Depreciation of long-term assets

Long-term equity investments, investment real estate, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, oil and gas assets, and other long-term assets measured using the cost model are tested for impairment if there are indicators of impairment at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is less than its book value, a provision for impairment is made for the difference and included into the impairment loss. The recoverable amount is the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows. The provision for asset impairment is calculated and recognized on an individual asset basis, if it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group is determined using the asset group to which the asset belongs. An asset group is the smallest combination of assets that can generate cash inflows independently.

For goodwill resulting from business consolidations, intangible assets with indefinite useful lives, and intangible assets that have not yet reached a serviceable condition, impairment tests are performed at least at the end of each year, regardless of whether there is an indication of impairment.

The Company performs goodwill impairment tests and the book value of goodwill arising from a business combination is allocated to the relevant asset group from the date of purchase in accordance with a reasonable method; if it is difficult to be allocated to the relevant asset group, it is allocated to the relevant asset group portfolio. A related asset group or asset group portfolio is an asset group or asset group portfolio that can benefit from the synergistic effects of a business combination.

When making an impairment test on the relevant asset groups or combinations of asset groups containing goodwill, if any evidence shows that the impairment of asset groups or combinations of asset groups is possible, the Company shall first make an impairment test on the asset groups or combinations of asset groups not containing goodwill, calculate the recoverable amount, compare it with the relevant carrying value, and recognize the corresponding impairment loss. The asset group or asset group portfolio containing goodwill is then subjected to an impairment test to compare its book value with the recoverable amount. If the recoverable amount is less than the book value, the impairment loss is first reduced by the book value of the goodwill allocated to the asset group or asset group portfolio, and then according to the proportionate share of the book value of each asset other than goodwill in the asset group or asset group portfolio, the book value of other assets is then reduced in proportion. Once recognized, the above impairment loss on assets is not reversed in the future accounting periods.

22. Long-term deferred expenses

Long-term unallocated expense is an expense that has been incurred but should be borne by the current and future periods and is allocated over a period of more than one year.

The amortization period and amortization method for each expense are:

Item	Amortization method	Amortization period
Equipment transformation	Average amortization in the benefit period	4-5 years
Decoration expenses	Average amortization in the benefit period	3-5 years
Others	Average amortization in the benefit period	2-5 years

23. Contractual liabilities

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance obligation and the customer's payment. The Company's obligations to transfer goods or provide services to customers for consideration received or receivable are presented as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

24. Employee salaries

(1) The accounting treatment method for short-term compensation

During the accounting period that employees of the Company provide services, the Company confirms the short-term compensation actually incurred as liability and includes it into the current profits and losses or related asset cost.

The social insurance premiums and housing fund paid by the Company for its employees, as well as the labor union funds and employee education funds withdrawn in accordance with regulations, are used to determine the corresponding amount of employee compensation based on the prescribed accrual basis and accrual ratio during the accounting period in which the employees provide services to the Company.

Employee benefits incurred by the Company are included into the current profits and losses or to the cost of related assets when actually incurred, based on the actual amount incurred, of which non-monetary benefits are measured at fair value.

(2) The accounting treatment method for post-employment benefits

(1) Defined contribution plan

The Company shall pay basic endowment insurance and unemployment insurance for employees according to the relevant regulations of local government. During the accounting period that employees provide services to the Company, the payable amount shall be calculated according to the payment base and proportion specified locally and confirmed as liability and included into profit or loss for the current period or related asset cost.

(2) Defined benefit plan

The Company attributes the welfare obligations generated from defined benefit plan through the formula determined according to the expected cumulative benefit unit to the period that employees provide services and includes them into profit or loss for the current period or related asset cost.

The deficit or surplus formed by deducting the fair value of asset in the defined benefit plan from the present value of defined benefiting obligation shall be confirmed as a net liability or net asset of defined benefit plan. If there is surplus in the defined

benefit plan, the Company shall measure the net asset of defined benefit plan according to the lower of the surplus in the defined benefit plan and the asset ceiling.

All defined benefit obligations, including the obligation expected to be paid within 12 months after the end of annual reporting period that employees provide services, shall be discounted according to the national debt matched with the term and currency of defined benefit obligation on the balance sheet date or the market return of high-quality corporate bonds that are active in the market.

The service costs generated from defined benefit plan or the net interests of net liabilities or net assets in the defined benefit plan shall be included into the current profits and losses or related asset costs; the changes generated from the re-measured net liabilities or net assets in the defined benefit plan shall be included into other comprehensive income and shall not be transferred back to the profits and losses during the subsequent accounting period, and the parts originally charged into other comprehensive income shall all be carried over to the retained earnings within the range of equity interest when the original defined benefit plan is terminated.

During the settlement of defined benefit plan, the settlement gains or losses shall be confirmed according to the difference between the present value of defined benefit obligation determined on the settlement date and the settlement price.

(3) The accounting treatment method for termination benefits

When the Company provides termination benefits to employees, it recognizes a liability for employee compensation arising from termination benefits at the earlier of the following, and includes it in the current profits and losses: when the Company cannot unilaterally withdraw termination benefits provided as a result of a plan for termination of employment or a proposal for redundancy; When the Company recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

25. Projected liabilities

Where the obligations related to the contingencies meet the following conditions simultaneously, the Company shall confirm them as provisions:

- (1) The obligation is a current obligation undertaken by the Company;
- (2) It is likely to cause any economic benefit to flow out of the Company because of the performance of the obligation;
- (3) The amount of the obligation can be measured reliably.

Provisions shall be initially measured in accordance with the best estimate of the necessary expenditures for the performance of the related current obligation.

To determine the best estimate, the Company shall take into overall consideration the risks, uncertainty, time value of money, and other factors pertinent to the contingencies. If the time value of money is of great significance, the best estimate shall be determined after discounting the relevant future outflow of cash.

In case required expenditure has a continuous scope and the occurrence possibilities of all results within the scope are the same, the optimal estimations shall be determined according to the median within the scope; under other conditions, the optimal estimations shall be determined according to the following conditions:

- If the contingency involves a single item, it shall be determined according to the most likely amount.
- If the contingency involves multiple items, it shall be determined according to various possible results and relevant probability calculation.

If all or part of the expenditures required to pay off provisions are expected to be compensated by a third party, the compensation amount shall be recognized separately as an asset when it is basically determined that it can be received, and the recognized compensation amount shall not exceed the book value of the provisions.

The Company reviews the book value of provisions at the balance sheet date and adjusts the book value in accordance with the current best estimate if there is conclusive evidence that the book value does not reflect the current best estimate.

26. Share-based payment

The Company's share-based payments are transactions in which equity instruments are granted or liabilities determined based on equity instruments are assumed to obtain services from employees or other parties. The share-based payment of the Company is divided into equity settled share-based payment and cash settled share-based payment.

1. Equity-settled share-based payment and equity instrument

The equity-settled share-based payment in return for employee services shall be measured at the fair value of the equity instruments granted to the employees. For share-based payment transactions that are immediately exercisable upon grant, the fair value of the equity instruments is recorded at the relevant cost or expense on the grant date, with a corresponding increase in capital surplus. For share-based payment transactions in which the services are in process after the grant or the rights are exercised only after the required performance conditions are met, at each balance sheet date during the waiting period, the Company recognizes the services acquired during the period as related costs or expenses, and, based on the best estimate of the number of exercisable equity instruments and the fair value at the grant date, increases capital surplus accordingly.

If clauses of equity-settled share-based payment are modified, the acquired service shall be confirmed at least according to the conditions of unmodified clauses. Moreover, in case of any modification to the fair value of granted equity instrument or of any changes in favour of employees on the date of modification due to any increase, the increase of acquired services shall be confirmed.

If a grant of equity instruments is cancelled during the waiting period, the Company treats the cancellation of the granted equity instruments as accelerated exercise of right and recognizes the amount to be recognized over the remaining waiting period immediately in the current profits and losses, and recognizes the capital surplus at the same time. However, if new equity instrument is granted and it is identified on the grant date of new equity instrument that the granted new equity instrument is used to replace the cancelled equity instrument, the granted alternative equity instrument shall be treated in the same manner as to treat the modification to the terms and conditions of the original equity instruments.

2. Cash-settled share-based payment and equity instrument

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the Company. For share-based payment transactions that are immediately exercisable upon grant, the Company recognizes the related cost or expense at the grant date at the fair value of the liability assumed, with a corresponding increase in the liability. For share-based payment transactions in which the services are in process after the grant or the rights are exercised only after the required performance conditions are met, at each balance sheet date during the waiting period, the Company recognizes the services acquired during the period as related costs or expenses, and, based on the best estimate of the circumstances of exercisable equity and the fair value of the liability assumed by the Company, recognizes them in the liability accordingly. The Company shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes into profit or loss for the current period.

If the Company modifies the terms and conditions of a cash-settled share-based payment agreement to make it an equity-settled share-based payment, on the modification date (no matter occurring within or after the vesting period), the Company measures the equity-settled share-based payment based on the fair value of the date the equity instrument is granted, and records the services obtained into the capital reserve. At the same time, the recognition of cash-settled share-based payment liabilities that have been recognized on the modification date is terminated, and the difference between the two is included in the current profit and loss. If the waiting period is extended or shortened due to modification, the company shall conduct accounting treatment according to the modified waiting period.

27. Revenues

Accounting policies used for revenue recognition and measurement

1. Accounting policies used for revenue recognition and measurement

The Company recognizes revenue when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control of the related goods or services. Obtaining control of the relevant goods or services means being able to dominate the use of the goods or services and derive almost total economic benefit from them.

If a contract contains two or more performance obligations, the Company allocates the transaction price to each individual performance obligation on the contract commencement date in the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation. The Company measures revenue based on the transaction price allocated to each individual performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled as a result of the transfer of goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and its past customary practices, and considers the impact of variable consideration, the existence of significant financing components in the contract, non-cash consideration, and consideration payable to customers in determining the transaction price. The Company determines the transaction price that includes variable consideration by an amount that does not exceed the amount for which it is highly probable that there will be no material reversal of the cumulative recognized revenue when the relevant uncertainty is removed. If there is a significant financing component in the contract, the Company determines the transaction price based on the amount payable in cash assuming that the customer will pay for the goods or services as soon as control is obtained, and amortizes the difference between this transaction price and the contract consideration using the effective interest method over the term of the contract.

Performance obligations are fulfilled within a certain time period if one of the following conditions is met, otherwise, performance obligations are fulfilled at a certain point of time:

- The customer acquires and consumes the economic benefits of the Company's performance at the same time as the Company's performance.
- The customer can control the goods-in-process in the course of the Company's performance.
- The goods produced in the course of the Company's performance are irreplaceable and the Company is entitled to receive payment for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations to be performed within a certain period, the Company recognizes revenue in accordance with the progress of performance during that period, except when the progress of performance cannot be reasonably determined. The Company uses the output method or input method to determine the performance schedule considering the nature of the goods or services. When the performance schedule cannot be reasonably determined and the costs incurred are expected to be compensated,

the Company recognizes the revenue according to the amount of costs incurred until the performance schedule can be reasonably determined.

For performance obligations performed at a certain point of time, the Company recognizes revenue at the point of time when the customer obtains control of the related goods or services. In determining whether a customer has acquired control of goods or services, the Company considers the following indications:

- The Company has a present right to receive payment for the goods or services, i.e. the customer has a present obligation to pay for the goods or services.
- The Company has transferred the legal ownership of the goods to the customer, i.e., the customer has the legal ownership of the goods.
- The Company has physically transferred the goods to the customer, i.e., the customer has taken physical possession of the goods.
- The Company has transferred the major risks and rewards of ownership of the goods to the customer, i.e., the customer has acquired the major risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

The Company determines whether the Company is the principal responsible person or agent when engaging in transactions based on whether it has control over the goods or services before transferring them to customers. If the Company can control the goods or services before transferring them to customers, the Company is the principal responsible person, and the revenue is recognized according to the total consideration received or receivable; Otherwise, the Company is the agent, and the revenue is recognized according to the expected amount of commission or handling charge.

Circumstances where different business models are adopted for similar businesses, involving different revenue recognition methods and measurement approaches.

(1) General sales business

The Group fulfills its contractual obligations by delivering the products such as fluorinated pharmaceuticals, crop science, and new energy materials to customers.

General sales model in China: Customers recognize revenue after receiving the goods and passing the inspection.

Domestic sales consignment model: After products are delivered to the consignment customer's designated warehouse, the customer withdraws the products from the consignment warehouse. The Company reconciles with the customer according to the contract at regular intervals and recognizes revenue based on the quantity and amount of the products actually withdrawn from the consignment warehouse by the customer during the reconciliation period.

Overseas sales mode: For customers making transactions through FOB, CIF and CFR modes, the Company takes goods crossing the ship side at the loading port as the time point for income recognition. For customers making transactions through DDU mode, the Company takes delivering goods to the site designated by the customers as the time point for income recognition.

(2) Trade business

As for trade business, the Group considers the legal form of the contract as well as relevant facts and circumstances (the main responsibility for transferring goods to customers, the inventory risk assumed before or after the transfer of goods, whether the Group has the right to determine the price of the traded goods independently, etc.) In case that the Group can lead the use of the goods and obtain almost all economic benefits from them before transferring the goods to customers, and consequently has control

over the goods. Therefore, the Group is the main responsible person, and the revenue can be recognized based on the total amount of consideration received or receivable when the goods are delivered to customers for acceptance. If the Group has no control over specific commodities (e.g., no physical logistics transactions, etc.), the Group acts as an agent in such transactions and recognizes relevant revenues using the net method.

28. Contract costs

Contract costs include contract performance costs and contract acquisition costs.

Costs incurred by the Company to perform a contract that are not regulated by relevant standards such as inventory, fixed assets or intangible assets are recognized as an asset of contract performance cost when the following conditions are met:

- This cost is directly related to a current or anticipated contract.
- This cost increases the resources available to the Company to meet its performance obligations in the future.
- This cost is expected to be recovered.

Incremental costs incurred by the Company to acquire a contract that are expected to be recovered are recognized as assets of contract acquisition costs.

Assets related to contract costs are amortized using the same basis as revenue recognition for the goods or services to which those asset relate; however, if the amortization period of contract acquisition costs does not exceed one year, the Company recognizes them in the current profits and losses when they are incurred.

If the book value of an asset related to contract costs is greater than the difference between the following two items, the Company makes a provision for impairment for the excess and recognizes it as an impairment loss on the asset:

1. The residual consideration expected to be obtained as a result of the transfer of goods or services related to the asset;
2. The estimated costs to be incurred for the transfer of the relevant goods or services.

If there is a subsequent change in the impairment factors in previous periods, such that the aforementioned difference is higher than the book value of the asset, the Company reverses the provision for impairment and recognizes it in the current profits and losses, provided that the book value of the asset after the reversal does not exceed the book value of the asset at the date of reversal assuming no provision for impairment was made.

29. Government subsidies

1.Type

Government subsidies, which are monetary or non-monetary assets acquired by the Company from the government without consideration, are classified as asset-related government subsidies and revenue-related government subsidies.

The government subsidies pertinent to assets mean the government subsidies that are obtained by the Company used for purchase and construction or forming long-term assets in other ways. The government subsidies pertinent to income refer to all the government subsidies except those pertinent to assets.

The specific criteria for the Company to classify government subsidies as asset-related are:

If subsidy objects specified in the government subsidy document are used for purchasing and building or otherwise forming long-term assets, or the expenditure of subsidy objects is mainly used for purchasing and building or otherwise forming long-term assets, they are classified as asset-related government subsidies.

The specific criteria for the Company to classify government subsidies as asset-related are:

If government subsidies obtained according to the government subsidy documents are completely or mainly used to compensate the expenses or losses incurred in the later period, they are classified as income-related government subsidies.

Where the government documents do not specify the target of the grant, the Company's judgment basis for classifying the government grant as asset-related or revenue-related is:

The supplementary explanation issued by the government department granting the subsidy is used as the judgment basis for classification of asset-related or income-related government subsidies.

2. Recognition point

Government subsidies are recognized when the Company is able to meet the conditions attached to them and is able to receive them.

3.Accounting treatment

Government subsidies related to assets are written down to the book value of the related assets or recognized as deferred income. For those recognized as deferred income, they are included into profit or loss for the current period over the useful life of the related assets in accordance with a reasonable and systematic method (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income);

Government subsidies related to revenue that are used to compensate the Company for related costs or losses in subsequent periods are recognized as deferred revenue and, when the related costs or losses are recognized, included into profit or loss for the current period (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income) or writing down related costs or losses; Those used to compensate the Company for related costs or losses already incurred are recognized directly in profit or loss for the current period (Those relates to the Company's ordinary activities are included into other income; those not related to the Company's ordinary activities are included into non-operating income) or writing down related costs or losses.

The Company distinguishes between the following two scenarios for accounting for policy-based preferential loan subsidies obtained:

(1) If the financial institution allocates the discounted interest funds to the lending bank, and the lending bank provides borrowings to the Company at the policy preferential interest rate, the Company uses the actual amount received as the recorded value of the borrowing and calculates the related borrowing costs in accordance with the principal amount of the borrowing and the policy preferential interest rate.

(2) If the financial institution subsidies are directly allocated to the Company, the Company will write down the corresponding subsidies against the related borrowing costs.

30. The deferred income tax assets / the deferred income tax liabilities

Income taxes consist of current income taxes and deferred income taxes. The Company recognizes current income tax and deferred income tax in the current profits and losses, except for income tax arising from business combinations and transactions or events directly included into shareholders' equity (including other comprehensive incomes).

Deferred income tax assets and deferred income tax liabilities are recognized based on the difference between the tax basis of the assets and liabilities and their book values (temporary differences).

For the confirmation of deferred income tax assets for the deductible temporary difference, the taxable income that may be obtained in future periods and is used to offset the deductible temporary difference shall prevail. As for any deductible loss or tax deduction that can be carried forward to the next year, the corresponding deferred tax assets shall be determined to the extent that the amount of future taxable income to be offset by the deductible loss or tax deduction to be likely obtained.

For the taxable temporary differences, except in special cases, the deferred income tax liabilities shall be confirmed.

Special circumstances in which deferred income tax assets or deferred income tax liabilities are not recognized include:

- Initial recognition of goodwill;
- It is neither a business combination nor a transaction or event that affects accounting profits and taxable income (or deductible losses) when it occurs, and the initially recognized assets and liabilities do not result in equal taxable temporary differences and deductible temporary differences.

Deferred income tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associated enterprises and joint ventures, unless the Company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences associated with investments in subsidiaries, associated enterprises and joint ventures when it is probable that the temporary differences will reverse in the foreseeable future and it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

On the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates applicable to the periods when the related assets are expected to be recovered or the related liabilities to be settled, in accordance with the provisions of the tax law.

On the balance sheet date, the Company reviews the book value of deferred income tax assets. The book value of deferred tax assets is written down if it is more likely than not that sufficient taxable income will not be available in future periods to deduct the benefit of the deferred tax assets. When it is probable to obtain sufficient taxable income taxes, such write-down amount shall be reversed.

If the Company has the legal right to settle by the net amount and intends to settle by the net amount or acquire assets and pay off liabilities simultaneously, the current income tax assets and current income tax liabilities of the Company shall be presented according to the net amount after offset.

On the balance sheet date, deferred tax assets and deferred tax liabilities are presented as net of offsetting amounts when both of the following conditions are met:

- The taxable entity has the legal right to settle current income tax assets and current income tax liabilities on a net basis;
- Deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity or on different taxable entities, but in each future period in which it is significant that the deferred tax assets and liabilities reverse, the taxable entities involved intend to settle the current income tax assets and liabilities on a net basis or acquire the assets and settle the liabilities at the same time.

31. Leases

A lease is a contract in which the lessor cedes the right to use an asset to the lessee for a certain period for a consideration. At the contract start date, the Company assesses whether the contract is a lease or contains a lease. A contract is a lease or contains a lease if one party to the contract cedes the right to control the use of one or more identified assets for a specified period of time in exchange for consideration.

If a contract contains several separate leases, the Company splits the contract and accounts for each separate lease separately. If the contract contains both leased and non-leased portions, the lessee and lessor split the leased and non-leased portions.

(1) Accounting treatment method as a lessee

1. Right-of-use assets

At the commencement date of the lease term, the Company recognizes right-of-use assets for leases other than short-term leases and leases of low-value assets. Right-to-use assets are initially measured at cost. This cost includes:

- The initial measurement amount of the lease liability;
- The amount of lease payments made on or before the commencement date of the lease term for which a lease incentive exists, less the amount related to the lease incentive already taken;
- The initial direct costs incurred by the Company;
- Costs expected to be incurred by the Company to disassemble and remove the leased assets, restore the site where the leased assets are located or restore the leased assets to the agreed condition under the terms of the lease, excluding costs that are part of the costs incurred for the production of inventories.

The Company subsequently depreciates right-of-use assets using the straight-line method. If the ownership of the leased asset can be reasonably determined at the expiry of the lease term, the depreciation can be accrued within the remaining useful life of the leased asset. Otherwise, the leased asset is depreciated over the shorter of the lease term or the remaining useful life of the leased asset.

The Company determines whether a right-of-use asset is impaired and conducts accounting treatment method for the identified impairment loss in accordance with the principles described in "(XXI) Impairment of Long-term Assets of Note V".

2. Lease liabilities

At the commencement date of the lease term, the Company recognizes a lease liability for leases other than short-term leases and leases of low-value assets. The lease liability is initially measured at the present value of the lease payments outstanding. Lease payments include:

- Fixed payments (including material fixed payments), net of amounts related to lease incentives, if lease incentives exist;
- Variable lease payments that depend on an index or rate;
- Estimated payments due based on the residual value of guarantees provided by the Company;
- The exercise price of the purchase option, provided that the Company reasonably determines that it will exercise the option;
- The amount required to be paid to exercise the option to terminate the lease is subject to the lease term reflecting that the Company will exercise the option to terminate the lease.

The Company uses the implicit rate of the lease as the discount rate, but if the implicit rate of the lease cannot be reasonably determined, the Company's incremental borrowing rate is used as the discount rate.

The Company calculates the interest expense on the lease liability for each period of the lease term at a fixed periodic interest rate, which is included into profit or loss for the current period or to the cost of the related asset.

Variable lease payments that are not included into the measurement of the lease liability are included into profit or loss for the current period or the cost of the related assets when they are actually occurred.

After the commencement date of the lease term, the Company remeasures the lease liability and adjusts the corresponding right-of-use asset if the book value of the right-of-use asset has been reduced to zero, but if the lease liability still needs to be further reduced, the difference is included into profit or loss for the current period:

- When there is a change in the valuation of the purchase option, lease renewal option or termination option, or when the actual exercise of the aforementioned options is not consistent with the original valuation, the Company re-measures the lease liability at the present value calculated by the changed lease payments and the revised discount rate;

- When there is a change in the substantive fixed payment amount, a change in the amount expected to be payable for the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount, the Company remeasures the lease liability at the present value of the lease payment amount after the change and the original discount rate. However, if the changes in lease payments result from changes in floating interest rates, the present value is calculated using the revised discount rate.

3. Short-term leases and leases of low-value assets

The Company has chosen not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the Company recognizes the related lease payments in profit or loss for the current period or the cost of the related assets on a straight-line basis over the respective periods of the lease term. A short-term lease is a lease with a term of not more than 12 months from the commencement date of the lease term and does not include an option to purchase. A low-value asset lease is a lease with a lower value when the single leased asset is a brand-new asset. If the Company subleases or expects to sublease a leased asset, the original lease is not a low-value asset lease.

4. Lease change

The Company accounts for the lease change as a separate lease if the change occurs and the following conditions are all met:

- The lease modification expands the lease scope by adding the right to use one or more additional leased assets;
- The increased consideration is equivalent to the separate price of the expanded portion of the lease adjusted for the circumstances of the contract.

If a lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company reapportioned the consideration of the changed contract, redetermined the lease term, and remeasured the lease liability based on the present value of the changed lease payments and the revised discount rate.

If a lease change results in a reduction in the scope of the lease or a shortening of the lease term, the Company reduces the book value of the right-of-use asset accordingly and recognizes the gain or loss related to partial or complete termination of the lease in profit or loss for the current period. If other lease changes result in a remeasurement of the lease liability, the Company adjusts the book value of the right-of-use asset accordingly.

If the asset transfer in the after-sales leaseback transaction belongs to sales, the Company, namely the lessee, shall measure the use right assets formed by the after-sales leaseback according to the part related to the use right acquired by leaseback in the book value of original assets, and only recognizes relevant gains or losses for the rights transferred to the lessor.

After the start date of the lease term, the subsequent measurement of the right-of-use asset and lease liability, as well as lease modifications, are detailed in described in "Note V (XXI) 1. The Company as a lessee". When subsequently measuring the lease liability arising from the sale and leaseback transaction, the Company's method of determining lease payments or modified lease payments does not result in the recognition of any gain or loss related to the right-of-use obtained from the leaseback.

If the transfer of assets in a sale and leaseback transaction does not belong to sales, the Company, as the lessee, continues to recognize the transferred asset and simultaneously recognizes a financial liability equivalent to the amount of the transfer income. For details of the accounting treatment of financial liabilities, please refer to "Note V (XI) Financial Instruments".

(2) Accounting treatment method as a lessor

At the inception date of the lease, the Company classifies the lease as a finance lease and an operating lease. A finance lease is a lease that transfers substantially all of the risks and rewards associated with ownership of a leased asset, regardless of whether ownership is ultimately transferred. Operating lease refers to leases other than financial leases. When the Company acts as a sublease lessor, it classifies the sublease based on the right-of-use assets arising from the original lease.

1. Accounting treatment method for operating lease

Lease receipts under operating leases are recognized as rental income on a straight-line basis over the respective periods of the lease term. The Company capitalizes the initial direct costs incurred in connection with operating leases, which are allocated to current profit and loss over the lease term on the same basis as rental income is recognized. Variable lease payments not included in the lease receipts are included into the current profits and losses when they are actually incurred. If an operating lease is changed, the Company accounts for it as a new lease from the effective date of the change, and the amount of lease receipts received in advance or receivable in connection with the lease before the change is considered to be the amount of receipts for the new lease.

2. The accounting treatment method for finance leases

On the inception date of the lease, the Company recognizes finance lease receivables for finance leases and derecognizes the finance lease assets. When the Company makes initial measurement of financial lease receivables, the net lease investment is used as the recorded value of the financial lease receivables. The net investment in leases is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date of the lease term discounted at the implicit rate of the lease.

The Company calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Derecognition and impairment of finance lease receivables are conducted with accounting treatment method in accordance with "Note V (XI) Financial Instruments".

Variable lease payments not included in the net lease investment measurement are included into profit or loss for the current period when they are actually incurred.

When a change in a finance lease occurs and all of the following conditions are met, the Company will account for the change as a separate lease:

- The lease change expands the scope of lease by adding one or more rights to use the leased assets;
- The increased consideration is equivalent to the separate price of the expanded portion of the lease adjusted for the circumstances of the contract.

If a change in a finance lease is not accounted for as a separate lease, the Company treats the changed lease separately in the following circumstances:

- If the change becomes effective on the commencement date of the lease and the lease would have been classified as an operating lease, the Company accounts for it as a new lease from the effective date of the lease change and uses the net investment in the lease prior to the effective date of the lease change as the book value of the leased asset;

If the change becomes effective on the commencement date of the lease, the lease will be classified as a finance lease, and the Company will conduct accounting treatment method in accordance with the policy of amending or renegotiating the contract as described in "Note V (XI) Financial Instruments".

If the asset transfer in the after-sales leaseback transaction belongs to sales, the Company, namely the lessor, shall carry out accounting treatment for the asset purchase and asset lease according to the aforementioned policy of "2. The Company as the lessor"; if the asset transfer in the after-sales leaseback transaction does not belong to sales, the Company, as the lessor, does not recognize the transferred asset, but recognizes a financial asset equal to the transfer income. For details of the accounting treatment of financial assets, please refer to "Note V (XI) Financial Instruments".

32. Other significant accounting policies and accounting estimates

(1) Repurchase of shares of the company

The consideration paid and transaction costs incurred by the Company for repurchasing its own equity instruments shall reduce owners' equity. Where the Company reduces its capital by acquiring its own shares upon approval in accordance with legal procedures, share capital shall be reduced by the total par value of the cancelled shares. The difference between the consideration paid for repurchasing shares (including transaction costs) and the par value of the shares shall be adjusted against owners' equity. Any amount in excess of the total par value shall be offset against capital surplus (share premium), surplus reserve and undistributed profits in sequence. If the consideration is lower than the total par value, the shortfall shall be recognised as an increase in capital surplus (share premium). No gain or loss shall be recognised by the Company upon repurchase of its own equity instruments.

Shares repurchased by the Company shall be accounted for as treasury shares prior to cancellation or transfer. The total expenditure for repurchasing such shares shall be recognised as the cost of treasury shares, with memorandum records maintained accordingly.

Upon transfer of treasury shares, any excess of transfer proceeds over the cost of treasury shares shall increase capital surplus (share premium). Any shortfall of transfer proceeds below the cost of treasury shares shall be offset against capital surplus (share premium), surplus reserve and undistributed profits in sequence. Treasury shares arising from the Company's repurchase of its ordinary shares shall not participate in profit distribution of the Company, and shall be presented as a contra-equity item under owners' equity in the balance sheet.

(2) Debt restructuring

1. As a creditor

The Company derecognises a claim when its contractual right to receive the cash flows from the claim terminates. For debt restructurings effected by settling a debt with assets or converting a debt into equity instruments, the Company recognises the relevant assets when they meet their respective definitions and recognition criteria.

For debt restructurings effected by settling a debt with assets, the Company initially measures the non-financial assets received at cost. The cost of inventories comprises the fair value of the claim surrendered and other directly attributable costs such as taxes, transportation fees, loading and unloading costs and insurance premiums incurred to bring the assets to their present location and condition. The cost of investments in associates or joint ventures comprises the fair value of the surrendered claim and other directly attributable costs such as taxes. The cost of investment properties comprises the fair value of the claim surrendered and other directly attributable costs such as taxes. The cost of fixed assets comprises the fair value of the claim surrendered and other directly attributable costs such as taxes, transportation fees, loading and unloading costs, installation costs and professional service fees incurred before the assets are ready for their intended use. The cost of biological assets comprises the

fair value of the claim surrendered and other directly attributable costs such as taxes, transportation fees and insurance premiums. The cost of intangible assets comprises the fair value of the claim surrendered and other directly attributable costs such as taxes incurred to bring the assets to their intended use. Where a debt restructuring effected by converting a debt into equity instruments results in the creditor converting the claim into an equity investment in an associate or a joint venture, the Company measures the initial investment cost based on the fair value of the claim surrendered and other directly attributable costs such as taxes. The difference between the fair value and booking value of the surrendered claim is recognised in profit or loss for the current period.

For debt restructurings effected by modifying other terms, the Company recognises and measures the restructured claim in accordance with "Note V. (XI) Financial Instruments".

For debt restructurings effected by settling a debt with multiple assets or through a combination of methods, the Company first recognises and measures the financial assets received and the restructured claim in accordance with "Note V. (XI) Financial Instruments". It then allocates the net amount of the fair value of the claim surrendered less the recognised amount of the financial assets received and the restructured claim to each asset other than the received financial assets in proportion to their respective fair values, and determines the cost of each asset separately based on the aforesaid methods. The difference between the fair value and booking value of the surrendered claim should be recognised in profit or loss for the current period.

2. As a debtor

The Company derecognises a liability when its present obligation under the liability is discharged.

For debt restructurings effected by settling a liability with assets, the Company derecognises the relevant assets and the settled liability when they meet the derecognition criteria. The difference between the carrying amount of the settled liability and the carrying amount of the transferred assets is recognised in profit or loss for the current period.

For debt restructurings effected by converting a liability into equity instruments, the Company derecognises the settled liability when it meets the derecognition criteria. The Company initially measures the equity instruments at their fair value. If the fair value of the equity instruments cannot be measured reliably, such equity instruments are measured at the fair value of the settled debts. The difference between the carrying amount of the settled liability and the recognised amount of the equity instruments shall be recognised in profit or loss for the current period.

For debt restructurings effected by modifying other terms, the Company recognises and measures the restructured debt in accordance with "Note V. (XI) Financial Instruments".

For debt restructurings effected by settling a liability with multiple assets or through a combination of methods, the Company recognises and measures the equity instruments and restructured liability in accordance with the aforesaid methods. The difference between the book value of the settled debt and the sum of the book value of the transferred assets and the recognised amounts of the equity instruments and restructured liability is recognised in profit or loss for the current period.

33. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

☐ Applicable ☒ Not applicable

(2) Changes in significant accounting estimates

☐ Applicable ☒ Not applicable

(3) Information on related items in the financial statements at the beginning of the year of the first implementation of the new Accounting Standards adjustments for the year of the first implementation from 2026 onwards

☐ Applicable ☒ Not applicable

34. Others

None.

VI. Taxes

1. Main tax categories and tax rates

Tax categories	Taxation basis	Tax rate
Value Added Tax	The output tax shall be calculated based on the income obtained from the sales of goods and the taxable labor and calculated as per the regulations of tax law, and the balance after deducting the input tax deductible in the period is the VAT payable.	3%, 5%, 6%, 9%, 10%, 13% (Note 1)
Urban maintenance and construction tax	It is calculated and paid based on the value-added tax and consumption tax actually paid.	5%, 7% (Note 2)
Enterprise income tax	Calculated and paid according to taxable income	9%, 8.25%, 16.5%, 15%, 20%, 22%, 25%, 29%, 30%, 34%, 35%
Education surcharges	It is calculated and paid based on the value-added tax and consumption tax actually paid.	3%
Local education surcharges	It is calculated and paid based on the value-added tax and consumption tax actually paid.	2%

If there are taxable entities with different corporate income tax rates, disclose the description of the situation

Name of taxable entity	Income tax rate
Yongtai Technology, Zhejiang Chiral, Foshan Soin, Inner Mongolia Yongtai	15%
Youngtech Pharmaceuticals	9%
E-Tong Chemical (Hong Kong) Co., Limited, E-Tong Chemical Co., Limited	The portion of taxable income not exceeding HKD 2 million is subject to a tax rate of 8.25%, and the portion exceeding HKD 2 million is subject to a tax rate of 16.5%.
SYT pharm (Shanghai), Yongtai Fule, E-TONG CHEMICAL (PHILIPPINES), Hangzhou Yongtai Chiral, Etong Vietnam, E-tong Cambodia, E-tong Thailand, Yongtaixin Fluorine	20%
PT. ETONG	22%
Binhai Yongtai, Shanghai E-tong, Yongtai Hi-tech, Xinhui Mining, Yongtai Pharma, Shandong Yongtai, Yongtai New Material, Yongtai New Energy, Shanghai Youngcobe, Yongtai Chiral, Jiangsu Subin, H&G (China), Binhai Meikang, Hangzhou Yongtai, Yongtai Fuyuan	25%
Etong Chemicals (Pvt.)	29%
Etong Agrotech Nigeria, Lideal Mines, Farmaline Cropcare Bangladesh, Senwell Agrochem Nigeria	30%
Agro Juntos Brazil	34%
Agro Juntos Colombia	35%

2. Tax incentives

1. According to the relevant provisions of *Measures for the Administration of the Recognition of High and New Technology Enterprises* (GKFH [2016] No. 32) and *Procedures for Administration of the Recognition of High and New Tech Enterprises* (GKFH [2016] No. 195), the Company received the *Certificate of High tech Enterprise* jointly issued by Science Technology

Department of Zhejiang Province, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration, with a certificate number of GR202333012345, for a validity of three years (2023, 2024, 2025). As of 30 June 2026, the high-tech enterprise certificate of the Company has expired, and prepares for re-examination application. In accordance with the relevant tax incentives for high-tech enterprises, the Company has provisionally accrued enterprise income tax at a rate of 15% for the period from January to June 2026.

2. According to the relevant provisions of *Measures for the Administration of the Recognition of High and New Technology Enterprises* (GKFH [2016] No. 32) and *Procedures for Administration of the Recognition of High and New Tech Enterprises* (GKFH [2016] No. 195), Zhejiang Chiral received the *Certificate of High tech Enterprise* jointly issued by Science Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration, with a certificate number of GR202333012345, for a validity of three years (2023, 2024, 2025). As of 30 June 2026, the high-tech enterprise certificate of Zhejiang Chiral has expired, and prepares for re-examination application are underway. In accordance with the relevant tax incentives for high-tech enterprises, Zhejiang Chiral has provisionally accrued enterprise income tax at a rate of 15% for the period from January to June 2026.

3. According to the relevant provisions of *Measures for the Administration of the Recognition of High and New Technology Enterprises* (GKFH [2016] No. 32) and *Procedures for Administration of the Recognition of High and New Tech Enterprises* (GKFH [2016] No. 195), Foshan Soin received the *Certificate of High tech Enterprise* jointly issued by Science Technology Department of Guangdong Province, Guangdong Provincial Department of Finance, and Guangdong Provincial Tax Service, State Taxation Administration, with a certificate number of GR202244001046, for a validity of three years (2025, 2026, 2027). According to the relevant tax preferences for high-tech enterprises, in terms of enterprise income tax, Foshan Soin was taxed at 15% in the first half of 2026.

4. In accordance with No. 23 of 2020 *Announcement on Continuing the Enterprise Income Tax Policy for the the Western China Development Strategy* issued by the Ministry of Finance, the State Taxation Administration, and the National Development and Reform Commission, enterprises engaging in encouraged industries located in the western regions shall be subject to enterprise income tax at a reduced rate of 15%. Inner Mongolia Yongtai qualifies for the encouraged industry projects in the western regions, and thus applied an enterprise income tax rate of 15% for the period from January to June 2026.

5. According to the provisions of the *Announcement on Relevant Tax and Fee Policies for Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households* (C.S. [2023] No. 12), the preferential policy whereby the portion of the annual taxable income of small low-profit enterprises exceeding RMB 1,000,000 but not exceeding RMB 3,000,000 shall be included in taxable income at a reduced rate of 25% and subject to corporate income tax at a tax rate of 20% has been extended to 31 December 2027. According to the relevant tax preferences for small and micro enterprises, SYT pharm (Shanghai), Yongtai Fule, Hangzhou Yongtai Chiral, Yongtaixin Fluorine, Foshan Yongtai Chiral and Foshan Yongtai Chiral Pharmacy were subject to an income tax rate of 20% in 2026. According to the aforesaid policies, the preferential half-collection policy for the “Six Taxes and Two Fees” may be enjoyed concurrently. For the year 2026, the urban maintenance and construction tax, education surcharge and local education surcharge of SYT pharm (Shanghai), Yongtai Fule, Hangzhou Yongtai Chiral, Yongtaixin Fluorine, Foshan Yongtai Chiral and Foshan Yongtai Chiral Pharmacy shall be levied at half the standard rate.

6. According to the *Announcement on the Policy of Value Added Tax Deduction for Advanced Manufacturing Enterprises* (Announcement No. 43 of the Ministry of Finance and the State Administration of Taxation in 2023), from 1 January 2023 to 31 December 2027, advanced manufacturing enterprises are allowed to add 5% of the current deductible input tax amount to offset the payable value-added tax amount. The subsidiary Foshan Soin enjoys the value-added tax deduction policy mentioned above.

3. Others

Note 1:

Yongtai Technology, Binhai Yongtai, Shanghai E-tong, Yongtai Hi-tech, Xinhui Mining, Yongtai Pharma, Shandong Yongtai, Yongtai New Material, SYT pharm (Shanghai), Yongtai New Energy, Shanghai Youngcobe, Zhejiang Chiral, Yongtai Chiral, Jiangsu Subin, H&G (China), Binhai Meikang, Inner Mongolia Yongtai, Hangzhou Yongtai, Yongtai Fule, Hangzhou Yongtai Chiral and Yancheng Yongtai calculate output VAT at rates of 9% and 13% on income from sales of goods and taxable services.

Youngtech Pharmaceuticals, E-Tong Chemical (Hong Kong), E-Tong Chemical, Etong Agrotech Nigeria, Lideal Mines, Agro Juntos Colombia, Farmaline Cropcare Bangladesh, Etong Vietnam, E-TONG CHEMICAL (PHILIPPINES), E-tong Cambodia, E-tong Thailand, Agro Juntos Brazil and Senwell Agrochem Nigeria are free from VAT levying.

PT. ETONG calculates output tax at 10% of its sales revenue from goods.

Yongtai Technology applies a simplified taxation method at a levy rate of 5% for the sale of houses.

For Yongtai Technology and SYT pharm (Shanghai), the technology transfer services are subject to tax calculation and payment at 6% of the taxable income.

Foshan Yongtai Chiral and Foshan Yongtai Chiral Pharmacy calculate and pay tax at the levy rate of 3%.

Note 2:

Yongtai Technology, Binhai Yongtai, Shanghai E-tong, Xinhui Mining, Yongtai Pharma, SYT pharm (Shanghai), Yongtai New Energy, Shanghai Youngcobe, Yongtai Chiral, Jiangsu Subin, H&G (China), Binhai Meikang, Yongtai Fule, Hangzhou Yongtai Chiral and Yancheng Yongtai calculate and pay tax at 5% of the turnover tax amount.

Yongtai Hi-tech, Shandong Yongtai, Yongtai New Material, Zhejiang Chiral, Foshan Soin, Inner Mongolia Yongtai, Hangzhou Yongtai, Foshan Yongtai Chiral, and Foshan Yongtai Chiral Pharmacy were subject to 7% of the turnover tax amount;

Youngtech Pharmaceuticals, E-Tong Chemical (Hong Kong), E-Tong Chemical, Etong Agrotech Nigeria, Lideal Mines, Agro Juntos Colombia, Farmaline Cropcare Bangladesh, Etong Vietnam, E-TONG CHEMICAL (PHILIPPINES), E-tong Cambodia, E-tong Thailand, Agro Juntos Brazil and Senwell Agrochem Nigeria are free from city maintenance & construction tax levying.

VII. Notes to consolidated financial statement items

1. Monetary capital

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Cash on hand	466,663.00	250,839.36
Bank deposit	189,694,448.16	115,051,866.82
Other cash at bank	762,954,113.66	308,109,846.67
Total	953,115,224.82	423,412,552.85
Of which: Total amount of money deposited abroad	105,293,784.25	35,854,186.68

2. Transactional financial assets

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Financial assets measured at fair value with their changes included into the current profits and losses	333,080.00	7,329,373.65
Of which:		
Derivative financial assets	333,080.00	7,329,373.65
Total	333,080.00	7,329,373.65

3. Notes receivable

(1) Presentation of notes receivable by category

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Bank acceptance bill	384,952,128.83	256,802,652.63
Commercial acceptance draft		107,236,656.00
Less: Bad debt provision		5,361,832.80
Total	384,952,128.83	358,677,475.83

(2) Disclosure by bad debt provision method

Unit: Yuan

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual proportion		Amount	Percentage	Amount	Accrual proportion	
Of which:										
Notes receivable with bad debt reserve by portfolio	384,952,128.83	100.00%			384,952,128.83	364,039,308.63	100.00%	5,361,832.80	1.47%	358,677,475.83
Of which:										
Low risk portfolio	384,952,128.83	100.00%			384,952,128.83	256,802,652.63	70.54%			256,802,652.63
Account age portfolio						107,236,656.00	29.46%	5,361,832.80	5.00%	101,874,823.20
Total	384,952,128.83	100.00%			384,952,128.83	364,039,308.63	100.00%	5,361,832.80		358,677,475.83

If provision for bad debts for notes receivable is made according to the general model of expected credit loss:

☐ Applicable ☒ Not applicable

(3) Bad debt reserves withdrawn, recovered, or reversed in the current period

Bad debt reserves withdrawn in the current period

Unit: Yuan

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Write-off	Others	
Allowance for bad debts of notes receivable	5,361,832.80		5,361,832.80			0.00
Total	5,361,832.80		5,361,832.80			0.00

Including the amount of recovery or reversal of current bad debt provision is significant:

☐ Applicable ☒ Not applicable

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

None.

(5) Notes receivable that has been endorsed or discounted by the Company but are outstanding at the balance sheet date at the end of the period.

Unit: Yuan

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bill		339,261,221.50
Total		339,261,221.50

(6) Notes receivable actually written off during the current period

No notes receivable were actually written off during the current period.

4. Accounts receivable

(1) Disclosure by account age

Unit: Yuan

Account age	Book balance at the end of the period		Book balance at the beginning of the period	
Within 1 year (including 1 year)	2,221,892,654.67		1,515,646,795.28	
1-2 years	6,974,670.60		8,328,084.65	
2-3 years	1,420,476.74		2,680,667.14	
Above 3 years	57,686,193.51		55,329,124.32	
Total	2,287,973,995.52		1,581,984,671.39	

(2) Disclosure by bad debt provision method

Unit: Yuan

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual Percentage		Amount	Percentage	Amount	Accrual Percentage	
Accounts receivable with bad debt reserve by individual	21,308,924.08	0.93%	21,308,924.08	100.00%	0.00	21,813,352.06	1.38%	21,813,352.06	100.00%	0.00

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual Percentage		Amount	Percentage	Amount	Accrual Percentage	
item										
Accounts receivable with bad debt reserve by portfolio	2,266,665,071.44	99.07%	150,390,231.26	6.63%	2,116,274,840.18	1,560,171,319.33	98.62%	114,913,788.93	7.37%	1,445,257,530.40
Of which:										
Aging analysis combination	2,266,665,071.44	99.07%	150,390,231.26	6.63%	2,116,274,840.18	1,560,171,319.33	98.62%	114,913,788.93	7.37%	1,445,257,530.40
Total	2,287,973,995.52	100.00%	171,699,155.34		2,116,274,840.18	1,581,984,671.39	100.00%	136,727,140.99		1,445,257,530.40

Name of category for provision for bad debts by individual item: Significant accounts receivable for which provision for bad debts is made individually

Unit: Yuan

Name	Balance at the Beginning of the Period		Balance at the ending of the period			
	Book balance	Bad debt provisions	Book balance	Bad debt provisions	Accrual proportion	Withdrawal reason
BIOMED PHARMACEUTICAL INDUSTRIES, etc.	21,813,352.06	21,813,352.06	21,308,924.08	21,308,924.08	100.00%	Not expected to be recovered
Total	21,813,352.06	21,813,352.06	21,308,924.08	21,308,924.08		

Name of category for provision for bad debts by portfolio: Portfolio using aging analysis method

Unit: Yuan

Name	Balance at the ending of the period		
	Book balance	Bad debt provisions	Accrual proportion
Within 1 years	2,221,892,654.67	111,094,632.99	5.00%
1-2 years	6,191,916.03	1,238,383.18	20.00%
2-3 years	1,046,571.30	523,285.65	50.00%
Above 3 years	37,533,929.44	37,533,929.44	100.00%
Total	2,266,665,071.44	150,390,231.26	

If provision for bad debts for notes receivable is made according to the general model of expected credit loss:

☐ Applicable ☒ Not applicable

(3) Bad debt reserves withdrawn, recovered, or reversed in the current period

Bad debt reserves withdrawn in the current period

Unit: Yuan

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Write-off	Others	
Receivable bad debt reserves	136,727,140.99	35,404,228.79		89,468.83	-342,745.61	171,699,155.34

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Write-off	Others	
Total	136,727,140.99	35,404,228.79		89,468.83	-342,745.61	171,699,155.34

Of which the amount of reversal or recovery of bad debt provision in the current period is significant:

(4) Accounts receivable actually written off during the current period

Unit: Yuan

Item	Written off amount
Actual write-off of accounts receivable	89,468.83

(5) Accounts receivable and contract assets of the top five period-ending balances collected by the debtor

Unit: Yuan

Name of Entity	Balance of accounts receivable at the end of the period Balance	Period-ending balance of contract assets	Accounts receivable and period-ending balance of contract assets	Proportion to the total of accounts receivable and period-ending balance of contract assets	Period-ending balances for bad debt provision of accounts receivable and impairment provision of contract asset
No. 1	279,512,843.11	0.00	279,512,843.11	12.22%	13,975,642.16
No. 2	124,518,000.00	0.00	124,518,000.00	5.44%	6,225,900.00
No. 3	86,632,550.15	0.00	86,632,550.15	3.79%	4,331,627.51
No. 4	68,522,725.40	0.00	68,522,725.40	2.99%	3,426,136.27
No. 5	62,877,262.40	0.00	62,877,262.40	2.75%	3,143,863.12
Total	622,063,381.06	0.00	622,063,381.06	27.19%	31,103,169.06

5. Receivables financing

(1) Presentation of accounts receivable financing

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Notes receivable	69,587,936.73	25,059,585.66
Total	69,587,936.73	25,059,585.66

(2) Bad debt reserves withdrawn, recovered, or reversed in the current period

None.

(3) Receivables financing pledged by the Company at the end of the period

Unit: Yuan

Item	Pledged amount at the end of the period
Notes receivable	1,912,600.00
Total	1,912,600.00

(4) Receivables financing that has been endorsed or discounted by the Company but are outstanding at the balance sheet date at the end of the period

Unit: Yuan

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Notes receivable	732,409,652.25	
Total	732,409,652.25	

(5) Details of actual write-offs of financing of receivables during the current period

None.

(6) Increase/decrease in receivables financing and changes in fair value during the period

Item	Balance at the end of last year	Newly increased amount in the period	Derecognition in the period	Other changes	Balance at the ending of the period	Cumulative provision for losses recognized in other comprehensive income
Notes receivable	25,059,585.66	842,807,329.33	798,278,978.26		69,587,936.73	
Total	25,059,585.66	842,807,329.33	798,278,978.26		69,587,936.73	

(7) Additional comments

None.

6. Other receivables

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Other receivables	94,501,710.25	37,008,345.80
Total	94,501,710.25	37,008,345.80

(1) Other receivables**1) Classification of other receivables by nature**

Unit: Yuan

Nature of funds	Book balance at the end of the period	Book balance at the beginning of the period
Deposit and security deposit	3,921,411.17	2,348,465.98
Reserves and loans	13,911,099.39	8,260,216.38
Export tax rebate	9,554,958.70	17,331,063.36
Inter-unit transactions	121,667,987.25	49,971,885.62
Others	13,347,194.58	24,826,120.16
Total	162,402,651.09	102,737,751.50

2) Disclosure by account age

Unit: Yuan

Account age	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	104,993,375.65	40,026,330.54
1-2 years	26,581,332.44	25,143,548.09
2-3 years	7,003,757.43	17,310,567.91
Above 3 years	23,824,185.57	20,257,304.96

Total	162,402,651.09	102,737,751.50
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3) Disclosure by bad debt provision method
☒ Applicable ☐ Not applicable

Unit: Yuan

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual proportion		Amount	Percentage	Amount	Accrual proportion	
Provision for bad debts made on an individual basis	48,581,750.12	29.91%	48,581,750.12	100.00%	0.00	48,636,035.59	47.34%	48,636,035.59	100.00%	0.00
Provision for bad debts made on a portfolio basis	113,820,900.97	70.09%	19,319,190.72	16.97%	94,501,710.25	54,101,715.91	52.66%	17,093,370.11	31.59%	37,008,345.80
Of which:										
Aging analysis combination	113,820,900.97	70.09%	19,319,190.72	16.97%	94,501,710.25	54,101,715.91	52.66%	17,093,370.11	31.59%	37,008,345.80
Total	162,402,651.09	100.00%	67,900,940.84		94,501,710.25	102,737,751.50	100.00%	65,729,405.70		37,008,345.80

Name of category for provision for bad debts by individual item: Significant other accounts receivable for which provision for bad debts is made individually

Unit: Yuan

Name	Balance at the Beginning of the Period		Balance at the ending of the period			
	Book balance	Bad debt provisions	Book balance	Bad debt provisions	Accrual proportion	Withdrawal reason
Gansu Zhipeng Technology Co., Ltd.	14,294,803.85	14,294,803.85	14,214,582.47	14,214,582.47	100.00%	Advance payment for purchases: the counterparty has defaulted on its obligations. The Company has initiated legal proceedings and expects the amount to be unrecoverable.
Shijiazhuang Sanduo Trading Co., Ltd	9,600,000.00	9,600,000.00	9,600,000.00	9,600,000.00	100.00%	Advance payment for purchases: The counterparty has defaulted and cannot execute, and the Company has filed a report and expects no recovery.
Total	23,894,803.85	23,894,803.85	23,814,582.47	23,814,582.47		

Name of category for provision for bad debts by portfolio: Portfolio using aging analysis method

Unit: Yuan

Name	Balance at the ending of the period		
	Book balance	Bad debt provisions	Accrual proportion
Within 1 years	93,467,139.37	4,673,356.97	5.00%
1-2 years	3,714,373.99	742,874.78	20.00%
2-3 years	5,472,857.31	2,736,428.67	50.00%
Above 3 years	11,166,530.30	11,166,530.30	100.00%
Total	113,820,900.97	19,319,190.72	

If provision for bad debts for notes receivable is made according to the general model of expected credit loss:

Unit: Yuan

Bad debt provisions	Stage I	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (no credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance as of 01 January 2026	17,093,370.11		48,636,035.59	65,729,405.70
Balance as of 01 January 2026 in the current period				
-- Transferred back to Stage 1	80,221.38		-80,221.38	0.00
Current provision	3,017,544.85		25,935.91	3,043,480.76
Other changes	-871,945.62			-871,945.62
Balance as of 30 June 2026	19,319,190.72		48,581,750.12	67,900,940.84

Basis for classification of stages and ratio of provisions for bad debts: None

Changes in book balance with significant amount of change in provision for losses during the period

☐ Applicable ☒ Not applicable

4) Bad debt reserves withdrawn, recovered, or reversed in the current period

Bad debt reserves withdrawn in the current period

Unit: Yuan

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Transfer or write-off	Others	
Other receivables bad debt reserves	65,729,405.70	3,043,480.76			-871,945.62	67,900,940.84
Total	65,729,405.70	3,043,480.76			-871,945.62	67,900,940.84

5) Other receivables actually written off in the current period

None.

6) Other accounts receivable ranking in the top five in the ending balance grouped by debtors

Unit: Yuan

Name of Entity	Nature of amounts	Balance at the ending of the period	Account age	Proportion of the total ending balance of other receivables	Period-ending balance of provision for bad debts
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					Balance
No. 1	Inter-unit transactions	51,042,286.27	Within 1 year	31.43%	2,552,114.31
No. 2	Inter-unit transactions	14,214,582.47	1-2 years	8.75%	14,214,582.47
No. 3	Inter-unit transactions	9,600,000.00	2-3 years	5.91%	9,600,000.00
No. 4	Export tax rebate	9,554,958.70	Within 1 year	5.88%	477,747.94
No. 5	Inter-unit transactions	6,223,570.42	Within 1 year	3.83%	311,178.52
Total		90,635,397.86		55.80%	27,155,623.24

7. Prepayments

(1) Advance payments are listed as per account age

Unit: Yuan

Account age	Balance at the ending of the period		Balance at the Beginning of the Period	
	Amount	Percentage	Amount	Percentage
Within 1 years	80,729,260.12	75.03%	53,567,911.57	64.26%
1-2 years	6,920,595.07	6.43%	10,893,450.54	13.07%
2-3 years	8,688,425.32	8.08%	9,273,414.88	11.12%
Above 3 years	11,251,963.12	10.46%	9,626,545.61	11.55%
Total	107,590,243.63		83,361,322.60	

Description of the reasons why prepayments aged over 1 year and with significant amounts were not settled in a timely manner:

None

(2) Top five prepayments with ending balance grouped by prepaid objects

Unit: Yuan

Prepaid objects	Balance at the ending of the period	Percentage of the total ending balance of prepayments (%)
No. 1	12,418,722.62	11.54%
No. 2	7,274,238.72	6.76%
No. 3	5,093,000.00	4.73%
No. 4	3,489,000.00	3.24%
No. 5	3,000,000.00	2.79%
Total	31,274,961.34	29.06%

8. Inventory

(1) Classification of inventories

Unit: Yuan

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Provision for decline in value of inventories and provision for impairment of contract performance costs	Book value	Book balance	Provision for decline in value of inventories and provision for impairment of contract performance costs	Book value
Raw materials	319,489,211.02	1,014,303.17	318,474,907.85	203,350,629.09	1,278,767.92	202,071,861.17
Products in	292,454,266.51	748,804.67	291,705,461.84	225,484,602.38	748,804.67	224,735,797.71

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Provision for decline in value of inventories and provision for impairment of contract performance costs	Book value	Book balance	Provision for decline in value of inventories and provision for impairment of contract performance costs	Book value
progress						
Stock goods	738,277,396.71	20,975,345.81	717,302,050.90	682,185,653.59	24,841,474.31	657,344,179.28
Revolving materials	2,435,061.24		2,435,061.24	2,849,937.46		2,849,937.46
Goods in transit	51,509,316.12		51,509,316.12	9,580,177.59		9,580,177.59
Materials outsourced for processing				11,206,706.55		11,206,706.55
Total	1,404,165,251.60	22,738,453.65	1,381,426,797.95	1,134,657,706.66	26,869,046.90	1,107,788,659.76

(2) Inventory depreciation reserve and impairment reserve for contractual performance costs

Unit: Yuan

Item	Balance at the Beginning of the Period	Amount increased in the period		Decreased amount in the period		Balance at the ending of the period
		Accrual	Others	Reversal or reselling	Others	
Raw materials	1,278,767.92			264,464.75		1,014,303.17
Products in progress	748,804.67					748,804.67
Stock goods	24,841,474.31			3,866,128.50		20,975,345.81
Total	26,869,046.90			4,130,593.25		22,738,453.65

9. Assets held for sale

Unit: Yuan

Item	Book balance at the end of the period	Impairment reserve	Ending book value	Fair value	Expected disposal costs	Expected disposal time
Assets classified as being held for sale.	599,943.92		599,943.92	1,013,191.84	125,949.40	31 December 2029
Total	599,943.92		599,943.92	1,013,191.84	125,949.40	

10. Other current assets

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
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Item	Balance at the ending of the period	Balance at the Beginning of the Period
Overpaid VAT	18,324,580.68	57,575,721.33
Advance payment of income tax	7,858,755.27	7,825,930.15
Input tax to be certified	32,142,291.14	68,002,185.93
Others	268,835.78	454,576.04
Total	58,594,462.87	133,858,413.45

11. Investment in other equity instruments

Unit: Yuan

Project name	Balance at the Beginning of the Period	Gains recognized in other comprehensive income in this period	Loss recognized in other comprehensive income in this period	Accumulated gains recognized in other comprehensive income at the end of this period	Accumulated losses recognized in other comprehensive income at the end of this period	Dividend income recognized in this period	Balance at the ending of the period	Reasons for being designated to be measured at fair value whose changes are recognized in other comprehensive income
Zhejiang Linhai Rural Commercial Bank Co., Ltd.	83,091,525.58			54,940,453.58		3,489,079.88	83,091,525.58	Non-marketable equity investment
Chongqing Heya Huayi Investment Management Co., Ltd.	479,585.93				20,414.07		479,585.93	Non-marketable equity investment
Linhai Qiuzhi Safety Training Co., Ltd.	500,000.00						500,000.00	Non-marketable equity investment
Total	84,071,111.51			54,940,453.58	20,414.07	3,489,079.88	84,071,111.51	

12. Long-term equity investment

Unit: Yuan

Invested unit	Balance at the beginning of the period (book value)	Open ing balance of impairment provision	Increase and decrease in the period								Balance at the end of the period (book value)	Endin g balance of impairment provision
			Ad dit ion al invest ment	Dec reas ed investm ent	Profits and losses on investments confirmed under the equity method	Adjust ment of other compr ehensi ve income	Chan ge in other equiti es	Cash dividen ds or profits declare d to be issued	Prov ision for impa irme nt	Ot he rs		
I. Joint ventures												
II. Associated enterprises												
Chongqing Heya Huayi Venture Capital Partnership (L.P.)	26,557,462.09										26,557,462.09	
Shanghai Carelinker Medical	20,049,494.41										20,049,494.41	

Invested unit	Balance at the beginning of the period (book value)	Opening balance of impairment provision	Increase and decrease in the period								Balance at the end of the period (book value)	Ending balance of impairment provision
			Addition of investment	Decreased investment	Profits and losses on investments confirmed under the equity method	Adjustment of other comprehensive income	Change in other equities	Cash dividends or profits declared to be issued	Provision for impairment	Others		
Technology Co., Ltd.												
Guizhou Balai Agricultural Science and Technology Co., Ltd.	3,280,819.25										3,280,819.25	
Shanghai Anbison Lab. Co., Ltd.	182,621,706.08				7,076,262.02						189,697,968.10	
Hangzhou Mubang Equity Investment Partnership (Limited Partnership)	4,896,405.16										4,896,405.16	
Yichang Chengbang Pharmaceutical Co., Ltd.	14,488,766.39										14,488,766.39	
BAJONTA INTERNATIONAL CHEMICALS LIMITED	2,489,340.00										2,489,340.00	
Subtotal	254,383,993.38				7,076,262.02						261,460,255.40	
Total	254,383,993.38				7,076,262.02						261,460,255.40	

The recoverable amount is determined by the net amount after deducting disposal costs from the fair value.

☐ Applicable ☒ Not applicable

The recoverable amount is determined by the present value of the expected future cash flows.

☐ Applicable ☒ Not applicable

Reasons for significant discrepancies between the aforementioned information and the information used in impairment tests of previous years or external information: None.

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual circumstances of the current year: None.

13. Real estate for investment purposes

(1) Investment real estate with cost measurement model

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Houses and buildings	Land-use right	Construction in process	Total
I. Original book value				
1. Balance at the beginning of the period	25,834,250.40			25,834,250.40
2. Amount increased in the current period				
(1) Purchases				
(2) Transfer from inventories/ fixed assets/ construction in progress				
(3) Increase in business consolidation				
3. Amount decreased in the current period				
(1) Disposals				
(2) Other transfers out				
4. Balance at the end of the period	25,834,250.40			25,834,250.40
II. Accumulated depreciation and accumulated amortization				
1. Balance at the beginning of the period	8,385,483.79			8,385,483.79
2. Amount increased in the current period	605,889.48			605,889.48
(1) Accrual or amortization	605,889.48			605,889.48
3. Amount decreased in the current period				
(1) Disposals				
(2) Other transfers out				
4. Balance at the end of the period	8,991,373.27			8,991,373.27
III. Impairment reserve				
1. Balance at the beginning of the period				
2. Amount increased in the current period				
(1) Accrual				
3. Amount decreased in the current period				
(1) Disposals				
(2) Other transfers out				
4. Balance at the end of the period				
IV. Book value				
1. Ending book value	16,842,877.13			16,842,877.13
2. Book value at the beginning of the period	17,448,766.61			17,448,766.61

The recoverable amount is determined by the net amount after deducting disposal costs from the fair value.

☐ Applicable ☒ Not applicable

The recoverable amount is determined by the present value of the expected future cash flows.

☐ Applicable ☒ Not applicable

Reasons for significant discrepancies between the aforementioned information and the information used in impairment tests of previous years or external information: None.

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual circumstances of the current year: None.

14. Fixed assets

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Fixed assets	3,745,025,705.84	3,908,728,868.31
Total	3,745,025,705.84	3,908,728,868.31

(1) Status of fixed assets

Unit: Yuan

Item	House and building	Machinery equipment	Transportation tools	Electronic equipment and others	Total
I. Original book value:					
1. Balance at the beginning of the period	2,255,008,670.41	4,031,463,808.75	57,739,322.31	331,144,296.63	6,675,356,098.10
2. Amount increased in the current period	51,249,267.70	91,485,034.33	1,295,153.80	5,032,641.30	149,062,097.13
(1) Acquisition	12,484,025.93	90,313,754.75	1,223,054.81	4,716,627.83	108,737,463.32
(2) Transferred from construction in progress	38,764,920.30	1,516,460.18		663,445.07	40,944,825.55
(3) Increase in business consolidation					
(4) Translation of foreign currency statements	321.47	-345,180.60	72,098.99	-347,431.60	-620,191.74
3. Amount decreased in the current period	48,504,247.14	115,714,493.96	2,518,761.70	3,635,496.41	170,372,999.21
(1) Disposal or retirement	5,776,502.30	30,307,644.93	2,428,153.50	3,065,851.73	41,578,152.46
(2) Decrease in business consolidation	42,727,744.84	85,406,849.03	90,608.20	569,644.68	128,794,846.75
4. Balance at the end of the period	2,257,753,690.97	4,007,234,349.12	56,515,714.41	332,541,441.52	6,654,045,196.02
II. Accumulated depreciation					
1. Balance at the beginning of the period	778,957,220.54	1,664,422,342.16	52,466,420.79	255,997,331.08	2,751,843,314.57
2. Amount increased in the current period	54,909,723.63	163,936,209.93	2,598,345.57	13,231,027.26	234,675,306.39
(1) Accrual	54,909,653.52	163,902,254.10	2,568,672.35	13,535,769.96	234,916,349.93
(2) Translation of foreign currency statements	70.11	33,955.83	29,673.22	-304,742.70	-241,043.54
3. Amount decreased in the current period	21,335,687.54	57,218,064.05	2,366,225.67	3,329,247.39	84,249,224.65
(1) Disposal or retirement	4,784,880.60	27,143,977.88	2,286,045.49	2,863,970.31	37,078,874.28
(2) Decrease in business consolidation	16,550,806.94	30,074,086.17	80,180.18	465,277.08	47,170,350.37
4. Balance at the end of the period	812,531,256.63	1,771,140,488.04	52,698,540.69	265,899,110.95	2,902,269,396.31
III. Impairment reserve					
1. Balance at the beginning of the period		14,783,915.22			14,783,915.22
2. Amount increased in the current period					
(1) Accrual					
3. Amount decreased in the current period		8,033,821.35			8,033,821.35

Item	House and building	Machinery equipment	Transportation tools	Electronic equipment and others	Total
(1) Disposal or retirement					
(2) Decrease in business consolidation		8,033,821.35			8,033,821.35
4. Balance at the end of the period		6,750,093.87			6,750,093.87
IV. Book value					
1. Ending book value	1,445,222,434.34	2,229,343,767.21	3,817,173.72	66,642,330.57	3,745,025,705.84
2. Book value at the beginning of the period	1,476,051,449.87	2,352,257,551.37	5,272,901.52	75,146,965.55	3,908,728,868.31

(2) Fixed assets with outstanding title certificates

Unit: Yuan

Item	Book value	Reasons for not completing the property ownership certificate
House and building	322,920,208.30	In processing

(3) Impairment test status of fixed assets☐ Applicable ☒ Not applicable**(4) Disposal of fixed assets**

None.

15. Construction in processing

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Construction in process	1,562,782,750.91	1,508,921,383.91
Engineering materials	113,571,819.18	90,958,282.73
Total	1,676,354,570.09	1,599,879,666.64

(1) Construction in processing

Unit: Yuan

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Impairment reserve	Book value	Book balance	Impairment reserve	Book value
Inner Mongolia Yongtai Project	1,105,014,966.27		1,105,014,966.27	1,048,488,036.93		1,048,488,036.93
Yongtai Hi-tech 134,000 t/a liquid Lithium Salt Industrialization Project	0.00		0.00	87,984,596.39	493,718.84	87,490,877.55
Yongtai Hi-tech Lithium Battery Material Phase II Expansion Project	121,210,793.19	710,473.46	120,500,319.73	115,562,027.61	710,473.46	114,851,554.15
Binhai Meikang Phase	30,344,481.25		30,344,481.25	30,344,481.25		30,344,481.25

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Impairment reserve	Book value	Book balance	Impairment reserve	Book value
I Project						
Chongqing Yongyuansheng Fine Chemical Products project	0.00		0.00	59,926,404.84	1,972,784.60	57,953,620.24
The Annual 50000t Lithium Hexafluorophosphate Technical Renovation and Expansion Project	29,804,861.93		29,804,861.93			
Other projects	277,611,840.57	493,718.84	277,118,121.73	169,792,813.79		169,792,813.79
Total	1,563,986,943.21	1,204,192.30	1,562,782,750.91	1,512,098,360.81	3,176,976.90	1,508,921,383.91

(2) Changes in significant construction projects in progress during the current period

Unit: Yuan

Project name	Budget amount	Balance at the Beginning of the Period	Amount increased in the period	Amount transferred to fixed assets in the period	Other amount decreased in the period	Balance at the ending of the period	Proportion of cumulative project investment in budget	Project progress	Cumulative amount of interest capitalization	Of which: Amount of interest capitalized during the period	Capitalization rate of interest in the current period	Source of funds
Inner Mongolia Yongtai Project	3,000,000,000.00	1,048,488,036.93	95,291,849.64	38,764,920.30		1,105,014,966.27	94.14%	Under construction	53,209,849.34	480,235.82	2.42%	Others
Yongtai Hi-tech 134,000 t/a liquid Lithium Salt Industrialization Project ^{Note 1}	792,697,400.00	87,984,596.39	5,489,127.61		93,473,724.00	0.00	92.51%	Canceled	6,777,874.72			Others
Yongtai Hi-tech Lithium Battery Material Phase II Expansion Project	390,000,000.00	115,562,027.61	5,648,765.58			121,210,793.19	108.19%	Under construction				Others
Chongqing Yongyuansheng Fine Chemical Products project ^{Note 2}	189,000,000.00	59,926,404.84			59,926,404.84	0.00	0.00%	Settled				Others

Project name	Budget amount	Balance at the Beginning of the Period	Amount increased in the period	Amount transferred to fixed assets in the period	Other amount decreased in the period	Balance at the ending of the period	Proportion of cumulative project investment in budget	Project progress	Cumulative amount of interest capitalization	Of which: Amount of interest capitalized during the period	Capitalization rate of interest in the current period	Source of funds
Binhai Meikang Phase I Project	150,000,000.00	30,344,481.25				30,344,481.25	123.24%	Under construction				Others
The Annual 50000t Lithium Hexafluorophosphate Technical Renovation and Expansion Project	550,000,000.00		29,804,861.93			29,804,861.93	5.42%	Under construction				Others
Total	5,071,697,400.00	1,342,305,547.02	136,234,604.76	38,764,920.30	153,400,128.84	1,286,375,102.64			59,987,724.06	480,235.82		

Note 1: Yongtai Hi-tech's 134,000 t/a liquid lithium salt industrialization project recorded other decreases of RMB 93,473,724.00 in the current period. Pursuant to the Proposal on Cancelling Part of the Liquid Lithium Salt Industrialization Projects of the Subsidiary approved at the 6th meeting of the 7th Board of Directors of the Company held on 13 March 2026, the Company resolved to cancel the yet-to-be-commissioned "67,000 t/a lithium hexafluorophosphate solution project" under Yongtai Hi-tech's "134,000 t/a liquid lithium salt industrialization project". For the completed assets, the Company will conduct overall planning and reuse for the construction and development of other projects (including the 50,000 t/a lithium hexafluorophosphate technical renovation and expansion project).

(2) The other decrease of Chongqing Yongyuansheng Fine Chemical Products project in the current period is It was mainly due to changes in the scope of consolidation.

(3) Provision for impairment of construction in progress for the current period

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period	Reason for accrual
Chongqing Yongyuansheng Fine Chemical Products project	1,972,784.60		1,972,784.60	0.00	
Yongtai Hi-tech Lithium Battery Material Phase II Expansion Project	710,473.46			710,473.46	The recoverable amount is less than the book value.
Yongtai Hi-tech 134,000 t/a liquid Lithium Salt Industrialization Project	493,718.84		493,718.84	0.00	
Other projects	0.00	493,718.84		493,718.84	The recoverable amount is less than the book value.
Total	3,176,976.90	493,718.84	2,466,503.44	1,204,192.30	--

Other notes: The decrease of the Chongqing Yongyuansheng Fine Chemical Products Project in the current period is It was mainly

due to changes in the scope of consolidation.

(4) Impairment test of construction in progress

☐ Applicable ☒ Not applicable

(5) Engineering materials

Unit: Yuan

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Impairment reserve	Book value	Book balance	Impairment reserve	Book value
Engineering materials	113,571,819.18		113,571,819.18	90,958,282.73		90,958,282.73
Total	113,571,819.18		113,571,819.18	90,958,282.73		90,958,282.73

16. Right-of-use assets

(1) Right of use assets situation

Unit: Yuan

Item	House and building	Total
I. Original book value		
1. Balance at the beginning of the period	8,852,976.77	8,852,976.77
2. Amount increased in the current period	4,356,555.84	4,356,555.84
—New lease	4,356,555.84	4,356,555.84
3. Amount decreased in the current period	1,281,952.72	1,281,952.72
—Disposal	1,281,952.72	1,281,952.72
4. Balance at the end of the period	11,927,579.89	11,927,579.89
II. Accumulated depreciation		
1. Balance at the beginning of the period	6,020,897.66	6,020,897.66
2. Amount increased in the current period	1,225,210.81	1,225,210.81
(1) Accrual	1,225,210.81	1,225,210.81
3. Amount decreased in the current period	287,092.17	287,092.17
(1) Disposals	287,092.17	287,092.17
4. Balance at the end of the period	6,959,016.30	6,959,016.30
III. Impairment reserve		
1. Balance at the beginning of the period		
2. Amount increased in the current period		
(1) Accrual		
3. Amount decreased in the current period		
(1) Disposals		
4. Balance at the end of the period		
IV. Book value		
1. Ending book value	4,968,563.59	4,968,563.59

Item	House and building	Total
2. Book value at the beginning of the period	2,832,079.11	2,832,079.11

17. Intangible assets

(1) Intangible assets

Unit: Yuan

Item	Land-use right	Patent right	Non-patented technology	Trademark right	Software and others	Total
I. Original book value						
1. Balance at the beginning of the period	450,457,326.18	270,923,043.94		30,108,100.00	45,056,252.11	796,544,722.23
2. Amount increased in the current period		979,587.50			14,461,695.74	15,441,283.24
(1) Acquisition		979,587.50			14,461,695.74	15,441,283.24
(2) Internal R&D						
(3) Increase in business consolidation						
3. Amount decreased in the current period	11,143,122.32					11,143,122.32
(1) Disposals						
(2) Decrease in business consolidation	11,143,122.32					11,143,122.32
4. Balance at the end of the period	439,314,203.86	271,902,631.44		30,108,100.00	59,517,947.85	800,842,883.15
II. Accumulated amortization						
1. Balance at the beginning of the period	102,275,151.12	143,200,142.55		24,493,416.55	26,171,209.16	296,139,919.38
2. Amount increased in the current period	5,704,968.50	10,797,407.59		1,937,804.04	1,340,321.55	19,780,501.68
(1) Accrual	5,704,968.50	10,797,407.59		1,937,804.04	1,340,321.55	19,780,501.68
3. Amount decreased in the current period	1,648,790.95					1,648,790.95
(1) Disposals						
(2) Decrease in business consolidation	1,648,790.95					1,648,790.95
4. Balance at the end of the period	106,331,328.67	153,997,550.14		26,431,220.59	27,511,530.71	314,271,630.11
III. Impairment reserve						
1. Balance at the beginning of the period						
2. Amount increased in the current period						
(1) Accrual						
3. Amount decreased in the current period						
(1) Disposals						
4. Balance at the end of the period						
IV. Book value						
1. Ending book value	332,982,875.19	117,905,081.30		3,676,879.41	32,006,417.14	486,571,253.04
2. Book value at the beginning of the period	348,182,175.06	127,722,901.39		5,614,683.45	18,885,042.95	500,404,802.85

Intangible assets formed through internal R&D accounted for 18.23% of the balance of intangible assets at the end of the current period

(2) Fixed assets with outstanding title certificates

None.

18. Goodwill

(1) Original book value of goodwill

Unit: Yuan

Name of investee or matters forming goodwill	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
		Formation by business combination	Disposal	
Yongtai New Energy	17,848,185.57			17,848,185.57
Shanghai E-Tong	177,627,292.14			177,627,292.14
Zhejiang Chiral	373,747,189.15			373,747,189.15
Foshan Soin	69,669,921.57			69,669,921.57
Jiangsu Subin	92,772,780.75			92,772,780.75
Binhai Meikang	2,645,729.61			2,645,729.61
Total	734,311,098.79			734,311,098.79

(2) Impairment reserve for goodwill

Unit: Yuan

Name of investee or matters forming goodwill	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
		Accrual	Disposal	
Yongtai New Energy	17,848,185.57			17,848,185.57
Shanghai E-Tong	22,753,297.61			22,753,297.61
Zhejiang Chiral				
Foshan Soin				
Jiangsu Subin	92,772,780.75			92,772,780.75
Binhai Meikang				
Total	133,374,263.93			133,374,263.93

(3) Information about the asset group or combination of asset groups in which the goodwill is located

Name	Composition and basis of the associated asset group or portfolio	Associated operating segment and basis	Is it consistent with the previous years
Shanghai E-Tong	Goodwill-related asset groups formed by the M&A of Shanghai E-tong Chemical Co., Ltd. are the long-term asset groups that comprise the asset groups of Shanghai E-tong Chemical Co., Ltd., including fixed assets, etc.		Yes
Zhejiang Chiral	Goodwill-related asset groups formed by the M&A of Zhejiang Chiral Medicine Chemicals Co., Ltd. are the long-term asset groups that comprise the asset groups of Zhejiang Chiral Medicine Chemicals Co., Ltd., including fixed assets, intangible assets, etc.		Yes
Foshan	Goodwill-related asset groups formed by the M&A of		Yes

Name	Composition and basis of the associated asset group or portfolio	Associated operating segment and basis	Is it consistent with the previous years
Soin	Foshan Soin Chiralpharma Co., Ltd. are the long-term asset groups that comprise the asset groups of Foshan Soin Chiralpharma Co., Ltd., including fixed assets, intangible assets, etc.		

(4) Specific method for determining the recoverable amount

The recoverable amount is determined by the net amount after deducting disposal costs from the fair value.

☐ Applicable ☒ Not applicable

The recoverable amount is determined by the present value of the expected future cash flows.

☐ Applicable ☒ Not applicable

Reasons for significant discrepancies between the aforementioned information and the information used in impairment tests of previous years or external information: None.

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual circumstances of the current year: None.

(5) Completion of performance commitments and corresponding goodwill impairment

Performance commitments existed at the time goodwill was recognized, and the reporting period or the immediately preceding period falls within the performance commitment period

☐ Applicable ☒ Not applicable

19. Long-term deferred expenses

Unit: Yuan

Item	Balance at the Beginning of the Period	Amount increased in the period	Amortization amount in the period	Other decreased amount	Balance at the ending of the period
Equipment transformation	2,690,413.21	133,573.87	1,093,099.61		1,730,887.47
Decoration expenses	5,418,150.25	2,435,779.82	2,635,798.83		5,218,131.24
Others	4,270,538.72	620,004.22	973,616.80		3,916,926.14
Total	12,379,102.18	3,189,357.91	4,702,515.24		10,865,944.85

20. The deferred income tax assets / the deferred income tax liabilities

(1) Deferred income tax assets without offsetting

Unit: Yuan

Item	Balance at the ending of the period		Balance at the Beginning of the Period	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Unrealized profit from internal transactions	50,917,080.34	7,983,473.81	81,011,773.39	16,213,161.15
Deductible losses	1,383,011,772.03	279,732,660.38	1,579,724,763.88	333,501,473.04

Item	Balance at the ending of the period		Balance at the Beginning of the Period	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Allowance for bad debts	176,040,237.29	45,027,132.63	162,311,212.48	33,724,272.44
Inventory depreciation reserves	25,218,717.65	5,429,495.32	28,608,522.30	6,276,946.49
Provision for impairment of subsidiary equity	268,000,000.00	40,200,000.00	268,000,000.00	40,200,000.00
Deferred benefits	195,432,676.20	43,769,979.55	165,900,958.06	36,791,880.66
Withholding costs and expenses	9,397,029.47	1,409,554.42	11,030,548.23	1,817,934.11
Change in fair value of trading financial assets	3,595,560.00	898,890.00	1,528,080.00	382,020.00
Rental tax differences	1,278,285.75	191,742.86	1,278,285.73	191,742.86
Equity incentive expenses	106,812,000.00	16,021,800.00	84,129,600.00	12,619,440.00
Total	2,219,703,358.73	440,664,728.97	2,383,523,744.07	481,718,870.75

(2) Deferred income tax assets without offsetting

Unit: Yuan

Item	Balance at the ending of the period		Balance at the Beginning of the Period	
	Taxable temporary differences	Deferred income tax liability	Taxable temporary differences	Deferred income tax liability
Valuation and appreciation of assets of business consolidation not under the same control	27,400,793.35	6,208,442.74	30,123,585.39	6,666,547.96
Changes in fair value of other debt investments				
Changes in fair value of other equity instrument investments	54,940,453.58	8,241,068.04	54,940,453.60	8,241,068.04
Rental tax differences	1,232,579.69	184,886.95	1,232,579.67	184,886.95
Total	83,573,826.62	14,634,397.73	86,296,618.66	15,092,502.95

(3) Deferred income tax assets or liabilities presented with the net amount after offset

Unit: Yuan

Item	Offset of deferred income tax assets and liabilities at the end of the period	Balance of deferred income tax assets or liabilities after offset at the end of the period	Offset of deferred income tax assets and liabilities at the beginning of the period	Balance of deferred income tax assets or liabilities after offset at the beginning of the period
Deferred income tax assets	8,425,954.99	432,238,773.98	8,425,954.99	473,292,915.76
Deferred income tax	8,425,954.99	6,208,442.74	8,425,954.99	6,666,547.96

liability				
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21. Other non-current assets

Unit: Yuan

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Impairment reserve	Book value	Book balance	Impairment reserve	Book value
Prepayment for engineering equipment	127,526,278.55		127,526,278.55	63,796,116.04		63,796,116.04
Prepaid land transfer fee	1,548,250.00		1,548,250.00	1,548,250.00		1,548,250.00
Prepayment for drug certificate registration expenses and others	45,704,322.58		45,704,322.58	37,263,980.32		37,263,980.32
Total	174,778,851.13		174,778,851.13	102,608,346.36		102,608,346.36

22. Assets with restricted ownership or use rights

Unit: Yuan

Item	Period ending				Period-beginning			
	Book balance	Book value	Limited type	Limited situation	Book balance	Book value	Limited type	Limited situation
Monetary Capital	691,595,646.69	691,595,646.69	Pledge and freezing	Used for issuing bank acceptance bills, bank loans, futures accounts, and court litigation freezing	315,765,756.59	315,765,756.59	Pledge and freezing	Used for issuing bank acceptance bills, bank loans, futures accounts, and court litigation freezing
Notes receivable	339,261,221.50	339,261,221.50	Others	Endorsed/ discounted but not expired and not derecognized	357,064,366.36	351,702,533.56	Others	Endorsed/ discounted but not expired and not derecognized
Fixed assets	3,611,363,975.11	2,183,862,589.96	Mortgage	Used for bank loans	2,450,923,335.25	1,429,006,415.63	Mortgage	Used for bank loans
Intangible assets	364,025,757.26	276,646,063.31	Mortgage	Used for bank loans	339,152,473.28	261,556,062.42	Mortgage	Used for bank loans
Accounts receivable	47,299,223.85	44,934,262.66	Pledge	Used for issuing bank acceptance bills and bank loans	55,435,612.15	52,663,831.54	Pledge	Used for issuing bank acceptance bills and bank loans
Real estate for investment purposes	25,834,250.40	16,842,877.13	Mortgage	Used for bank loans	25,834,250.40	17,448,766.61	Mortgage	Used for bank loans
Construction in process	99,220,200.97	99,220,200.97	Mortgage	Used for bank loans	157,749,810.80	157,749,810.80	Mortgage	Used for bank loans
Other equities Instrument Investments	83,091,525.58	83,091,525.58	Freeze	Court litigation freeze	83,091,525.58	83,091,525.58	Freeze	Court litigation freeze
Accounts receivable financing	1,912,600.00	1,912,600.00	Pledge	Used for issuing bank acceptance bills				

Item	Period ending				Period-beginning			
	Book balance	Book value	Limited type	Limited situation	Book balance	Book value	Limited type	Limited situation
Total	5,263,604,401.36	3,737,366,987.80			3,785,017,130.41	2,668,984,702.73		

23. Short-term loans

(1) Classification of short-term loan

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Mortgage loan	554,337,449.96	647,060,000.00
Guaranteed loan	1,959,146,257.84	1,397,893,423.20
Discounted bills not derecognised	108,766,584.00	258,145,980.73
Total	2,622,250,291.80	2,303,099,403.93

24. Transaction financial liabilities

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Trading financial liabilities	3,363,480.00	1,528,080.00
Of which:		
Derivative financial liabilities	3,363,480.00	1,528,080.00
Total	3,363,480.00	1,528,080.00

25. Notes payable

Unit: Yuan

Category	Balance at the ending of the period	Balance at the Beginning of the Period
Commercial acceptance bill	23,927,000.00	32,480,000.00
Banker's acceptance bill	855,544,442.20	336,635,147.42
Total	879,471,442.20	369,115,147.42

26. Accounts payable

(1) Presentation of accounts payable

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Within 1 years	1,548,113,588.34	1,259,541,862.43
1-2 years	102,940,234.56	145,864,494.17
2-3 years	13,881,152.52	46,906,165.91
Above 3 years	41,569,424.33	53,438,578.01
Total	1,706,504,399.75	1,505,751,100.52

(2) Significant accounts payable aged over 1 year or overdue

Unit: Yuan

Item	Balance at the ending of the period	Reasons for non-repayment or carry-forward
Yongtai Hi-tech equipment project payment	46,347,225.62	The project payment has not yet been settled

Item	Balance at the ending of the period	Reasons for non-repayment or carry-forward
Total	46,347,225.62	

27. Other payables

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Other payables	82,489,770.69	388,834,740.86
Total	82,489,770.69	388,834,740.86

(1) Other payables**1) Other payables listed by nature**

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Overnight money	49,262,575.34	342,854,180.68
Accrued expenses	22,078,224.00	16,865,563.22
Security deposit	5,608,776.89	4,488,614.92
Others	5,540,194.46	24,626,382.04
Total	82,489,770.69	388,834,740.86

2) Significant other payables aged over 1 year or overdue

None.

28. Contractual liabilities

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Within 1 years	263,524,275.08	23,290,292.35
1-2 years	1,314,457.98	581,099.32
2-3 years	798,295.83	1,987,073.40
Above 3 years	4,452,396.48	50,955,420.00
Total	270,089,425.37	76,813,885.07

29. Remuneration payable to employees**(1) Presentation of remuneration payable to employees**

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
I. Short-term compensation	68,262,254.23	217,828,186.44	244,000,839.53	42,089,601.14
II. Welfare after demission - defined	1,920,753.99	18,407,151.87	18,707,435.05	1,620,470.81

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
contribution plan				
Total	70,183,008.22	236,235,338.31	262,708,274.58	43,710,071.95

(2) Short-term compensation list

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
1. Wages, bonuses, allowances and subsidies	63,430,631.60	190,081,411.78	214,779,920.08	38,732,123.30
2. Welfare expenses for the employees	289,232.89	11,107,753.15	11,237,346.47	159,639.57
3. Social insurance expenses	1,796,783.60	10,882,210.68	11,722,583.38	956,410.90
Of which: Medical insurance premiums	1,645,097.33	9,196,987.09	10,069,772.11	772,312.31
Industrial injury insurance premiums	151,686.27	1,603,429.70	1,571,017.38	184,098.59
Maternity insurance premiums		81,793.89	81,793.89	
4. Housing accumulation fund	107,952.00	4,635,411.20	4,725,423.20	17,940.00
5. Labor union expenditure and employee education expenses	2,637,654.14	1,121,399.63	1,535,566.40	2,223,487.37
Total	68,262,254.23	217,828,186.44	244,000,839.53	42,089,601.14

(3) Presentation of defined contribution plan

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
1. Basic endowment insurance	1,877,295.66	17,872,455.80	18,177,693.56	1,572,057.90
2. Unemployment insurance premiums	43,458.33	534,696.07	529,741.49	48,412.91
Total	1,920,753.99	18,407,151.87	18,707,435.05	1,620,470.81

30. Taxes payable

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Value Added Tax	3,886,886.91	4,248,542.56
Enterprise income tax	48,457,424.34	22,113,084.83
Individual income tax	501,533.62	608,956.70

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Urban maintenance and construction tax	344,270.74	443,224.88
House property tax	7,194,533.90	11,159,301.64
Land use tax	2,833,832.06	4,741,346.70
Stamp duty	1,812,319.31	1,871,774.95
Security fund for the disabled	1,361,512.32	1,378,157.61
Education surcharges and local education surcharges	263,851.42	379,384.00
Environmental protection tax and others	10,817.90	9,859.42
Total	66,666,982.52	46,953,633.29

31. Non-current liabilities due within one year

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Long-term borrowings due within one year:	1,155,865,882.27	1,279,551,716.25
Long-term loans due within one year	457,523,015.70	266,777,210.65
Lease liabilities due within one year	2,620,132.97	1,631,057.86
Total	1,616,009,030.94	1,547,959,984.76

32. Other current liabilities

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Output tax to be written off	32,591,239.45	4,287,116.40
Endorsed but not derecognized notes receivable	339,261,221.50	243,378,385.63
Minority equity repurchase financial liabilities	680,244,480.00	680,244,480.00
Obligation to repurchase treasury shares	29,721,600.00	29,721,600.00
Total	1,081,818,540.95	957,631,582.03

33. Long-term loans

(1) Classification of long-term loans

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Mortgage loan	522,450,000.01	421,015,058.63
Guaranteed loan	192,500,000.00	393,200,000.00
Total	714,950,000.01	814,215,058.63

34. Lease liabilities

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
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Warehouse leasing	2,358,339.36	1,088,336.12
Total	2,358,339.36	1,088,336.12

35. Long-term payables

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Long-term payables	257,120,162.59	75,679,981.11
Total	257,120,162.59	75,679,981.11

36. Deferred income

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period	Cause of formation
Government Grants	179,216,244.68	41,840,000.00	16,658,693.84	204,397,550.84	Government Grants
Total	179,216,244.68	41,840,000.00	16,658,693.84	204,397,550.84	

37. Share capital

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase/decrease (+, -) in this period					Balance at the ending of the period
		Issue of new shares	Stock dividend	Transfer from provident fund	Others	Subtotal	
Total number of shares	925,127,636.00						925,127,636.00

38. Capital surplus

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
Capital premium (equity premium)	1,263,172,776.40			1,263,172,776.40
Other capital reserve	-552,982,731.81	7,869,960.00		-545,112,771.81
Total	710,190,044.59	7,869,960.00		718,060,004.59

Other explanations, including the changes in the current period and the reasons for such changes:

1. The company recognizes share-based payment expenses related to equity incentives, increasing other capital reserves by RMB 5,256,000.00;
2. The company recognizes deferred tax assets for the portion of equity incentive deductible amounts for tax purposes that exceed the recognized share-based payment expenses, resulting in an increase in other capital reserves by RMB 2,613,960.00.

39. Treasury shares

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
Implementation of equity incentive repurchase	29,721,600.00			29,721,600.00
Total	29,721,600.00			29,721,600.00

40. Other comprehensive incomes

Unit: Yuan

Item	Balance at the Beginning of the Period	Amount incurred in the current period						Balance at the ending of the period
		Amount before income tax in the period	Less: The profits and losses transferred in the period but previously included in other comprehensive income	Less: The retained earnings transferred in the period but previously included in other comprehensive income	Less: Income tax expenses	That attributable to the Company after tax	That attributable to non-controlling interests after tax	
I. Other comprehensive incomes not to be reclassified into profits and losses	47,634,093.48							47,634,093.48
Other comprehensive income that cannot be transferred to profits and losses under equity method	955,122.00							955,122.00
Changes in fair value of other equity instrument investments	46,678,971.48							46,678,971.48
II. Other comprehensive incomes to be reclassified into profits and losses	-29,174,999.91	4,000,098.65				4,000,098.65		-25,174,901.26
The difference arisen from the translation of foreign currency financial statements	-29,174,999.91	4,000,098.65				4,000,098.65		-25,174,901.26
Total other comprehensive incomes	18,459,093.57	4,000,098.65				4,000,098.65		22,459,192.22

41. Special reserves

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
Work safety cost	9,953,178.68	15,609,006.69	14,851,318.66	10,710,866.71
Total	9,953,178.68	15,609,006.69	14,851,318.66	10,710,866.71

42. Surplus reserves

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period	Decrease in the period	Balance at the ending of the period
Statutory surplus reserve	218,347,987.76			218,347,987.76
Total	218,347,987.76			218,347,987.76

43. Undistributed profit

Unit: Yuan

Item	In the current period	In the previous period
Retained earnings at the end of the previous year before adjustment	819,408,715.13	865,509,364.95
BOP undistributed profit after adjustment	819,408,715.13	865,509,364.95
Plus: Net profits attributable to the Company's shareholders in the period	273,853,465.42	58,800,194.22
Retained earnings at the end of the period	1,093,262,180.55	924,309,559.17

Breakdown of undistributed profit at the beginning of the period after adjustment:

- 1) The affected undistributed profit at the beginning of the period was RMB 0.00 due to the retrospective adjustment of the Accounting Standards for Business Enterprises and its related new regulations.
- 2) The affected undistributed profit at the beginning of the period was RMB 0.00 due to the change of accounting policies.
- 3) The affected undistributed profit at the beginning of the period was RMB 0.00 due to the correction of significant accounting errors.
- 4) The affected undistributed profit at the beginning of the period was RMB 0.00 due to the change of the scope of consolidation caused by the same control.
- 5) The total affected undistributed profits at the beginning of the period due to other adjustments amounted to RMB 0.00.

44. Operating income and operating cost

Unit: Yuan

Item	Amount incurred in the current period		Incurred amount during the previous period	
	Revenue	Cost	Revenue	Cost
Main business	3,738,953,546.74	2,795,970,809.62	2,603,807,366.71	2,127,771,861.91
Other business	7,270,873.36	13,426,482.73	5,508,065.32	6,871,940.22
Total	3,746,224,420.10	2,809,397,292.35	2,609,315,432.03	2,134,643,802.13

Disaggregated information on operating revenue and costs:

Unit: Yuan

Contract classification	Branches		Total	
	Operating revenue	Business costs	Operating revenue	Business costs
Business Type				
Of which:				
Product sales revenue	3,746,224,420.10	2,809,397,292.35	3,746,224,420.10	2,809,397,292.35
Classification by timing of commodity transfer				
Of which:				
Confirmation at a point of time	3,746,224,420.10	2,809,397,292.35	3,746,224,420.10	2,809,397,292.35
Total	3,746,224,420.10	2,809,397,292.35	3,746,224,420.10	2,809,397,292.35

45. Taxes and surcharges

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Urban maintenance and construction tax	1,348,211.93	1,556,390.70
Education surcharges	988,830.03	1,276,520.02
House property tax	10,322,752.54	9,803,023.87
Land use tax	4,582,588.62	5,036,695.71
Stamp duty	3,570,985.66	2,430,568.74
Resources tax	1,007,906.98	
Vehicle and vessel tax and others	98,255.40	90,459.25
Total	21,919,531.16	20,193,658.29

46. Management expenses

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Employee compensation	83,882,089.80	85,408,279.81
Depreciation and amortization	65,893,444.53	68,337,643.47
Environmental protection expenses	35,904,782.76	43,045,716.32
Office expense	12,598,611.69	9,552,505.67
Work safety cost	20,066,025.13	12,293,063.04
Business entertainment fee	6,269,348.15	7,117,063.63
Agency fees	4,448,157.76	4,118,180.59
Car cost	2,375,699.94	2,136,358.50
Travel expenses	1,817,118.65	1,298,029.79
Others	30,337,157.01	23,736,281.46
Total	263,592,435.42	257,043,122.28

47. Marketing expenses

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Market development expense	14,589,945.01	15,854,622.54
Commission	9,636,436.90	8,750,228.83
Insurance expense	1,210,514.08	4,274,169.77
Travel expenses	4,267,272.47	3,723,253.20
Others	22,792,966.62	21,465,369.26
Total	52,497,135.08	54,067,643.60

48. R&D expenditure

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Direct material	34,263,088.98	19,797,124.43
Employee compensation	34,307,935.68	32,606,524.95
Depreciation and amortization	6,765,742.20	5,615,873.04
Outsourcing expenses	3,475,306.86	192,592.06
Others	1,658,026.02	2,054,464.90
Total	80,470,099.74	60,266,579.38

49. Financial expenses

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Interest expenses	106,117,723.80	72,142,594.29
Less: Interest income	1,399,239.10	4,635,486.08
Exchange gains and losses	38,309,388.90	-4,460,552.44
Others	9,253,028.79	6,366,320.13
Total	152,280,902.39	69,412,875.90

50. Other income

Unit: Yuan

Sources of other income	Amount incurred in the current period	Incurred amount during the previous period
Government Grants	21,927,829.86	22,107,221.93
Input tax plus credit	1,547,007.44	299,538.10
Personal income tax withholding fee	287,631.01	164,150.35

51. Income from changes in fair value

Unit: Yuan

Sources of gains from changes in fair value	Amount incurred in the current period	Incurred amount during the previous period
Trading financial assets	6,519,778.45	-30,876.19
Of which, income from changes in fair value arising from derivative financial instruments	6,519,778.45	-30,876.19

Sources of gains from changes in fair value	Amount incurred in the current period	Incurred amount during the previous period
Trading financial liabilities		-727,657.51
Total	6,519,778.45	-758,533.70

52. Investment income

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Long-term equity investments incomes accounted by the equity method	7,076,262.02	9,262,517.75
Investment income from disposal of long-term equity investment	-10,546,592.13	
Investment income on trading financial assets		51,402.95
Investment income from disposal of transactional financial assets	14,632,739.02	3,170,414.01
Dividend income earned during the holding period of investments in other equity instruments	3,489,079.88	3,628,643.07
Total	14,651,488.79	16,112,977.78

53. Credit impairment loss

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Bad debt losses on notes receivable	5,361,832.80	-1,230,000.00
Bad debt losses on accounts receivable	-35,404,228.79	2,242,255.27
Bad debt losses on other receivables	-3,043,480.76	1,897,446.17
Bad debt losses on accounts receivable		-509,473.52
Total	-33,085,876.75	2,400,227.92

54. Asset impairment loss

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
I. Inventory impairment losses and impairment losses on contract fulfillment costs	0.00	5,550,999.97
Total	0.00	5,550,999.97

55. Income from disposal of assets

Unit: Yuan

Sources of income from asset disposal	Amount incurred in the current period	Incurred amount during the previous period
Gains from disposal of non-current assets	-1,174,934.04	-141,488.45

56. Non-operating income

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period	Amounts included into the current non-recurring profits and losses
Government Grants		91,200.00	
Others	3,715,974.41	23,613,501.23	3,715,974.41
Total	3,715,974.41	23,704,701.23	3,715,974.41

57. Non-operating expenditure

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period	Amounts included into the current non-recurring profits and losses
Loss on damage and scrapping of non-current assets	2,617,376.84	589,999.28	2,617,376.84
Penalty expenditure	3,012.09	53,065.15	3,012.09
Others	1,522,521.02	3,335,645.08	1,522,521.02
Total	4,142,909.95	3,978,709.51	4,142,909.95

58. Income tax expenses**(1) Income tax expense statement**

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Income tax expenses in the period	43,643,387.43	27,690,315.49
Deferred income tax expenses	36,117,390.86	-11,779,280.71
Total	79,760,778.29	15,911,034.78

(2) The process of adjusting accounting profit and income tax expense

Unit: Yuan

Item	Amount incurred in the current period
Total profit	376,313,013.18
Income tax expense calculated at legal/applicable tax rates	56,446,951.95
Impact of different tax rates applied to subsidiaries	32,671,553.96
Impact of non-taxable income	-2,182,988.24
Impact of deductible losses on the use of deferred income tax assets not recognized at the end of the current period	-7,174,739.38
Income tax expenses	79,760,778.29

59. Other comprehensive incomes

See Note 40 for details.

60. Cash flow statement items**(1) Cash related to operating activities**

Cash received relating to other operating activities

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Income from government subsidies	44,083,596.30	26,159,596.81
Interest income	1,399,239.10	4,635,486.08
Others	28,011,306.05	23,367,025.75
Total	73,494,141.45	54,162,108.64

Cash paid relating to other operating activities

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Scientific research costs	39,427,857.66	22,018,321.41
Environmental protection expenses	32,528,299.63	27,422,735.15
Travel expenses	6,032,291.12	5,021,282.99
Intermediary and advisory fees	4,510,157.76	4,118,180.59
Work safety cost	16,035,507.20	9,959,184.08
Commission	9,636,436.90	8,750,228.83
Business entertainment fee	8,627,317.94	11,614,283.54
Insurance expense	2,143,698.88	5,441,452.31
Office expense	12,577,207.76	9,545,305.67
Others	109,682,360.51	194,662,359.44
Total	241,201,135.36	298,553,334.01

(2) Cash related to financing activities

Other cash received related to financing activities

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Cash received from financing leases	508,600,000.00	47,500,000.00
Other overnight money	343,244,000.00	
Total	851,844,000.00	47,500,000.00

Cash payments relating to other financing activities

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Cash paid for financing leases	297,563,631.34	138,170,099.85
Payment of lease liabilities principal	2,226,538.86	2,301,388.58
Other overnight money	633,918,000.00	
Total	933,708,170.20	140,471,488.43

Changes in liabilities arising from financing activities

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Balance at the Beginning of the Period	Increase in the period		Decrease in the period		Balance at the ending of the period
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term loan	2,303,099,403.93	1,768,229,502.02	361,619,832.41	1,387,288,749.90	423,409,696.66	2,622,250,291.80
Long-term loan (Long-term loan due within one year)	2,093,766,774.88	527,750,000.00		753,575,000.00	16,774.80	1,867,925,000.08
Long-term payables (Long-term payables due within one year)	342,457,191.76	508,600,000.00	171,149,400.52	297,563,631.34	7,108,900.45	717,534,060.49
Lease liabilities (including lease liabilities due within one year)	2,719,393.98		4,635,034.86	2,226,538.86	149,417.65	4,978,472.33
Other payables	339,936,575.34	343,244,000.00		633,918,000.00		49,262,575.34
Total	5,081,979,339.89	3,147,823,502.02	537,404,267.79	3,074,571,920.10	430,684,789.56	5,261,950,400.04

61. Supplementary materials of cash flow statement**(1) Supplementary materials of cash flow statement**

Unit: Yuan

Supplementary Materials	Amount in this period	Amount in last period
1. Cash flow for adjusting net profits to operating activities		
Net profit	296,552,234.89	63,237,801.29
Plus: Impairment reserves of assets	33,085,876.75	-7,951,227.89
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	233,718,318.26	209,419,971.03
Depreciation of right-to-use assets		
Amortization of intangible assets	19,390,175.73	14,426,594.12
Amortization of long-term unamortized expenses	4,647,571.28	1,558,807.55
Losses arising from disposal of fixed assets, intangible assets and other long-term assets (income expressed with "-")	1,174,934.04	141,488.45
Losses on scrapping of fixed assets (income expressed with "-")	2,617,376.84	
Loss from changes in fair value (income expressed with "-")	-6,519,778.45	758,533.70
Finance costs (income expressed with "-")	136,418,336.32	82,246,347.06
Investment loss (income expressed with "-")	-14,651,488.79	-16,112,977.78
Decrease in deferred income tax assets (increase expressed with "-")	41,054,141.78	-22,155,174.22
Increase in deferred income tax liabilities (decrease expressed with "-")	458,105.22	
Decrease in inventories (increase expressed with "-")	-259,625,431.46	-128,988,510.56
Decrease in operating receivables (increase expressed with "-")	-979,465,253.23	100,458,567.93

Supplementary Materials	Amount in this period	Amount in last period
Increase in operating payables (decrease expressed with "-")	1,069,968,157.59	-75,769,408.88
Others		
Net cash flows from operating activities	578,823,276.77	221,270,811.80
2. Major investment and financing activities irrelevant to cash income and expenditure		
Transfer from debts to capital		
Convertible corporate bonds due within one year		
Fixed assets under financing lease		
3. Net changes in cash and cash equivalents:		
Balance of cash at the end of period	261,519,578.13	219,774,463.53
Minus: balance of cash at the beginning of period	107,646,796.26	213,923,592.02
Plus: balance of cash equivalents at the end of period		
Minus: balance of cash equivalents at the beginning of period		
Net increase in cash and cash equivalents	153,872,781.87	5,850,871.51

(2) Composition of cash and cash equivalents

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
I. Cash	261,519,578.13	107,646,796.26
Of which: Cash on hand	466,663.00	250,839.36
Bank deposit available for payment at any time	179,322,115.13	107,395,956.90
Other monetary capitals available for payment at any time	81,730,800.00	
II. Balance of cash and cash equivalents at the end of the period	261,519,578.13	107,646,796.26

(3) Monetary fund not classified as cash and cash equivalents

Unit: Yuan

Item	Amount in this period	Amount in last period	Reason for exclusion from cash and cash equivalents
Deposit for bank acceptance bill	602,322,662.27	215,484,980.42	Restricted
Security deposit	648,679.43	673,994.48	Restricted
Futures margin	28,251,971.96	12,147,312.94	Restricted
Funds frozen due to litigation	10,372,333.03	7,655,909.92	Restricted
Pledged fixed deposit receipts	50,000,000.00	79,803,558.83	Restricted
Total	691,595,646.69	315,765,756.59	

62. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: Yuan

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance of converted RMB at the end of the period
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Item	Balance of foreign currency at the end of the period	Exchange rate	Balance of converted RMB at the end of the period
Monetary Capital			178,203,772.25
Of which: USD	24,647,589.99	6.8109	167,872,270.69
EUR	188,140.65	7.7671	1,461,307.63
HKD	129,707.92	0.8686	112,658.21
Philippine peso	235,269.30	0.1112	26,154.42
Pakistani Rupees	92,008,847.68	0.0245	2,254,216.77
Nigerian Naira	501,253,712.13	0.0049	2,471,682.05
Indonesian rupiah	6,048,535,240.53	0.0004	2,304,491.93
Colombian peso	7,714,893.31	0.0020	15,252.34
Bangladeshi Taka	78,159.33	0.0554	4,330.03
Vietnamese dong	999,399,923.00	0.0003	258,844.58
Thai Baht	6,904,921.82	0.2042	1,410,288.85
Brazilian Real	9,323.52	1.3165	12,274.75
Accounts receivable			611,257,519.33
Of which: USD	80,667,140.02	6.8109	549,415,823.96
EUR			
HKD			
Pakistani Rupees	278,120,302.84	0.0245	6,813,947.42
Nigerian Naira	1,770,583,506.12	0.0049	8,730,747.27
Indonesian rupiah	114,225,622,563.51	0.0004	43,519,962.20
EUR	91,562.04	7.7671	711,171.52
Thai Baht	6,384,915.20	0.2042	1,304,080.62
Vietnamese dong	2,941,260,000.00	0.0003	761,786.34
Other receivables			21,191,097.07
Of which: USD	2,428,161.33	6.8109	16,537,964.00
Pakistani Rupees	615,000.00	0.0245	15,067.50
Nigerian Naira	734,624,380.30	0.0049	3,622,432.82
Indonesian rupiah	2,362,033,274.32	0.0004	899,934.68
Thai Baht	413,639.52	0.2042	84,483.39
Vietnamese dong	120,520,000.00	0.0003	31,214.68
Accounts payable			23,246,110.96
Of which: USD	1,405,726.72	6.8109	9,574,264.12
Pakistani Rupees	125,549,909.30	0.0245	3,075,972.78
Nigerian Naira	1,801,376,274.05	0.0049	8,882,586.41
Indonesian rupiah	4,398,161,923.00	0.0004	1,675,699.69
Vietnamese dong	1,071,000.00	0.0003	277.39
Thai Baht	182,676.48	0.2042	37,310.57
Other payables			2,251,193.68
Of which: USD	46,853.50	6.8109	319,114.50
Pakistani Rupees	4,131,741.00	0.0245	101,227.65
Nigerian Naira	364,293,475.94	0.0049	1,796,331.13
Indonesian rupiah	22,217,828.00	0.0004	8,464.99
Philippine peso	90,862.88	0.1112	10,101.04
Vietnamese dong	50,412,923.00	0.0003	13,056.95
Thai Baht	14,186.08	0.2042	2,897.42

(2) The nature of the non-convertibility of the currency and its financial impacts, the spot exchange rate adopted and its estimation process, as well as the risks faced by the enterprise due to the non-convertibility of the currency

☐ Applicable ☒ Not applicable

(3) Description of foreign operating entities, including disclosure of the principal place of business overseas, the bookkeeping standard currency and its basis of selection, and the reasons for changes in the bookkeeping standard currency, if any.

☐ Applicable ☒ Not applicable

(4) Circumstances where there is a lack of convertibility between the functional currency of the foreign operation and the presentation currency of the enterprise

☐ Applicable ☒ Not applicable

63. Leases

(1) The Company as the lessee:

☒ Applicable ☐ Not applicable

Variable lease payments not included in the lease liability measurement

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount in this period	Amount in last period
Interest cost on lease liabilities	80,074.06	89,002.86
Short-term lease expenses included in the cost of the related assets or in the current profits and losses for simplified treatment	2,146,464.80	1,536,902.80
Total cash outflows related to leases	2,226,538.86	2,301,388.58

Rental expenses of short-term leases or low-value asset leases after simplified treatment

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount in this period	Amount in last period
Short-term lease expenses included in the cost of the related assets or in the current profits and losses for simplified treatment	2,146,464.80	1,536,902.80

(2) The Company as the lessor:

Operating lease as a lessor

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Rental income	Of which: Income related to variable lease payments not included in lease collections
Operating lease income	611,087.04	
Total	611,087.04	

Financing lease as a lessor

☐ Applicable ☒ Not applicable

Undiscounted lease receipts per year for the next five years

☐ Applicable ☒ Not applicable

(3) Recognition of financing lease sales profit or loss as a manufacturer or dealer

☐ Applicable ☒ Not applicable

VIII. R&D expenditure

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Direct material	35,240,841.34	20,925,968.81
Employee compensation	38,905,545.51	35,012,483.05
Depreciation and amortization	8,205,263.35	7,693,955.49
Outsourcing expenses	3,556,438.94	192,592.06
Others	1,686,881.84	2,530,094.14
Total	87,594,970.98	66,355,093.55
Of which: Expensed R&D expenses	80,470,099.74	60,266,579.38
Capitalized R&D expenses	7,124,871.24	6,088,514.17

1. R&D projects eligible for capitalization

Unit: Yuan

Item	Balance at the Beginning of the Period	Amount increased in the period		Decreased amount in the period		Balance at the ending of the period
		Internal development expenditure	Others	Recognized as intangible assets	Included in current profit and loss	
API project	4,869,999.62	2,664,102.62				7,534,102.24
API project	28,519,813.06	3,099,927.84			284,017.38	31,335,723.52
Others	2,757,542.41	1,644,858.16				4,402,400.57
Total	36,147,355.09	7,408,888.62			284,017.38	43,272,226.33

Significant capitalized R&D projects

Item	R&D progress	Estimated completion time	Expected method for generating economic benefits	Time point for starting capitalization	Specific basis for starting capitalization
API project	Trial the submission	2026-2028	Pass the production and sales of products	2025.3-2025.6	Start of pilot production
API project	Trial the submission of FDA application and CDE review in progress	2026-2027	Pass the production and sales of products	2023.1-2025.1	Start of pilot production

IX. Change in scope of consolidation**1. Change in scope of consolidation for other reasons**

Description of changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and their related circumstances:

Disposal of subsidiaries

The Fifth Intermediate People's Court of Chongqing ruled to accept the compulsory liquidation case of Chongqing Yongyuansheng Technology Co., Ltd. and appointed a liquidation team. Starting from May 2026, the Company handed over liquidation-related work, and Chongqing Yongyuansheng Technology Co., Ltd. is no longer included in the scope of the consolidated financial statements.

Newly established subsidiaries:

1. Zhejiang Yongtai New Energy Materials Co., Ltd., a subsidiary of the Company, established Yancheng Yongtai New Materials Co., Ltd. with a 100% equity holding. This company has been included in the scope of consolidation since its date of incorporation, 20 April 2026.
2. The Company's subsidiary, Foshan Soin Chiralpharma Co., Ltd., established Foshan Yongtai Chiral Pharmaceutical Co., Ltd. with a 100% equity holding. This company has been included in the scope of consolidation since its date of incorporation, 6 May 2026.
3. The Company's sub-subsidiary, Foshan Yongtai Chiral Pharmaceutical Co., Ltd., established Foshan Yongtai Chiral Pharmacy Co., Ltd. with a 100% equity holding. This company has been included in the scope of consolidation since its date of incorporation, 18 June 2026.

X. Interests in other subjects

1. Interests in subsidiaries

(1) Composition of enterprise group

Unit: Yuan

Name of subsidiary	Registered Capital	Main business locations	Place of registration	Business nature	Shareholding ratio		Acquisition method
					Direct	Indirect	
Binhai Yongtai	160,000,000.00	Binhai County, Jiangsu Province	Binhai County, Jiangsu Province	Manufacturing	100.00 %		Business combination under common control
Shanghai E-Tong	10,000,000.00	Songjiang District, Shanghai	Songjiang District, Shanghai	Commerce	100.00 %		Business combination not under common control
Yongtai Hi-tech	300,000,000.00	Shaowu City, Fujian Province	Shaowu City, Fujian Province	Manufacturing	75.00%		Establishment or investment
Xinhui Mining	35,000,000.00	Qiongzong County, Hainan Province	Qiongzong County, Hainan Province	Mining	70.00%		Business combination not under common control
Yongtai Pharma	400,000,000.00	Taizhou City, Zhejiang Province	Taizhou City, Zhejiang Province	Manufacturing	100.00 %		Establishment or investment
Youngtech Pharmaceuticals	US \$ 14,549,339.26	America	America	Commerce	100.00 %		Establishment or investment
Shandong Yongtai	100,000,000.00	Zhanhua District, Shandong Province	Zhanhua District, Shandong Province	Manufacturing	100.00 %		Establishment or investment
Yongtai New Material	100,000,000.00	Taizhou City, Zhejiang	Taizhou City, Zhejiang	Manufacturing	100.00 %		Establishment or investment

Name of subsidiary	Registered Capital	Main business locations	Place of registration	Business nature	Shareholding ratio		Acquisition method
					Direct	Indirect	
		Province	Province				
SYT pharm (Shanghai)	25,000,000.00	Pudong New Area, Shanghai	Pudong New Area, Shanghai	Service industry and commercial industry	90.00%	10.00%	Business combination not under common control
Yongtai New Energy	330,000,000.00	Taizhou City, Zhejiang Province	Taizhou City, Zhejiang Province	Manufacturing	100.00 %		Business combination not under common control
Shanghai Youngcobe	1,000,000.00	Songjiang District, Shanghai	Songjiang District, Shanghai	Service		100.00%	Business combination not under common control
E-TONG CHEMICAL (HONGKONG)	HKD 10,000	Hong Kong	Hong Kong	Trade		100.00%	Establishment or investment
Zhejiang Chiral	20,348,152.00	Hangzhou, Zhejiang Province	Hangzhou, Zhejiang Province	Manufacturing	100.00 %		Business combination not under common control
Foshan Soin	213,150,000.00	Foshan City, Guangdong Province	Foshan City, Guangdong Province	Manufacturing	90.00%		Business combination not under common control
Yongtai Chiral	400,000,000.00	Taizhou City, Zhejiang Province	Taizhou City, Zhejiang Province	Manufacturing	100.00 %		Establishment or investment
Jiangsu Subin	74,600,000.00	Binhai County, Jiangsu Province	Binhai County, Jiangsu Province	Manufacturing		85.00%	Business combination not under common control
H&G (China)	44,860,000.00	Binhai County, Jiangsu Province	Binhai County, Jiangsu Province	Manufacturing		72.25%	Business combination not under common control
Binhai Meikang	100,000,000.00	Binhai County, Jiangsu Province	Binhai County, Jiangsu Province	Manufacturing	100.00 %		Business combination not under common control
Inner Mongolia Yongtai	1,291,000,000.00	Wuhai City, Inner Mongolia	Wuhai City, Inner Mongolia	Manufacturing	100.00 %		Establishment or investment
E-TONG CHEMICAL	US \$ 100,000	Hong Kong	Hong Kong	Trade		100.00%	Establishment or investment
Hangzhou Yongtai	10,000,000.00	Hangzhou, Zhejiang Province	Hangzhou, Zhejiang Province	Service	100.00 %		Establishment or investment
PT. ETONG	IDR 10,000,002,761	Indonesia	Indonesia	Trade		80.00%	Establishment or investment
E-TONG CHEMICAL (PHILIPPINES)	PHP 699,999	Philippines	Philippines	Trade		99.90%	Business combination not under common control
Etong Agrotech Nigeria	NGN 9,900,000	Nigeria	Nigeria	Trade		98.00%	Establishment or investment
LIDEAL MINES LIMITED	NGN 10,000,000	Nigeria	Nigeria	Mining		100.00%	Establishment or investment
Etong Chemicals (Pvt.)	RUB 20 Million	Pakistan	Pakistan	Trade		90.00%	Establishment or investment
Agro Juntos Colombia	COP 180 Million	Colombia	Colombia	Trade		100.00%	Establishment or investment
Farmaline Cropcare Bangladesh	BDT 10.90 Million	Bangladesh	Bangladesh	Trade		99.00%	Establishment or investment

Name of subsidiary	Registered Capital	Main business locations	Place of registration	Business nature	Shareholding ratio		Acquisition method
					Direct	Indirect	
Yongtai Fule	120,000,000.00	Taizhou City, Zhejiang Province	Taizhou City, Zhejiang Province	Manufacturing	80.00%		Establishment or investment
Hangzhou Yongtai Chiral	200,000,000.00	Hangzhou, Zhejiang Province	Hangzhou, Zhejiang Province	Manufacturing	51.00%	49.00%	Establishment or investment
Etong Vietnam	US \$ 100,000	Vietnam	Vietnam	Trade		100.00%	Establishment or investment
Yongtai Fuyuan	150,000,000.00	Shaowu City, Fujian Province	Shaowu City, Fujian Province	Manufacturing	65.00%		Establishment or investment
E-tong Cambodia	US \$ 100,000	Cambodia	Cambodia	Trade		100.00%	Establishment or investment
E-TONG THAILAND	THB 5,000,000.00	Thailand	Thailand	Trade		100.00%	Establishment or investment
Yongtaixin Fluorine	10,000,000.00	Shanghai Municipal	Shanghai Municipal	Scientific Research and Technical Services	67.00%		Establishment or investment
AGRO JUNTOS BRAZIL	BRL 1 Million	Brazil	Brazil	Trade		100.00%	Establishment or investment
SENWELL AGROCHEM NIGERIA	NGN 100,000,000	Nigeria	Nigeria	Trade		100.00%	Establishment or investment
Yancheng Yongtai	200,000,000.00	Binhai County, Jiangsu Province	Binhai County, Jiangsu Province	Manufacturing		100.00%	Establishment or investment
Foshan Yongtai Chiral	500,000.00	Foshan City, Guangdong Province	Foshan City, Guangdong Province	Service & Retail industry		90.00%	Establishment or investment
Foshan Yongtai Chiral Pharmacy	200,000.00	Foshan City, Guangdong Province	Foshan City, Guangdong Province	Pharmaceutical retail		90.00%	Establishment or investment

Description of the percentage of shareholding in subsidiaries different from the percentage of voting rights: Not Applicable

Basis for holding half or less of the voting rights but still controlling the investee, and holding more than 50% of the voting rights but not controlling the investee: Not applicable.

Basis for control over significant structured entities included in the consolidation scope: Not applicable.

Basis for determining whether the company is an agent or a principal: Not applicable.

Other explains: As of 2020, Shanghai E-tong incorporated two subsidiaries, E-TONG CHEMICAL DE COSTA RICA SOCIEDAD ANONIMA (E-TONG (Costa Rica)) and E-TONG PARAGUAY SOCIEDAD ANONIMA (E-TONG (Paraguay)), in Costa Rica and Paraguay respectively. The above two companies have not yet completed procedures of the Ministry of Commerce and cannot carry out business activities still. Thus, the above two companies are not included in consolidated statements.

2. Interest in joint venture arrangements or associated enterprises

(1) Significant joint ventures or associated enterprises

Name of joint venture or associated enterprise	Main business locations	Place of registration	Business nature	Shareholding ratio		The accounting treatment method for investments in joint ventures or associated enterprises
				Direct	Indirect	

Shanghai Anbison Lab. Co., Ltd.	Shanghai	Shanghai	Scientific Research and Technical Services	13.42%		Equity method
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Description of the difference between the shareholding ratio and the voting rights ratio in joint ventures or associated enterprises:
Not applicable

Basis for holding less than 20% of the voting rights but with significant influence, or holding 20% or more of the voting rights but without significant influence: Not applicable

(2) Major financial information of significant associated enterprises

Unit: Yuan

Item	Balance at the end of the period/incurred amount during the current period	Balance at the beginning of the period/incurred amount during the previous period
	Shanghai Anbison Lab. Co., Ltd.	
Total Assets	1,573,197,744.31	1,340,047,511.19
Operating revenue	160,398,057.81	171,036,140.99
Net profit	52,724,903.48	69,014,594.56
Total comprehensive income	52,724,903.48	69,014,594.56

XI. Government subsidies

1. Government subsidies recognized as receivables at the end of the reporting period

☐ Applicable ☒ Not applicable

Reasons for not receiving the expected amount of government subsidies at the expected time

☐ Applicable ☒ Not applicable

2. Projects with liabilities involving government subsidies

☒ Applicable ☐ Not applicable

Unit: Yuan

Accounting subject	Balance at the Beginning of the Period	Amount of new subsidies in the period	Non-operating income recognised in the current period	Amount transferred to other income in the current period	Other changes in the current period	Balance at the ending of the period	Assets / income Related
Deferred benefits	179,216,244.68	41,840,000.00		14,658,693.84	2,000,000.00	204,397,550.84	Related to assets

Other notes: Other changes in the current period resulted from the disposal of Chongqing Yongyuansheng.

3. Government subsidies included in current profits and losses

☒ Applicable ☐ Not applicable

Unit: Yuan

Accounting subject	Amount incurred in the current period	Incurred amount during the previous period
Other income	23,762,468.31	22,570,910.38
Including: Government subsidies related to assets	14,658,693.84	12,042,240.74
Government subsidies related to income	9,103,774.47	10,528,669.64

XII. Risks associated with financial instruments

1. Various risks arising from financial instruments

The Company is exposed to various financial risks in the course of its business: Credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and other price risks). The Company's Board of Directors has overall responsibility for the determination of risk management objectives and policies and is ultimately accountable for them, but the Board has delegated to the Company's financial and other departments the authority to design and implement procedures that will ensure that risk management objectives and policies are effectively implemented. The Board of Directors checked the effectiveness of implemented procedures and reasonability of risk management objectives and policies through the monthly reports submitted by leader in charge. The Company's internal auditors also audit risk management policies and procedures, and report findings to the Audit Committee.

The overall objective of the risk management of the Company is to formulate the risk management policy to minimize risk as much as possible without excessive influence on the competitiveness and resilience of the Company.

(I) Credit risk

Credit risk is the risk that a counterparty will fail to meet its contractual obligations resulting in a financial loss to the Company.

The current assets of the Company mainly include bank deposits stored in the state-owned banks with good reputation and high credit rating and other large and medium-sized listed banks. In the opinion of the Company, there is no significant credit risk and great loss incurred by bank default will hardly occur.

In addition, the Company sets related policies with regard to accounts receivable, receivable financing and other receivables to control credit risk exposure. The Company has assessed the credit qualifications of customers and set corresponding credit periods based on their financial status, possibility of obtaining security from third parties, credit records and other factors such as current market conditions. The Company regularly monitors the credit records of customers. For customers with poor credit records, written reminders, shortening of credit period or cancellation of credit period are adopted to ensure that the overall credit risk of the Company is within a controllable range.

(II) Liquidity risk

Liquidity risk is the risk that a company will run short of funds to meet its obligations settled by delivering cash or other financial assets.

It is the Company's policy to ensure that it has sufficient cash to pay its debts as they fall due. Liquidity risk is centrally controlled by the Company's financial department. The financial department ensures that the Company has sufficient funds to service its debt with all reasonable forecasts by monitoring the cash balances, the marketable securities that can be realized at any time, and the rolling forecast of cash flow for the next 12 months. At the same time, the Company is monitored on an ongoing basis as to whether it complies with the requirements of the borrowing agreement and obtains commitments from major financial institutions to provide sufficient standby funds to meet its short-term and long-term funding requirements.

The Company's financial liabilities are presented at maturity using undiscounted contractual cash flows as follows:

Unit: Yuan

Item	Balance at the ending of the period			
	Within 1 years	1-5 years	Above 5 years	Total
Short-term loan	2,622,250,291.80			2,622,250,291.80
Notes payable	879,471,442.20			879,471,442.20
Accounts payable	1,706,504,399.75			1,706,504,399.75

Item	Balance at the ending of the period			
	Within 1 years	1-5 years	Above 5 years	Total
Other payables	82,489,770.69			82,489,770.69
Non-current liabilities due within one year	1,616,009,030.94			1,616,009,030.94
Lease liabilities		2,358,339.36		2,358,339.36
Long-term payables		257,120,162.59		257,120,162.59
Long-term borrowings		669,950,000.01	45,000,000.00	714,950,000.01
Total	6,906,724,935.38	929,428,501.96	45,000,000.00	7,881,153,437.34

Item	Balance at the end of last year			
	Within 1 years	1-5 years	Above 5 years	Total
Short-term loan	2,303,099,403.93			2,303,099,403.93
Notes payable	369,115,147.42			369,115,147.42
Accounts payable	1,505,751,100.52			1,505,751,100.52
Other payables	388,834,740.86			388,834,740.86
Non-current liabilities due within one year	1,547,959,984.76			1,547,959,984.76
Lease liabilities		1,088,336.12		1,088,336.12
Long-term payables		75,679,981.11		75,679,981.11
Long-term borrowings		764,215,058.63	50,000,000.00	814,215,058.63
Total	6,114,760,377.49	840,983,375.86	50,000,000.00	7,005,743,753.35

(III) Market risk

Market risk of financial instruments is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest-bearing financial instruments with fixed and floating rates expose the Company to fair value interest rate risk and cash flow interest rate risk, respectively. The Company determines the ratio of fixed rate instruments to floating rate instruments based on market conditions and maintains an appropriate portfolio of fixed and floating rate instruments through regular review and monitoring. The Company will adopt interest rate swap instruments to hedge interest rate risk whenever necessary.

(2) Exchange rate risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company continuously monitors the size of foreign currency transactions and foreign currency assets and liabilities to minimize its exposure to foreign currency risk. Additionally, the Company may also sign forward foreign exchange contracts or currency swap contracts to avoid exchange rate risk. The Company did not sign any forward foreign exchange contract or currency swap contract in this period and the last period.

The exchange risk confronted by the Company mainly results from financial assets and financial liabilities denominated in USD. The shares of financial assets and financial liabilities of foreign currencies converted into RMB is listed as follows:

Item	Balance at the ending of the period			Balance at the end of last year		
	USD	Other foreign currencies	Total	USD	Other foreign currencies	Total

Item	Balance at the ending of the period			Balance at the end of last year		
	USD	Other foreign currencies	Total	USD	Other foreign currencies	Total
Monetary Capital	167,872,270.69	10,331,501.56	178,203,772.25	54,625,174.14	8,822,193.84	63,447,367.98
Accounts receivable	549,415,823.96	61,841,695.37	611,257,519.33	654,834,617.93	47,039,099.57	701,873,717.50
Other receivables	16,537,964.00	4,653,133.07	21,191,097.07	2,035,102.37	26,278,612.96	28,313,715.33
Subtotal	733,826,058.65	76,826,330.00	810,652,388.65	711,494,894.44	82,139,906.37	793,634,800.81
Accounts payable	9,574,264.12	13,671,846.84	23,246,110.96	4,211,869.93	2,385,825.26	6,597,695.19
Other payables	319,114.50	1,932,079.18	2,251,193.68	345,816.96	478,680.60	824,497.56
Subtotal	9,893,378.62	15,603,926.02	25,497,304.64	4,557,686.89	2,864,505.86	7,422,192.75
Total	743,719,437.27	92,430,256.02	836,149,693.29	716,052,581.33	85,004,412.23	801,056,993.56

As of 30 June 2026, assuming all other variables remain unchanged, if the RMB appreciates or depreciates by 5% against the USD, the company's net profit will decrease or increase by RMB 30,786,579.15 (as of 31 December 2025: RMB 33,208,846.80).

(3) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than exchange rate risk and interest rate risk.

The Company's other price risks arise mainly from investment in various financial instruments and there is a risk of price changes in equity instruments.

2. Financial assets

(1) Classification by transfer method

☒ Applicable ☐ Not applicable

Unit: Yuan

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition situation	Judgment basis for derecognition
Endorsement/discounting	Commercial bank acceptance bills accepted by general commercial banks	471,114,685.03	As of the balance sheet date, the amount endorsed and unexpired is RMB 339,261,221.50, which was not derecognized. The remaining amount shall be due for redemption and is therefore derecognized.	
Endorsement/discounting	Bank acceptance bills accepted by commercial banks with higher credit	710,544,688.68	Derecognition for all	If the payee has high credit and has no overdue payment in history, derecognition can be conducted during endorsement/discounting.
Endorsement/discounting	Accounts receivable corresponding to digital accounts receivable creditor's rights certificates (Times Financing Bill)	83,880,399.37	Derecognition for all	The company has transferred substantially all the risks and rewards of ownership of the financial assets.
Total		1,265,539,773.08		

(2) Financial assets derecognized due to transfer

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Methods for transferring financial assets	Amount of derecognized financial assets	Gains or losses related to derecognition
Banker's acceptance bill	Endorsement/discounting	842,398,152.21	2,884,825.82
Accounts receivable corresponding to digital accounts receivable creditor's rights certificates (Times Financing Bill)	Endorsement/discounting	83,880,399.37	475,154.97
Total		926,278,551.58	3,359,980.79

(3) Continuing involvement in transferred financial assets☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Asset transfer method	Amount of assets formed from continued involvement	Amount of liabilities formed from continued involvement
Notes receivable	Endorsement	339,261,221.50	339,261,221.50
Total		339,261,221.50	339,261,221.50

XIII. Disclosure of fair value**1. Ending fair value of assets and liabilities measured at fair value**

Unit: Yuan

Item	Period-ending fair value			
	Level I fair value measurement	Level II fair value measurement	Level III fair value measurement	Total
I. Continuous fair value measurement	--	--	--	--
(I) Transactional financial assets		333,080.00		333,080.00
1. Financial assets measured at fair value with their changes included into the current profits and losses		333,080.00		333,080.00
(1) Derivative financial assets		333,080.00		333,080.00
(II) Other debt investments			69,587,936.73	69,587,936.73
(III) Investments in other equity instruments			84,071,111.51	84,071,111.51
Total assets continuously measured at fair value		333,080.00	153,659,048.24	153,992,128.24
(IV) Trading financial liabilities		3,363,480.00		3,363,480.00
Derivative financial liabilities		3,363,480.00		3,363,480.00
Total liabilities continuously measured at fair value		3,363,480.00		3,363,480.00
II. Non-continuous fair value measurement	--	--	--	--
(1) Assets held for sale			599,943.92	599,943.92
Total liabilities non-continuously measured at fair value			599,943.92	599,943.92

2. Basis for determining the market value of continuing and discontinuing Level-1 fair value measurement items

Unadjusted quotes for the same assets or liabilities in active markets that can be obtained on the measurement date.

3. Continuing and discontinuing Level II fair value measurement items, qualitative and quantitative information on the valuation techniques and significant parameters used

The held trading financial assets and liabilities consist of foreign exchange option contracts and foreign exchange forward contracts, whose fair value is measured based on the end-of-period quotation information confirmed by relevant banks. The held trading financial assets are futures contracts, whose fair value is measured based on prices from relevant public trading markets.

4. Reconciliation information between the beginning and ending booking value for recurring level 3 fair value measurement items, together with sensitivity analysis of unobservable parameters

1. As for the equity investment of Zhejiang Linhai Rural Commercial Bank Co., Ltd., the price to book ratio of comparable listed companies is taken as the reference and the liquidity discount is comprehensively considered as the basis of fair value measurement.

2. Chongqing Heya Huayi Investment Management Co., Ltd. has no significant change in its operation environment, operation conditions and financial conditions, so the Company takes the investment cost as the reasonable estimate of fair value for measurement.

3. The receivables financing and finance products have short remaining period, with the book balance close to the fair value.

4. Assets held for sale are measured at fair value based on the value of signed sales contracts.

XIV. Related parties and related transactions

1. Parent company of the Company

None.

The ultimate controllers of the Company are the couple Mr. He Renbao and Ms. Wang Yingmei.

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, please refer to Note X. Interests in Other Entities.

3. Joint ventures and associated enterprises of the Company

For details of significant joint ventures or associated enterprises of the Company, please refer to Note X. Interests in Other Entities.

Other joint ventures or associates with which the Company had related party transactions during the reporting period, or with which the Company had related party transactions forming the balance in prior periods, are as follows: None

4. Information on other related parties

Names of other related parties	Relationship between other related parties and the enterprise
Zhejiang Yongtai Holdings Co., Ltd.	Enterprises controlled by shareholders and the same controllers of the Company
Yichang Chengbang Pharmaceutical Co., Ltd.	Associates over which the Company holds equity interests
Chongqing Yongyuansheng Technology Co., Ltd.	Subsidiary in liquidation

5. Related transactions

(1) Related guarantees

Name of guarantor	Name of guaranteed party	Guaranteed contract amount	Guarantee amount	Guarantee start date	Guarantee expiration date	Whether the guarantee has been fulfilled
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	400,000,000.00	375,700,572.00	06 September 2024	05 September 2026	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	105,000,000.00	69,200,000.00	27 February 2024	26 February 2029	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	100,000,000.00	100,000,000.00	29 June 2022	31 December 2025	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	200,000,000.00	148,490,000.00	26 September 2024	26 September 2027	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei	Company	Wang Yingmei: 200,000,000.00	199,210,000.00	09 December 2025	09 December 2028	No
		Holding company: 200,000,000.00		14 July 2025	14 July 2026	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	215,000,000.00	134,000,000.00	10 April 2023	10 April 2026	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	200,000,000.00	135,000,000.00	13 February 2025	12 February 2026	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	160,000,000.00	116,470,000.00	26 June 2026	26 June 2029	No
Wang Yingmei	Company	50,000,000.00	48,000,000.00	16 March 2026	15 March 2029	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	176,000,000.00	160,000,000.00	10 April 2023	10 April 2026	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	300,000,000.00	299,700,000.00	19 May 2023	19 May 2028	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei, He Renbao	Company	300,000,000.00	204,306,316.58	29 December 2025	31 December 2028	No
Zhejiang Yongtai Holdings Co., Ltd., Wang Yingmei	Company	Holding company: 180,000,000.00	177,701,085.30	15 December 2025	04 January 2027	No
		Wang Yingmei: 300,000,000.00				
Company, Wang Yingmei	Inner Mongolia Yongtai	150,000,000.00	150,000,000.00	17 December 2025	16 December 2026	No
Company, Wang Yingmei, He Renbao	Inner Mongolia Yongtai	300,000,000.00	30,000,000.00	08 October 2020	08 October 2026	No
Company, Wang Yingmei, He Renbao	Inner Mongolia Yongtai	400,000,000.00	255,000,000.00	13 June 2023	12 June 2029	No
Company, Wang Yingmei, He Renbao	Inner Mongolia Yongtai	200,000,000.00	199,898,163.20	05 November 2024	05 November 2027	No
Company	Inner Mongolia Yongtai	50,000,000.00	50,000,000.00	03 February 2026	02 February 2027	No

Name of guarantor	Name of guaranteed party	Guaranteed contract amount	Guarantee amount	Guarantee start date	Guarantee expiration date	Whether the guarantee has been fulfilled
Company, Wang Yingmei, He Renbao	Inner Mongolia Yongtai	120,000,000.00	110,000,000.00	27 February 2025	26 February 2028	No
Company	Inner Mongolia Yongtai	50,000,000.00	47,000,000.00	16 June 2025	15 June 2032	No
Company	Inner Mongolia Yongtai	100,000,000.00	99,970,157.90	02 June 2026	02 June 2029	No
Company, Wang Yingmei	Shanghai E-Tong	34,000,000.00	20,000,000.00	23 March 2026	31 December 2026	No
Company	Shanghai E-Tong	170,000,000.00	158,331,100.00	22 January 2025	22 January 2030	No
Company	Shanghai E-Tong	48,500,000.00	40,000,000.00	13 January 2026	12 January 2027	No
Company	Shanghai E-Tong	24,000,000.00	20,000,000.00	27 March 2024	26 March 2027	No
Company	Shanghai E-Tong	30,000,000.00	30,000,000.00	20 June 2025	20 June 2028	No
Company, Wang Yingmei	Shanghai E-Tong	50,000,000.00	49,368,000.00	31 October 2024	23 October 2034	No
Company	Shanghai E-Tong	30,000,000.00	27,195,102.00	07 January 2026	01 December 2028	No
Company	Yongtai Hi-tech	96,000,000.00	96,000,000.00	28 December 2023	27 December 2026	No
Company, Wang Yingmei	Yongtai Hi-tech	100,000,000.00	88,800,000.00	23 September 2025	23 September 2026	No
Company	Yongtai Hi-tech	400,000,000.00	190,000,000.00	29 September 2022	29 September 2028	No
Company, Wang Yingmei	Yongtai Hi-tech	70,000,000.00	70,000,000.00	16 March 2026	04 September 2027	No
Company, Wang Yingmei, He Renbao	Yongtai Hi-tech	50,000,000.00	50,000,000.00	02 February 2026	02 February 2029	No
Company, Wang Yingmei, He Renbao	Yongtai Hi-tech	117,000,000.00	50,000,000.00	10 February 2026	09 February 2029	No
Company, Wang Yingmei, He Renbao	Yongtai New Energy	The Company: 110,000,000.00	77,165,000.00	29 December 2025	28 December 2027	No
		Wang Yingmei: 200,000,000.00		28 September 2025	27 September 2027	
Company	Yongtai New Energy	95,000,000.00	95,000,000.00	29 December 2025	29 December 2035	No
Wang Yingmei, He Renbao	Yongtai Chiral	170,000,000.00	30,000,000.00	10 April 2023	10 April 2026	No
Wang Yingmei	Zhejiang Chiral	30,000,000.00	30,000,000.00	26 July 2024	26 July 2027	No
Company, Wang Yingmei	Zhejiang Chiral	50,000,000.00	50,000,000.00	24 June 2024	24 June 2029	No
Company	Zhejiang Chiral	55,000,000.00	49,019,530.00	10 March 2026	02 March 2029	No
Wang Yingmei	Zhejiang Chiral	45,000,000.00	43,531,310.00	27 December 2024	31 December 2029	No
Company	Zhejiang Chiral	35,000,000.00	30,000,000.00	06 January 2025	06 January 2030	No
Company	Hangzhou Yongtai Chiral	100,000,000.00	70,000,000.00	10 November 2025	09 November 2035	No
Company	Foshan Soin	10,000,000.00	10,000,000.00	21 August 2025	31 December 2035	No
Company	Foshan Soin	10,000,000.00	10,000,000.00	08 December 2025	20 November 2026	No

(2) Compensation of key management personnel

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Remuneration of key management personnel	2,576,465.27	3,660,560.84

6. Receivables and payables of related parties

(1) Receivable items

Unit: Yuan

Project name	Related party	Balance at the ending of the period		Balance at the Beginning of the Period	
		Book balance	Bad debt provisions	Book balance	Bad debt provisions
Other receivables	Yichang Chengbang Pharmaceutical Co., Ltd.	560,000.00	112,000.00	560,000.00	112,000.00
Other receivables	Chongqing Yongyuansheng Technology Co., Ltd.	51,042,286.27	2,552,114.31		

Note: The above amount is receivable for the return of investment.

XV. Share-based payment

1. General information of share-based payment

☐ Applicable ☒ Not applicable

2. Information of equity-settled share-based payment

☒ Applicable ☐ Not applicable

Unit: Yuan

Determination method of fair value of equity instruments at grant date	The fair value of restricted shares is determined based on factors such as the market price on the grant date and the subscription price paid by the incentive recipients.
Key parameters for the fair value of equity instruments on the grant date	Closing price of the stock on the grant date
Basis for determining the number of exercisable equity instruments	On each balance sheet date during the vesting period, the best estimate shall be made based on subsequent information such as changes in the number of employees expected to become eligible for vesting obtained recently, so as to revise the estimated number of exercisable equity instruments.
Reasons for significant differences between current and prior period estimates	None
Equity-settled share payment are included in the cumulative amount of capital reserve	49,408,402.55
Total fees recognized in equity-settled share payment in the period	5,256,000.00

3. Information of cash-settled share-based payment

☐ Applicable ☒ Not applicable

4. Expenses for share-based payment of the current period

☒ Applicable ☐ Not applicable

Unit: Yuan

Category of Grant Object	Expenses of equity-settled share-based payment	Expenses of cash-settled share-based payment
Some directors, senior managers, middle managers, and core technical (business) personnel	5,256,000.00	
Total	5,256,000.00	

XVI. Commitments and Contingencies

1. Important commitments

Significant commitments existed at balance sheet date

Unit: Yuan

Mortgagor/ pledger	Book value of pledged assets							
	Accounts receivable	Real estate for investment purposes	Investments in other equity instruments	Fixed assets	Intangible assets	Construction in process	Purpose	Maximum-amount contract
Company		16,047,680.61		3,142,067.26			Used for bank loans	35,140,000.00
Company				63,941,866.07	23,029,136.13		Used for bank loans	11,700,000.00
Company				120,491,512.80	22,430,027.88		Used for bank loans	219,220,000.00
Company		795,196.52		8,747,161.72			Used for bank loans	134,000,000.00
Company				19,484,526.77			Used for finance leases	44,000,000.00
Company				10,744,253.56			Used for finance leases	111,100,000.00
Company				63,452,420.47			Used for finance leases	70,000,000.00
Company				25,262,980.46			Used for finance leases	100,000,000.00
Company				2,935,414.32			Used for finance leases	45,000,000.00
Company				33,518,814.80			Used for finance leases	50,000,000.00
Company			83,091,525.50				For judicial proceedings	
Yongtai Chiral				20,798,310.76			Used for finance leases	55,500,000.00
Yongtai Chiral				176,760,186.53	54,594,507.88		Used for bank loans	267,140,000.00
Yongtai New Material				24,812,229.74	10,951,498.50		Used for bank loans	41,204,000.00
Yongtai New Energy				105,642,197.46	8,442,053.86		Used for bank loans	110,000,000.00
Yongtai New Energy				82,668,640.63			Used for finance leases	100,000,000.00
Yongtai New Energy				53,977,928.00			Used for finance leases	63,000,000.00

Mortgagor/ pledger	Book value of pledged assets							
	Accounts receivable	Real estate for investment purposes	Investments in other equity instruments	Fixed assets	Intangible assets	Construction in process	Purpose	Maximum-amount contract
Inner Mongolia Yongtai						50,606,755.07	Used for finance leases	50,000,000.00
Inner Mongolia Yongtai				45,269,456.85			Used for finance leases	50,000,000.00
Inner Mongolia Yongtai				103,174,670.55			Used for finance leases	130,000,000.00
Inner Mongolia Yongtai				42,470,331.60	6,073,291.36		Used for bank loans	300,000,000.00
Inner Mongolia Yongtai				55,273,137.37	36,821,652.12		Used for bank loans	400,000,000.00
Inner Mongolia Yongtai				142,735,527.34			Used for bank loans	150,000,000.00
Shandong Yongtai				5,101,026.23			Used for finance leases	50,000,000.00
Shandong Yongtai				10,172,829.21	13,774,220.64		Used for bank loans	39,690,000.00
SYT pharm (Shanghai)				5,071,289.01			Used for bank loans	40,000,000.00
Yongtai Hi-tech				73,950,827.14			Used for finance leases	100,000,000.00
Yongtai Hi-tech				89,314,633.54			Used for finance leases	100,000,000.00
Yongtai Hi-tech				506,815,940.79	14,656,749.10	48,613,445.90	Used for bank loans	400,000,000.00
Yongtai Hi-tech				159,473,176.10	14,037,565.10		Used for bank loans	270,000,000.00
Foshan Soin				9,822,391.08	11,132,000.00		Used for bank loans	57,870,000.00
Binhai Meikang				118,836,841.80	31,128,360.74		Used for bank loans	102,710,000.00
Hangzhou Yongtai Chiral					29,575,000.00		Used for bank loans	100,000,000.00
Shanghai E-Tong	44,934,262.66						Used for issuing bank acceptance bills	

2. Contingencies

(1) Significant contingencies existing at the balance sheet date

In July 2025, Jiujiang Tianci High-Tech Materials Co., Ltd. filed a civil action against related parties including Yongtai Technology, Yongtai Hi-tech, He Renbao, Wang Guochao and Shao Hongming for a dispute over infringement of trade secrets. The case number is (2025) G.Z.M.C. No. 1, and the total amount in dispute is RMB 888,250,000.00. As of the date of issuance of the financial statements, this case is pending trial at the first instance and no judgement has been rendered. There remains uncertainty regarding the basic facts involved in this case and subsequent trial proceedings. The Company believes that the likelihood of material adverse impacts arising therefrom is low.

(2) Significant contingencies that the Company is not required to disclose should also be explained

There were no significant contingencies requiring disclosure by the Company.

XVII. Events after the balance sheet date

None.

XVIII. Other important matters**1. Termination of operations**

Unit: Yuan

Item	Revenue	Expenses	Total profit	Income tax expenses	Net profit	Profit from discontinued operations attributable to owners of the parent company
Net profit from discontinued operations attributable to owners of the parent company		11,438,459.10	-9,967,882.20	-133,798.92	-9,834,083.28	-8,010,133.40

Other instructions:

Item	Amount in this period	Amount in last period
Net cash flows from operating activities	19,640.18	-364,006.05
Net cash flow from investment activities		
Net cash flow from financing activities		

IXX. Notes to the principal items of the parent company's financial statements**1. Accounts receivable****(1) Disclosure by account age**

Unit: Yuan

Account age	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	220,667,822.36	122,056,676.08
1-2 years	531,000.00	426,860.00
Above 3 years	3,248,211.49	3,248,211.49
Total	224,447,033.85	125,731,747.57

(2) Disclosure by bad debt provision method

Unit: Yuan

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual proportion		Amount	Percentage	Amount	Accrual proportion	
Accounts receivable with bad debt reserve by individual item	1,264,000.00	0.56%	1,264,000.00	100.00%		1,264,000.00	1.01%	1,264,000.00	100.00%	
Accounts	223,183,033.85	99.44%	13,123,802.61	5.88%	210,059,231.24	124,467,747.57	98.99%	8,172,417.29	6.57%	116,295,330.28

Category	Balance at the ending of the period					Balance at the Beginning of the Period				
	Book balance		Bad debt provisions		Book value	Book balance		Bad debt provisions		Book value
	Amount	Percentage	Amount	Accrual proportion		Amount	Percentage	Amount	Accrual proportion	
receivable with bad debt reserve by portfolio										
Of which:										
Aging analysis combination	223,183,033.85	99.44%	13,123,802.61	5.88%	210,059,231.24	124,467,747.57	98.99%	8,172,417.29	6.57%	116,295,330.28
Total	224,447,033.85	100.00%	14,387,802.61		210,059,231.24	125,731,747.57	100.00%	9,436,417.29		116,295,330.28

Name of category for provision for bad debts by portfolio: Portfolio using aging analysis method

Unit: Yuan

Name	Balance at the ending of the period		
	Book balance	Bad debt provisions	Accrual proportion
Within 1 years	220,667,822.36	11,033,391.12	5.00%
1-2 years	531,000.00	106,200.00	20.00%
2-3 years			
Above 3 years	1,984,211.49	1,984,211.49	100.00%
Total	223,183,033.85	13,123,802.61	

If provision for bad debts for notes receivable is made according to the general model of expected credit loss:

☐ Applicable ☒ Not applicable**(3) Bad debt reserves withdrawn, recovered, or reversed in the current period**

Bad debt reserves withdrawn in the current period

Unit: Yuan

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Write-off	Others	
Receivable bad debt reserves	9,436,417.29	4,951,385.32				14,387,802.61
Total	9,436,417.29	4,951,385.32				14,387,802.61

(4) Accounts receivable and contract assets of the top five period-ending balances collected by the debtor

Unit: Yuan

Name of Entity	Balance of accounts receivable at the end of the period	Period-ending balance of contract assets	Accounts receivable and period-ending balance of contract assets	Proportion to the total of accounts receivable and period-ending balance of contract assets	Period-ending balances for bad debt provision of accounts receivable and impairment provision of contract asset
No. 1	71,093,700.00		71,093,700.00	31.68%	3,554,685.00

Name of Entity	Balance of accounts receivable at the end of the period	Period-ending balance of contract assets	Accounts receivable and period-ending balance of contract assets	Proportion to the total of accounts receivable and period-ending balance of contract assets	Period-ending balances for bad debt provision of accounts receivable and impairment provision of contract asset
No. 2	45,000,000.00		45,000,000.00	20.05%	2,250,000.00
No. 3	23,535,064.95		23,535,064.95	10.49%	1,176,753.25
No. 4	11,782,857.00		11,782,857.00	5.25%	589,142.85
No. 5	9,203,432.95		9,203,432.95	4.10%	460,171.65
Total	160,615,054.90		160,615,054.90	71.57%	8,030,752.75

2. Other receivables

Unit: Yuan

Item	Balance at the ending of the period	Balance at the Beginning of the Period
Other receivables	970,374,837.64	939,686,448.15
Total	970,374,837.64	939,686,448.15

(1) Other receivables

1) Classification of other receivables by nature

Unit: Yuan

Nature of funds	Book balance at the end of the period	Book balance at the beginning of the period
Transaction between associated parties	1,235,984,376.58	1,170,264,650.58
Reserves and loans	2,913,989.69	1,220,259.69
Export tax rebate	975,937.35	4,008,691.64
Others	12,300,635.43	13,580,253.02
Total	1,252,174,939.05	1,189,073,854.93

2) Disclosure by account age

Unit: Yuan

Account age	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	990,463,810.31	928,282,894.84
1-2 years	28,961,617.67	27,361,853.82
2-3 years	22,535,827.07	84,091,736.23
Above 3 years	210,213,684.00	149,337,370.04
Total	1,252,174,939.05	1,189,073,854.93

3) Disclosure by bad debt provision method

Unit: Yuan

Category	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Bad debt provisions	Book	Book balance	Bad debt provisions	Book

	Amount	Percentage	Amount	Accrual proportion		Amount	Percentage	Amount	Accrual proportion	
Provision for bad debts made on an individual basis	7,585,817.57	0.61%	7,585,817.57	100.00%	0.00	7,559,921.66	0.64%	7,559,921.66	100.00%	0.00
Provision for bad debts made on a portfolio basis	1,244,589,121.48	99.39%	274,214,283.84	22.03%	970,374,837.64	1,181,513,933.27	99.36%	241,827,485.12	20.47%	939,686,448.15
Of which:										
Aging analysis combination	1,244,589,121.48	99.39%	274,214,283.84	22.03%	970,374,837.64	1,181,513,933.27	99.36%	241,827,485.12	20.47%	939,686,448.15
Total	1,252,174,939.05	100.00%	281,800,101.41		970,374,837.64	1,189,073,854.93	100.00%	249,387,406.78		939,686,448.15

Name of category for provision for bad debts by portfolio: Portfolio using aging analysis method

Unit: Yuan

Name	Balance at the ending of the period		
	Book balance	Bad debt provisions	Accrual proportion
Within 1 years	989,814,569.77	49,490,728.49	5.00%
1-2 years	24,435,666.11	4,887,133.22	20.00%
2-3 years	21,004,926.95	10,502,463.48	50.00%
Above 3 years	209,333,958.65	209,333,958.65	100.00%
Total	1,244,589,121.48	274,214,283.84	

If provision for bad debts for notes receivable is made according to the general model of expected credit loss:

Unit: Yuan

Bad debt provisions	Stage I	Stage 2	Stage 3	Total
	Expected credit losses for the next 12 months	Expected credit losses for the entire duration (no credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance as of 01 January 2026	244,862,235.12		4,525,171.66	249,387,406.78
Balance as of 01 January 2026 in the current period				
Current provision	29,352,048.72		3,060,645.91	32,412,694.63
Balance as of 30 June 2026	274,214,283.84		7,585,817.57	281,800,101.41

Changes in book balance with significant amount of change in provision for losses during the period

☐ Applicable ☒ Not applicable

4) Bad debt reserves withdrawn, recovered, or reversed in the current period

Bad debt reserves withdrawn in the current period

Unit: Yuan

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Transfer or write-off	Others	
Other receivables bad	249,387,406.78	32,412,694.63				281,800,101.41

Category	Balance at the Beginning of the Period	Amount of change in the period				Balance at the ending of the period
		Accrual	Recovery or reversal	Transfer or write-off	Others	
debt reserves						
Total	249,387,406.78	32,412,694.63				281,800,101.41

5) Other receivables actually written off in the current period

None.

6) Other accounts receivable ranking in the top five in the ending balance grouped by debtors

Unit: Yuan

Name of Entity	Nature of amounts	Balance at the ending of the period	Account age	Proportion of the total ending balance of other receivables	Ending balance of provision for bad debts
No. 1	Transaction between associated parties	418,633,661.11	Within 1 years	33.43%	20,931,683.06
No. 2	Transaction between associated parties	325,489,823.10	Within 1 years	25.99%	16,274,491.16
No. 3	Transaction between associated parties	127,212,184.89	Within 1 years	10.16%	6,360,609.24
No. 4	Transaction between associated parties	101,703,508.03	1-3 years	8.12%	98,777,445.92
No. 5	Transaction between associated parties	49,226,029.78	1-3 years	3.93%	22,609,012.34
Total		1,022,265,206.91		81.63%	164,953,241.72

3. Long-term equity investment

Unit: Yuan

Item	Balance at the ending of the period			Balance at the Beginning of the Period		
	Book balance	Impairment reserves	Book value	Book balance	Impairment reserves	Book value
Investment in subsidiaries	4,501,059,966.97	172,805,084.56	4,328,254,882.41	4,584,851,515.08	172,805,084.56	4,412,046,430.52
Investment in associates and joint ventures	241,201,329.76		241,201,329.76	234,125,067.74		234,125,067.74
Total	4,742,261,296.73	172,805,084.56	4,569,456,212.17	4,818,976,582.82	172,805,084.56	4,646,171,498.26

(1) Investment in subsidiaries

Unit: Yuan

Invested unit	Balance at the	Opening balance of	Increase and decrease in the period	Balance at the end of	Ending balance of
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			Additional investment	Decreased investment	Provision for impairment	Others		
Binhai Yongtai Technology Co., Ltd.	174,737,877.40						174,737,877.40	
Hainan Xinhui Mining Co., Ltd.		98,000,000.00						98,000,000.00
Zhejiang Yongtai Pharmaceutical Co., Ltd.	400,000,000.00						400,000,000.00	
Shandong Zhanhua Yongtai Pharmaceutical Co., Ltd.	100,000,000.00						100,000,000.00	
Youngtech Pharmaceuticals, Inc.	94,071,971.27		808,451.89				94,880,423.16	
Zhejiang Yongtai New Material Co., Ltd.	100,000,000.00						100,000,000.00	
SYT pharm (Shanghai) Co., Ltd.	22,500,000.00						22,500,000.00	
Binhai Meikang Pharmaceutical Co., Ltd.	100,000,000.00						100,000,000.00	
Shanghai E-Tong Chemical Co., Ltd.	190,000,000.00						190,000,000.00	
Chongqing Yongyuansheng Technology Co., Ltd.	86,700,000.00					86,700,000.00	0.00	0.00
Zhejiang Yongtai New Energy Material Co., Ltd.	255,194,915.44	74,805,084.56					255,194,915.44	74,805,084.56
Shaowu Yongtai Hi-tech Material Co., Ltd.	330,000,000.00						330,000,000.00	
Zhejiang Chiral Medicine Chemicals Co., Ltd.	553,861,799.00						553,861,799.00	
Foshan Soin Chiralpharma Co., Ltd.	200,000,000.00						200,000,000.00	
Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.	400,000,000.00						400,000,000.00	

Invested unit	Balance at the beginning of the period (book value)	Opening balance of impairment provision	Increase and decrease in the period				Balance at the end of the period (book value)	Ending balance of impairment provision
			Additional investment	Decreased investment	Provision for impairment	Others		
Inner Mongolia Yongtai Chemical Co., Ltd.	1,291,000,000.00						1,291,000,000.00	
Hangzhou Yongtai Biomedicine Co., Ltd.	10,000,000.00						10,000,000.00	
Zhejiang Yongtai Fule Technology Co., Ltd.	35,469,867.41						35,469,867.41	
Hangzhou Yongtai Chiral Biopharmaceutical Co., Ltd.	68,500,000.00		2,100,000.00				70,600,000.00	
Shanghai Yongtaixin Fluorine New Materials Co., Ltd.	10,000.00						10,000.00	
Total	4,412,046,430.52	172,805,084.56	2,908,451.89			86,700,000.00	4,328,254,882.41	172,805,084.56

(2) Investment in associated enterprises and joint ventures

Unit: Yuan

Investment organizations	Balance at the beginning of the period (book value)	Opening balance of impairment provision	Increase and decrease in the period								Balance at the end of the period (book value)	Ending balance of impairment provision
			Additional investment	Decreased investment	Profits and losses on investments confirmed under the equity method	Adjustment of other comprehensive income	Change in other equities	Cash dividends or profits declared to be issued	Provision for impairment	Others		
I. Joint ventures												
II. Associated enterprises												
Chongqing Heya Huayi Venture Capital Partnership (L.P.)	26,557,462.09										26,557,462.09	
Shanghai Carelinker Medical Technology Co., Ltd.	20,049,494.41										20,049,494.41	
Shanghai Anbison	182,621,706.08				7,076,262.02						189,697,968.10	

Lab. Co., Ltd.											
Hangzhou Mubang Equity Investment Partnership (Limited Partnership)	4,896,405.16									4,896,405.16	
Subtotal	234,125,067.74				7,076,262.02					241,201,329.76	
Total	234,125,067.74				7,076,262.02					241,201,329.76	

The recoverable amount is determined by the net amount after deducting disposal costs from the fair value.

☐ Applicable ☒ Not applicable

The recoverable amount is determined by the present value of the expected future cash flows.

☐ Applicable ☒ Not applicable

Reasons for significant discrepancies between the aforementioned information and the information used in impairment tests of previous years or external information: None.

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual circumstances of the current year: None.

4. Operating income and operating cost

Unit: Yuan

Item	Amount incurred in the current period		Incurred amount during the previous period	
	Revenue	Cost	Revenue	Cost
Main business	413,498,855.99	361,926,442.88	375,314,092.26	312,718,234.45
Other business	73,708,834.79	69,893,184.62	9,140,831.20	6,749,850.46
Total	487,207,690.78	431,819,627.50	384,454,923.46	319,468,084.91

Disaggregated information on operating revenue and costs:

Unit: Yuan

Contract classification	Branches		Total	
	Operating revenue	Business costs	Operating revenue	Business costs
Business Type				
Of which:				
Product sales revenue	487,207,690.78	431,819,627.50	487,207,690.78	431,819,627.50
Classification by timing of commodity transfer				
Of which:				
Confirmation at a point of time	487,207,690.78	431,819,627.50	487,207,690.78	431,819,627.50
Total	487,207,690.78	431,819,627.50	487,207,690.78	431,819,627.50

5. Investment income

Unit: Yuan

Item	Amount incurred in the current period	Incurred amount during the previous period
Long-term equity investments accounted	60,000,000.00	80,000,000.00

Item	Amount incurred in the current period	Incurred amount during the previous period
by cost method		
Long-term equity investments incomes accounted by the equity method	7,076,262.02	9,262,517.75
Investment income from disposal of long-term equity investment	-62,252,086.90	
Dividend income earned during the holding period of investments in other equity instruments	3,489,079.88	3,628,643.07
Total	8,313,255.00	92,891,160.82

XX. Supplementary information

1. Schedule of current non-recurring profits and losses

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount	Explanation:
Profits and losses on disposal of non-current assets	-14,338,903.01	It was mainly due to investment losses arising from the disposal of subsidiaries during the reporting period.
Government subsidies included in the current profits and losses (except for those closely related to the Company's normal business operations, in compliance with national policies and regulations, enjoyed according to the determined standards, and have a continuous impact on the Company's profits and losses)	23,762,468.31	It was mainly due to the government subsidies received during the reporting period;
The profits and losses from changes in fair value arising from the holding of financial assets and financial liabilities as well as the profits and losses arising from the disposal of financial assets and financial liabilities by non-financial enterprises, except for the effective hedging business related to the normal operation of the Company.	14,632,739.02	It was mainly due to futures gains and losses during the reporting period.
Non-operating income and expenses other than those mentioned above	2,190,441.30	
Less: amount impacted of income tax	-2,019,549.62	
Amount impacted of minority shareholders' equity (after tax)	3,475,078.54	
Total	24,791,216.70	--

Specific situation of other profit and loss items that satisfy the definition of non-recurring profits and losses:

☐ Applicable ☒ Not applicable

The Company does not have any other specific items that meet the definition of non-recurring profits and losses.

Explanation of defining non-recurring profit and loss items set out in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-Recurring Profits and Loss* as recurring profit and loss items.

☐ Applicable ☒ Not applicable

2. Earning rate on net assets and earnings per share

Profit for the reporting period	Weighted average return on net assets	Earnings per share	
		Basic earnings per share (Yuan/share)	Diluted earnings per share (Yuan/share)
Net profit attributable to common shareholders of the Company	9.75%	0.2960	0.2960
Net profit attributable to common shareholders of the Company after deducting extraordinary profits and losses	8.87%	0.2692	0.2692

3. Differences in accounting data under domestic and foreign accounting standards**(1) Difference in net profit and net assets between financial reports disclosed in accordance with IFRSs and those disclosed in accordance with Chinese accounting standards simultaneously**

☐ Applicable ☒ Not applicable

(2) Differences in net profit and net assets between the financial reports disclosed in accordance with foreign accounting standards and Chinese accounting standards simultaneously

☐ Applicable ☒ Not applicable

(3) Description of the reasons for the differences in accounting data under domestic and foreign accounting standards, and the name of the overseas auditing organization if the data have been audited by the overseas auditing organization to reconcile the differences**4. Others**

None

Zhejiang Yongtai Technology Co., Ltd.

Chairwoman: Wang Yingmei

Date of approval for reporting by the Board of Directors: 25 August 2026