

Kunming Chuanjinnuo Chemical Co., Ltd.

FY2025

Auditor's Report

Index	Page
Auditor's Report	1-5
Financial Statements of the Company	
- Consolidated Balance Sheet	1-2
- Balance Sheet of the Parent Company	3-4
- Consolidated Income Statement	5
- Income Statement of the Parent Company	6
- Consolidated Cash Flow Statement	7
- Cash Flow Statement of the Parent Company	8
- Consolidated Statement of Changes in Shareholders' Equity	9-10
- Parent Company's Statement of Changes in Shareholders' Equity	11-12
- Notes to the Financial Statements	13-124



信永中和会计师事务所

ShineWing
certified public accountants

北京市东城区朝阳门北大街
8号富华大厦A座9层

9/F, Block A, Fu Hua Mansion,
No.8, Chaoyangmen Beidajie,
Dongcheng District, Beijing,
100027, P.R.China

联系电话: +86 (010) 6554 2288
telephone: +86 (010) 6554 2288

传真: +86 (010) 6554 7190
facsimile: +86 (010) 6554 7190

Auditor's Report

XYZH/2026KMAA2B0011

Kunming Chuanjinnuo Chemical Co., Ltd.

To the shareholders of Kunming Chuanjinnuo Chemical Co., Ltd.:

I. Audit opinion

We have audited the financial statements of Kunming Chuanjinnuo Chemical Co., Ltd. (hereinafter referred to as "the Company"), which comprise the consolidated and the parent company's balance sheet as at December 31st, 2025, the consolidated and the parent company's income statement, the consolidated and the parent company's cash flow statement and the consolidated and the parent company's statement of changes in shareholders' equity for the year 2025, and the notes to the financial statements.

In our opinion, the accompanying financial statements were prepared in accordance with *Accounting Standards for Business Enterprises (ASBE)* in all material respects, and presented fairly the consolidated and the parent company's financial position of the Company as of December 31st, 2025, and the consolidated and the parent company's results of operations and cash flows for the year 2025.

II. Basis for opinion

We conducted our audit in accordance with *China Standards on Auditing for Chinese Certified Public Accountants*. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. In accordance with the independence requirements set forth in the *Chinese Standards on Independence for Certified Public Accountants and the Code of Ethics for Chinese Certified Public Accountants* as applicable to audits of financial statements of public interest entities, we are independent of the Company and have fulfilled our other responsibilities regarding independence and professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our audit opinion.

III. Key audit matters

Key audit matters are those matters that, in our professional judgment, are considered to be most significant to the audit of the financial statements for the period. These matters

are addressed in the context of the audit of the financial statements as a whole and the formation of an audit opinion, and we do not express an opinion on these matters individually.

1. Revenue recognition	
Key audit matters	Audit response
<p>The operating income of the Company in FY 2025 is RMB 4,074,660,400, which is 27.04% higher than the operating income in FY 2024. The Company recognizes revenue when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control of the relevant goods or services. Since revenue is one of the key performance indicators of the Company and there is an inherent risk that management will manipulate the timing of revenue recognition in order to meet specific objectives or expectations, we have identified revenue recognition as a key audit matter.</p>	<p>Audit response:</p> <ol style="list-style-type: none"> 1. Obtain an understanding of and test key internal controls in the sales and collections cycle and assess the effectiveness of the internal controls; 2. Sample to examine sales contracts, identify contractual terms and conditions related to the transfer of control of goods and performance obligations, and evaluate whether the Company's revenue recognition principles, methods, and timing are in compliance with the provisions of ASBE; 3. Conduct cross-review analysis based on contract liabilities, accounts receivable, and performance costs, and check the Company's post-period recovery of accounts receivable to determine the correctness of revenue recognition; 4. Sample the revenue transactions recorded this year, verify invoices, sales contracts, outbound orders, etc., and evaluate whether the relevant revenue recognition complies with the Company's accounting policies for revenue recognition; 5. Sample clients recorded this year and verify their transaction amounts and current payments through correspondence to evaluate the accuracy of revenue recognition; 6. Sample the revenue transactions recorded around the balance sheet date, and verify outbound orders, shipping notes, customer confirmation information, and other supporting documents to evaluate whether the revenue is recorded in the appropriate accounting period.

IV. Other information

The management of the Company (hereinafter referred to as “the Management”) is responsible for the other information. Other information includes the information covered in the 2025 Annual Report of the Company, but excludes the financial statements and our auditor’s report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of the Management and those charged with governance for the financial statements

The Management is responsible for the preparation of the financial statements in accordance with the provisions of the ASBE to achieve a fair presentation, and designing, implementing and maintaining the necessary internal controls so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

VI. Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion. Although reasonable assurance is a high level of assurance, it is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make on the basis of the financial statements.

During the course of the audit in accordance with auditing standards, we exercise professional judgement and maintain professional skepticism. We also carry out the following works:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for expressing audit opinions. The risk of failing to detect a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or overriding internal controls.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(4) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, auditing standards require us to draw the attention of users of the financial statements to the relevant disclosures in the financial statements in our auditor's report or, if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on information available as of the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and also whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for directing, supervising and performing the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any

significant deficiencies in internal control that we identify during our audit.

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

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

ShineWing Certified Public Accountants (LLP)

Chinese Certified Public Accountant:

(Engagement partner)



Chinese Certified Public Accountant:



Beijing, China

March 18th, 2026

Consolidated Balance Sheet

December 31st, 2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	December 31 st , 2025	January 1 st , 2025
Current assets:			
Cash and cash equivalents	V.1	880,337,677.42	736,429,466.16
Provision for settlement			
Lendings to banks and other financial			
Financial assets held for trading			
Derivative financial assets	V.2	4,329,785.08	
Notes receivable	V.3	129,417,984.60	115,148,915.93
Accounts receivable	V.4	120,242,318.52	143,689,250.29
Receivables financing	V.5	90,300,965.46	73,237,761.38
Prepayments	V.6	75,475,199.37	26,733,757.41
Premiums receivable			
Reinsurance accounts receivable			
Receivable reserves for reinsurance			
Other receivables	V.7	27,872,559.68	20,591,018.12
Including: Interest receivable			
Dividends receivable			
Buying back the sale of financial			
Inventories	V.8	856,727,721.33	678,193,678.14
Including: Digital resources			
Contract assets			
Assets held for sale			
Non-current assets due within one			
Other current assets	V.9	26,520,137.53	18,895,065.82
Total current assets		2,211,224,348.99	1,812,918,913.25
Non-current assets:			
Loans and advances granted			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets	V.10	1,352,145,779.54	1,389,503,456.07
Construction in progress	V.11	205,874,302.13	186,814,695.26
Productive biological assets			
Oil and gas assets			
Right-of-use assets	V.12	12,272,022.73	533,401.28
Intangible assets	V.13	186,983,638.21	166,581,024.22
Including: Digital resources			
Development expenses			
Including: Digital resources			
Goodwill			
Long-term deferred expenses			
Deferred tax assets	V.14	3,024,537.81	844,627.31
Other non-current assets	V.15	371,551,471.07	51,957,207.09
Total non-current assets		2,131,851,751.49	1,796,234,411.23
Total assets		4,343,076,100.48	3,609,153,324.48

Legal representative:

Principal in charge of accounting:

Head of the accounting department:



Consolidated Balance Sheet (Continued)

December 31st, 2025

Currency: RMB

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Item	Note	December 31 st , 2025	January 1 st , 2025
Current liabilities:			
Short-term borrowings	V.17	537,457,449.83	340,736,998.42
Borrowings from the Central Bank			
Borrowings from banks and other financial			
Financial liabilities held for trading			
Derivative financial liabilities	V.18		1,050,954.68
Notes payable	V.19	5,000,000.00	
Accounts payable	V.20	220,186,306.77	196,746,861.33
Advances from customers	V.22	74,505.00	96,443.78
Contract liabilities	V.23	37,031,414.06	32,084,741.04
Financial assets sold for repurchase			
Accept money deposits and interbank placement			
Acting trading securities			
Acting underwriting securities			
Employee benefits payable	V.24	34,792,494.09	29,653,787.54
Taxes payable	V.25	40,407,479.93	12,872,270.63
Other payables	V.21	8,115,034.25	6,419,936.17
Including: Interest payable			
Dividends payable			
Service charge and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	V.26	217,726,380.04	227,740,157.71
Other current liabilities	V.27	73,070,554.59	57,824,676.16
Total current liabilities		1,173,861,618.56	905,226,827.46
Non-current liabilities:			
Provision reserves for insurance			
Long-term borrowings	V.28	78,062,610.42	102,118,708.32
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities	V.29	2,825,860.91	501,785.73
Long-term payables	V.30	75,519,278.16	
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities	V.14	11,586,287.41	6,741,334.46
Other non-current liabilities			
Total non-current liabilities		167,994,036.90	109,361,828.51
Total liabilities		1,341,855,655.46	1,014,588,655.97
Shareholders' equity:			
Share capital	V.31	274,867,523.00	274,867,523.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	V.32	1,282,067,110.26	1,282,067,110.26
Less: Treasury stock			
Other comprehensive income	V.33	3,641,855.73	-1,029,646.03
Special reserve	V.34	1,975,492.11	496,474.63
Surplus reserve	V.35	119,791,586.05	92,691,401.81
General risk reserve			
Undistributed profits	V.36	1,235,962,617.80	891,709,910.57
Total equity attributable to shareholders of the parent company		2,918,306,184.95	2,540,802,774.24
Non-controlling interests		82,914,260.07	53,761,894.27
Total shareholders' equity		3,001,220,445.02	2,594,564,668.51
Total liabilities and shareholders' equity		4,343,076,100.48	3,609,153,324.48

Legal representative:

Principal in charge of accounting:

Head of the accounting department:

Balance Sheet of the Parent Company

December 31st, 2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	December 31 st , 2025	January 1 st , 2025
Current assets:			
Cash and cash equivalents		573,456,700.40	317,468,843.52
Financial assets held for trading			
Derivative financial assets		1,528,041.88	
Notes receivable			2,139,209.92
Accounts receivable	XVI.1	82,347,820.11	61,483,678.52
Receivables financing		74,838,256.11	54,882,656.47
Prepayments		31,356,205.36	10,797,940.41
Other receivables	XVI.2	442,375,504.39	851,145,331.71
Including: Interest receivable			
Dividends receivable			
Inventories		260,606,374.09	211,744,936.82
Including: Digital resources			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		4,524,736.62	1,792,441.44
Total current assets		1,471,033,638.96	1,511,455,038.81
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XVI.3	687,483,448.00	559,610,000.00
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets		376,068,374.04	427,432,450.42
Construction in progress		85,621,034.13	20,146,563.04
Productive biological assets			
Oil and gas assets			
Right-of-use assets		499,712.72	533,401.28
Intangible assets		74,546,833.83	51,412,991.91
Including: Digital resources			
Development expenses			
Including: Digital resources			
Goodwill			
Long-term deferred expenses			
Deferred tax assets		651,098.19	603,021.17
Other non-current assets		138,323,745.77	18,163,636.89
Total non-current assets		1,363,194,246.68	1,077,902,064.71
Total assets		2,834,227,885.64	2,589,357,103.52

Legal representative:

Principal in charge of accounting:

Head of the accounting department:

Balance Sheet of the Parent Company (Continued)

December 31st, 2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	December 31 st , 2025	January 1 st , 2025
Current liabilities:			
Short-term borrowings		59,556,359.72	6,944,480.75
Financial liabilities held for trading			
Derivative financial liabilities			715,907.68
Notes payable			
Accounts payable		92,403,831.31	78,010,915.78
Advances from customers		74,505.00	96,443.78
Contract liabilities		13,552,263.89	14,482,886.43
Employee benefits payable		18,393,874.62	14,910,849.39
Taxes payable		10,946,771.74	8,881,954.12
Other payables		4,692,183.53	1,058,237.27
Including: Interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year		30,320,809.97	77,609,532.70
Other current liabilities		355,948.80	826,863.08
Total current liabilities		230,296,548.58	203,538,070.98
Non-current liabilities:			
Long-term borrowings		58,041,221.53	32,034,222.21
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		475,118.69	501,785.73
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities		113,733.12	128,882.00
Other non-current liabilities			
Total non-current liabilities		58,630,073.34	32,664,889.94
Total liabilities		288,926,621.92	236,202,960.92
Shareholders' equity:			
Share capital		274,867,523.00	274,867,523.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		1,308,235,141.40	1,308,235,141.40
Less: Treasury stock			
Other comprehensive income		1,528,041.88	-715,907.68
Special reserve		1,925,923.67	564,337.58
Surplus reserve		119,791,586.05	92,691,401.81
Undistributed profits		838,953,047.72	677,511,646.49
Total shareholders' equity		2,545,301,263.72	2,353,154,142.60
Total liabilities and shareholders' equity		2,834,227,885.64	2,589,357,103.52

Legal representative:

Principal in charge of accounting:

Head of the accounting department:

Consolidated Income Statement
FY2025

Prepared by: Kunming Chuannuo Chemical Co., Ltd.

Currency: RMB

Item	Note	FY2025	FY2024
I. Total operating income		4,074,660,364.42	3,207,476,951.57
Including: Operating income	V.37	4,074,660,364.42	3,207,476,951.57
Interest income			
Earned premiums			
Service charge and commission income			
II. Total operating costs		3,545,269,481.89	2,984,544,082.18
Including: Operating costs	V.37	3,341,222,576.13	2,779,975,186.64
Interest expenses			
Service charge and commission expenses			
Surrenders			
Net compensation expenses			
Net withdrawal of reserve for insurance liabilities			
Policy dividend expenses			
Reinsurance expenses			
Taxes and surcharges	V.38	19,871,890.97	9,316,574.67
Selling expenses	V.39	30,127,307.53	25,770,734.74
General and administrative expenses	V.40	125,893,242.81	112,173,236.88
Research and development expenses	V.41	18,638,565.20	50,541,802.40
Financial expenses	V.42	9,515,899.25	6,766,546.85
Including: Interest expenses		18,732,533.79	21,401,932.73
Interest income		9,354,932.83	11,358,421.03
Add: Other income	V.43	14,997,046.16	16,441,343.33
Investment income ("-" for loss)	V.44	43,493.53	-374,818.94
Including: Income from investments in associates and joint ventures			
Gains on derecognition of financial assets measured at amortized cost			
Exchange gains ("-" for loss)			
Net exposure hedging gains ("-" for loss)			
Gains on changes in fair value ("-" for loss)			
Credit impairment losses ("-" for loss)	V.45	-3,053,418.39	-15,924,022.64
Impairment losses on assets ("-" for loss)	V.46	-2,062,941.05	-7,916,311.75
Gains on asset disposal ("-" for loss)	V.47	2,386.93	22.74
III. Operating profit ("-" for loss)		539,317,449.71	215,159,082.13
Add: Non-operating income	V.48	4,366,125.71	2,500,302.94
Less: Non-operating expenses	V.49	2,943,306.00	864,853.75
IV. Total profit ("-" for total loss)		540,740,269.42	216,794,531.32
Less: Income tax expenses	V.50	64,890,833.30	31,401,111.45
V. Net profit ("-" for net loss)		475,849,436.12	185,393,419.87
1. Classified by continuity of operations		475,849,436.12	185,393,419.87
(1) Net profit from continuing operations ("-" for net loss)		475,849,436.12	185,393,419.87
(2) Net profit from discontinued operations ("-" for net loss)			
2. Classified by the attribution of ownership		475,849,436.12	185,393,419.87
(1) Net profit attributable to owners of the parent company ("-" for net loss)		453,813,148.37	176,055,944.37
(2) Gains or losses on non-controlling interests ("-" for net loss)		22,036,287.75	9,337,475.50
VI. Net other comprehensive income after tax		4,855,304.04	-1,216,759.27
Net after-tax amount of other comprehensive income attributable to owners of the parent company		4,671,501.76	-1,195,450.62
1. Other comprehensive income that cannot be reclassified to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity method			
(3) Changes in fair value of investments in other equity instruments			
(4) Changes in fair value of the enterprise's own credit risk			
(5) Others			
2. Other comprehensive income to be reclassified to profit or loss		4,671,501.76	-1,195,450.62
(1) Other comprehensive income that can be transferred to profit or loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedge reserve (effective part of cash flow hedge profit or loss)		5,181,243.04	-1,195,450.62
(6) Translation difference of foreign currency statements		-509,741.28	
(7) Others			
Net after-tax amount of other comprehensive income attributable to non-controlling interests		183,802.28	-21,308.65
VII. Total comprehensive income		480,704,740.16	184,176,660.60
Total comprehensive income attributable to shareholders of the parent company		458,484,650.13	174,860,493.75
Total comprehensive income attributable to non-controlling interests		22,220,090.03	9,316,166.85
VIII. Earnings per share:			
1. Basic earnings per share (RMB/share)		1.6510	0.6405
2. Diluted earnings per share (RMB/share)		1.6510	0.6405

Legal representative:

Principal in charge of accounting:

Head of the accounting department:



Income Statement of the Parent Company

FY2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	FY2025	FY2024
I. Operating income	XVI.4	1,512,138,943.83	1,330,848,938.69
Less: Operating costs	XVI.4	1,258,372,291.66	1,159,765,505.85
Taxes and surcharges		4,134,319.73	4,305,131.61
Selling expenses		10,097,959.37	10,611,239.64
General and administrative expenses		69,743,114.83	59,943,926.45
Research and development expenses		10,248,527.23	14,831,871.12
Financial expenses		1,731,616.93	-37,514.24
Including: Interest expenses		4,334,189.29	4,636,103.48
Interest income		2,726,264.48	2,205,713.25
Add: Other income		8,256,448.86	5,646,094.01
Investment income ("-" for loss)	XVI.5	131,406,885.40	455,154.71
Including: Income from investments in associates and joint ventures			
Gains on derecognition of financial assets measured at amortized cost			
Net exposure hedging gains ("-" for loss)			
Gains on changes in fair value ("-" for loss)			
Credit impairment losses ("-" for loss)		-228,102.06	357,384.30
Impairment losses on assets ("-" for loss)		-2,060,967.05	
Gains on asset disposal ("-" for loss)		-1,099.00	22.74
II. Operating profit ("-" for loss)		295,184,280.23	87,887,434.02
Add: Non-operating income		1,867,675.32	588,944.62
Less: Non-operating expenses		1,113,508.11	454,185.08
III. Total profit ("-" for total loss)		295,938,447.44	88,022,193.56
Less: Income tax expenses		24,936,605.07	14,298,703.42
IV. Net profit ("-" for net loss)		271,001,842.37	73,723,490.14
1. Net profit from continuing operations ("-" for net loss)		271,001,842.37	73,723,490.14
2. Net profit from discontinued operations ("-" for net loss)			
V. Net other comprehensive income after tax		2,243,949.56	-881,712.27
1. Other comprehensive income that cannot be reclassified to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity			
(3) Changes in fair value of investments in other equity instruments			
(4) Changes in fair value of the enterprise's own credit risk			
(5) Others			
2. Other comprehensive income to be reclassified to profit or loss		2,243,949.56	-881,712.27
(1) Other comprehensive income that can be transferred to profit or loss under the equity			
(2) Changes in fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedge reserve (effective part of cash flow hedge profit or loss)		2,243,949.56	-881,712.27
(6) Translation difference of foreign currency statements			
(7) Others			
VI. Total comprehensive income		273,245,791.93	72,841,777.87
VII. Earnings per share (EPS)			
1. Basic earnings per share (RMB/share)			
2. Diluted earnings per share (RMB/share)			

Legal representative:

Principal in charge of accounting:

Head of the accounting department:



Consolidated Cash Flow Statement
FY2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	FY2025	FY2024
I. Cash flows from operating activities:			
Cash received from sales of goods or provision of services		4,042,826,314.24	3,116,931,606.24
Net increase of customers' deposits and interbank deposits			
Net increase in borrowings from the Central Bank			
Net increase in borrowings from other financial institutions			
Cash received for premiums of original insurance contracts			
Net cash received from reinsurance operations			
Net increase in policyholders' savings and investment funds			
Cash received from interest, service charge and commission			
Net increase in borrowings from banks and other financial institutions			
Net increase in funds of repurchase operations			
Net cash received from acting trading securities			
Received tax refunds			
Other cash received from operating activities	V.52	61,831,082.59	71,375,583.53
Subtotal of cash inflows from operating activities		4,104,657,396.83	3,188,307,189.77
Cash paid for purchase of goods or receipt of services		3,324,547,600.91	2,710,896,061.07
Net increase in loans and advances to customers			
Net increase in deposits with the Central Bank and interbank			
Cash payment of compensation for original insurance contracts			
Net increase in lendings to banks and other financial institutions			
Cash paid for interest, service charge and commission			
Cash paid as policy dividends			
Cash paid to and on behalf of employees		241,982,950.88	221,625,415.96
Taxes paid		158,361,510.49	55,041,703.02
Other cash paid for operating activities	V.52	81,868,651.24	57,932,194.13
Subtotal of cash outflows from operating activities		3,806,760,713.52	3,045,495,374.18
Net cash flow from operating activities		297,896,683.31	142,811,815.59
II. Cash flows from investing activities:			
Cash received from disinvestment			
Cash received from investment income		310,885.40	552,654.71
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		54,850.00	1,950.00
Net cash received from the disposal of subsidiaries and other business units		1,000,000.00	
Other cash received from investing activities	V.52	405,317,500.00	102,000,000.00
Subtotal of cash inflows from investing activities		406,683,235.40	102,554,604.71
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		220,393,378.50	71,125,668.69
Cash paid for investments			7,723,787.63
Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Other cash paid for investing activities	V.52	47,829,780.63	412,000,000.00
Subtotal of cash outflows from investing activities		268,223,159.13	490,849,456.32
Net cash flow from investing activities		138,460,076.27	-388,294,851.61
III. Cash flows from financing activities:			
Cash received from investments		15,828,300.00	
Including: Cash received by subsidiaries from non-controlling interests' investments		15,828,300.00	
Cash received from borrowings		681,000,000.00	528,000,000.00
Other cash received from financing activities	V.52	92,634,340.71	25,334,381.27
Subtotal of cash inflows from financing activities		789,462,640.71	553,334,381.27
Cash for debt repayments		640,750,000.00	606,666,475.92
Cash paid for dividends, profits appropriation or payments of interest		109,721,832.51	51,632,865.21
Including: Dividends and profits paid to non-controlling interests by subsidiaries		8,904,000.00	
Other cash paid for financing activities	V.52	6,107,847.34	50,000.00
Subtotal of cash outflows from financing activities		756,579,679.85	658,349,341.13
Net cash flow from financing activities		32,882,960.86	-105,014,959.86
IV. Effect of exchange rate fluctuations on cash and cash equivalents		5,540,291.99	4,594,982.11
V. Net increase in cash and cash equivalents		474,780,012.43	-345,903,013.77
Add: Opening balance of cash and cash equivalents		378,787,894.98	724,690,908.75
VI. Closing balance of cash and cash equivalents		853,567,907.41	378,787,894.98

Legal representative:

Principal in charge of accounting:

Head of the accounting department:

Cash Flow Statement of the Parent Company

FY2025

Prepared by: Kunming Chuanjinnuo Chemical Co., Ltd.

Currency: RMB

Item	Note	FY2025	FY2024
I. Cash flows from operating activities:			
Cash received from sales of goods or provision of services		1,345,693,154.05	1,198,579,472.85
Received tax refunds			
Other cash received from operating activities		30,862,037.92	12,851,615.25
Subtotal of cash inflows from operating activities		1,376,555,191.97	1,211,431,088.10
Cash paid for purchase of goods or receipt of services		1,118,547,427.09	958,860,477.92
Cash paid to and on behalf of employees		122,594,675.71	112,003,213.10
Taxes paid		40,802,622.54	20,316,269.29
Other cash paid for operating activities		38,878,303.87	22,785,164.98
Subtotal of cash outflows from operating activities		1,320,823,029.21	1,113,965,125.29
Net cash flow from operating activities		55,732,162.76	97,465,962.81
II. Cash flows from investing activities:			
Cash received from disinvestment			
Cash received from investment income		131,406,885.40	552,654.71
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		350.00	1,950.00
Net cash received from the disposal of subsidiaries and other business units		1,000,000.00	
Other cash received from investing activities		571,729,597.40	318,211,283.39
Subtotal of cash inflows from investing activities		704,136,832.80	318,765,888.10
Cash paid for the acquisition of fixed assets, intangible assets and other long-term assets		153,637,130.06	19,728,970.63
Cash paid for investments		127,873,448.00	
Net cash paid to acquire subsidiaries and other business units			
Other cash paid for investing activities		121,940,148.57	268,300,000.00
Subtotal of cash outflows from investing activities		403,450,726.63	288,028,970.63
Net cash flow from investing activities		300,686,106.17	30,736,917.47
III. Cash flows from financing activities:			
Cash received from investments			
Cash received from borrowings		154,000,000.00	33,500,000.00
Other cash received from financing activities		2,200,000.00	1,939,209.92
Subtotal of cash inflows from financing activities		156,200,000.00	35,439,209.92
Cash for debt repayments		120,750,000.00	63,500,000.00
Cash paid for dividends, profits appropriation or payments of interest		86,792,977.88	34,908,178.80
Other cash paid for financing activities		50,000.00	50,000.00
Subtotal of cash outflows from financing activities		207,592,977.88	98,458,178.80
Net cash flow from financing activities		-51,392,977.88	-63,018,968.88
IV. Effect of exchange rate fluctuations on cash and cash equivalents		895,904.83	1,915,163.24
V. Net increase in cash and cash equivalents		305,921,195.88	67,099,074.64
Add: Opening balance of cash and cash equivalents		265,281,506.58	198,182,431.94
VI. Closing balance of cash and cash equivalents		571,202,702.46	265,281,506.58

Legal representative:

Principal in charge of accounting:

Head of the accounting department:

Consolidated Statement of Changes in Shareholders' Equity

FY2025

Currency: RMB

Item	Total equity attributable to shareholders of the parent company											Non-controlling interests	Total shareholders' equity			
	Share capital		Other equity instruments		Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	General risk reserve			Undistributed profits	Others	Subtotal
	Preference shares	Perpetual bonds	Others	Treasury stock		Others										
I. Prior year closing balance	274,867,523.00				1,282,067,110.26			-1,029,646.03	496,474.63	92,691,401.81		891,709,910.57		2,540,802,774.24	53,761,894.27	2,594,564,668.51
Add: Changes in accounting policies																
Correction of prior-period errors																
Business combinations under common control																
Others																
II. Current year opening balance	274,867,523.00				1,282,067,110.26			-1,029,646.03	496,474.63	92,691,401.81		891,709,910.57		2,540,802,774.24	53,761,894.27	2,594,564,668.51
III. Amount of increase and decrease in the current year ("-" for decrease)								4,671,501.76	1,479,017.48	27,100,184.24		344,252,707.23		377,503,410.71	29,152,365.80	406,655,776.51
1. Total comprehensive income								4,671,501.76				453,813,148.37		458,484,650.13	22,220,090.03	480,704,740.16
2. Capital invested and reduced by shareholders															15,828,300.00	15,828,300.00
(1) Ordinary shares invested by shareholders															15,828,300.00	15,828,300.00
(2) Other equity instrument holders' investments																
(3) Amount of share-based payments included in shareholders' equity																
(4) Others																
3. Profit distribution										27,100,184.24		-109,560,441.14		-82,460,256.90	-8,904,000.00	-91,364,256.90
(1) Withdrawal of surplus reserve										27,100,184.24		-27,100,184.24				
(2) Withdrawal of general risk reserve																
(3) Distribution to shareholders												-82,460,256.90		-82,460,256.90	-8,904,000.00	-91,364,256.90
(4) Others																
4. Internal carry-forward of shareholders' equity																
(1) Transfer of capital reserve to capital									1,479,017.48					1,479,017.48	7,975.77	1,486,993.25
(2) Transfer of surplus reserve to capital									17,040,607.69					17,040,607.69	608,136.59	17,648,744.28
(3) Recover of loss by surplus reserve									15,561,590.21					15,561,590.21	600,160.82	16,161,751.03
(4) Changes in defined benefit plans carried forward to retained earnings																
(5) Other comprehensive income carried forward to retained earnings																
(6) Others																
5. Special reserve																
(1) Withdrawal in the current year																
(2) Use in the current year																
6. Others																
IV. Current year closing balance	274,867,523.00				1,282,067,110.26			3,641,855.73	1,975,492.11	119,791,586.05		1,235,962,617.80		2,918,306,184.95	82,914,260.07	3,001,220,445.02

Principal in charge of accounting:  

Head of the accounting department:  

Legal representative:  

Consolidated Statement of Changes in Shareholders' Equity (Continued)

FY2025

Currency: RMB

Item	Total equity attributable to shareholders of the parent company										Non-controlling interests	Total shareholders' equity		
	Share capital	Preference shares	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits			Others	Subtotal
I. Prior year closing balance	274,867,523.00			1,282,067,110.26		165,804.59	3,122,709.16	87,895,018.27		750,685,777.27		2,398,803,942.55	44,617,111.00	2,443,421,053.55
Add: Changes in accounting policies														
Correction of prior-period errors														
Business combinations under common control														
Others														
II. Current year opening balance	274,867,523.00			1,282,067,110.26		165,804.59	3,122,709.16	87,895,018.27		750,685,777.27		2,398,803,942.55	44,617,111.00	2,443,421,053.55
III. Amount of increase and decrease in the current year (" " for decrease)						-1,195,450.62	-2,626,234.53	4,796,383.54		141,024,133.30		141,998,831.69	9,144,783.27	151,143,614.96
1. Total comprehensive income						-1,195,450.62				176,055,944.37		174,860,493.75	9,316,166.85	184,176,660.60
2. Capital invested and reduced by shareholders														
(1) Ordinary shares invested by shareholders														
(2) Other equity instrument holders' investments														
(3) Amount of share-based payments included in shareholders' equity														
(4) Others														
3. Profit distribution								4,796,383.54		-35,031,811.07		-30,235,427.53		-30,235,427.53
(1) Withdrawal of surplus reserve								4,796,383.54		-4,796,383.54				
(2) Withdrawal of general risk reserve														
(3) Distribution to shareholders														
(4) Others														
4. Internal carry-forward of shareholders' equity														
(1) Transfer of capital reserve to capital														
(2) Transfer of surplus reserve to capital														
(3) Recover of loss by surplus reserve														
(4) Changes in defined benefit plans carried forward to retained earnings														
(5) Other comprehensive income carried forward to retained earnings														
(6) Others														
5. Special reserve							-2,626,234.53					-2,626,234.53	-171,383.58	-2,797,618.11
(1) Withdrawal in the current year							15,723,267.64					15,723,267.64	527,216.84	16,250,484.48
(2) Use in the current year							18,349,502.17					18,349,502.17	698,600.42	19,048,102.59
6. Others														
IV. Current year closing balance	274,867,523.00			1,282,067,110.26		-1,029,646.03	496,474.63	92,691,401.81		891,709,910.57		2,540,802,774.24	53,761,894.27	2,594,564,668.51

Principal in charge of accounting: 

Head of the accounting department: 

Legal representative: 

Parent Company's Statement of Changes in Shareholders' Equity
FY2025

Currency: RMB

Item	Share capital		Other equity instruments		Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Total shareholders' equity
	Share capital	Preference shares	Perpetual bonds	Others									
I. Prior year closing balance	274,867,523.00				1,308,235,141.40		-715,907.68	564,337.58	92,691,401.81		677,511,646.49		2,353,154,142.60
Add: Changes in accounting policies													
Correction of prior period errors													
Others													
II. Current year opening balance	274,867,523.00				1,308,235,141.40		-715,907.68	564,337.58	92,691,401.81		677,511,646.49		2,353,154,142.60
III. Amount of increase and decrease in the current year ("-" for decrease)													
1. Total comprehensive income							2,243,949.56		27,100,184.24		161,441,401.23		192,147,121.12
2. Capital invested and reduced by shareholders													
(1) Ordinary shares invested by shareholders													
(2) Other equity instrument holders' investments													
(3) Amount of share-based payments included in shareholders' equity													
(4) Others													
3. Profit distribution													
(1) Withdrawal of surplus reserve									27,100,184.24		-109,560,441.14		-82,460,256.90
(2) Withdrawal of general risk reserve									27,100,184.24		-27,100,184.24		
(3) Distribution to shareholders													
(4) Others													
4. Internal carry-forward of shareholders' equity													
(1) Transfer of capital reserve to capital													
(2) Transfer of surplus reserve to capital													
(3) Recover of loss by surplus reserve													
(4) Changes in defined benefit plans carried forward to retained earnings													
(5) Other comprehensive income carried forward to retained earnings													
(6) Others													
5. Special reserve								1,361,586.09					1,361,586.09
(1) Withdrawal in the current year								8,086,697.88					8,086,697.88
(2) Use in the current year								6,725,111.79					6,725,111.79
6. Others													
IV. Current year closing balance	274,867,523.00				1,308,235,141.40		1,528,041.88	1,925,923.67	119,791,586.05		838,953,047.72		2,545,301,263.72

Prepared by: Kunming Chuangjinnuo Chemical Co., Ltd.



Legal representative:

Principal in charge of accounting:


Head of the accounting department:

Parent Company's Statement of Changes in Shareholders' Equity (Continued)
FY2025

Currency: RMB

Item	Share capital		Other equity instruments		Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Total shareholders' equity
	Preference shares	Perpetual bonds	Others	Others									
I. Prior year closing balance	274,867,523.00				1,308,235,141.40		165,804.59	667,203.00	87,895,018.27		638,819,967.42		2,310,650,657.68
Add: Changes in accounting policies													
Correction of prior-period errors													
Others													
II. Current year opening balance	274,867,523.00				1,308,235,141.40		165,804.59	667,203.00	87,895,018.27		638,819,967.42		2,310,650,657.68
III. Amount of increase and decrease in the current year ("-" for decrease)													
1. Total comprehensive income							-881,712.27	-102,865.42	4,796,383.54		38,691,679.07		42,503,484.92
2. Capital invested and reduced by shareholders													
(1) Ordinary shares invested by shareholders													
(2) Other equity instrument holders' investments													
(3) Amount of share-based payments included in shareholders' equity													
(4) Others													
3. Profit distribution													
(1) Withdrawal of surplus reserve									4,796,383.54				-30,235,427.53
(2) Withdrawal of general risk reserve									4,796,383.54				
(3) Distribution to shareholders													
(4) Others													
4. Internal carry-forward of shareholders' equity													
(1) Transfer of capital reserve to capital													
(2) Transfer of surplus reserve to capital													
(3) Recover of loss by surplus reserve													
(4) Changes in defined benefit plans carried forward to retained earnings													
(5) Other comprehensive income carried forward to retained earnings													
(6) Others													
5. Special reserve													
(1) Withdrawal in the current year													
(2) Use in the current year													
6. Others													
IV. Current year closing balance	274,867,523.00				1,308,235,141.40		-715,907.68	564,337.58	92,691,401.81		677,511,646.49		2,353,154,142.60

Legal representative: 

Principal in charge of accounting: 

Head of the accounting department: 

I. Background of the Company

Kunming Chuanjinnuo Chemical Co., Ltd. (hereinafter referred to as “the Company”, or collectively referred to as “the Group” when including subsidiaries) was established on June 2nd, 2005, with its registered office located in Sifangdi Industrial Park, Tongdu Town, Dongchuan District, Kunming, and its head office address on the 55th Floor, Office Building #1 (Gemini-Dubhe), the First City of Colorful Yunnan, Wulong Street Office, Chenggong District, Kunming, Yunnan Province. The A shares of RMB ordinary shares issued by the Company have been listed on the Shenzhen Stock Exchange.

The Company, formerly known as Kunming Chuanjinnuo Chemical Company Limited, is a limited liability company jointly established by Liu Meng, Liu Mingyi, Chen Zemin, and Wei Jiagui. On June 2nd, 2005, it obtained the Business License for Enterprise Legal Person with No. 5302002520475 issued by the Dongchuan District Administration for Industry and Commerce of Kunming City, Yunnan Province. The original registered capital was RMB 1,000,000.00 and the paid-in capital was RMB 1,000,000.00.

In May 2007, the Company increased its registered capital (paid-in capital) by RMB 9,000,000.00 according to the resolution of the shareholders' meeting, and the registered capital and paid-in capital were changed to RMB 10,000,000.00.

According to the resolution of the shareholders' meeting on November 12th, 2010 and the amended Articles of Association of the Company, the Company increased its registered capital (paid-in capital) by RMB 10,500,000.00, and the registered capital (paid-in capital) after the change was RMB 20,500,000.00. The capital increase was registered with the Administration for Industry and Commerce on November 19th, 2010.

According to the resolution of the shareholders' meeting on November 24th, 2010 and the amended Articles of Association of the Company, the Company increased its registered capital (paid-in capital) by RMB 269,500.00, and the registered capital (paid-in capital) after the change was RMB 20,769,500.00. The capital increase was registered with the Administration for Industry and Commerce on December 1st, 2010.

In July 2011, according to the “Promoter's Agreement on the Overall Conversion of Kunming Chuanjinnuo Chemical Company Limited into a Joint Stock Company Limited by Converting the Net Asset Value into Shares” signed by 30 shareholders, including Liu Meng and Wei Jiagui, of Kunming Chuanjinnuo Chemical Company Limited and the Articles of Association, and with the 30 shareholders as promoters, Kunming Chuanjinnuo Chemical Company Limited as a whole was converted into a joint stock company by converting its audited net assets of RMB 127,626,391.54 as of March 31st, 2011 into shares. After the

conversion, the Company's registered capital (share capital) was RMB 65,000,000.00. The conversion was registered with the Administration for Industry and Commerce on September 15th, 2011.

According to the resolution of the shareholders' meeting of the Company on December 28th, 2011 and the provisions of the amended Articles of Association, the Company introduced Shenzhen Haotian Equity Investment Fund Management Co., Ltd. as an investor to increase the capital of the Company, increasing the registered capital by RMB 5,010,000.00. After the increase of the capital, the registered capital (share capital) of the Company was increased to RMB 70,010,000.00. The capital increase was registered with the Administration for Industry and Commerce on December 28th, 2011.

According to the resolution of the 4th Extraordinary Shareholders' Meeting of 2012 held on September 22nd, 2012, the Reply of the China Securities Regulatory Commission on Approving the Initial Public Offering of Shares by Kunming Chuanjinnuo Chemical Co., Ltd. (CSRC License [2016] No. 92), and the Prospectus, the Company made an initial public offering of 23,350,000 RMB ordinary shares with a nominal value of RMB 1 per share at an issue price of RMB 10.25 per share, increasing the registered capital by RMB 23,350,000.00. The registered capital (share capital) after the change was RMB 93,360,000.00. The capital increase was registered with the Administration for Industry and Commerce on May 12th, 2016.

According to the resolution of the First Extraordinary Shareholders' Meeting of 2018 of the Company, and the Reply of the China Securities Regulatory Commission on Approving the Non-public Offering of Shares by Kunming Chuanjinnuo Chemical Co., Ltd. (CSRC License [2019] No. 468), the Company made a non-public offering of 7,166,122.00 RMB ordinary shares (A-shares) with a nominal value of RMB 1 per share at an issue price of RMB 21.49 per share, increasing the registered capital by RMB 7,166,122.00. The registered capital (share capital) after the change was RMB 100,526,122.00. The capital increase was registered with the Administration for Industry and Commerce on May 17th, 2019.

On March 20th, 2020, the Company held the 2019 annual general meeting and resolved to transfer 3 shares for every 10 shares to all shareholders by capital reserve, totaling 30,157,836 shares. After the completion of the transfer, the total share capital of the Company was 130,683,958 shares. The transfer was registered with the Administration for Industry and Commerce on July 24th, 2020.

As approved by the CSRC License [2020] No. 2260, the Company made a public offering of 3,680,000 convertible corporate bonds on October 16th, 2020, with a nominal value of RMB 100 each and a total issuance amount of RMB 368,000,000. The bonds were listed for

trading on the Shenzhen Stock Exchange on November 5th, 2020, with the abbreviation of “Jinnuo Convertible Bonds” and the bond code of “123069”, and the conversion period is from April 22nd, 2021 to October 15th, 2026. From June to November 2021, the convertible corporate bonds issued by the Company were converted into shares in three tranches, totaling 19,110,108 shares. After the completion of the conversion, the total share capital of the Company is 149,794,066 shares. The conversion was registered with the Administration for Industry and Commerce on December 9th, 2021.

On April 20th, 2022, the Company held the 2021 annual general meeting and resolved to transfer 5 shares for every 10 shares to all shareholders by capital reserve, totaling 74,897,033 shares. After the completion of the transfer, the total share capital of the Company was 224,691,099 shares. The transfer was registered with the Administration for Industry and Commerce on June 16th, 2022.

As approved by the CSRC License [2023] No. 1055, the Company made a non-public offering of 50,176,424 RMB ordinary shares (A shares) in July 2023, which was listed and traded on the GEM Board of the Shenzhen Stock Exchange on July 28th, 2023. After this non-public offering, the total share capital of the Company changed to RMB 274,867,523.00. The change was registered with the Administration for Industry and Commerce on September 22nd, 2023.

Registered capital of the Company: RMB 274,867,523.00;

Unified Social Credit Identifier: 91530100778560690W;

Legal representative: Liu Meng;

The controlling shareholder of the Company is Liu Meng, the largest shareholder.

The Company belongs to the chemical raw materials and chemical products manufacturing industry, and is mainly engaged in the research and development, production and sales of phosphorus chemical products, as well as the research and development, production and sales of new energy material products. The Company's main products include feed-grade dicalcium phosphate (type I, type III), feed-grade calcium dihydrogen phosphate, calcium triple superphosphate, purified phosphoric acid, lithium iron phosphate and so on.

The financial statements were approved by the Board of Directors of the Company on March 18th, 2026.

II. Basis for the preparation of financial statements

1. Basis for the preparation

The financial statements of the Group have been prepared on the basis of transactions and events that actually occurred, in accordance with the *Accounting Standards for Business Enterprises* and its application guidelines, interpretations and other relevant regulations (hereinafter collectively referred to as ASBE) issued by the Ministry of Finance and the disclosure-related provisions of the *Rules for the Preparation of Information Disclosure by Companies Offering Their Securities to the Public No. 15 - General Provisions on Financial Reporting* (revised in 2023) issued by the China Securities Regulatory Commission (CSRC).

2. Going concern

The Group has evaluated its ability to continue as a going concern for the twelve months beginning December 31st, 2025, and no matters or circumstances have been identified that cast significant doubt on its ability to continue as a going concern. The financial statements are presented on a going concern basis.

III. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates: The specific accounting policies and accounting estimates formulated by the Group based on actual production and operation characteristics include bad debt provision for receivables, provision for decline in value of inventories, depreciation of fixed assets, amortisation of intangible assets, conditions for capitalization of research and development expenses, recognition and measurement of income, recognition and measurement of financial assets and liabilities, recognition and measurement of long-term assets, etc.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements comply with the requirements of ASBE and give a true, accurate and complete account of the financial position of the Company and the Group as at December 31st, 2025 and of the results of their operations and their cash flows in the year 2025, and other related information.

2. Accounting period

The accounting period of the Group is from January 1st to December 31st of the calendar year.

3. Business cycle

The Company uses a 12-month period as its operating cycle and as a criterion for classifying the liquidity of its assets and liabilities.

4. Functional currency

The Company uses RMB as the functional currency.

5. Methodology for determining materiality criteria and basis for selection

The Group follows the principle of materiality in the preparation and disclosure of its financial statements. The matters disclosed in the notes to the financial statements that involve the judgment of materiality criteria and the methodology for determining materiality criteria and basis for selection are set out below:

Disclosures involving the judgment of materiality criteria	Location of disclosure of this matter in the notes to the financial statements	Methodology for determining materiality criteria and basis for selection
The significant amount of bad debt provision recovered or reversed in the current year	V.4 V.7	The amount of bad debt provision recovered or reversed greater than RMB 500,000
Significant accounts receivable and other receivables written off during the year	V.4 V.7	Write-off amount greater than RMB 500,000
Other receivables with individually significant amounts and separately provided for bad debts	V.7	Individual balance sheet items exceeding RMB 500,000 and involving specific credit risks
Changes in significant construction in progress during the year	V.11	Current period's occurrence or closing balances greater than RMB 1 million
Significant accounts payable with an aging of over 1 year or overdue	V.20	Closing balance greater than RMB 500,000
Significant other payables with the aging over 1 year	V.21	Closing balance greater than RMB 500,000
Significant contingencies/events after the balance sheet date	XIII.2 XIV.2	Subject amount greater than RMB 1 million

6. Accounting for business combinations under common control and not under common control

(1) Business combinations under common control

A business combination is a business combination under common control if the enterprises participating in the combination are under the ultimate control of the same party or parties before and after the combination and the control is not of a temporary nature.

Assets and liabilities acquired by the Group as a consolidator in a business combination under common control are measured at the book value of the consolidated party in the consolidated statements of the ultimate controlling party at the date of consolidation. The difference between the book value of the net assets acquired and the book value of the

consideration paid for the merger is adjusted to capital reserves; if capital reserves are not sufficient to offset the difference, retained earnings are adjusted.

(2) Business combinations not under common control

A business combination is not under common control if the parties involved in the combination are not under the ultimate control of the same party or the same multiple parties before and after the combination.

Identifiable assets, liabilities and contingent liabilities of the purchased party acquired by the Group as the purchaser in a business combination not under common control are measured at fair value at the date of acquisition. If the cost of merger is greater than the share of the fair value of the identifiable net assets of the acquiree acquired in the merger, the difference is recognized as goodwill; if the cost of merger is less than the share of the fair value of the identifiable net assets of the acquiree acquired in the merger, the fair value of each identifiable asset, liability and contingent liability acquired in the merger, and consolidation costs are first reviewed, and if, after the review, the cost of merger is still less than the share of the fair value of the identifiable net assets of the acquiree acquired in the merger, the difference is recognized as non-operating income in the period of the merger.

7. Judgment criteria for control and preparation of consolidated financial statements

The scope of consolidation of the Group's consolidated financial statements is determined on the basis of control and includes the Company and all subsidiaries controlled by the Company. The Group's standard for judging control is that the Group have the power over the invested party, enjoy variable returns through participating in related activities of the invested party, and have the ability to use the power over the invested party to influence its return amount.

In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Company are not consistent, the necessary adjustments are made to the financial statements of the subsidiary in accordance with the Company's accounting policies or accounting periods.

The effects on the consolidated financial statements of internal transactions between the Company and its subsidiaries and between subsidiaries are eliminated on consolidation. The shares of owners' equity of subsidiaries that are not attributable to the parent company and the shares of net profit or loss, other comprehensive income and total comprehensive income for the period that are attributable to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, gains or losses on non-controlling interests, other comprehensive income attributable to non-controlling

interests and total comprehensive income attributable to non-controlling interests”, respectively.

For subsidiaries acquired through business combinations under common control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation. When preparing the comparative consolidated financial statements, the relevant items in the prior year's financial statements are adjusted as if the reporting entity formed by the merger had existed since the point at which control by the ultimate controlling party began.

For a subsidiary acquired through a business combination not under common control, the results of operations and cash flows are included in the consolidated financial statements from the date the Group obtains control. In preparing the consolidated financial statements, the financial statements of subsidiaries are adjusted on the basis of the fair value of each identifiable asset, liability and contingent liability determined at the date of purchase.

If the Group loses control over an investee due to, for example, the disposal of a portion of an equity investment, the remaining equity interest shall be remeasured at its fair value at the date of the loss of control in the preparation of the consolidated financial statements. The difference between the sum of the consideration obtained from the disposal of equity interest and the fair value of the remaining equity interest and the share of the original subsidiary's net assets continuously calculated from the date of purchase or the date of consolidation based on the original shareholding ratio, is included in investment gains and losses in the period in which control is lost, and goodwill is also written down. Other comprehensive income, etc. related to original equity investments in the subsidiary is transferred to current investment gains and losses when control is lost.

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

The Group's joint arrangements include joint operations and joint ventures. Joint operations are joint venture arrangements in which the parties to the arrangement are entitled to the assets and assumes the liabilities associated with the arrangements. A joint venture refers to a joint arrangement which gives the joint venturers only the rights to the net assets of the arrangement.

For jointly-operated projects, the Group recognizes assets held and liabilities assumed individually and assets held and liabilities assumed on a share basis as a joint venture partner in a jointly-operated project, and recognizes the related income and expenses individually or on a share basis in accordance with the relevant agreements. If a transaction

with a joint operation occurs for the purchase or sale of an asset that does not constitute a business, only the portion of the gain or loss resulting from the transaction that is attributable to the other participants in the joint operation is recognized.

9. Cash and cash equivalents

Cash in the Group's cash flow statement represents cash on hand and deposits that are readily available for disbursement. Cash equivalents in the cash flow statement represent investments that are held for less than three months, are highly liquid, are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

10. Foreign currency operations and translation of foreign currency financial statements

(1) Foreign currency transactions

Upon initial recognition of a foreign currency transaction, the Group translates the foreign currency amount into the amount in local currency of accounts using the spot exchange rate on the date of the transaction. At the balance sheet date, foreign currency monetary items are translated into the local currency using the spot exchange rate at the balance sheet date, and the resulting translation differences are recognized directly in profit or loss, except for the exchange differences arising from special loans in foreign currencies for the purpose of purchasing, constructing or producing assets eligible for capitalization, which are handled in accordance with the principle of capitalization; foreign currency non-monetary items measured at historical cost are translated using the spot exchange rate at the date of transaction, without changing the amount of their local currency; foreign currency non-monetary items measured at fair value are translated using the spot exchange rate on the date when the fair value is determined, and the difference between the translated amount in the carrying amount in the local currency and the original amount in the carrying amount in the local currency is treated as a change in fair value (including exchange rate changes) and recognized in profit or loss for the current period; capital received from investors in foreign currencies is translated using the spot exchange rate on the date when the transaction occurs, and no foreign currency capital translation differences arise between the capital contributions in foreign currencies and the carrying amounts of the corresponding monetary items in the local currency.

(2) Translation of foreign currency financial statements

In preparing its consolidated financial statements, the Group translates the financial statements of its overseas operations into Renminbi as follows: assets and liabilities in the

foreign currency balance sheet are translated at the spot exchange rate prevailing on the balance sheet date; equity items, with the exception of "Undistributed profit", are translated at the spot exchange rate prevailing at the time the transaction occurred; and revenue and expense items in the income statement are translated at the average exchange rate for the period in which the transaction took place. The foreign currency translation differences arising from the above conversion are presented under "Other comprehensive income". Foreign currency cash flows are converted using the average exchange rate for the period in which the transaction took place. The effect of exchange rate fluctuations on cash is shown separately in the cash flow statement.

11. Financial instruments

(1) Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognized when the Group becomes a party to a financial instrument contract.

A financial asset (or part of a financial asset, or part of a group of similar financial assets) is derecognized, i.e., the financial assets recognized before are transferred out from the balance sheet, if the following conditions are met: 1) the right to receive cash flows from the financial asset expires; 2) the right to receive cash flows from the financial asset is transferred or the obligation under a "pass-through agreement" to pay the full amount of cash flows received to a third party in a timely manner is assumed; and 3) Substantially all the risks and rewards of ownership of the financial asset are transferred, or control over the financial asset is relinquished although substantially all the risks and rewards of ownership of the financial asset are neither transferred nor retained.

A financial liability is derecognized if the obligation for the financial liability has been discharged, reversed or expired. If an existing financial liability is replaced by another financial liability with substantially different terms by the same creditor, or if the terms of an existing liability are substantially modified, such replacement or modification shall be treated as derecognition of the original liability and recognition of a new liability, and the difference shall be recognized in current profit or loss.

Financial assets traded on a regular basis are recognized and derecognized on the basis of trade date accounting. Trade date refers to the date on which the Group commits to buying or selling a financial asset.

(2) Classification and measurement of financial assets

The Group's financial assets are classified at initial recognition as financial assets measured at amortized cost, financial assets at fair value through other comprehensive

income, and financial assets at fair value through profit or loss, based on the Group's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. All affected underlying financial assets are reclassified when, and only when, the Group changes its business model for managing the financial assets.

In judging the business model, the Group considers, among other things, the manner in which the business evaluates and reports the performance of the financial assets to key management personnel, the risks affecting the performance of the financial assets and the manner in which they are managed, and the manner in which the management of the relevant business is compensated. In assessing whether the objective is to collect the contractual cash flows, the Group analyzes the reasons, timing, frequency and value of sales of financial assets prior to their maturity dates.

In determining the contractual cash flow characteristics, the Group determines whether the contractual cash flows are only payments of principal and interest based on the outstanding principal, (including when assessing the revisions to the time value of money, whether there is a significant difference compared to the base cash flows/for financial assets that include early repayment features, whether the fair value of the early repayment characteristics is very small, etc.).

Financial assets are measured at fair value on initial recognition, except for accounts receivable or notes receivable arising from the sale of goods or rendering of services, etc. that do not contain significant financing components or do not take into account a financing component that is not more than one year old, which are initially measured at the transaction price.

For financial assets at fair value through profit or loss, the related transaction costs are recognized directly in profit or loss; for other categories of financial assets, the related transaction costs are included in the initial recognition amount.

The subsequent measurement of a financial asset depends on its classification:

1) Financial assets measured at amortized cost

Financial assets are classified as measured at amortized cost if they simultaneously meet the following conditions: ① The business model for managing the financial assets is to collect the contractual cash flows. ② The contractual terms of the financial asset provide that the cash flows arising on a specific date are only payments of principal and interest based on the outstanding principal amount. Interest income on such financial assets is recognised using the effective interest method, and any gains or losses arising from the derecognition, modification or impairment of such assets are recognised in profit or loss for

the period. The Group's financial assets that fall into this category mainly include: cash and cash equivalents, accounts receivable, notes receivable and other receivables, etc.

2) Investments in debt instruments at fair value through other comprehensive income

Financial assets are classified as financial assets at fair value through other comprehensive income if they simultaneously meet the following conditions: ① The Group's business model for managing the financial assets is to both collect the contractual cash flows and to sell the financial assets. ② The contractual terms of the financial asset provide that the cash flows arising on a specific date are only payments of principal and interest based on the outstanding principal amount. Interest income is recognized on such financial assets using the effective interest method. Changes in fair value are recognized in other comprehensive income, except for interest income, impairment losses and exchange differences, which are recognized in current profit or loss. When a financial asset is derecognized, the cumulative gains or losses previously recognized in other comprehensive income shall be transferred from other comprehensive income to the current profit or loss. The Group's financial assets that fall into this category mainly include: receivables financing.

3) Financial assets at fair value through profit or loss

Financial assets other than above-mentioned financial assets classified as measured at amortized cost and financial assets classified or designated as financial assets measured at fair value through other comprehensive income. The Group classifies this as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value, with all changes in fair value recognized in profit or loss except those relating to hedge accounting. The Group's financial assets that fall into this category mainly include: financial assets held for trading, and derivative financial assets.

(3) Classification, recognition basis and measurement of financial liabilities

The Group's financial liabilities are classified on initial recognition as follows: financial liabilities at fair value through profit or loss, financial liabilities measured at amortized cost, except for financial guarantee contracts issued, loan commitments to lend at below-market interest rates, and financial liabilities arising from transfers of financial assets that do not meet the conditions for derecognition or from the continuation of involvement in the transferred financial assets. For financial liabilities at fair value through profit or loss, the related transaction costs are recognized directly in profit or loss, and for Financial liabilities measured at amortized cost, the related transaction costs are included in their initial recognition amounts.

The subsequent measurement of a financial liability depends on its classification:

1) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are subsequently measured at amortized cost using the effective interest method.

2) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (including derivatives that are financial liabilities) include financial liabilities held for trading and financial liabilities designated on initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivatives that are financial liabilities) are subsequently measured at fair value, with all changes in fair value recognized in profit or loss, except those relating to hedge accounting. Financial liabilities designated as at fair value through profit or loss are subsequently measured at fair value, with changes in fair value recognized in profit or loss, except for changes in fair value attributable to changes in the Group's own credit risk, which are recognized in other comprehensive income; if the recognition of changes in fair value attributable to changes in the Group's own credit risk in other comprehensive income would result in, or magnify, accounting mismatches in profit or loss, the Group recognizes all changes in fair value (including the amount of the effect of changes in the Group's own credit risk) in current profit or loss.

(4) Impairment of financial instruments

The Group impairs financial assets measured at amortized cost, debt investments at fair value through other comprehensive income, contract assets, lease receivables, loan commitments and financial guarantee contracts on the basis of expected credit losses and recognizes a loss provision.

1) Measurement of expected credit losses

Expected credit loss is the weighted average of credit losses on financial instruments weighted by the risk of default. Credit losses represent the difference between all contractual cash flows receivable by the Group under the contract and all cash flows expected to be collected, discounted at the original effective interest rate, which is the present value of the entire cash shortfall.

Expected credit losses over the entire duration are expected credit losses due to all possible events of default that could occur over the entire expected duration of the financial instrument. Expected credit losses within the next 12 months are expected credit losses due to events of default on a financial instrument that may occur within 12 months after the balance sheet date (or the expected duration if the expected duration of the financial

instrument is less than 12 months) and are a component of expected credit losses over the entire duration.

For accounts receivable, notes receivable, receivables financing, contract assets, and other receivables that do not contain a significant financing component, arising from ordinary business activities such as the sale of goods and the provision of services, the Group applies a simplified measurement method and measures the loss provision at an amount equal to the expected credit loss over the entire life of the asset.

For lease receivables, receivables and contract assets with significant financing components, the Group elects to apply a simplified measurement method and measures the loss provision at an amount equal to the expected credit loss over the entire life of the asset.

The Group recognizes receivables amounting to RMB 500,000 or more and subject to special credit risk as individually significant receivables. The Group performs separate impairment tests for receivables that are individually significant.

For financial assets (e.g., debt investments, other debt investments, other receivables), loan commitments and financial guarantee contracts other than those described above that are measured using the simplified measurement method, the Group uses the general method (three-stage method) to accrue for expected credit losses. The Group assesses at each balance sheet date whether the credit risk has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition and is in the first stage, the Group measures the provision for losses at an amount equal to the expected credit losses over the next 12 months and calculates interest income based on the book balance and the effective interest rate; if the credit risk has increased significantly since initial recognition but no credit impairment has occurred, it is in the second stage, and the Group measures the provision for losses at an amount equal to the expected credit losses over the entire life of the asset and calculates interest income based on the book balance and the effective interest rate; if credit impairment occurs after initial recognition, it is in the third stage, and the Group measures the provision for losses at an amount equal to the expected credit losses over the entire life of the asset and calculates interest income based on the amortized cost and the effective interest rate.

For financial instruments with only low credit risk at the balance sheet date, the Group assumes that the credit risk has not increased significantly since initial recognition. For disclosure of the Group's criteria for determining significant increase in credit risk and the definition of credit-impaired assets, please refer to Note X.1.

In assessing the impairment of financial instruments and contract assets using the expected credit loss model, the Group extrapolates the expected changes in the credit risk of

the debtors based on historical repayment data and taking into account factors such as economic policies, macroeconomic indicators and industry risks. Different estimates may affect the provision for impairment, and the impairment provision that has been made may not equal the actual amount of future impairment losses.

2) Portfolio categories for which provision for impairment is made according to the portfolio of credit risk characteristics and the determination basis

The Group evaluates expected credit losses on financial instruments on an individual and portfolio basis. When evaluating financial instruments on a portfolio basis, the Group categorizes financial instruments into groups based on common credit risk characteristics. The common credit risk characteristics used by the Group include: type of financial instrument, credit risk rating, geographical location of the debtor, industry of the debtor, overdue information, aging of receivables, etc.

① Portfolio categories and determination basis for accounts receivable (and contract assets)

The Group groups accounts receivable (and contract assets) by similarity and relevance of credit risk characteristics based on information such as aging, nature of payment, exposure to credit risk, and history of repayment. For accounts receivable (and contract assets), the Group determines that aging is the primary influence on its credit risk; therefore, the Group evaluates its expected credit losses on the basis of aging portfolios. The Group determines the aging based on the date of invoicing.

② Portfolio categories and determination basis for notes receivable

The Group classifies notes receivable into different portfolios based on the credit risk of the obligor as common risk characteristics and determines the accounting estimation policy for expected credit losses: a. for bank acceptance notes, the Group evaluates such accounts to have a low credit risk and does not recognize expected credit losses; b. for commercial acceptance notes, the provision for losses is recognized by referring to the expected loss rate in accordance with the Group's accounts receivable policy, which is the same as the portfolio classification of accounts receivable.

③ Portfolio categories and determination basis for other receivables

The Group's other receivables mainly consist of deposits receivable and guarantees, employee imprests receivable, etc.

3) Determination criteria for individual accrual from bad debt provision on an individual basis

If the credit risk characteristics of a customer are significantly different from those of other customers in the portfolio, or if there is a significant change in the credit risk characteristics of the customer, for example, if the customer is in severe financial difficulty and the expected credit loss rate on receivables from this customer has significantly exceeded the expected credit loss rate for the aging and overdue ranges in which the customer is located, etc., the Group makes an provision for losses on an individual basis for amounts due from this customer.

4) Write-offs of impairment provision

When the Group reasonably expects that the contractual cash flows from a financial asset will no longer be fully or partially recoverable, the Group writes down the book value of the financial asset directly. If a financial asset that has been written down is subsequently recovered, the reversal of the impairment loss is recognized in profit or loss in the period in which it is recovered.

(5) Recognition basis and measurement for transfer of financial assets

For financial asset transfer transactions, if the Group has transferred substantially all the risks and rewards of ownership of a financial asset to the transferee, the financial asset is derecognized; if substantially all the risks and rewards of ownership of the financial asset are retained, the financial asset is not derecognized; if substantially all the risks and rewards of ownership of the financial asset are neither transferred nor retained, and if the control of the financial asset has been relinquished, the financial asset is derecognized and the resulting assets and liabilities are recognized; if the control over the financial asset has not been relinquished, the financial asset is recognized to the extent of its continuing involvement in the transferred financial asset, and a corresponding liability is recognized.

If a transfer of a financial asset as a whole satisfies the derecognition condition, the difference between the book value of the transferred financial asset at the date of derecognition and the sum of the consideration received for the transfer and the cumulative amount of changes in fair value previously recognized directly in other comprehensive income corresponding to the derecognized portion is recognized in profit or loss for the current period (The financial asset involved in the transfer meets both the following conditions: ① the Group's business model for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset; and ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the outstanding principal amount.)

If a partial transfer of a financial asset satisfies the conditions for derecognition, the book value of the financial asset transferred as a whole is apportioned between the

derecognized portion and the unrecognized portion according to their respective relative fair values. The difference between the apportioned overall book value of the aforementioned financial asset and the sum of the consideration received for the transfer and the amount corresponding to the derecognized portion of the accumulated changes in fair value previously recognized in other comprehensive income that should be apportioned to the derecognized portion is recognized in profit or loss for the current period (The financial asset involved in the transfer meets both the following conditions: ① the Group's business model for managing the financial asset is aimed at both collecting the contractual cash flows and selling the financial asset; and ② the contractual terms of the financial asset provide that the cash flows arising on a specific date are solely payments of principal and interest based on the outstanding principal amount.)

If the continuing involvement is achieved by providing a financial guarantee over the transferred financial asset, the asset resulting from the continuing involvement is recognized at the lower of the book value of the financial asset and the amount of the financial guarantee. The amount of the financial guarantee is the maximum amount of consideration received that will be required to be repaid.

(6) Distinction between financial liabilities and equity instruments and related treatment

The Group distinguishes financial liabilities from equity instruments in accordance with the following principles: (1) If the Group cannot unconditionally avoid the performance of a contractual obligation by delivering cash or other financial assets, that contractual obligation meets the definition of a financial liability. Some financial instruments do not explicitly contain terms and conditions for the obligation to deliver cash or other financial assets, but may indirectly create contractual obligations through other terms and conditions. (2) If a financial instrument is required to be settled with or may be settled with the Group's own equity instruments, it is necessary to consider whether the Group's own equity instruments used to settle the instrument are intended as a substitute for cash or other financial assets or are intended to give the holder of the instrument a residual interest in the assets of the issuer after deducting all liabilities. In the former case, the instrument is a financial liability of the issuer; in the latter case, the instrument is an equity instrument of the issuer. In certain circumstances, if a financial instrument contract stipulates that the Group must or may settle the financial instrument with its own equity instrument, where the amount of the contractual right or contractual obligation is equal to the quantity of its own equity instrument available or to be delivered multiplied by its fair value at the time of settlement, whether the amount of the contractual right or obligation is fixed or varies wholly or partially based on changes in variables (e.g. interest rates, the price of a commodity or the

price of a financial instrument) other than the market price of the Group's own equity instrument, the contract is classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated financial statements, the Group considers all terms and conditions agreed between the members of the Group and the holders of the financial instruments. An instrument should be classified as a financial liability if the Group as a whole has an obligation to deliver cash, other financial assets or settle in a manner that otherwise causes the instrument to become a financial liability as a result of the instrument.

Based on the contractual terms of the preference shares and perpetual bonds issued and the economic substance reflected therein, and by taking into account the definitions of financial assets, financial liabilities, and equity instruments, the Group classifies these financial instruments, or components thereof, as financial assets, financial liabilities or equity instruments at initial recognition.

If financial instruments or their components are financial liabilities, the related interest, dividends, gains or losses, and gains or losses arising from redemption or refinancing are recognized in profit or loss for the current period.

If financial instruments or their components are equity instruments, the Group treats them as a change in equity and does not recognize changes in the fair value of the equity instruments upon their issuance (including refinancing), repurchase, sale or cancellation.

(7) Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts, commodity forward contracts and interest rate swaps, to hedge exchange rate risk, commodity price risk and interest rate risk, respectively. Derivative financial instruments are initially measured at fair value at the date the derivative transaction contract is entered into and subsequently measured at their fair value. Derivative financial instruments with a positive fair value are recognized as an asset and those with a negative fair value are recognized as a liability.

Gains or losses arising from changes in the fair value of derivatives are recognized directly in profit or loss, except in relation to hedge accounting.

(8) Financial guarantee contracts

A financial guarantee contract is a contract under which the Group pays a specified amount of money to the holder of the contract who suffers a loss if a specified debtor fails to pay the debt when due in accordance with the terms of the debt instrument. Financial guarantee contracts are measured at fair value on initial recognition, except for financial

guarantee contracts for financial liabilities designated as at fair value through profit or loss, which are subsequently measured at the higher of the amount of the provision for expected credit losses determined at the balance sheet date and the amount initially recognized less accumulated amortization in accordance with the principles of revenue recognition.

(9) Convertible bonds

The Group issues convertible bonds with terms that determine whether they contain both liability and equity components.

If a convertible bond issued contains both a liability component and an equity component, the liability and equity components are separated at initial recognition and treated separately. Upon separation, the fair value of the liability component is determined and used as its initially recognized amount, and then the initially recognized amount of the equity component is determined on the basis of the issue price of the convertible bonds as a whole less the amount initially recognized for the liability component. Transaction costs are apportioned between the liability component and the equity component based on their respective relative fair values. Liability components are presented as liabilities and are subsequently measured at amortized cost until reversed, converted or redeemed. Equity components are presented as equity and are not subsequently measured.

If a convertible bond issued contains only liability components and embedded derivatives, i.e., if the share conversion right has the characteristics of an embedded derivative, it is separated from the convertible bond as a whole and treated separately as a derivative financial instrument, which is initially recognized at its fair value. The excess of the issue price over the initial recognition of a derivative financial instrument is recognized as a debt instrument. Transaction costs are allocated on a pro rata basis based on the issue price allocated to debt instruments and derivative financial instruments at initial recognition. Transaction costs related to debt instruments are recognized as liabilities and those related to derivative financial instruments are recognized in profit or loss.

(10) Offsetting between financial assets and financial liabilities

The Group's financial assets and financial liabilities are presented separately in the balance sheet and are not offset against each other. However, when the following conditions are also met, the net amount after mutual offset is presented in the balance sheet: 1) the Group has a legal right to offset the recognized amount and such legal right is currently enforceable; and 2) the Group plans to settle on a net basis or to realize the financial assets and settle the financial liabilities at the same time.

12. Inventories

The Group's inventory mainly consists of goods in transit, raw materials, work-in-process, goods in stock, packaging, goods in transit, etc.

Inventories are initially measured at cost. The cost of inventories includes purchase cost, processing cost and other costs. Inventories are maintained on a perpetual inventory basis; the weighted-average method is used to determine the actual cost of inventories when they are claimed or issued. Low-value consumables and packaging are amortized using the one-time reversal method.

At the balance sheet date, inventories are measured at the lower of cost or net realizable value. If the cost of inventories is higher than their net realizable value, a provision for impairment of inventories is made and recognized in current profit or loss. Net realizable value is the estimated selling price of inventories in the ordinary course of activities less costs estimated to be incurred to completion, estimated selling expenses and related taxes.

The Group makes provision for decline in value of inventories for raw materials, work-in-process, and goods in stock on the basis of individual inventory items. The net realizable value of inventories of merchandise used directly for sale, such as goods in stock, work-in-process, and materials held for sale, 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 held for production is determined as the estimated selling price of the finished goods produced less the estimated costs to be incurred until completion, estimated selling expenses and related taxes.

13. Contract assets and contract liabilities

(1) Contract assets

A contractual asset is a right to receive consideration for goods that the Group has transferred to a customer, which is dependent on factors other than the passage of time. For the method of determining and accounting for expected credit losses on contract assets, please refer to the content related to financial asset impairment in Note III.11 above.

(2) Contract liabilities

Contract liabilities reflect the Group's obligation to transfer goods to customers for consideration received or receivable from customers.

Contract assets and contract liabilities under the same contract are presented on a net basis.

14. Assets related to contract costs

(1) Method of determining the amount of assets related to contract costs

The Group's assets related to contract costs include contract performance costs and contract acquisition costs. Depending on their liquidity, contract performance costs are presented separately in inventories and other non-current assets, and contract acquisition costs are presented separately in other current assets and other non-current assets.

Contract performance costs, i.e., costs incurred by the Group to perform a contract, that do not fall within the scope of the relevant accounting standard specifications for inventories, fixed assets or intangible assets, are recognized as an asset as contract performance costs when the following conditions are also met: the costs are directly related to a current contract or expected contract to be obtained, including direct labor, direct materials, manufacturing costs (or similar costs), costs explicitly borne by the customer and other costs incurred solely as a result of the contract; the costs increase the Group's future resources available to meet its performance obligations; and the costs are expected to be recovered.

Contract acquisition costs, which are the incremental costs incurred by the Group to acquire a contract that are expected to be recovered, are recognized as an asset as contract acquisition costs. If the amortization period of the asset does not exceed one year, the Group has elected the simplified treatment of recognizing the asset in profit or loss when incurred. Incremental costs, which are costs that would not have been incurred without obtaining the contract (e.g., sales commissions, etc.). Expenses incurred by the Group to obtain a contract other than incremental costs expected to be recovered (such as travel expenses that would have been incurred regardless of whether the contract was obtained) are charged to current profit or loss as incurred, except for those explicitly borne by the customer.

(2) Amortization of assets related to contract costs

The Group's assets related to contract costs are amortized to current profit or loss using the same basis as that used to recognize income from the goods to which the assets relate.

(3) Impairment of assets related to contract costs

If the book value of an asset related to the cost of a contract exceeds the difference between: ① the remaining consideration that the enterprise expects to receive for the transfer of goods related to the asset; and ② the estimated costs to be incurred for the transfer of the related goods, an impairment provision is made for the excess, and the excess is recognized as asset impairment loss. After making the provision for impairment, if there is a change in the factors for impairment in previous periods, such that the two aforementioned differences are higher than the book value of the asset, the original provision for impairment is reversed and recognized in current profit or loss, but the book

value of the reversed asset should not exceed the book value of the asset at the date of reversal assuming no provision for impairment was made.

15. Long-term equity investments

The Group's long-term equity investments include investments in subsidiaries, investments in associates and equity investments in joint ventures.

(1) Judgment of significant influence and common control

The Group's equity investments in investees in which it has significant influence are investments in associates. Significant influence means that the Group has the power to participate in the decision-making of the investee's financial and operating policies, but does not control, or jointly control with other parties, the formulation of those policies. The Company is generally considered to have significant influence over an investee when it owns, directly or indirectly through its subsidiaries, more than 20% but less than 50% of the investee's voting right, unless there is clear evidence that the Group is unable to participate in the decision-making of the investee's production and operation or to develop control over the investee. When the Group holds less than 20% of the voting rights in an investee, the Group is considered to have significant influence over the investee if the Group has a representative on the board of directors or a similar authority of the investee/participates in the process of formulating the investee's financial and operating policies/enters into significant transactions with the investee/assigns management personnel to the investee/provides the investee with key technological information, etc.

An equity investment in an investee in which the Group, together with other joint ventures, exercises joint control over the investee and has rights to the net assets of the investee is an investment in a joint venture. Joint control is the contractually agreed sharing of control of an arrangement whose relevant activities can only be decided after the unanimous consent of the parties sharing control. The Group bases its judgment of joint control on the fact that all participants or a combination of participants collectively control the arrangement and that the policies of the activities related to the arrangement must be unanimously agreed by those participants who collectively control the arrangement.

(2) Accounting treatment

The Group initially measures long-term equity investments acquired at initial investment cost.

Long-term equity investments acquired through a business combination under common control shall use the share of the book value of the net assets of the combined party in the consolidated statements of the ultimate controlling party as of the date of combination as

the initial investment cost; if the book value of the net assets of the combined party as of the date of combination is a negative amount, the initial investment cost is determined as zero.

For long-term equity investments acquired through a business combination not under common control, the cost of the combination is used as the initial investment cost. If a business combination not under common control is acquired step by step through multiple transactions and the transactions are not a package deal, the sum of the book value of the equity investment originally held and the cost of the new investment is used as the initial investment cost.

Except for long-term equity investments resulting from business combinations, for long-term equity investments acquired by paying cash, the actual purchase price paid and expenses directly related to the acquisition of the long-term equity investment, taxes and other necessary expenditures are used as the initial investment cost; for long-term equity investments acquired through the issuance of equity securities, the fair value of the equity securities issued is used as the cost of investment; for long-term equity investments acquired through debt restructuring in the form of settlement of debts by assets, the fair value of the renounced debts and other costs such as taxes and fees directly attributable to the investment are used as the initial cost of investment; and for long-term equity investments acquired through the exchange of non-monetary assets, the fair value/carrying value of the assets exchanged and related taxes is used as the initial investment cost.

The Company's investments in subsidiaries are accounted for in the individual financial statements using the cost method. When the cost method of accounting is adopted, long-term equity investments are carried at initial investment cost. When additional investment is made, the book value of the long-term equity investment is increased by the fair value of the cost of the additional investment and any related transaction costs incurred. Cash dividends or profits declared by the investee are recognized as investment income at the amount entitled.

The Group's investments in joint ventures and associates are accounted for using the equity method. When the equity method is adopted, if the initial investment cost of a long-term equity investment is greater than the share of the fair value of the identifiable net assets of the investee unit at the time of investment, no adjustment is made to the book value of the long-term equity investment; if the initial investment cost of a long-term equity investment is less than the share of the fair value of the identifiable net assets of the investee unit at the time of investment, the difference is adjusted to the book value of the

long-term equity investment, and at the same time, recognized in current profit or loss when the investment is acquired.

For long-term equity investments accounted for under the equity method of accounting for subsequent measurement, the book value of the long-term equity investment is increased or decreased accordingly with the changes in the owner's equity of the investee during the period in which the investment is held. In particular, in recognizing the share of net profit or loss of the investee, the portion attributable to the Group according to the proportion that should be enjoyed is calculated based on the fair value of each identifiable asset of the investee at the time the investment is acquired, in accordance with the Group's accounting policies and accounting period, with the offsetting of unrealized gains and losses on internal transactions arising from transactions with associates and joint ventures that do not constitute operations (internal transaction losses that belong to asset impairment losses are fully recognized), and the net profit of the investee is recognized after adjustment. The Group recognizes a net loss incurred by an investee to the extent that the book value of the long-term equity investment and other long-term equity interests that in substance constitute a net investment in the investee are written down to zero, except to the extent that the Group has an obligation to incur additional losses.

16. Fixed assets

The Group's fixed assets are tangible assets with a useful life of more than one year that are held for use in the production of goods, rendering of services, leasing or business management.

Fixed assets are recognized when it is probable that the economic benefits associated with them will flow to the Group and their cost can be measured reliably. The Group's fixed assets include houses and buildings, machinery and equipment, transportation equipment, electronic equipment and others.

The Group depreciates all fixed assets, except for those that are fully depreciated and continue to be used and land that is separately recorded in the accounts. The provision for depreciation is made using the straight-line method. The categorized depreciable lives, estimated net residual value rates and depreciation rates of the Group's fixed assets are as follows:

No.	Category	Depreciable life (years)	Estimated residual value rate (%)	Annual depreciation rate (%)
1	Houses and buildings	20	5	4.75
2	Machinery and equipment	10	5	9.50
3	Transportation equipment	5	5	19.00

No.	Category	Depreciable life (years)	Estimated residual value rate (%)	Annual depreciation rate (%)
4	Electronic equipment and others	3	5	31.67

The Group reviews the estimated useful lives, estimated net residual values and depreciation methods of fixed assets at the end of each year, and treats any changes as changes in accounting estimates.

17. Construction in progress

The cost of construction in progress is determined on the basis of actual construction expenditures, including all necessary construction expenditures incurred during the construction period, borrowing costs to be capitalized before the project reaches the state of intended use, and other related costs.

Construction in progress is carried forward to fixed assets at the estimated value from the date it reaches the intended useable state, based on the project budget, cost or actual cost of construction, etc. Depreciation starts from the following month, and the difference in the original value of fixed assets is adjusted after the completion of the final accounting procedures.

An item of construction in progress is transferred to fixed assets when it reaches its intended useable condition according to the following criteria:

Item	Criteria for transfer to fixed assets
Houses and buildings	The main construction works and ancillary works have been substantially completed, and the construction works have met the intended design requirements and passed acceptance.
Machinery and equipment	(1) Production projects: the relevant equipment and supporting facilities have been installed; the equipment can maintain normal and stable operation for a period of time after debugging; the production equipment can produce stable output of qualified products for a period of time; and the equipment has been accepted by the relevant departments and transferred to the production; (2) R&D projects: the relevant equipment and supporting facilities have been installed; their physical properties meet the design requirements and the needs of R&D use; and they are accepted by the relevant departments and handed over to the R&D department.

18. Borrowing costs

The Group capitalizes borrowing costs incurred that can be directly attributed to the construction or production of assets qualified for capitalization, and includes them in the cost of the related assets, while other borrowing costs are included in the current profit or loss. Borrowing costs for assets eligible for capitalization, including fixed assets, investment properties and inventories that require more than one year of acquisition, construction or production activities to reach the condition for their intended use or sale, begin to be capitalized when expenditures on the assets have been incurred, the borrowing costs have been incurred and the acquisition, construction or production activities necessary to bring the assets to the intended use or sale have commenced; capitalization ceases when the

assets eligible for capitalization after acquisition, construction or production are available for intended use or sale. Borrowing costs incurred subsequently are recognized in profit or loss. If there is an unusual interruption in the acquisition, construction or production of an asset eligible for capitalization and the interruption lasts for more than three consecutive months, the capitalization of borrowing costs is suspended until the acquisition, construction or production of the asset resumes.

For each accounting period within the capitalization period, the Group recognizes the amount of borrowing costs capitalized in accordance with the following methods: for special borrowings, the amount is determined on the basis of the actual interest expense incurred in the current period, net of the amount of interest income earned on the unused borrowed funds deposited in the bank or the amount of investment income earned on the temporary investment made; if general borrowings are taken up, the amount is determined by multiplying the weighted average of the cumulative asset expenditures in excess of the portion of asset expenditures on special borrowings by the capitalization rate of the general borrowings taken up, where the capitalization rate is determined by calculating the weighted average interest rate of the general borrowings.

19. Intangible assets

The Group's intangible assets, including land use rights and computer software, are measured at actual cost at the time of acquisition. For intangible assets acquired, the actual cost is determined by the actual price paid and related other expenses; for intangible assets invested by investors, the actual cost is determined by the value agreed in the investment contract or agreement, but if the agreed value in the contract or agreement is not fair, the actual cost is determined by the fair value.

- (1) Useful life and the basis for its determination, estimation, amortization method or review procedure

Land use rights are amortized evenly over the years from the commencement date of the grant; computer software is amortized evenly over the shortest of the estimated useful life, the contractual beneficiary life and the effective life prescribed by law.

The amortization amount is charged to the cost of the related assets and current profit or loss according to the beneficiaries. The estimated useful life and amortization method of intangible assets with finite useful lives are reviewed at the end of each year, and any changes are treated as changes in accounting estimates.

- (2) The scope of research and development expenditures and related accounting treatment

The scope of pooling of the Group's research and development expenditures includes employee benefits for research and development personnel, direct input costs, depreciation and amortization expenses, design costs, costs of commissioning external research and development, and other costs.

The Group categorizes its internal research and development project expenditures into research-phase expenditures and development-phase expenditures based on the nature of the expenditures and whether the ultimate formation of intangible assets from the research and development activities is subject to a high degree of uncertainty. Research phase expenses are recognized in profit or loss when incurred, and development phase expenses are capitalized when all the following criteria are met: the Group assesses that it is technically feasible to complete the intangible asset so that it can be used or sold; the Group has the intention to complete the intangible asset and to use or sell it; the intangible asset is expected to generate economic benefits for the Group; the Group has sufficient technical, financial and other resources to complete the development of the intangible asset and has the ability to use or sell it; and the expenses attributable to the development phase of the intangible asset can be measured reliably. Expenses in the development phase that do not meet the conditions for capitalization are recognized in profit or loss as incurred.

20. Impairment of long-term assets

The Group examines long-term equity investments, fixed assets, construction in progress, right-of-use assets, and intangible assets with finite useful lives at each balance sheet date, and performs impairment tests when indicators of impairment exist.

(1) Impairment of non-current assets other than financial assets (except goodwill)

The Group determines the recoverable amount of an asset based on the higher of the asset's fair value less costs of disposal and the present value of the asset's estimated future cash flows when testing for impairment. After the impairment test, if the book value of the asset exceeds its recoverable amount, the difference is recognized as an impairment loss.

The Group estimates the recoverable amount of an asset on an individual basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group is determined on the basis of the asset group to which the asset belongs. An asset group is recognized on the basis of whether the major cash inflows from the group are independent of those from other assets or groups of assets.

The net fair value less costs of disposal is determined by reference to the agreed sale price or the observable market price of similar assets in an orderly transaction at the measurement date, less incremental costs directly attributable to the disposal of the asset.

When projecting the present value of future cash flows, management determines the present value of future cash flows on the basis of the projected future cash flows to be generated from the continued use of the asset and its eventual disposal, and selects an appropriate discount rate.

Impairment losses on the above assets, once recognized, are not reversed in subsequent accounting periods.

21. Employee benefits

The Group's employee benefits include short-term employee benefits, post-employment benefits and termination benefits.

Short-term employee benefits mainly include employees' salaries, bonuses, employee welfare, social insurance premiums, housing provident fund, allowances and subsidies. The actual short-term employee benefits incurred is recognized as a liability in the accounting period in which the employees render services and is charged to current profit or loss or to the cost of related assets, depending on the object of benefit.

Post-employment benefits mainly include basic endowment insurance and unemployment insurance premiums, and are classified as defined contribution plans according to the risks and obligations assumed by the Company. Contributions made to a separate entity under a defined contribution plan in exchange for services rendered by employees during the accounting period at the balance sheet date are recognized as a liability and charged to current profit or loss or to the cost of related assets, depending on the object of benefit.

Termination benefits are compensation given to employees to terminate their employment relationship prior to the expiration of their employment contracts or to encourage them to voluntarily accept layoffs. A liability arising from the compensation given for the termination of the employment relationship with the employee is recognized in profit or loss at the earlier of the date that the Company is unable to unilaterally withdraw the plan for termination of the employment relationship or the proposal for the layoff, and the date that the Company recognizes a cost related to the restructuring that involves the payment of the termination benefits.

22. Provisions

The Group recognizes a liability for operations related to pending litigation or arbitration, guarantee-type quality guarantees and other contingencies if the following conditions are met: the obligation is a present obligation assumed by the Group; it is

probable that the performance of the obligation will result in an outflow of economic benefits from the enterprise; and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks associated with the contingency, uncertainties and the time value of money. The Group reviews the current best estimate and adjusts the book value of the provisions at the balance sheet date.

Provisions expected to be settled within one year of the balance sheet date are presented as current liabilities.

23. Income recognition principles and measurement methods

(1) General principles

The Group recognizes income when it has fulfilled its performance obligations under the contract, that is, when the customer obtains control of the relevant goods or services. Obtaining control of the relevant goods or services means being able to dominate the use of the goods or the provision of the services and acquire almost total economic benefits from them.

Performance obligations are contractual commitments where the Group transfers clearly distinguishable goods to the customer. The Group's performance obligation is fulfilled within a certain period of time if it meets one of the following conditions; otherwise, a performance obligation is fulfilled at a certain point in time: ① The customer obtains and consumes the economic benefits arising from the Group's performance at the time of the Group's performance; ② The customer is able to control the commodities under construction in the course of the Group's performance; ③ The goods produced in the course of the Group's performance are of irreplaceable use and the Group is entitled to receive payment for the cumulative portion of performance completed to date throughout the term of the contract.

For performance obligations performed at a point in time, the Group recognizes revenue at the point in time when the customer obtains control of the relevant goods. In determining whether the customer has acquired control of the goods, the Group considers the following indications comprehensively: ① The Group has a current right to receive payment in respect of the goods, i.e. the customer has a current payment obligation in respect of the goods; ② The Group has transferred legal ownership of the goods to the customer, i.e. the customer already has legal title to the goods; ③ The Group has physically transferred the goods to the customer, i.e. the customer has taken physical possession of the goods; ④ The Group has transferred the principal risks and rewards of ownership of the

goods to the customer, i.e. the customer has acquired the principal risks and rewards in the ownership of the goods; ⑤ The customer has accepted the goods; ⑥ Other signs that the customer has taken control of the product.

The transaction price is the amount of consideration to which the Group is expected 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.

(2) Specific methods

The Group's operating income mainly consists of income from the sale of goods.

① Income from the sale of goods

The Group is principally engaged in the production and sale of phosphorus chemical products and the specific principles of income recognition are set out below:

1) For in-country sales that transfer control of goods at a certain point in time

Sales income is recognized when the Group delivers the goods to the customer, or when the carrier has delivered the goods to the destination specified by the customer and has delivered to the customer a certificate of the right of pick-up, and the Group has obtained a present right to demand payment and it is probable that the consideration will be recovered, i.e., when the customer obtains control of the relevant goods.

2) For overseas sales that transfer control of goods at a certain point in time

The Group recognises income from foreign sales when the goods are dispatched, loaded onto a vessel at the port of shipment, and the customs declaration and bill of lading have been obtained; furthermore, when the Group has established a present right to payment and it is probable that the consideration will be received, i.e. when the customer obtains control of the relevant goods.

24. Government grants

Government grants are recognized when the conditions attached to them can be met and they are receivable. Government grants are measured at the actual amount received if they are monetary assets. For grants allocated according to a fixed flat rate, or when there is conclusive evidence at year-end that the relevant conditions specified in the financial support policy can be met and the financial support funds are expected to be received, the grants are measured at the amount receivable. Government grants are measured at fair value if they are non-monetary assets or at a nominal amount (RMB 1) if the fair value cannot be reliably obtained.

The Group's government grants include asset-related government grants and income-related government grants. Asset-related government grants refer to those obtained by the Group for the acquisition and construction or other formation of long-term assets; income-related government grants refer to those other than asset-related government grants. If the recipients of the grants are not specified in the government documents, the Group will judge in accordance with the above principle of distinction, and if it is difficult to distinguish, it will be classified as income-related government grants as a whole.

Asset-related government grants recognized as deferred income are charged to current profit or loss in instalments over the useful lives of the related assets using the straight-line depreciation method. If the related assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the unallocated balance of the related deferred income shall be transferred to profit or loss for the period in which the assets are disposed of.

Income-related government grants used to compensate for related costs and expenses or losses in subsequent periods are recognized as deferred income and charged to current profit or loss in the period in which the related costs and expenses or losses are recognized. Where such amounts are intended to compensate for related costs, expenses or losses that have already been incurred, the amounts shall be recognised directly in profit or loss for the current period. Government grants related to ordinary activities are recognized as other income according to the substance of the economic operations. Government grants unrelated to ordinary activities are recognized as non-operating income and expenses.

In the event that the Group obtains a policy preferential loan interest rate subsidy, the Group distinguishes between two scenarios, i.e. the disbursement of the interest rate subsidy funds by the finance department to the lending bank and the direct disbursement of the interest rate subsidy funds by the finance department to the Group, and conducts its accounting treatment in accordance with the following principles: (1) If the interest subsidies are allocated to the lending bank and the lending bank provides a loan to the Group at a policy-based preferential interest rate, the Group uses the actual amount received as the recorded value of the borrowings and calculates the related borrowing costs based on the principal amount of the borrowings and the policy-based preferential interest rate (or uses the fair value of the borrowings as the recorded value of the borrowings and calculates the borrowing costs based on the effective interest rate method, and the difference between the actual amount received and the fair value of the borrowing is recognized as deferred revenue. The deferred income is amortized over the life of the borrowing using the effective interest rate method and is offset against related borrowing costs). (2) If the interest subsidies are allocated directly to the Group, the Group offsets the interest subsidies against the relevant borrowing costs.

25. Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities are recognized on the basis of (temporary differences) arising from differences between the tax bases of assets and liabilities and their book values, as well as from differences between the tax bases of items that are not recognized as assets and liabilities but whose tax bases can be determined in accordance with the provisions of the tax law and their book values.

The Group recognizes deferred tax liabilities for all taxable temporary differences except: (1) temporary differences arising from the initial recognition of goodwill or the initial recognition of assets or liabilities arising from transactions other than business combinations that affect neither the accounting profit nor taxable income (or deductible losses); and (2) taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures, where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future.

The Group recognizes deferred tax assets for deductible temporary differences, deductible losses and tax credits to the extent of possible future taxable income for offsetting deductible temporary differences, deductible losses and tax credits, except for the following situations: (1) temporary differences arise from the initial recognition of assets or liabilities arising from transactions other than business combinations that affect neither accounting profit nor taxable income (or deductible losses); and (2) deductible temporary differences related to investments in subsidiaries, associates and joint ventures cannot meet all the following conditions: temporary differences are likely to be reversed in the foreseeable future, and it is probable to obtain taxable income in the future that can be used to offset deductible temporary differences.

The Group recognizes deferred tax assets for all unused deductible losses to the extent that it is probable that sufficient taxable income will be available to deduct deductible losses. Uncertainty exists because the management applies considerable judgment in estimating the timing and amount of future taxable income to be earned, and in determining the amount of deferred tax assets to be recognized by taking into account of tax planning strategies.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period in which the asset is recovered or the liability is settled.

26. Leases

(1) Identification of the lease

At the commencement date of contract, the Group assesses whether the contract is a lease or contains a lease. A contract is a lease or contains one if one party to the contract cedes the right to control the use of one or more identified assets for a certain period of time in exchange for consideration.

If a contract contains several separate leases at the same time, the Group splits the contract and accounts for each separate lease separately. If a contract contains both lease and non-lease components, the Group splits the lease and non-lease components for accounting purposes. Each lease component is accounted for separately in accordance with leasing standards, and the non-lease component is accounted for in accordance with other applicable enterprise accounting standards.

(2) The Group as the lessee

1) Lease recognition

Except for short-term leases and leases of low-value assets, the Group recognizes right-of-use assets and lease liabilities for leases on the lease term commencement date.

A right-of-use asset, which represents the right of the Group as lessee to use a leased asset over the lease term, is initially measured at cost. The cost includes the following items: ① the initial measurement amount of the lease liability; ② the amount of lease payments made on or before the commencement date of the lease term, less the amount related to the lease incentives already enjoyed if lease incentives exist; ③ the initial direct costs incurred, i.e., the incremental costs incurred to reach the lease; and ④ the costs expected to be incurred to disassemble and remove the leased asset, restore the site where the leased asset is located, or restore the leased asset to the condition agreed under the terms of the lease, except for those incurred for the production of inventories. If the Group remeasures a lease liability in accordance with the relevant provisions of the leasing standards, the book value of the right-of-use asset is adjusted accordingly.

The Group depreciates right-of-use assets on a straight-line basis based on the manner in which the economic benefits associated with the right-of-use assets are expected to be consumed. If it is reasonably certain that ownership of the leased assets will be obtained at the end of the lease term, depreciation is charged over the remaining useful life of the leased assets; if it is not reasonably certain that ownership of the leased assets will be obtained at the end of the lease term, depreciation is charged over the shorter of the lease term and the remaining useful life of the leased assets. The amount of provision for depreciation is charged to the cost of the related assets or to current profit or loss, depending on the use of the right-of-use assets.

The Group initially measures the lease liability at the present value of the lease payments outstanding at the commencement date of the lease term. Lease payments include: ① fixed payments and substantially fixed payments, net of amounts related to lease incentives; ② variable lease payments that depend on indices or ratios; ③ the exercise price of the purchase option in the event that the Group reasonably determines that the purchase option will be exercised; ④ payments to be made upon exercise of the termination option in the event that the lease term reflects that the Group will exercise its termination option; and ⑤ payments expected to be due based on the residual value of the guarantees provided by the Group.

In calculating the present value of lease payments, the Company adopts the interest rate implicit in the lease as the discount rate; if the Group cannot determine the interest rate implicit in the lease, the incremental borrowing rate is used as the discount rate. The Group calculates interest expense on lease liabilities at a fixed periodic rate for each period of the lease term and recognizes it in current profit or loss, except when it should be capitalized.

After the commencement date of the lease term, the Group increases the carrying amount of the lease liability when it recognizes interest on the lease liability and decreases the carrying amount of the lease liability when it makes lease payments. When there is a change in the substantially fixed payments, a change in the amount expected to be payable for the residual value of the guarantee, a change in the index or rate used to determine the lease payments, a change in the appraisal of, or the actual exercise of, an option to purchase, an option to renew or an option to terminate, the Group remeasures the lease liability based on the present value of the lease payments as a result of the change.

2) Short-term leases and leases of low-value assets

The Group chooses not to recognize right-of-use assets and lease liabilities for short-term leases with lease terms of less than 12 months and leases of low-value assets where the individual leased assets are brand-new assets. The Group recognizes lease payments for short-term leases and leases of low-value assets in the cost of the related assets or in current profit or loss on a straight-line basis in each period of the lease term.

(3) The Group as the lessor

If a lease transfers substantially all the risks and rewards associated with the ownership of the leased asset, the Group, as the lessor, classifies the lease as a finance lease and leases other than this type as operating leases.

1) Finance lease

On the commencement date of the lease term, the Group recognizes finance lease

receivables for finance leases and derecognizes the finance lease assets. When the Group makes an initial measurement of finance lease receivables, the net lease investment is used as the recorded value of the finance lease receivables.

The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments not yet received at the commencement date of the lease term discounted at the interest rate implicit in the lease. The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments acquired by the Group, which are not included in the net lease investment measurement, are recognized in profit or loss for the current period in which they are incurred.

2) Operating lease

The Group recognizes lease receipts from operating leases as rental income using the straight-line method over the respective periods of the lease term.

The initial direct costs incurred by the Group in connection with operating leases are capitalized to the cost of the underlying leased assets and recognized in current profit or loss over the lease terms on the same recognition basis as rental income. Variable lease payments acquired by the Group in connection with operating leases not included in the lease receipts are recognized in current profit or loss when incurred.

If an operating lease changes, the Group 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 lease receipts for the new lease.

27. Held-for-sale

The Group classifies a non-current asset or disposal group as held-for-sale if its book value is recovered principally through the sale (including the exchange of non-monetary assets with commercial substance, as defined below) rather than through continued use.

The Group classifies non-current assets or disposal groups as held-for-sale if they meet the following criteria: ① in accordance with the practice for the sale of such assets or disposal groups in similar transactions, they can be sold immediately in their current condition; and ② it is highly probable that the sale will occur, that is, a resolution has been made for a plan of sale and firm purchase commitments have been obtained and the sale is expected to be completed within one year. Relevant approvals are required if the relevant regulations require the approval of the relevant authority or regulator before the sale can take place. For non-current assets or disposal groups held by the Group (except for financial

assets, deferred tax assets, investment properties at fair value through profit or loss and assets arising from employee benefits) whose book value is higher than the fair value less costs to sell, the book value is written down to the fair value less costs to sell, and the amount of the write-down is recognized as an impairment loss on the asset, which is recognized as profit or loss, and provision for impairment of assets held for sale is also made.

If the Group loses control over a subsidiary due to, for example, the sale of its investment in the subsidiary, regardless of whether the Group retains part of its equity investment after the sale, when the investment in the subsidiary to be sold meets the conditions for classification as held-for-sale, the investment in the subsidiary as a whole is classified as held-for-sale in the parent company's separate financial statements, and all assets and liabilities of the subsidiary are classified as held-for-sale in the consolidated financial statements. If the fair value less costs to sell of non-current assets held for sale at a subsequent balance sheet date increases, the amount previously written down should be restored and reversed within the amount of impairment loss on assets recognized after classification as held-for-sale, and the reversal should be recognized in the current profit or loss. Impairment losses on assets recognized before classification as held-for-sale are not reversed.

No depreciation or amortization is provided for non-current assets held for sale or non-current assets in disposal groups, and interest and other expenses continue to be recognized for liabilities in disposal groups held for sale.

Upon derecognition of a non-current asset or disposal group held for sale, the unrecognized gain or loss is recognized in the current profit or loss.

28. Discontinued operations

A discontinued operation is a component of the Group that meets one of the following conditions and is capable of being separately distinguished, which has been disposed of or classified as held for sale: (1) the component represents a separate major line of business or geographical area of operations; (2) the component is part of an associated plan to dispose of a separate major line of business or geographical area of operations; and (3) the component is a subsidiary acquired exclusively with a view to resale.

In the income statement, the Group adds the items "Net profit from continuing operations" and "Net profit from discontinued operations" under the item "Net profit" to reflect the profit or loss from continuing operations and the profit or loss from discontinued operations, respectively, on a net after-tax basis. The profit or loss related to the discontinued operation should be presented as discontinued operation profit or loss, and it should be presented for the entire reporting period, not only for the reporting period after it

is recognized as a discontinued operation.

29. Fair value measurements

The Group measures derivative financial instruments at fair value at each balance sheet date. Fair value is the price that a market participant would receive for selling an asset or pay for transferring a liability in an orderly transaction occurring at the measurement date.

Assets and liabilities that are measured or disclosed at fair value in the financial statements are identified within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; Level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and Level 3 inputs are unobservable inputs for the related assets or liabilities.

At each balance sheet date, the Group reassesses the assets and liabilities recognized in the financial statements that are measured at fair value on a continuous basis to determine whether a transition has occurred between the fair value measurement hierarchy.

For financial instruments traded in an active market, the Group determines their fair value by using their quoted prices in an active market; for financial instruments not traded in an active market, the Group determines their fair value by using valuation techniques, and the valuation models used are mainly discounted cash flow models. The inputs to the valuation techniques consist mainly of the risk-free rate, credit premium and liquidity premium for debt instruments; and the valuation multiplier and liquidity discount for equity instruments.

Level 3 fair values are determined based on the Group's valuation models, such as discounted cash flow models. The Group also considers the initial transaction price, recent transactions in identical or similar financial instruments, or full third-party transactions in comparable financial instruments. At the balance sheet date, Level 3 financial assets measured at fair value are valued using significant unobservable inputs such as discount rates, but their fair values are not materially sensitive to reasonable changes in these significant unobservable inputs.

30. Other significant accounting policies and accounting estimates

(1) Hedging accounting:

In terms of hedge accounting methods, the Group primarily engages in cash flow hedges.

At the inception of a hedging relationship, the Group has the formal designation of the hedging relationship and prepares formal written documentation of the hedging relationship, risk management objectives, and risk management strategies. The documentation sets out the hedging instrument, the hedged item, the nature of the risk being hedged and the Group's approach to assessing hedge effectiveness. Hedge effectiveness is the extent to which changes in the fair value or cash flows of the hedging instrument offset changes in the fair value or cash flows of the hedged item arising from the hedged risk. Such hedges are continually evaluated for hedge effectiveness at the initial designation date and in subsequent periods.

The Group discontinues the application of hedge accounting if the hedging instrument has expired, been sold, contractually terminated, or exercised (except that rollovers or substitutions that are part of the hedging strategy are not treated as having expired or contractually terminated), or if the hedging relationship no longer meets the risk management objective due to a change in the risk management objective or the hedge no longer meets other conditions of hedge accounting.

The Group rebalances a hedging relationship if the hedging relationship no longer meets the hedge effectiveness requirements due to the hedge ratio, but the risk management objective for which the hedging relationship was designated has not changed.

If the criteria for the hedge accounting method are met, the following method is adopted for the accounting treatment:

① Cash flow hedge

The portion of the gain or loss on the hedging instrument that is attributable to the effectiveness of the hedge is recognized directly in other comprehensive income, while the portion that is attributable to the ineffectiveness of the hedge is recognized in current profit or loss.

If the forecast transaction being hedged is subsequently recognized as a non-financial asset or non-financial liability, or when the forecast transaction for a non-financial asset or non-financial liability forms a firm commitment applicable to a fair value hedge, the amount of cash flow hedge reserve initially recognized in other comprehensive income is reversed out and included in the initial recognition amount of the asset or liability. The remaining cash flow hedges are reversed out of the cash flow hedge reserve recognized in other comprehensive income to current profit or loss in the same period in which the expected cash flows to be hedged affect profit or loss, if a sale is expected to occur.

When the Group terminates the application of hedge accounting to a cash flow hedge, if

the hedged future cash flows are still expected to occur, the amount previously included in other comprehensive income shall not be reversed until the expected transaction occurs or a firm commitment is fulfilled. If the hedged future cash flows are not expected to occur again, the amount of the accumulated cash flow hedging reserve shall be reversed out of other comprehensive income and included in the current profit or loss.

31. Significant changes in accounting policies and accounting estimates

(1) Significant changes in accounting policies

There were no significant changes in the Group's accounting policies during the reporting period that require disclosure.

(2) Significant changes in accounting estimates

There were no significant changes in the Group's accounting estimates during the reporting period that require disclosure.

IV. Taxation

1. Main tax categories and tax rates

Tax category	Basis for taxation	Tax rate
Value-added tax (VAT)	Value-added amount	13%/9%/6%
Urban maintenance and construction tax	Turnover tax payable	7%/5%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%

Descriptions of taxpayers with different corporate income tax rates:

Name of taxpayer	Income tax rate
Kunming Chuanjinnuo Chemical Co., Ltd.	15%
Kunming Jingcui Engineering Technology Co., Ltd. (hereinafter referred to as "Kunming Jingcui")	25%
Guangxi Chuanjinnuo Chemical Co., Ltd. (hereinafter referred to as "Guangxi Chuanjinnuo Chemical")	9%
Kunming Heliwan Industrial Solid Waste Treatment Co., Ltd. (hereinafter referred to as "Kunming Heliwan")	25%
Guangxi Chuanjinnuo New Energy Co., Ltd. (hereinafter referred to as "Guangxi Chuanjinnuo New Energy")	25%
Yingkou Chuanxinnuo High Tech Co., Ltd. (hereinafter referred to as "Yingkou Chuanxinnuo")	25%
Yunnan Xinshenghai International Trade Co., Ltd.	25%
Chuan Jin Nuo Hong Kong Co., Limited	8.25%/16.5%
Chuan Jin Nuo International Limited	8.25%/16.5%
Chuanjinno Egypt Chemical Co., Ltd.	22.5%
Chuanjinno Middle East International Holdings Limited	22.5%

2. Tax preference

1) According to the *Announcement of the Ministry of Finance, the State Taxation Administration on the Exemption of Value-added Tax for Feed Products* (Cai Shui [2001] No. 121 of the Ministry of Finance and the State Taxation Administration), the Company's product, feed-grade dicalcium phosphate, is exempted from value-added tax and are entitled to the policy of exemption from value-added tax.

2) According to the *Notice on Value-added Tax Policy Issues for Feed-grade Calcium Dihydrogen Phosphate Products* (Guo Shui Han [2007] No. 10 of the Ministry of Finance and the State Taxation Administration), the Company's product, feed-grade calcium dihydrogen phosphate, is exempted from value-added tax and are entitled to the policy of exemption from value-added tax.

3) According to the *Notice of the Customs Tariff Commission of the State Council on the 2017 Tariff Adjustment Plan* (No. 31 [2016] of the Customs Tariff Commission of the State Council), the export goods of the Group are adjusted to a zero-tariff rate.

4) The Company and its subsidiary, Guangxi Chuanjinnuo Chemical, meet the preferential tax conditions for Western Development. Therefore, they pay corporate income tax at a preferential rate of 15%.

5) According to the *Notice of the People's Government of Guangxi Zhuang Autonomous Region on Several Policies for Promoting High-level Opening-up and High-quality Development of the Guangxi Beibu Gulf Economic Zone in the New Era* (Gui Zheng Fa [2020] No. 42 of the People's Government of Guangxi Zhuang Autonomous Region), Guangxi Chuanjinnuo Chemical is a newly registered and established enterprise in the economic zone and has been recognized as a high-tech enterprise or an enterprise meets the conditions to enjoy the national western development corporate income tax preferential policy. Therefore, it is exempt from the local portion of corporate income tax (6%) for 5 years, starting from the tax year when it generates its first main operating income (i.e. From 2021).

6) According to the *Announcement of the Ministry of Finance and the State Taxation Administration on the Additional Value-added Tax Credit Policy for Advanced Manufacturing Enterprises* (Announcement No. 43 [2023] of the Ministry of Finance and the State Taxation Administration), the Company and its subsidiary, Guangxi Chuanjinnuo Chemical, are eligible for the advanced manufacturing industry. Therefore, from January 1st, 2023 to December 31st, 2027, the Company and its subsidiaries are allowed to offset the VAT payable by adding 5% to the current period's deductible input VAT.

V. Notes to the principal items of the consolidated financial statements

Except for special notes, for the financial statement data disclosed below, "Opening"

refers to January 1st, 2025, and “Closing” refers to December 31st, 2025. “Current year” refers to the period from January 1st, 2025 to December 31st, 2025, and “Prior year” refers to the period from January 1st, 2024 to December 31st, 2024. The currency unit is RMB.

1. Cash and cash equivalents

Item	Closing balance	Opening balance
Cash on hand		
Cash in bank	853,567,907.41	378,787,894.98
Other cash and cash equivalents	26,769,770.01	357,641,571.18
Deposits in finance companies		
Total	880,337,677.42	736,429,466.16
Including: Total amount deposited abroad	92,148,242.90	

Note: For details of the Company's cash in bank with restricted use, please refer to “Note V. 16. Assets with restricted ownership or use”.

2. Derivative financial assets

Item	Closing balance	Opening balance
Hedging instruments - forward foreign exchange contracts	4,329,785.08	
Total	4,329,785.08	

3. Notes receivable

(1) Notes receivable presented by category

Item	Closing balance	Opening balance
Bank acceptance notes	129,417,984.60	115,148,915.93
Commercial acceptance notes		
Total	129,417,984.60	115,148,915.93

(2) Presented by bad debt accrual method

Category	Closing balance				Book value
	Book balance		Bad debt provision		
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	129,417,984.60	100.00			129,417,984.60
Including: Bank acceptance notes	129,417,984.60	100.00			129,417,984.60
Total	129,417,984.60	100.00			129,417,984.60

(Continued)

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	115,148,915.93	100.00			115,148,915.93
Including: Bank acceptance notes	115,148,915.93	100.00			115,148,915.93
Total	115,148,915.93	100.00			115,148,915.93

(3) Bad debt provision accrued, recovered or reversed for notes receivable during the year

No bad debt provision for notes receivable was accrued, recovered or reversed during the year.

(4) Notes receivable pledged at year-end

No pledged notes receivable at year-end.

(5) Notes receivable endorsed or discounted but not yet due at the balance sheet date

Item	Amount derecognized at year-end	Amount not derecognized at year-end
Bank acceptance notes		117,411,304.07
Total		117,411,304.07

(6) Notes receivable actually written off during the year

No actual write-offs of notes receivable during the year.

4. Accounts receivable

(1) Accounts receivable by aging

Aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	121,353,997.01	144,491,865.32
Including: Within 6 months	121,353,997.01	144,017,461.17
6 months-1 year		474,404.15
1-2 years	203,722.96	1,370,000.00
More than 2 years	1,320,000.00	1,202,840.16
Total	122,877,719.97	147,064,705.48

(2) Accounts receivable presented according to the bad debt accrual method

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	122,877,719.97	100.00	2,635,401.45	2.14	120,242,318.52
Including: Aging portfolio	122,877,719.97	100.00	2,635,401.45	2.14	120,242,318.52
Total	122,877,719.97	100.00	2,635,401.45	2.14	120,242,318.52

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	147,064,705.48	100.00	3,375,455.19	2.30	143,689,250.29
Including: Aging portfolio	147,064,705.48	100.00	3,375,455.19	2.30	143,689,250.29
Total	147,064,705.48	100.00	3,375,455.19	2.30	143,689,250.29

1) Bad debt provision for accounts receivable by portfolio

Aging	Closing balance		
	Book balance	Bad debt provision	Accrual ratio (%)
Within 6 months	121,353,997.01	1,213,539.97	1.00
6 months-1 year			10.00
1-2 years	203,722.96	101,861.48	50.00
More than 2 years	1,320,000.00	1,320,000.00	100.00
Total	122,877,719.97	2,635,401.45	—

(3) Bad debt provision accrued, recovered or reversed for accounts receivable during the year

Category	Opening balance	Amount of change during the year				Closing balance
		Accrual	Recovery or reversal	Charge-offs or write-offs	Others	
Bad debt provision	3,375,455.19	3,013,826.98	2,568,696.57	1,185,184.15		2,635,401.45
Total	3,375,455.19	3,013,826.98	2,568,696.57	1,185,184.15		2,635,401.45

The amount of bad debt provision recovered or reversed in the current year is significant among them:

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Name of entity	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the accrual ratio of original bad debt provision and its reasonableness
Midgulf International Ltd.	510,271.30	Amounts recovered	Bank transfer	Accrual based on the aging portfolio
Total	510,271.30	—	—	—

(4) Accounts receivable actually written off during the year

Item	Write-off amount
Accounts receivable actually written off	1,185,184.15

There were no significant accounts receivable write-offs during the year.

(5) Accounts receivable and contract assets of the top five closing balances, grouped by party in arrears

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	As a percentage of the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision for accounts receivable and contract assets
Yunnan Yuneng New Energy Battery Materials Co., Ltd.	15,790,016.85		15,790,016.85	12.85	157,900.17
Siam Java Trading Co., Ltd	13,837,872.69		13,837,872.69	11.26	138,378.73
Guangxi Shidai Xinneng Lithium Battery Material Technology Co., Ltd.	10,011,563.60		10,011,563.60	8.15	100,115.64
Chongqing Chuandong Chemical (GROUP) Co., Ltd.	7,456,624.88		7,456,624.88	6.07	74,566.25
NUTRECO NEDERLAND B.V.	5,706,141.50		5,706,141.50	4.64	57,061.42
Total	52,802,219.52		52,802,219.52	42.97	528,022.21

Note: As of the reporting date, the above amounts have been fully recovered.

5. Receivables financing

(1) Receivables financing presented by category

Item	Closing balance	Opening balance
Bank acceptance notes	90,300,965.46	73,237,761.38
Total	90,300,965.46	73,237,761.38

(2) Receivables financings presented according to the bad debt accrual method

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	90,300,965.46	100.00			90,300,965.46
Including: Accounts receivable with bad debt provision based on the portfolio of expected credit risks	90,300,965.46	100.00			90,300,965.46
Total	90,300,965.46	100.00			90,300,965.46

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	73,237,761.38	100.00			73,237,761.38
Including: Accounts receivable with bad debt provision based on the portfolio of expected credit risks	73,237,761.38	100.00			73,237,761.38
Total	73,237,761.38	100.00			73,237,761.38

(3) Bad debt provision accrued, recovered or reversed for receivables financing during the year

No bad debt provision was accrued, recovered or reversed for receivables financing during the year.

(4) No pledged receivables financing at year-end

(5) Receivables financing endorsed or discounted but not yet due at the balance sheet date

Item	Amount derecognized at year-end	Amount not derecognized at year-end
Bank acceptance notes	204,354,828.10	
Total	204,354,828.10	

(6) Receivables financing actually written off during the year

There were no receivables financing write-offs during the year.

6. Prepayments

(1) Aging of prepayments

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Closing balance		Opening balance	
	Amount	Ratio (%)	Amount	Ratio (%)
Within 1 year	74,866,329.11	99.19	26,143,494.38	97.80
1-2 years	84,385.24	0.11	40,932.19	0.15
2-3 years	35,932.18	0.05	489,784.60	1.83
More than 3 years	488,552.84	0.65	59,546.24	0.22
Total	75,475,199.37	100.00	26,733,757.41	100.00

(2) Prepayments of the top five closing balances, grouped by prepaid objects

Name of entity	Closing balance	As a percentage of the total closing balance of prepayments (%)
Nanning Customs District P.R.China	8,805,910.71	11.67
Yunnan Chihong Zinc & Germanium Co., Ltd.	7,207,587.26	9.55
Guangxi Jinchuan Nonferrous Metals Co., Ltd.	5,178,841.78	6.86
MISR PHOSPHATE COMPANY	4,644,809.51	6.15
Petrochina Fuel Oil Company Limited Guangdong Sales Branch	4,568,713.60	6.05
Total	30,405,862.86	40.28

7. Other receivables

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable		
Other receivables	27,872,559.68	20,591,018.12
Total	27,872,559.68	20,591,018.12

7.1. Other receivables

(1) Other receivables by nature of payment

Nature of payment	Closing book balance	Opening book balance
Current payments	31,433,714.07	34,461,437.41
Guarantee and deposit	16,206,714.48	2,808,925.00
Advances	1,368,398.31	1,327,386.23
Equity transfer payments		1,000,000.00
Petty cash		275,638.11
Others	1,300.00	4,800.00
Total	49,010,126.86	39,878,186.75

(2) Other receivables by aging

Aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	15,909,087.79	3,098,524.34
1-2 years	351,400.00	35,605,588.00
2-3 years	32,333,714.07	157,551.00

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Aging	Closing book balance	Opening book balance
3-4 years	140,825.00	260,600.00
4-5 years	258,400.00	16,800.00
More than 5 years	16,700.00	739,123.41
Total	49,010,126.86	39,878,186.75

(3) Other receivables presented according to the bad debt accrual method

Category	Closing balance				Book value
	Book balance		Bad debt provision		
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis	18,297,500.00	37.33	17,297,500.00	94.53	1,000,000.00
Including: With individually significant amounts and separate bad debt provision	18,297,500.00	37.33	17,297,500.00	94.53	1,000,000.00
Bad debt provision by portfolio	30,712,626.86	62.67	3,840,067.18	12.50	26,872,559.68
Including: Aging portfolio	30,712,626.86	62.67	3,840,067.18	12.50	26,872,559.68
Total	49,010,126.86	100.00	21,137,567.18		27,872,559.68

(Continued)

Category	Opening balance				Book value
	Book balance		Bad debt provision		
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis	17,061,437.41	42.78	17,061,437.41	100.00	
Including: With individually significant amounts and separate bad debt provision	16,912,847.27	42.41	16,912,847.27	100.00	
With individually insignificant amounts and separate bad debt provision	148,590.14	0.37	148,590.14	100.00	
Bad debt provision by portfolio	22,816,749.34	57.22	2,225,731.22	9.75	20,591,018.12
Including: Aging portfolio	22,816,749.34	57.22	2,225,731.22	9.75	20,591,018.12
Total	39,878,186.75	100.00	19,287,168.63		20,591,018.12

1) Other receivables with separate bad debt provision

Name	Opening balance		Closing balance			Accrual reason
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio (%)	
Hubei Qianyuan New Materials Co., Ltd.	16,297,500.00	16,297,500.00	16,297,500.00	16,297,500.00	100.00	Not expected to be recovered
Kunming Xunhechuan Mining Co., Ltd.	615,347.27	615,347.27				Not expected to be recovered
Xiamen Xiangbo Technology Co., Ltd.			2,000,000.00	1,000,000.00	50.00	Expected to be partially recovered

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Name	Opening balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio (%)	Accrual reason
Sporadic customers	148,590.14	148,590.14				Not expected to be recovered
Total	17,061,437.41	17,061,437.41	18,297,500.00	17,297,500.00	—	

2) Other receivables with bad debt provision by portfolio

Aging	Closing balance		
	Book balance	Bad debt provision	Accrual ratio (%)
Within 1 year (including 1 year)	15,909,087.79	795,454.37	5.00
1-2 years	351,400.00	35,140.00	10.00
2-3 years	14,036,214.07	2,807,242.81	20.00
3-4 years	140,825.00	56,330.00	40.00
4-5 years	258,400.00	129,200.00	50.00
More than 5 years	16,700.00	16,700.00	100.00
Total	30,712,626.86	3,840,067.18	—

3) Other receivables with bad debt provision according to the general model of expected credit losses

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire duration (No credit impairment)	Expected credit losses over the entire duration (Credit impairment has occurred)	
Balance as at January 1 st , 2025		2,225,731.22	17,061,437.41	19,287,168.63
Balance as at January 1 st , 2025 in the current year				
--Transferred to Phase II				
--Transferred to Phase III		-200,000.00	200,000.00	
--Reversed to Phase II				
--Reversed to Phase I				
Current year accrual		2,118,499.43	800,000.00	2,918,499.43
Current year reversal		304,163.47	6,047.98	310,211.45
Current year charge-offs				
Current year write-offs			757,889.43	757,889.43
Other changes				
Balance as at December 31st, 2025		3,840,067.18	17,297,500.00	21,137,567.18

Note: Significant changes in the book balance of other receivables resulting from changes in the loss provisions for the current period

Significant changes in the book balance of other receivables affecting the changes in loss provisions this year include: an increase of RMB 9,131,940.11, which resulted in a 23% increase in the book balance and a corresponding increase in lifetime expected credit losses.

(4) Bad debt provision accrued, recovered or reversed for other receivables during the year

Category	Opening balance	Amount of change during the year				Closing balance
		Accrual	Recovery or reversal	Charge-offs or write-offs	Others	
Bad debt provision	19,287,168.63	2,918,499.43	310,211.45	757,889.43		21,137,567.18
Total	19,287,168.63	2,918,499.43	310,211.45	757,889.43		21,137,567.18

(5) Other receivables actually written off during the year

Item	Write-off amount
Other receivables actually written	757,889.43

Significant other accounts receivable write-offs among them:

Name of entity	Nature of payment	Write-off amount	Reason for write-off	Write-off procedures performed	Whether arising from related transactions
Kunming Xunhechuan Mining Co., Ltd.	Current payments	609,299.29	Long-term outstanding and cannot be recovered	Perform internal approval process for bad debt write-offs	No
Total	—	609,299.29	—	—	—

(6) Other receivables of the top five closing balances, grouped by party in arrears:

Name of entity	Nature of payment	Closing balance	Aging	As a percentage of the total closing balance of other receivables (%)	Closing balance of bad debt provision
Hubei Qianyuan New Materials Co., Ltd.	Current payments	16,297,500.00	2-3 years	33.25	16,297,500.00
Zhongke Lithium New Energy Co., Ltd.	Current payments	13,136,214.07	2-3 years	26.80	2,627,242.81
ELSEWEDY FOR INDUSTRIAL DEVELOPMENT	Guarantee and deposit	11,778,589.48	Within 1 year	24.03	588,929.45
Richesse Logistics (Fangcheng Port) Co., Ltd.	Guarantee and deposit	2,200,000.00	Within 1 year, 2-3 years	4.49	245,000.00
Xiamen Xiangbo Technology Co., Ltd.	Current payments	2,000,000.00	2-3 years	4.08	1,000,000.00
Total		45,412,303.55		92.65	20,758,672.26

8. Inventories

(1) Classification of inventories

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Closing balance		
	Book balance	Provision for decline in value of inventories/Provision for impairment of contract performance costs	Book value
Raw materials	266,023,512.81	2,898,402.19	263,125,110.62
Work-in-process	166,180,209.13	702,345.54	165,477,863.59
Goods in stock	391,750,296.27	15,739,321.12	376,010,975.15
Goods in transit	5,627,139.76		5,627,139.76
Contract performance costs	8,908,588.92		8,908,588.92
Packaging	5,081,972.54		5,081,972.54
Materials in transit	32,496,070.75		32,496,070.75
Total	876,067,790.18	19,340,068.85	856,727,721.33

(Continued)

Item	Opening balance		
	Book balance	Provision for decline in value of inventories/Provision for impairment of contract performance costs	Book value
Raw materials	290,134,422.75	2,896,428.19	287,237,994.56
Work-in-process	173,649,904.29	702,345.54	172,947,558.75
Goods in stock	168,892,715.01	13,678,354.07	155,214,360.94
Goods in transit	12,041,426.52		12,041,426.52
Contract performance costs	4,114,968.56		4,114,968.56
Packaging	5,627,996.70		5,627,996.70
Materials in transit	41,009,372.11		41,009,372.11
Total	695,470,805.94	17,277,127.80	678,193,678.14

(2) Provision for decline in value of inventories and provision for impairment of contract performance costs

Item	Opening balance	Increase during the year		Decrease during the year		Closing balance
		Accrual	Others	Reversal or charge-offs	Others	
Raw materials	2,896,428.19	1,974.00				2,898,402.19
Work-in-process	702,345.54					702,345.54
Goods in stock	13,678,354.07	2,060,967.05				15,739,321.12
Total	17,277,127.80	2,062,941.05				19,340,068.85

The basis of provision for the decline in value of inventories and recognition of net realizable value:

Item	Basis of provision for decline in value	Basis of recognition of net realizable value
Raw materials	Cost of book value exceeds net realizable value	The net realizable value of materials available for direct sale is determined by the estimated selling price of the inventory, less estimated selling expenses and related taxes. For materials requiring processing, the net realizable value is determined by the estimated selling price of the finished products, less costs to be incurred to completion, estimated selling expenses, and related taxes.
Work-in-process	Cost of book value exceeds net realizable value	Net realizable value is determined by the estimated selling price of finished goods produced, less costs to be incurred to completion, estimated selling expenses and related taxes.
Goods in stock	Cost of book value exceeds net realizable value	Net realizable value is determined by the estimated selling price of the inventory, less estimated selling expenses and related taxes.

(3) Description of closing balances of inventories containing amounts capitalized for borrowing costs

The closing balance of inventories does not contain amounts capitalized for borrowing costs.

(4) Description of the amortization amount of contract performance costs for the current year

The opening balance of contract performance costs was RMB 4,114,968.56, and the current period's occurrence was RMB 178,443,887.26, which was amortized according to product sales of RMB 173,650,266.90, leaving a closing balance of RMB 8,908,588.92.

9. Other current assets

Item	Closing balance	Opening balance
VAT input tax to be deducted	17,859,221.19	15,663,707.80
Amortization of low-value consumables	8,556,116.36	3,231,358.02
Prepaid income tax	104,799.98	
Total	26,520,137.53	18,895,065.82

10. Fixed assets

Item	Closing balance	Opening balance
Fixed assets	1,352,145,779.54	1,389,503,456.07
Liquidation of fixed assets		
Total	1,352,145,779.54	1,389,503,456.07

10.1 Fixed assets

(1) Details of fixed assets

Item	Houses and buildings	Machinery and equipment	Transportation equipment	Electronic equipment and others	Total
I. Original book value					
1. Opening balance	999,561,827.89	1,131,063,307.13	28,776,923.52	18,130,159.43	2,177,532,217.97
2. Increase in current year	38,620,760.13	57,290,728.15	6,581,392.30	1,613,935.87	104,106,816.45
(1) Purchase		5,999,994.89	6,581,392.30	1,495,460.65	14,076,847.84
(2) Transferred from construction in progress	38,620,760.13	51,290,733.26		118,475.22	90,029,968.61
3. Decrease in current year		1,450,084.94	751,071.71	6,307,508.22	8,508,664.87
(1) Disposal or scrapping		1,450,084.94	751,071.71	6,307,508.22	8,508,664.87
4. Closing balance	1,038,182,588.02	1,186,903,950.34	34,607,244.11	13,436,587.08	2,273,130,369.55
II. Accumulated depreciation					
1. Opening balance	172,162,888.94	580,145,315.52	18,748,654.89	13,286,397.76	784,343,257.11
2. Increase in current year	48,828,241.65	85,208,320.19	4,153,810.49	2,137,368.20	140,327,740.53
(1) Accrual	48,828,241.65	85,208,320.19	4,153,810.49	2,137,368.20	140,327,740.53
3. Decrease in current year		891,613.77	543,195.11	5,937,103.54	7,371,912.42
(1) Disposal or scrapping		891,613.77	543,195.11	5,937,103.54	7,371,912.42
4. Closing balance	220,991,130.59	664,462,021.94	22,359,270.27	9,486,662.42	917,299,085.22
III. Impairment provision					
1. Opening balance		3,685,504.79			3,685,504.79
2. Increase in current year					

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Houses and buildings	Machinery and equipment	Transportation equipment	Electronic equipment and others	Total
(1) Accrual					
3. Decrease in current year					
4. Closing balance		3,685,504.79			3,685,504.79
IV. Book value					
1. Closing book value	817,191,457.43	518,756,423.61	12,247,973.84	3,949,924.66	1,352,145,779.54
2. Opening book value	827,398,938.95	547,232,486.82	10,028,268.63	4,843,761.67	1,389,503,456.07

(2) Temporarily idle fixed assets

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Remark
Houses and buildings	25,749,527.97	6,296,919.72		19,452,608.25	Idle, unused due to suspension of production
Machinery and equipment	18,609,265.72	9,012,597.13	3,685,504.79	5,911,163.80	Unused due to suspension of production
Transportation equipment	7,320.52			7,320.52	Unused due to suspension of production
Electronic equipment and others	54,395.96	10,637.52		43,758.44	Unused due to suspension of production
Total	44,420,510.17	15,320,154.37	3,685,504.79	25,414,851.01	

(3) Fixed assets without the title certificates

Item	Book value	Reasons for not obtaining title certificates
Phosphoric acid concentration plant	11,318,195.48	Completion accounts not yet finished
Sodium fluorosilicate main plant	7,632,589.49	Completion accounts not yet finished
Phase II Shift Building	4,603,950.64	Completion accounts not yet finished
Phase II Comprehensive Building	4,262,833.27	Completion accounts not yet finished
110KV Substation	3,519,832.50	Completion accounts not yet finished
Phosphoric acid workshop comprehensive building	2,894,684.27	Completion accounts not yet finished
Boiler thermoelectric workshop comprehensive building	1,595,628.32	Completion accounts not yet finished
Total	35,827,713.97	

11. Construction in progress

Item	Closing balance	Opening balance
Construction in progress	197,565,349.04	182,720,961.41
Construction materials	8,308,953.09	4,093,733.85
Total	205,874,302.13	186,814,695.26

11.1 Construction in progress

(1) Details of construction in progress

Item	Closing balance		
	Book balance	Impairment provision	Book value
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Precursor Material Iron Phosphate	81,541,753.58		81,541,753.58

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Closing balance		
	Book balance	Impairment provision	Book value
100,000 tons/year Sulfuric Acid Plant Air Pollution Control & Environmental Protection Upgrade and Equipment Renewal Project	48,774,151.34		48,774,151.34
1,000,000 tons/year Phosphogypsum Harmless Treatment Reconstruction Project	27,503,116.94		27,503,116.94
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	15,459,121.86		15,459,121.86
Comprehensive Utilization of Semi-Aqueous Phosphogypsum with Annual Output of 300,000 Tons of Construction Gypsum Powder Project	3,987,508.82		3,987,508.82
Semi-Aqueous Phosphogypsum to Cement Retarder Project	2,195,328.90		2,195,328.90
New Raw Material and Auxiliary Material Warehouse and Food-Grade Purified Phosphoric Acid Warehouse	5,126,072.30		5,126,072.30
Other items	12,978,295.30		12,978,295.30
Total	197,565,349.04		197,565,349.04

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Precursor Material Iron Phosphate	108,061,460.35		108,061,460.35
100,000 tons/year Sulfuric Acid Plant Air Pollution Control & Environmental Protection Upgrade and Equipment Renewal Project	3,079,429.57		3,079,429.57
1,000,000 tons/year Phosphogypsum Harmless Treatment Reconstruction Project	6,773,938.62		6,773,938.62
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	14,931,800.13		14,931,800.13
Comprehensive Utilization of Semi-Aqueous Phosphogypsum with Annual Output of 300,000 Tons of Construction Gypsum Powder Project	3,942,225.80		3,942,225.80
Semi-Aqueous Phosphogypsum to Cement Retarder Project	2,195,328.90		2,195,328.90
Phosphoric Acid Expansion and Reform	35,952,003.61		35,952,003.61
Other items	7,784,774.43		7,784,774.43
Total	182,720,961.41		182,720,961.41

(2) Changes in significant construction in progress during the year

Project name	Opening balance	Increase during the year	Decrease during the year		Closing balance
			Transferred to fixed assets	Other decrease	
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Precursor Material Iron Phosphate	108,061,460.35	9,476,003.82	35,995,710.59		81,541,753.58

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

Project name	Opening balance	Increase during the year	Decrease during the year		Closing balance
			Transferred to fixed assets	Other decrease	
100,000 tons/year Sulfuric Acid Plant Air Pollution Control & Environmental Protection Upgrade and Equipment Renewal Project	3,079,429.57	45,694,721.77			48,774,151.34
1,000,000 tons/year Phosphogypsum Harmless Treatment Reconstruction Project	6,773,938.62	20,729,178.32			27,503,116.94
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	14,931,800.13	557,594.89	30,273.16		15,459,121.86
New Raw Material and Auxiliary Material Warehouse and Food-Grade Purified Phosphoric Acid Warehouse		5,126,072.30			5,126,072.30
Comprehensive Utilization of Semi-Aqueous Phosphogypsum with Annual Output of 300,000 Tons of Construction Gypsum Powder Project	3,942,225.80	45,283.02			3,987,508.82
Semi-Aqueous Phosphogypsum to Cement Retarder Project	2,195,328.90				2,195,328.90
Phosphoric Acid Expansion and Reform	35,952,003.61	8,816,737.49	44,768,741.10		
Total	174,936,186.98	90,445,591.61	80,794,724.85		184,587,053.74

(Continued)

Project name	Budget amount (RMB 10,000)	Proportion of project investment to the budget (%)	Project progress (%)	Accumulated amount of interest capitalization	Including: Capitalized amount of interest during the year	Interest capitalization rate for the year (%)	Capital source
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Precursor Material Iron Phosphate	80,000.00	14.69	14.69				Self-financing
100,000 tons/year Sulfuric Acid Plant Air Pollution	5,930.00	82.25	82.25				Self-financing

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Project name	Budget amount (RMB 10,000)	Proportion of project investment to the budget (%)	Project progress (%)	Accumulated amount of interest capitalization	Including: Capitalized amount of interest during the year	Interest capitalization rate for the year (%)	Capital source
Control & Environmental Protection Upgrade and Equipment Renewal Project							
1,000,000 tons/year Phosphogypsum Harmless Treatment Reconstruction Project	3,944.50	69.73	69.73				Self-financing
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	130,086.51	1.19	1.19				Raising funds, others
New Raw Material and Auxiliary Material Warehouse and Food-Grade Purified Phosphoric Acid Warehouse	1,235.00	41.51	41.51				Self-financing
Comprehensive Utilization of Semi-Aqueous Phosphogypsum with Annual Output of 300,000 Tons of Construction Gypsum Powder Project	3,358.26	11.87	11.87				Self-financing
Semi-Aqueous Phosphogypsum to Cement Retarder Project	1,240.00	17.70	17.70				Self-financing
Phosphoric Acid Expansion and Reform	6,362.75	70.36	100.00				Self-financing
Total	229,412.52						

11.2 Construction materials

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Specialized equipment	1,947,776.25		1,947,776.25	947,368.89		947,368.89

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Specialized material	6,361,176.84		6,361,176.84	3,146,364.96		3,146,364.96
Total	8,308,953.09		8,308,953.09	4,093,733.85		4,093,733.85

12. Intangible assets

(1) Details of intangible assets

Item	Land use right	Computer software	Total
I. Original book value			
1. Opening balance	181,314,064.23	3,067,659.32	184,381,723.55
2. Increase in current year	24,115,737.60	44,247.79	24,159,985.39
(1) Purchase	24,115,737.60	44,247.79	24,159,985.39
3. Decrease in current year			
4. Closing balance	205,429,801.83	3,111,907.11	208,541,708.94
II. Accumulated amortization			
1. Opening balance	15,645,811.79	2,154,887.54	17,800,699.33
2. Increase in current year	3,517,001.52	240,369.88	3,757,371.40
(1) Accrual	3,517,001.52	240,369.88	3,757,371.40
3. Decrease in current year			
4. Closing balance	19,162,813.31	2,395,257.42	21,558,070.73
III. Impairment provision			
1. Opening balance			
2. Increase in current year			
3. Decrease in current year			
4. Closing balance			
IV. Book value			
1. Closing book value	186,266,988.52	716,649.69	186,983,638.21
2. Opening book value	165,668,252.44	912,771.78	166,581,024.22

Note: There were no intangible assets created through internal research and development at the end of the year.

(2) Land use rights without the certificate of ownership

Item	Book value	Reasons for not obtaining title certificates
Land use right	17,450,936.76	Waiting for new land-use rights certificates

13. Right-of-use assets

(1) Details of right-of-use assets

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Houses and buildings	Machinery and equipment	Total
I. Original book value			
1. Opening balance	668,155.43		668,155.43
2. Increase in current year		17,026,735.79	17,026,735.79
3. Decrease in current year			
4. Closing balance	668,155.43	17,026,735.79	17,694,891.22
II. Accumulated depreciation			
1. Opening balance	134,754.15		134,754.15
2. Increase in current year			
(1) Accrual	33,688.56	5,254,425.78	5,288,114.34
3. Decrease in current year			
4. Closing balance	168,442.71	5,254,425.78	5,422,868.49
III. Impairment provision			
1. Opening balance			
2. Increase in current year			
3. Decrease in current year			
4. Closing balance			
IV. Book value			
1. Closing book value	499,712.72	11,772,310.01	12,272,022.73
2. Opening book value	533,401.28		533,401.28

14. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets without offsetting

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Deductible losses	27,312.97	6,145.42		
Provision for asset impairment	7,036,602.48	1,055,593.67	6,175,629.51	765,537.15
Lease liabilities	12,344,068.99	1,851,610.35	527,267.73	79,090.16
Others	741,255.80	111,188.37		
Total	20,149,240.24	3,024,537.81	6,702,897.24	844,627.31

(2) Deferred tax liabilities without offsetting

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
One-time pre-tax deduction for fixed assets	64,937,848.69	9,745,484.00	73,797,506.13	6,661,324.28
Right-of-use assets	12,272,022.73	1,840,803.41	533,401.27	80,010.18
Total	77,209,871.42	11,586,287.41	74,330,907.40	6,741,334.46

(3) Details of unrecognized deferred tax assets

Item	Closing balance	Opening balance
Deductible losses	31,595,501.00	21,631,195.15
Deductible temporary difference	39,173,010.34	37,449,626.90
Total	70,768,511.34	59,080,822.05

(4) Deductible losses on unrecognized deferred income tax assets will expire in the following years:

Year	Closing balance	Opening balance	Notes
FY 2025		2,759,410.80	
FY 2026	2,634,035.16	2,634,035.16	
FY 2027	2,850,729.68	2,850,729.68	
FY 2028	1,204,078.32	1,204,078.32	
FY 2029	12,182,941.19	12,182,941.19	
FY 2030	12,723,716.65		
Total	31,595,501.00	21,631,195.15	

15. Other non-current assets

Item	Closing balance		
	Book balance	Impairment provision	Book value
Egypt Project	226,033,985.27		226,033,985.27
Phosphogypsum Slag Yard Project	120,160,108.88		120,160,108.88
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	2,326,900.00		2,326,900.00
Others	23,030,476.92		23,030,476.92
Total	371,551,471.07		371,551,471.07

(Continued)

Item	Opening balance		
	Book balance	Impairment provision	Book value
Phosphogypsum Slag Yard Project	23,500,000.00		23,500,000.00
100,000 tons/year Battery-grade Lithium Iron Phosphate Anode Material Project	2,824,900.00		2,824,900.00
Others	25,632,307.09		25,632,307.09
Total	51,957,207.09		51,957,207.09

16. Assets with restricted ownership or use rights

Item	Closing balance			
	Book balance	Book value	Type of restriction	Status of restrictions
Cash and cash equivalents	26,769,770.01	26,769,770.01	Freeze	Letter of credit deposit, guarantee frozen for locking exchange rates, etc.
Notes receivable	117,411,304.07	117,411,304.07	Endorsed or discounted and not yet due	Bank acceptances notes endorsed or discounted but not yet derecognized at year-end
Intangible assets	77,987,315.66	66,289,218.31	Mortgaged	Mortgaged for long-term borrowings
Total	222,168,389.74	210,470,292.39	—	—

(Continued)

Item	Opening balance			
	Book balance	Book value	Type of restriction	Status of restrictions
Cash and cash equivalents	357,641,571.18	357,641,571.18	Time deposits, frozen	Time deposits, letter of credit deposit, guarantee frozen for locking exchange rates, etc.
Notes receivable	80,577,966.22	80,577,966.22	Endorsed or discounted and not yet due	Bank acceptances notes endorsed or discounted but not yet derecognized at year-end
Intangible assets	77,987,315.66	67,848,964.62	Mortgaged	Mortgaged for long-term borrowings
Total	516,206,853.06	506,068,502.02	—	—

17. Short-term borrowings

(1) Classification of short-term borrowings

Category of borrowings	Closing balance	Opening balance
Guaranteed borrowings	415,200,000.00	310,000,000.00
Mortgage borrowings	1,500,000.00	
Credit borrowings	59,500,113.66	5,000,000.00
Pledge borrowings	47,303,755.64	25,507,297.04
Add: Accrued interest	453,580.53	229,701.38
Total	537,457,449.83	340,736,998.42

1) In 2024, the Company entered into a credit agreement with China Merchants Bank, under which the credit period was 12 months, from April 26th, 2024 to April 25th, 2025, and China Merchants Bank provided the enterprise with a credit line of RMB 50 million. The Company borrowed RMB 50 million in 2025 from China Merchants Bank Co., Ltd. Kunming Branch. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

2) In 2025, the Company entered into a credit contract with CITIC Bank, under which the credit period was 10 months, from February 10th, 2025 to December 10th, 2025, and CITIC Bank provided a credit line of RMB 70 million. The Company borrowed RMB 9.50 million in 2025 from China CITIC Bank Corporation Limited Kunming Branch. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 9.50 million.

3) In 2024, Guangxi Chuanjinnuo entered into a credit agreement with Fangchenggang District Rural Credit Cooperative United Society, under which the credit period was 36 months, from December 9th, 2024 to December 8th, 2027, and Fangchenggang District Rural Credit Cooperative United Society provided the enterprise with a revolving credit line of RMB 50 million guaranteed by Kunming Chuanjinnuo. Guangxi Chuanjinnuo borrowed RMB 100 million in 2025 from Fangchenggang District Rural Credit Cooperative United Society, and repaid RMB 50 million of the principal amount during the period. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

4) In 2025, Guangxi Chuanjinnuo entered into a credit agreement with China Guangfa Bank Co., Ltd. Nanning Minzhu Sub-branch, under which the credit period was 36 months, from January 5th, 2025 to September 4th, 2025, and China Guangfa Bank Co., Ltd. Nanning Minzhu Sub-branch provided the enterprise with a credit line of RMB 50 million guaranteed by Kunming Chuanjinnuo. Guangxi Chuanjinnuo borrowed RMB 50 million in 2025 from China Guangfa Bank Co., Ltd. Nanning Minzhu Sub-branch. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

5) In 2025, Guangxi Chuanjinnuo entered into a credit agreement with China Guangfa Bank Co., Ltd. Nanning Branch, under which the credit period was from May 8th, 2025 to May 6th, 2026, and China Guangfa Bank Co., Ltd. Nanning Branch provided the enterprise with a credit line of RMB 240 million guaranteed by Kunming Chuanjinnuo. Guangxi Chuanjinnuo borrowed RMB 50 million in 2025 from China Guangfa Bank Co., Ltd. Nanning Branch. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

6) On April 14th, 2025, Guangxi Chuanjinnuo entered into a guaranteed loan contract with Shanghai Pudong Development Bank Co., Ltd. Nanning Qingxiu Sub-branch, with a loan amount of RMB 50 million, a loan period from April 14th, 2025 to April 14th, 2026, with one-time repayment of the principal at maturity, and guaranteed by Kunming Chuanjinnuo. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

7) In 2025, Guangxi Chuanjinnuo entered into a credit agreement with the Bank of Communications Nanning Guiya Sub-branch, under which the credit period was 1 month, from September 19th, 2025 to October 19th, 2025, and the Bank of Communications Nanning

Guiya Sub-branch provided the enterprise with a credit line of RMB 50 million guaranteed by Kunming Chuanjinnuo. Guangxi Chuanjinnuo borrowed RMB 50 million in 2025 from the Bank of Communications Nanning Guiya Sub-branch. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

8) On August 15th, 2025, Guangxi Chuanjinnuo entered into a guaranteed loan contract with Industrial Bank Co., Ltd. Qinzhou Sub-branch, with a loan amount of RMB 30 million, a loan period from August 15th, 2025 to August 14th, 2026, with one-time repayment of the principal at maturity, and guaranteed by Kunming Chuanjinnuo. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 30 million.

9) On August 15th, 2025, Guangxi Chuanjinnuo entered into a negotiation agreement with Industrial Bank Co., Ltd. Qinzhou Sub-branch, with a loan amount of RMB 32 million, a loan period from October 21st, 2025 to April 20th, 2026, and guaranteed by Kunming Chuanjinnuo. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 32 million.

10) On October 28th, 2025, Guangxi Chuanjinnuo entered into a cross-border financing risk cooperation agreement with Fangchenggang Branch of China Construction Bank Corporation and Tokyo Branch of China Construction Bank Corporation, under which Tokyo Branch of China Construction Bank Corporation provided cross-border financing to Guangxi Chuanjinnuo, with the principal amount of RMB 15 million, the financing term from October 28th, 2025 to October 28th, 2026, and one-time repayment of the principal and interest at maturity. The security is provided in the form of a third-party guarantee and a mortgage on real property rights, with guarantees provided by Kunming Chuanjinnuo and Liu Meng. Guangxi Chuanjinnuo mortgaged the land use right (Certificate No.: Gui (2020) Fangchenggang City Real Estate Right No. 0015838). As of December 31st, 2025, the outstanding principal amount of the loan was RMB 15 million.

11) On December 8th, 2025, Guangxi Chuanjinnuo entered into a working capital loan contract with Guangxi Beibu Gulf Bank Co., Ltd. Fangchenggang Sub-branch, with a loan amount of RMB 50 million, a loan period from December 8th, 2025 to August 8th, 2026, and one-time repayment of the principal at maturity, and guaranteed by Kunming Chuanjinnuo. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

12) On September 19th, 2025, Guangxi Chuanjinnuo applied for a domestic letter of credit from Industrial Bank Co., Ltd., with Guangxi Zhiyuan Industrial Co., Ltd. as the beneficiary. The letter of credit expires on September 19th, 2026. As of December 31st, 2025, the outstanding balance of the letter of credit was RMB 3.2 million.

13) On December 11th, 2025, Guangxi Chuanjinnuo entered into a working capital loan contract with Industrial Bank Co., Ltd. Qinzhou Sub-branch, with a loan amount of RMB 50 million, a loan period from December 12th, 2025 to November 12th, 2026, and guaranteed by Kunming Chuanjinnuo. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 50 million.

14) At the end of the period, Guangxi Chuanjinnuo had discounted and outstanding non-6+9 bank acceptances notes, which were reclassified to short-term borrowings. As of December 31st, 2025, the balance was RMB 47,303,755.64.

(2) Overdue short-term borrowings

The Company had no overdue short-term borrowings at year-end.

18. Derivative financial liabilities

Item	Closing balance	Opening balance
Hedging instruments - forward foreign exchange contracts		1,050,954.68
Total		1,050,954.68

19. Notes payable

Types of notes	Closing balance	Opening balance
Bank acceptance notes	5,000,000.00	
Commercial acceptance notes		
Total	5,000,000.00	

There were no notes that were due and unpaid at year-end.

20. Accounts payable

(1) Presentation of accounts payable

Item	Closing balance	Opening balance
Purchase of materials and equipment	122,252,596.78	108,139,663.73
Payment for construction work	69,395,895.79	47,555,392.56
Shipping fees	19,069,071.74	31,621,448.17
Electricity charges	7,649,273.97	6,283,218.59
Others	1,819,468.49	3,147,138.28
Total	220,186,306.77	196,746,861.33

(2) Significant accounts payable with an aging of over 1 year or overdue

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Name of entity	Closing balance	Reasons for non-reimbursement or carry-forward
Sichuan Zhensheng Qianli Construction Co., Ltd.	3,930,776.31	Non-settlement
Fangchenggang Minglonghui Concrete Co., Ltd.	2,470,738.08	Non-settlement
Fangchenggang Dongwan Transportation Commercial Concrete Co., Ltd.	1,468,703.27	Non-settlement
Guangxi Zhanbang New Materials Co., Ltd.	1,425,759.67	Non-settlement
Qinyang Zhongnan Anticorrosive Thermal Insulation Co., Ltd.	823,871.62	Non-settlement
Shenzhen Sanding Lithium Technology Co., Ltd.	800,633.63	Non-settlement
Yunnan Jinti Fluorine-Plastic Anticorrosive Equipment Technology Co., Ltd.	705,770.39	Non-settlement
Shifang Jiangnan Glass Fiber Reinforced Plastic Co., Ltd.	668,664.16	Non-settlement
Yunnan Pengfeng Anti-Corrosion and Thermal Insulation Engineering Co., Ltd.	628,488.45	Non-settlement
Sichuan Chengwang Construction Engineering Co., Ltd.	514,008.05	Non-settlement
Total	13,437,413.63	

(3) Whether there exist any overdue payments owed to small and medium-sized enterprises

No.

21. Other payables

Item	Closing balance	Opening balance
Interest payable		
Dividends payable		
Other payables	8,115,034.25	6,419,936.17
Total	8,115,034.25	6,419,936.17

21.1 Other payables

(1) Presentation of other accounts payable by nature of payment

Nature of payment	Closing balance	Opening balance
Performance bonds	2,946,450.00	1,815,700.00
Current payments	848,000.00	848,000.00
Advances	797,453.46	789,674.45
Funds from interest-free loans for government-supported projects	400,000.00	400,000.00
Others	3,123,130.79	2,566,561.72
Total	8,115,034.25	6,419,936.17

(2) Significant other payables with the aging over 1 year

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Name of entity	Closing balance	Reasons for non-reimbursement
Kunming Guandu District Rongxing Electromechanical Department	506,650.00	Non-settlement
Guangxi Qilin Trading Co., Ltd.	500,000.00	Non-settlement
Guangxi Hengmeida Trading Co., Ltd.	500,000.00	Non-settlement
A natural person with the surname Zhang	848,000.00	Non-settlement
Total	2,354,650.00	

22. Advances from customers

(1) Presentation of advances from customers

Category	Closing balance	Opening balance
Advance receipt of goods	74,505.00	96,443.78
Total	74,505.00	96,443.78

There were no significant advances from customers aging over 1 year or overdue.

23. Contract liabilities

(1) Details of contract Liabilities

Item	Closing balance	Opening balance
Advance receipt of goods	37,031,414.06	32,084,741.04
Total	37,031,414.06	32,084,741.04

(2) The Company had no significant contractual liabilities aged more than one year.

(3) Significant changes in book value during the year

Item	Amount of change	Reason for change
Advance receipt of goods	4,946,673.02	Income from advance receipts not yet carried forward
Total	4,946,673.02	—

24. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Short-term employee benefits	29,653,787.54	234,267,900.12	229,129,193.57	34,792,494.09
Post-employment benefit - defined contribution plans		16,794,085.22	16,794,085.22	
Termination benefits		772,034.14	772,034.14	
Total	29,653,787.54	251,834,019.48	246,695,312.93	34,792,494.09

(2) Short-term employee benefits

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Wages, bonuses, allowances and subsidies	28,695,105.45	200,221,341.40	195,155,579.69	33,760,867.16
Employee welfare expense	413,759.41	13,743,743.32	13,704,854.02	452,648.71
Social insurance premiums		10,826,617.97	10,826,617.97	
Including: Medical insurance premiums		9,718,844.24	9,718,844.24	
Work injury insurance premiums		1,102,527.53	1,102,527.53	
Maternity insurance premiums		5,246.20	5,246.20	
Housing provident fund		5,125,112.00	5,125,112.00	
Labor union funds and staff education funds	544,922.68	4,351,085.43	4,317,029.89	578,978.22
Total	29,653,787.54	234,267,900.12	229,129,193.57	34,792,494.09

(3) Defined contribution plans

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Basic endowment insurance		16,179,413.20	16,179,413.20	
Unemployment insurance premiums		614,672.02	614,672.02	
Total		16,794,085.22	16,794,085.22	

25. Taxes payable

Item	Closing balance	Opening balance
Corporate income tax	27,048,416.22	6,772,411.67
Value-added tax (VAT)	9,426,467.91	3,406,919.06
Property tax	874,777.38	790,274.23
Individual income tax	500,223.06	711,790.41
Stamp duty	728,935.67	554,700.00
Land use tax	509,030.63	393,463.49
Urban maintenance and construction tax	638,119.21	95,061.71
Education surcharge	273,479.69	56,567.74
Environmental protection tax	47,483.56	53,370.49
Local education surcharge	182,319.81	37,711.83
Water resources tax	44,198.00	
Renewable energy development fund	126,444.39	
National major water conservancy construction fund	7,486.84	
Others	97.56	
Total	40,407,479.93	12,872,270.63

26. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term loans due within one year	120,263,000.00	227,500,000.00
Lease liabilities due within one year	9,518,208.08	25,482.00
Long-term payables due within one year	87,829,390.07	
Add: Interest payable due within one year	115,781.89	214,675.71
Total	217,726,380.04	227,740,157.71

27. Other current liabilities

(1) Classification of other current liabilities

Item	Closing balance	Opening balance
Endorsed bank acceptance notes that have not been derecognized	70,107,548.43	55,070,669.18
Output tax to be carried over	2,963,006.16	2,754,006.98
Total	73,070,554.59	57,824,676.16

28. Long-term borrowings

Classification of long-term borrowings

Category of borrowings	Closing balance	Opening balance
Mortgage borrowings	20,000,000.00	70,000,000.00
Credit borrowings	57,987,000.00	32,000,000.00
Add: Interest payable on long-term borrowings	75,610.42	118,708.32
Total	78,062,610.42	102,118,708.32

(1) On December 12th, 2025, the Company entered into a working capital loan contract with Industrial Bank Co., Ltd. Kunming Branch for the purpose of meeting daily working capital needs, with a loan amount of RMB 10 million and a loan period from December 12th, 2025 to December 12th, 2028. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 10 million, of which RMB 0.4630 million is expected to be repaid within one year.

(2) The Company borrowed RMB 84.50 million in 2025 from Kunming Dongchuan District Sub-branch of Agricultural Bank of China Limited, and RMB 30.25 million was repaid during the period. As for the principal amount of the loan taken out in 2022, RMB 28 million was repaid during the period; as for the principal amount of the loan taken out in 2023, RMB 11.50 million was repaid during the period. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 78.25 million, of which RMB 29.80 million is expected to be repaid within one year.

(3)Guangxi Chuanjinnuo Chemical Co., Ltd. entered into a fixed asset loan contract with Fangchenggang Branch of China Construction Bank Corporation on July 1st, 2021 for the construction of the wet process phosphoric acid purification and fine phosphate project, including but not limited to the replacement of the fixed asset loan from Guangxi Beibu Gulf Bank, with a loan amount of RMB 250 million, an interest rate being the LPR interest rate plus basis point, and a loan period of 6 years. The enterprise mortgaged the land use right (Certificate No.: Gui (2020) Fangchenggang City Real Estate Right No. 0015838), which was guaranteed by Liu Meng, the actual controller of Chuanjinnuo and the enterprise. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 70 million, of which RMB 50 million is expected to be repaid within one year.

(4)In 2025, Guangxi Chuanjinnuo Chemical Co., Ltd. entered into a working capital loan contract with Fangchenggang Branch of China Construction Bank Corporation to finance the purchase of raw materials such as phosphate concentrate and industrial sulfuric acid, with a loan amount of RMB 50 million and a loan period from July 10th, 2025, to August 10th, 2026. As of December 31st, 2025, the outstanding principal amount of the loan was RMB 40 million, and all the principal amount is expected to be repaid within one year.

29. Lease liabilities

Item	Closing balance	Opening balance
Lease payments	12,761,371.25	741,666.67
Financing costs not recognized	-417,302.26	-214,398.94
Reclassified to non-current liabilities due within one year	-9,518,208.08	-25,482.00
Total	2,825,860.91	501,785.73

30. Long-term payables

Item	Closing balance	Opening balance
Long-term payables	75,519,278.16	
Special payables		
Total	75,519,278.16	

(1) Long-term payables by nature of payment

Item	Closing balance	Opening balance
Installment payments for land in the Egypt Project	59,639,461.76	
Partner loans and interest for the Egypt project	15,879,816.40	
Total	75,519,278.16	

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

31. Share capital

Item	Opening balance	Changes of increase or decrease in current year (+, -)					Closing balance
		Issuance of new shares	Gift of shares	Transfer from provident fund to shares	Others	Subtotal	
Total shares	274,867,523.00						274,867,523.00
Total	274,867,523.00						274,867,523.00

32. Capital reserve

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Share capital premium	1,282,067,110.26			1,282,067,110.26
Total	1,282,067,110.26			1,282,067,110.26

33. Other comprehensive income

Item	Opening balance	Amount incurred in current year						Closing balance
		Amount incurred before income tax	Less: Those transferred to current profit or loss but previously included in other comprehensive income	Less: Those transferred to current retained earnings but previously included in other comprehensive income	Less: Income tax expense	Amount attributable to the parent company after tax	Amount attributable to non-controlling interests after tax	
I. Other comprehensive income that cannot be reclassified to profit or loss								
II. Other comprehensive income to be reclassified to profit or loss	-1,029,646.03	4,855,304.04				4,671,501.76	183,802.28	3,641,855.73
Including: Cash flow hedging reserves	-1,029,646.03	5,380,739.76				5,181,243.04	199,496.72	4,151,597.01
Translation difference of foreign currency statements		-525,435.72				-509,741.28	-15,694.44	-509,741.28
Total other comprehensive income	-1,029,646.03	4,855,304.04				4,671,501.76	183,802.28	3,641,855.73

34. Special reserve

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Safety production costs	496,474.63	17,040,607.69	15,561,590.21	1,975,492.11
Total	496,474.63	17,040,607.69	15,561,590.21	1,975,492.11

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

35. Surplus reserve

Item	Opening balance	Increase during the year	Decrease during the year	Closing balance
Statutory surplus reserve	92,691,401.81	27,100,184.24		119,791,586.05
Total	92,691,401.81	27,100,184.24		119,791,586.05

36. Undistributed profits

Item	Current year	Prior year
Undistributed profit at the end of the prior year before adjustments	891,709,910.57	750,685,777.27
Adjustments to the total undistributed profits at the beginning of the year (upward +, downward -)		
Including: Retrospective adjustments in accordance with the new provisions in <i>Accounting Standards for Business Enterprises</i> and related new provisions		
Changes in accounting policies		
Correction of significant prior-period errors		
Changes in the scope of consolidation under common control		
Other adjusting factors		
Adjusted undistributed profits at the beginning of the year	891,709,910.57	750,685,777.27
Add: Current year net profit attributable to owners of the parent company	453,813,148.37	176,055,944.37
Recover of loss by surplus reserve		
Recover of loss by capital reserve		
Less: Withdrawal of statutory surplus reserve	27,100,184.24	4,796,383.54
Withdrawal of discretionary surplus reserve		
Withdrawal of general risk reserve		
Dividends payable on ordinary shares	82,460,256.90	30,235,427.53
Dividends on ordinary shares transferred to share capital		
Current year closing balance	1,235,962,617.80	891,709,910.57

37. Operating income and operating costs

(1) Details of operating income and operating costs

Item	Amount incurred in current year		Amount incurred in prior year	
	Income	Costs	Income	Costs
Main businesses	4,067,704,642.34	3,341,091,135.03	3,193,159,944.56	2,768,488,873.61
Other businesses	6,955,722.08	131,441.10	14,317,007.01	11,486,313.03
Total	4,074,660,364.42	3,341,222,576.13	3,207,476,951.57	2,779,975,186.64

(2) Breakdown of operating income and operating costs

Classification of contracts	Kunming Chuanjinnuo		Guangxi Chuanjinnuo Chemical	
	Operating income	Operating costs	Operating income	Operating costs
Business type	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Feed grade phosphate	1,032,296,282.47	854,136,258.89		
Phosphate fertilizer	227,044,559.00	184,202,447.89	454,631,838.85	303,278,903.16
Phosphoric acid	220,739,824.89	205,490,383.60	2,124,853,295.53	1,835,093,842.27
Others	32,058,277.47	14,543,201.28	60,029,234.66	20,775,722.96
Classified by business region	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Northeast China	2,634,225.75	2,099,499.05	40,956,706.43	36,027,063.12
North China	29,815,482.38	24,845,880.97	26,529,181.53	24,688,175.52
East China	108,614,573.83	90,241,785.21	234,967,037.15	217,859,480.35
South China	203,177,280.81	161,313,348.38	365,037,137.15	338,007,156.13
Central China	52,648,424.31	43,238,862.65	69,216,031.15	62,241,021.75

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

Classification of contracts	Kunming Chuanjinnuo		Guangxi Chuanjinnuo Chemical	
	Operating income	Operating costs	Operating income	Operating costs
Northwest China	26,567,964.66	22,067,777.01	583,479.56	543,332.37
Southwest China	490,366,128.41	412,610,071.64	129,747,539.37	85,026,130.45
International	598,314,863.68	501,955,066.75	1,772,477,256.70	1,394,756,108.70
Market or client type	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Phosphorus chemical industry	1,480,080,666.36	1,243,829,090.38	2,579,485,134.38	2,138,372,745.43
Others	32,058,277.47	14,543,201.28	60,029,234.66	20,775,722.96
Contract type	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Merchandising	1,511,333,319.44	1,258,372,291.66	2,633,177,804.16	2,159,017,027.29
Others	805,624.39		6,336,564.88	131,441.10
Classification by time of product transfer	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Income recognized at a certain point in time	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Income recognized over a period of time				
Classification by contract duration	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Within one year	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
More than one year				
Classification by sales channel	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39
Including: Direct sale	783,847,112.38	667,840,511.92	706,465,690.38	630,361,753.65
Distribution	728,291,831.45	590,531,779.74	1,933,048,678.66	1,528,786,714.74
Total	1,512,138,943.83	1,258,372,291.66	2,639,514,369.04	2,159,148,468.39

(Continued)

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

Classification of contracts	Chuan Jin Nuo Hong Kong		Others and offsets		Total	
	Operating income	Operating costs	Operating income	Operating costs	Operating income	Operating costs
Business type	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Feed grade phosphate					1,032,296,282.47	854,136,258.89
Phosphate fertilizer	14,210,467.52	13,977,509.04	91,016,948.78	90,275,692.96	604,869,916.59	411,183,167.13
Phosphoric acid					2,345,593,120.42	2,040,584,225.87
Others			186,467.19		91,901,044.94	35,318,924.24
Classified by business region	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Northeast China					43,590,932.18	38,126,562.17
North China					56,344,663.91	49,534,056.49
East China					343,581,610.98	308,101,265.56
South China			78,330,327.90	77,402,604.89	489,884,090.06	421,917,899.62
Central China					121,864,455.46	105,479,884.40
Northwest China					27,151,444.22	22,611,109.38
Southwest China					620,113,667.78	497,636,202.09
International	14,210,467.52	13,977,509.04	12,873,088.07	12,873,088.07	2,372,129,499.83	1,897,815,596.42
Market or client type	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Phosphorus chemical industry	14,210,467.52	13,977,509.04	91,016,948.78	90,275,692.96	3,982,759,319.48	3,305,903,651.89
Others			186,467.19		91,901,044.94	35,318,924.24
Contract type	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Merchandising	14,210,467.52	13,977,509.04	91,016,948.78	90,275,692.96	4,067,704,642.34	3,341,091,135.03
Others			186,467.19		6,955,722.08	131,441.10
Classification by time of product transfer	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

Classification of contracts	Chuan Jin Nuo Hong Kong		Others and offsets		Total	
	Operating income	Operating costs	Operating income	Operating costs	Operating income	Operating costs
Including: Income recognized at a certain point in time	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Income recognized over a period of time						
Classification by contract duration	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Within one year	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
More than one year						
Classification by sales channel	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13
Including: Direct sale					1,490,312,802.76	1,298,202,265.57
Distribution	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	2,584,347,561.66	2,043,020,310.56
Total	14,210,467.52	13,977,509.04	91,203,415.97	90,275,692.96	4,074,660,364.42	3,341,222,576.13

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

(3) Information on performance obligations

Item	Time for fulfilling performance obligations	Important payment terms	Nature of Company's commitment to transfer goods	Whether the person is primarily responsible	Amounts assumed by the Company that are expected to be refunded to customers	Types of quality assurance offered by the Company and related obligations
Sell abroad	Cargo loaded on board and departed from port	1) 100% prepayment before loading; 2) 30% prepayment or 90% payment by irrevocable confirmed letter of credit before loading, with the balance due upon receipt of the bill of lading; 3) Payment by sight letter of credit upon loading; and 4) Payment by wire transfer within 30 days after the date of the bill of lading.	Cargoes	Yes	None	Product quality assurance
Domestic sales	1) Self-pickup by the buyer; 2) Delivery and acceptance of the goods to the customer's designated location; 3) Delivery at the port.	1) Payment before delivery; 2) Full payment within 3-10 working days upon invoice receipt; 3) Payment by bank acceptance note within 30 days after delivery and receipt of invoice.	Cargoes	Yes	None	Product quality assurance

(4) Information on transaction prices apportioned to remaining performance obligations

The income corresponding to performance obligations that have been contracted for but not yet performed or not yet completed at the end of the year is RMB 618,080,910.91, of which RMB 618,080,910.91 is expected to be recognized as income in 2026.

38. Taxes and surcharges

Item	Amount incurred in current year	Amount incurred in prior year
Property tax	4,172,667.61	4,221,966.99
Renewable energy development fund	3,589,696.89	
Urban maintenance and construction tax	3,392,975.58	644,914.13
Urban land use tax	3,122,721.80	1,839,148.64
Stamp duty	2,507,501.96	1,799,584.57
Education surcharge	1,439,555.94	385,546.36
Local education surcharge	1,062,698.70	257,030.90
Environmental protection tax	169,309.34	156,263.10
Vehicle and vessel tax	11,589.32	12,119.98
National major water conservancy construction fund	212,547.83	
Water resources tax	190,626.00	
Total	19,871,890.97	9,316,574.67

39. Selling expenses

Item	Amount incurred in current year	Amount incurred in prior year
Employee benefits	18,436,706.14	15,087,921.29
Business promotion expenses	1,819,073.37	1,220,093.70
Business service fees	1,468,601.12	2,238,192.33
Travel expenses	1,056,538.62	1,416,935.85
Business entertainment expenses	445,201.46	578,261.22
Depreciation	122,792.48	110,512.34
Warehousing and relocating costs	20,401.50	21,795.89
Others	6,757,992.84	5,097,022.12
Total	30,127,307.53	25,770,734.74

40. General and administrative expenses

Item	Amount incurred in current year	Amount incurred in prior year
Environment protection expenses	48,447,284.50	50,984,085.46
Employee benefits	43,868,566.85	32,318,141.21
Depreciation and amortisation	8,947,493.82	8,064,604.57
Intermediary agency service fee	8,683,616.33	5,444,727.57
Loss on work stoppage	3,963,057.49	5,641,030.07
Business entertainment expenses	3,770,323.03	2,289,106.76
Office expenses	2,311,277.04	2,287,591.10
Travel expenses	2,020,927.13	1,053,304.27

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Amount incurred in current year	Amount incurred in prior year
Vehicle usage fees	276,415.16	335,658.69
Guarantee fund for the disabled	207,423.96	735,263.94
Repair fees	106,265.57	107,017.30
Lease fees	56,682.36	46,960.32
Others	3,233,909.57	2,865,745.62
Total	125,893,242.81	112,173,236.88

41. Research and development expenses

Item	Amount incurred in current year	Amount incurred in prior year
Material and service costs	8,374,072.74	29,620,495.63
Labor costs	6,816,443.23	10,948,201.87
Depreciation	2,898,081.57	6,426,041.20
Other expenses	549,967.66	3,547,063.70
Total	18,638,565.20	50,541,802.40

42. Financial expenses

Item	Amount incurred in current year	Amount incurred in prior year
Interest expenses	18,732,533.79	21,401,932.73
Less: Interest income	9,354,932.83	11,358,421.03
Add: Exchange losses	-2,458,399.19	-5,569,303.27
Other expenditures	2,596,697.48	2,292,338.42
Total	9,515,899.25	6,766,546.85

43. Other income

Source of other income	Amount incurred in current year	Amount incurred in prior year
Government grants	11,401,629.93	8,236,537.78
Additional deduction of value-added tax (VAT)	3,595,416.23	8,204,805.55
Total	14,997,046.16	16,441,343.33

44. Investment income

Item	Amount incurred in current year	Amount incurred in prior year
Investment income from disposal of financial assets held for trading	310,885.40	455,154.71
Notes discounting handling fees for 6+9 banks (comprising 6 large state-owned commercial banks and 9 national joint-stock commercial banks)	-267,391.87	-829,973.65
Total	43,493.53	-374,818.94

45. Credit impairment losses

Item	Amount incurred in current year	Amount incurred in prior year
Bad debt loss on accounts receivable	-445,130.41	620,004.12
Bad debt loss on other receivables	-2,608,287.98	-16,544,026.76
Total	-3,053,418.39	-15,924,022.64

46. Impairment losses on assets

Item	Amount incurred in current year	Amount incurred in prior year
Loss on decline in value of inventories and impairment loss of contract performance costs	-2,062,941.05	-4,230,806.96
Impairment losses on fixed assets		-3,685,504.79
Total	-2,062,941.05	-7,916,311.75

47. Gains on asset disposal

Item	Amount incurred in current year	Amount incurred in prior year
Gains on disposal of non-current assets	2,386.93	22.74
Including: Gains on disposal of non-current assets not classified as held for sale	2,386.93	22.74
Including: Gains on disposal of fixed assets	2,386.93	22.74
Total	2,386.93	22.74

48. Non-operating income

(1) Details of non-operating income

Item	Amount incurred in current year	Amount incurred in prior year	Amount included in non-recurring profit or loss for the year
Income from liquidated damages	800.00	14,650.00	800.00
Others	4,365,325.71	2,485,652.94	4,365,325.71
Total	4,366,125.71	2,500,302.94	4,366,125.71

49. Non-operating expenses

Item	Current year amount	Prior year amount	Amount included in non-recurring profit or loss for the year
Expenditures on fines and late payment penalties	1,125,256.82	405,072.03	1,125,256.82
Loss on disposal of damaged or scrapped non-current assets	959,382.44	216,781.72	959,382.44
External donation expenses	130,000.00	242,000.00	130,000.00
Others	728,666.74	1,000.00	728,666.74
Total	2,943,306.00	864,853.75	2,943,306.00

Note: "Others" primarily consists of losses from the scrapping of obsolete materials.

50. Income tax expenses

(1) Income tax expenses

Item	Amount incurred in current year	Amount incurred in prior year
Current income tax expenses	62,225,790.85	9,832,975.47
Deferred tax expenses	2,665,042.45	21,568,135.98
Total	64,890,833.30	31,401,111.45

(2) Adjustments to accounting profit and income tax expenses

Item	Amount incurred in current year
Total consolidated profit for the year	540,740,269.42
Income tax expenses at the statutory/applicable tax rate	81,111,040.41
Effect of different tax rates applicable to subsidiaries	-24,399,924.75
Effect of adjustments to income taxes of prior periods	2,339,921.16
Effect of non-taxable income	-37,570.58
Effect of non-deductible costs, expenses and losses	597,055.28
Effect of using deductible losses not recognized as deferred tax assets in prior periods	-87,470.49
Effect of deductible temporary differences or deductible losses not recognized as deferred tax assets in the current year	3,723,347.94
Changes in opening balances of deferred tax assets/liabilities as a result of tax rate adjustments	3,680,914.67
Effect of additional deduction of research and development expenses	-2,036,480.34
Income tax expenses	64,890,833.30

51. Other comprehensive income

For details, please refer to Note “V.33 Other comprehensive income”.

52. Items in cash flow statement

(1) Cash related to operating activities

1) Other cash received related to operating activities

Item	Amount incurred in current year	Amount incurred in prior year
Guarantee	28,727,580.34	46,386,283.58
Current payments	18,361,383.07	4,982,590.84
Subsidies	10,584,579.93	8,236,537.78
Interest from banks	3,537,519.73	11,358,420.86
Compensations	416,085.20	27,742.00
Others	203,934.32	384,008.47
Total	61,831,082.59	71,375,583.53

2) Other cash paid related to operating activities

Item	Amount incurred in current year	Amount incurred in prior year
Guarantee	42,415,011.05	26,209,180.90
Current payments	10,626,965.48	3,365,464.70
Environmental protection expenses	10,548,491.66	6,414,109.28
Office expenses	3,426,105.95	4,176,833.76
Technological service fees	2,842,073.46	2,679,583.11
Business entertainment expenses	2,382,206.76	2,675,662.33
Travel expenses	2,194,117.66	2,885,140.21
Business promotion and service expenses	1,941,791.90	2,738,882.27
Intermediary agency service fee	1,933,073.35	1,965,758.00
Handling fees to banks	1,457,770.76	569,502.84
Short-term leases and leases of low-value assets under simplified treatment	465,465.60	86,775.00
Donations	130,000.00	242,000.00
Research and development expenses	111,226.67	124,081.06
Others	1,394,350.94	3,799,220.67
Total	81,868,651.24	57,932,194.13

(2) Cash related to investing activities

1) Significant cash received from investing activities

Item	Amount incurred in current year	Amount incurred in prior year
Recovery of structural deposits and invested funds	376,000,000.00	102,000,000.00
Recovery of prior investment in the Sifangdi Landfill	23,500,000.00	
Proceeds from disposal of subsidiary equity	1,000,000.00	
Proceeds from returns on wealth management products	5,817,500.00	

2) Significant cash paid for investing activities

Item	Amount incurred in current year	Amount incurred in prior year
Payment of structural deposits and investing funds	36,000,000.00	412,000,000.00
Purchase and build long-term assets	220,393,378.50	71,125,668.69
Acquisition of subsidiaries and non-controlling interests		7,723,787.63

3) Other cash received from investing activities

Item	Amount incurred in current year	Amount incurred in prior year
Recovery of structural deposits and invested funds	376,000,000.00	102,000,000.00
Recovery of prior investment in the Sifangdi Landfill	23,500,000.00	
Proceeds from returns on wealth management products	5,817,500.00	
Total	405,317,500.00	102,000,000.00

4) Other cash paid for investing activities

Item	Amount incurred in current year	Amount incurred in prior year
Payment of structural deposits and investing funds	36,000,000.00	412,000,000.00
Deposit for land in the Egypt Project	11,829,780.63	
Total	47,829,780.63	412,000,000.00

(3) Cash related to financing activities

1) Other cash received from financing activities

Item	Amount incurred in current year	Amount incurred in prior year
Partner loans	15,828,300.00	
Notes discounting	76,806,040.71	25,334,381.27
Total	92,634,340.71	25,334,381.27

2) Other cash paid for financing activities

Item	Amount incurred in current year	Amount incurred in prior year
Usage fees and security deposits for right-of-use assets	6,107,847.34	50,000.00
Total	6,107,847.34	50,000.00

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

3) Changes in liabilities arising from financing activities

Item	Opening balance	Increase during the year		Decrease during the year		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	340,736,998.42	613,306,040.71	13,497,487.76	374,878,527.02	55,204,550.04	537,457,449.83
Non-current liabilities due within one year	227,740,157.71		217,700,898.04	227,714,675.71		217,726,380.04
Long-term borrowings	102,118,708.32	144,500,000.00	8,221,274.98	56,514,372.88	120,263,000.00	78,062,610.42
Lease liabilities	501,785.73		17,497,970.63	4,807,847.34	10,366,048.11	2,825,860.91
Long-term payables		15,828,300.00	59,690,978.16			75,519,278.16
Total	671,097,650.18	773,634,340.71	316,608,609.57	663,915,422.95	185,833,598.15	911,591,579.36

(4) Significant activities and financial effects that do not involve current cash receipts and disbursements but affect the enterprise's financial position or may affect the enterprise's cash flows in the future

Item	Amount incurred in current year
Notes receivable transferred by endorsement	490,913,773.16
Including: Payment for goods	363,178,387.78
Purchase long-term assets	127,735,385.38
Total	490,913,773.16

53. Supplementary information to cash flow statement

(1) Supplementary information to cash flow statement

Item	Current year amount	Prior year amount
1. Reconciliation of net profit to cash flows from operating activities:		—
Net profit	475,849,436.12	185,393,419.87
Add: Provision for asset impairment	2,062,941.05	7,916,311.75
Credit impairment losses	3,053,418.39	15,924,022.64
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	135,368,329.21	142,796,860.01
Depreciation of right-of-use assets	5,119,671.63	33,688.56
Amortization of intangible assets	3,757,371.40	3,775,070.24
Amortization of long-term deferred expenses		
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains marked with "-")	-2,386.93	-22.74
Losses on write-off of fixed assets (gains marked with "-")	959,382.44	216,781.72
Losses on changes in fair value (gains marked with "-")		
Financial expenses (gains marked with "-")	12,955,823.12	21,401,932.73
Losses on investment (gains marked with "-")	-43,493.53	374,818.94
Decreases of deferred tax assets (increases marked with "-")	-2,179,910.50	22,380,836.36
Increases of deferred tax liabilities (decreases marked with "-")	4,844,952.95	-812,700.38
Decreases of inventories (increases marked with "-")	-180,596,984.24	-214,060,417.22
Decreases of operating receivables (increases marked with "-")	-234,424,773.20	-61,433,721.67
Increases of operating payables (decreases marked with "-")	71,172,905.40	18,904,934.78
Others		
Net cash flow from operating activities	297,896,683.31	142,811,815.59
2. Significant investment and financing activities not related to cash deposit and withdrawal:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Finance leased fixed assets		

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Current year amount	Prior year amount
3. Net change in cash and cash equivalents:		
Closing balance of cash	853,567,907.41	378,787,894.98
Less: Opening balance of cash	378,787,894.98	724,690,908.75
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	474,780,012.43	-345,903,013.77

(2) Composition of cash and cash equivalents

Item	Closing balance	Opening balance
Cash	853,567,907.41	378,787,894.98
Including: Cash on hand		
Unrestricted bank deposit	853,567,907.41	378,787,894.98
Cash equivalents		
Closing balance of cash and cash equivalents	853,567,907.41	378,787,894.98
Including: Restricted cash and cash equivalents used by parent company and subsidiaries of the Group	460,960,827.42	114,051,326.32

(3) Information on cash and cash equivalents with restricted use but still presented as cash and cash equivalents

Item	Current year amount	Prior year amount	Reason for belonging to cash and cash equivalents
Raising funds	460,960,827.42	114,051,326.32	Restricted use but available for withdraw at any time
Total	460,960,827.42	114,051,326.32	—

(4) Monetary assets not belonging to cash and cash equivalents

Item	Current year amount	Prior year amount	Reason for not belonging to cash and cash equivalents
Time deposits		340,000,000.00	Not available for withdraw at any time
Letter of credit deposit	19,442,000.10	13,270,083.93	Not available for withdraw at any time
Guarantee frozen for locking exchange rates	2,253,997.94	4,159,826.86	Not available for withdraw at any time
Frozen fund due to businesses	5,073,771.97	211,660.39	Not available for withdraw at any time
Total	26,769,770.01	357,641,571.18	—

54. Foreign currency monetary items

(1) Foreign currency monetary items

Item	Closing foreign currency balance	Exchange rate	Closing balance in RMB
Cash and cash equivalents			
Including: USD	37,750,009.24	7.0288	265,337,264.95
EGP	40,081,093.63	0.14729	5,903,544.28

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Item	Closing foreign currency balance	Exchange rate	Closing balance in RMB
HKD	145,906.15	0.90322	131,785.35
Accounts receivable			
Including: USD	5,553,004.75	7.0288	39,030,959.79
Other receivables			
Including: USD	1,675,761.08	7.0288	11,778,589.48
Accounts payable			
Including: USD	3,346,348.07	7.0288	23,520,811.31
Long-term payables			
Including: USD	10,744,263.34	7.0288	75,519,278.16

(2) Overseas business entities

Overseas business entities	Principal place of business	Functional currency	Basis for selection
Chuan Jin Nuo Hong Kong Co., Limited	Hong Kong	USD	Primary settlement currency of operating activities
Chuan Jin Nuo International Limited	Hong Kong	USD	Primary settlement currency of operating activities
Chuanjinno Middle East International Holdings Limited	United Arab Emirates (UAE)	USD	Primary settlement currency of operating activities
Chuanjinno Egypt Chemical Co., Ltd.	Egypt	USD	Primary settlement currency of operating activities

55. Leases

(1) The Group as the lessee

Item	Amount incurred in current year	Amount incurred in prior year
Interest expenses on lease liabilities	268,331.52	25,650.18
Short-term lease expenses under simplified treatment included in current profit or loss	465,465.60	86,775.00
Total cash outflows related to leases	6,573,312.94	136,775.00

VI. R&D expenditures

Item	Amount incurred in current year	Amount incurred in prior year
Material and service costs	8,374,072.74	29,620,495.63
Labor costs	6,816,443.23	10,948,201.87
Depreciation	2,898,081.57	6,426,041.20
Other expenses	549,967.66	3,547,063.70
Total	18,638,565.20	50,541,802.40
Including: Expensed R&D expenditures	18,638,565.20	50,541,802.40
Capitalization of R&D expenditures		

VII. Changes in the scope of consolidation

1. Subsidiaries established and acquired during the period

Name of subsidiary	Shareholding ratio	Reason for change
Chuan Jin Nuo International Limited	100%	Newly established
Chuanjinno Middle East International Holdings Limited	60%	Newly established
Chuanjinno Egypt Chemical Co., Ltd.	60.04%	Newly established
Yunnan Xinshenghai International Trade Co., Ltd.	100%	Newly established

VIII. Interests in other entities

1. Interests in subsidiaries

(1) Composition of the enterprise group

Name of subsidiary	Registered capital (RMB 10,000)	Principal place of business	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Kunming Jingcui Engineering Technology Co., Ltd.	500	Kunming City	Kunming City	Research and experimental development of phosphorus chemical technologies	100.00		Establishment
Guangxi Chuanjinnuo Chemical Co., Ltd.	55,396	Fangchenggang City, Guangxi	Fangchenggang City, Guangxi	Production and sales of chemical products, fertilizers, etc.	93.64		Establishment
Kunming Heliwan Industrial Solid Waste Treatment Co., Ltd.	600	Dongchuan District, Kunming City	Dongchuan District, Kunming City	Solid waste treatment	100.00		Establishment
Guangxi Chuanjinnuo New Energy Co., Ltd.	200	Fangchenggang City, Guangxi	Fangchenggang City, Guangxi	Production and sales of new energy batteries and materials	100.00		Establishment
Yingkou Chuanxinnuo High Tech Co., Ltd.	7,500	Yingkou City	Yingkou City, Guangxi	Production and sales of new energy batteries and materials		100.00	Acquisition
Yunnan Xinshenghai International Trade Co., Ltd.	2,000	Kunming City	Kunming City	Sales of materials and equipment	100.00		Establishment
Chuan Jin Nuo Hong Kong Co., Limited	USD 2 million	Hong Kong	Hong Kong	Manufacture of chemicals and chemical products	100.00		Establishment
Chuan Jin Nuo International Limited	USD 100 million	Hong Kong	Hong Kong	Investment holding	100.00		Establishment

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Name of subsidiary	Registered capital (RMB 10,000)	Principal place of business	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Chuanjinno Middle East International Holdings Limited	USD 150 million	United Arab Emirates (UAE)	United Arab Emirates (UAE)	Investment holding		60.00	Establishment
Chuanjinno Egypt Chemical Co., Ltd.	USD 50 million	Egypt	Egypt	Production and sales of chemical products		60.04	Establishment

(2) Significant non-wholly owned subsidiaries

Name of subsidiary	Shareholding ratio of non-controlling interests	Gains or losses attributable to non-controlling interests in the year	Dividends declared for non-controlling interests in the year	Balance of non-controlling interests at the end of the year
Guangxi Chuanjinnuo Chemical Co., Ltd.	6.36%	22,153,112.76	8,904,000.00	67,218,479.52

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

(3) Main financial information of significant non-wholly owned subsidiaries

Name of subsidiary	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current Liabilities	Total liabilities
Guangxi Chuanjinnuo Chemical Co., Ltd.	1,025,428,664.50	1,022,318,541.94	2,047,747,206.44	957,003,789.74	33,830,265.32	990,834,055.06

(Continued)

Name of subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current Liabilities	Total liabilities
Guangxi Chuanjinnuo Chemical Co., Ltd.	781,966,342.90	1,046,573,593.04	1,828,539,935.94	906,516,903.11	76,696,938.57	983,213,841.68

(Continued)

Name of subsidiary	Amount incurred in current year			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangxi Chuanjinnuo Chemical Co., Ltd.	2,639,514,369.04	348,324,859.76	351,461,649.96	242,642,368.84

(Continued)

Name of subsidiary	Amount incurred in prior year			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Guangxi Chuanjinnuo Chemical Co., Ltd.	2,068,523,172.40	146,817,960.90	146,482,913.90	18,340,110.52

IX. Government grants

1. Government grants recognized at receivable amount at the end of the year

The Company did not have any government grants recognized at the receivable amount at the end of the year.

2. Liability items under government subsidy

The Company does not have liability items under government grants

3. Government grants included in the current profit or loss

Accounts	Amount incurred in current year	Amount incurred in prior year
Other income	11,401,629.93	8,236,537.78
Non-operating income		

X. Risks related to financial instruments

The Group is exposed to a variety of risks associated with financial instruments in its ordinary activities, including market risk (such as exchange risk, interest risk and product price risk), credit risk and liquidity risk. The risks associated with these financial instruments, and the risk management policies adopted by the Group to mitigate these risks are described below. The management of the Group manages and monitors these risk exposures to ensure that the above risks are kept within limits.

1. Risk management objectives and policies for various risks

The Group's risk management objectives are to achieve a proper balance between risks and yields, minimize the adverse impacts of risks on the Group's results of operations, and maximize the benefits of the shareholders and other equity investors. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze its exposure to various risks, establish an appropriate maximum tolerance to risks, implement risk management, and monitor these exposures to control the risks within a defined range in a timely and reliable manner.

(1) Market risk

1) Exchange rate risk

The Group is primarily exposed to foreign exchange risk in relation to the U.S. dollar (USD), Egyptian pound (EGP), and Hong Kong dollar (HKD). Except for Chuan Jin Nuo International Limited, Chuanjinno Middle East International Holdings Limited, Chuanjinno Egypt Chemical Co., Ltd., and Chuan Jin Nuo Hong Kong Co., Limited, which conduct procurement and sales in USD, EGP, and HKD, and except for certain procurement and sales

activities of Kunming Chuanjinnuo Chemical Co., Ltd. and Guangxi Chuanjinnuo Chemical Co., Ltd. that are conducted in USD, the Group's other major business operations are primarily denominated and settled in Renminbi (RMB). As at December 31st, 2025, the Group's balances of assets and liabilities were denominated in RMB, except for the foreign currency balances of the assets and liabilities as described in the table below. The exchange rate risk arising from the assets and liabilities with the foreign currency balances may have an impact on the Company's results of operations.

Item	December 31 st , 2025	December 31 st , 2024
Cash and cash equivalents-USD	37,750,009.24	13,096,743.49
Cash and cash equivalents - EGP	40,081,093.63	
Cash and cash equivalents - HKD	145,906.15	
Accounts receivable-USD	5,553,004.75	10,086,697.94
Other receivables - USD	1,675,761.08	
Accounts payable-USD	3,346,348.07	936,674.71
Long-term payables - USD	10,744,263.34	

The Group closely monitors the impact of exchange rate movements on the Group.

2) Interest rate risk

The Group's interest rate risk arises from bank borrowings. Floating-rate financial liabilities expose the Company to cash flow interest rate risk, while fixed-rate financial liabilities expose the Company to fair value interest rate risk. The Company adopts the following strategy to mitigate this risk: in case of an interest rate reduction by the state in the future, the Company will repay the outstanding borrowings in advance; in case of an interest rate hike by the state in the future, it will not repay the outstanding borrowings in advance.

As at December 31st, 2025, the Company's interest-bearing debt consisted primarily of borrowings, including short-term borrowings, long-term borrowings, and long-term payables, with an aggregate amount of RMB 703,764,800.00, of which the amount of borrowings at a fixed rate was RMB 446,014,800.00, and the amount of borrowings at a floating rate was RMB 257,750,000.00.

3) Price risk

Product price risk

The Group purchases and sells all kinds of products at market prices and is therefore subject to fluctuations in such prices.

(2) Credit risk

The Group manages credit risk by portfolio. Credit risk arises primarily from cash and cash equivalents, notes receivable, accounts receivable, accounts receivable financing, other receivables, etc.

In order to minimize the credit risk, the Group has set up a department responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recovery of each individual receivable at each balance sheet date to ensure that sufficient bad debt provision is made for amounts that are irrecoverable. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group's working funds are deposited in banks with high credit ratings, therefore the credit risk of the working funds is relatively low.

The Group has adopted necessary policies to ensure that all sales customers have a good credit history. Except for the top five accounts receivable and contract assets, the Group has no other significant credit concentration risk. Of the Group's accounts receivable, the top five totaled: RMB 52,802,219.52, accounting for 42.97% of the Group's total accounts receivable.

1) Criteria for judging a significant increase in credit risk

The Group determines at each balance sheet date whether there has been a significant increase in the credit risk of a financial instrument since its initial recognition by comparing the probability of default over the expected life of the financial instrument determined at initial recognition with the probability of default over the expected life of the instrument determined at the balance sheet date. However, if the Group determines that a financial instrument has only low credit risk at the balance sheet date, it can assume that the credit risk of the financial instrument has not increased significantly since initial recognition.

The Group's main criterion for determining a significant increase in credit risk is the overdue date exceeding 30 days, or a significant change in one or more of the following indicators: significant adverse changes in the operating environment in which the debtor operates, internal or external credit ratings, or actual or expected results of operations.

2) Definition of credit-impaired assets

A financial asset becomes credit-impaired when one or more events that have an adverse effect on the financial asset's expected future cash flows occur. The Group's main criterion for determining whether credit impairment has occurred is if the number of days past due exceeds 90 days. But under certain circumstances, the Group also considers a financial asset to be credit impaired if internal or external information indicates that the

contractual amount may not be recovered in full before considering any credit enhancements held. A credit impairment of a financial asset may be the result of a combination of events and may not necessarily be the result of separately identifiable events.

Evidence that a financial asset is impaired includes observable information such as: significant financial difficulty of the issuer or debtor; a breach of contract by the debtor, such as a default or delinquency in interest or principal payments; the Group granting concessions to the debtor that it would not have made in any other circumstance because of economic or contractual considerations related to the debtor's financial difficulty; a significant likelihood that the debtor will enter bankruptcy or other financial reorganization; and the disappearance of an active market for the financial asset due to the financial difficulty of the issuer or debtor.

3) Credit risk exposure

As at December 31st, 2025, the largest credit risk exposures that could give rise to financial losses for the Group mainly arise from losses incurred on the Group's financial assets as a result of the failure of the other party to the contract to perform its obligations, and the financial guarantees assumed by the Group.

Specifically, such exposure includes the book values of the recognized financial assets as stated on the consolidated balance sheet. For financial instruments measured at fair value, the book value reflects the exposure to risks but not the maximum exposure to risks. The maximum exposure to risks would vary with the future changes in fair value.

(3) Liquidity risk

Liquidity risk is the risk that the Group cannot perform its financial obligations as they fall due. The Group manages the liquidity risk by ensuring that funding liquidity is adequate to perform its debt obligations at maturity without incurring unacceptable losses or causing damage to its corporate reputation. The Group regularly analyzes the structure and maturity of its liabilities to ensure adequate funding. The management of the Group monitors the utilization of bank borrowings and ensures compliance with borrowing agreements. It also negotiates financing with financial institutions to maintain a certain credit line and reduce the liquidity risk.

Sales of goods and bank borrowings are taken as main sources of the Group's funding. As at December 31st, 2025, the Group's unutilized bank borrowings amounted to RMB 727,773,300 (December 31st, 2024: RMB 610,000,000), of which the Group's unutilized short-term bank borrowings amounted to RMB 502,773,300 (December 31st, 2024: RMB

308,000,000).

Financial assets and financial liabilities held by the Group are analyzed by the maturity of the undiscounted remaining contractual obligations:

Amount as at December 31st, 2025:

Item	Within one year	One to two years	Two to five years	More than five years	Total
Financial assets					
Cash and cash equivalents	880,337,677.42				880,337,677.42
Notes receivable	129,417,984.6				129,417,984.60
Accounts receivable	120,242,318.52				120,242,318.52
Other receivables	27,872,559.68				27,872,559.68
Financial liabilities					-
Short-term borrowings	537,457,449.83				537,457,449.83
Notes payable	5,000,000.00				5,000,000.00
Accounts payable	220,186,306.77				220,186,306.77
Other payables	8,115,034.25				8,115,034.25
Employee benefits payable	34,792,494.09				34,792,494.09
Non-current liabilities due within one year	217,726,380.06				217,726,380.06
Long-term borrowings		47,310,123.60	30,752,486.82		78,062,610.42
Long-term payables		59,639,461.76		15,879,816.40	75,519,278.16

2. Sensitivity analysis

The Group uses sensitivity analysis techniques to analyze the potential effects of reasonably possible changes in risk variables on the current profit or loss or shareholders' equity. Since changes in any risk variable rarely occur in isolation, and the correlations that exist between variables will have a significant effect on the ultimate amount of impact of a change in a given risk variable, the following is done based on the assumption that changes in each variable are independent.

(1) Foreign exchange risk sensitivity analysis

Foreign exchange risk sensitivity analysis assumes that all net investment hedges of foreign operations and cash flow hedges are highly effective.

On the basis of the above assumptions, the after-tax effect of a reasonably possible

change in exchange rates on the current profit or loss and equity, with all other variables held constant, is as follows:

Item	Exchange rate changes	FY2025		FY2024	
		Impact on net profit	Impact on shareholders' equity	Impact on net profit	Impact on shareholders' equity
All foreign currencies	5% appreciation against RMB	18,572,692.38	18,572,692.38	7,739,713.74	7,739,713.74
All foreign currencies	5% depreciation against RMB	-18,572,692.38	-18,572,692.38	-7,739,713.74	-7,739,713.74

(2) Interest rate risk sensitivity analysis

The interest rate risk sensitivity analysis is based on the following assumptions:

Changes in market interest rates affect interest income or expenses on variable-rate financial instruments;

For fixed-rate financial instruments measured at fair value, changes in market interest rates affect only their interest income or expenses;

Changes in the fair values of derivative financial instruments and other financial assets and liabilities are calculated using the discounted cash flow method at the market interest rate as of the balance sheet date.

On the basis of the above assumptions, the after-tax effect on current profit or loss and equity of a reasonable possible change in interest rates, with all other variables held constant, is as follows:

Item	Interest rate changes	FY2025		FY2024	
		Impact on net profit	Impact on shareholders' equity	Impact on net profit	Impact on shareholders' equity
Floating-rate borrowings	1% increase	-2,190,875.00	-2,190,875.00	-2,800,750.00	-2,800,750.00
Floating-rate borrowings	1% reduction	2,190,875.00	2,190,875.00	2,800,750.00	2,800,750.00

3. Transfer of financial assets

(1) Classification of transfer methods

Transfer method	Nature of financial assets transferred	Amount of financial assets transferred	Derecognized or not	Basis for judging derecognition
Notes endorsement/notes discounting	Unexpired bank acceptance notes among notes receivable	117,411,304.07	Not derecognized	Almost all the risks and rewards of financial assets, including the risk of default associated with them, are retained
Notes endorsement/notes discounting	Unexpired bank acceptance notes among receivables financing	204,354,828.10	Derecognized	Almost all the risks and rewards of financial assets have been transferred
Total		321,766,132.17		

(2) Financial assets derecognized due to transfer

Item	Transfer method of financial assets	Amount of financial assets derecognized	Gain or loss related to derecognition
Receivables financing	Notes endorsement/notes discounting	204,354,828.10	
Total		204,354,828.10	

XI. Fair value disclosure

1. Closing fair value of assets and liabilities measured at fair value

Item	Closing fair value			
	Level 1 fair value measurements	Level 2 fair value measurements	Level 3 fair value measurements	Total
I. Fair value measurements on a recurring basis	—	—	—	—
1. Receivables financing			90,300,965.46	90,300,965.46
2. Derivative financial assets		4,329,785.08		4,329,785.08
Total assets measured at fair value on a recurring basis		4,329,785.08	90,300,965.46	94,630,750.54
Total liabilities measured at fair value on a recurring basis		—	—	—

2. Recurring and non-recurring level 2 fair value measurement items, valuation techniques used and qualitative and quantitative information of critical parameters

Derivative financial assets represent forward exchange contracts, and the fair value as of the balance sheet date can be calculated based on the forward exchange rate specified by the bank and the exchange rate as of the balance sheet date.

3. Recurring and non-recurring level 3 fair value measurement items, valuation techniques used and qualitative and quantitative information of critical parameters

Receivables financing represent outstanding bank acceptance notes receivable because the factor for credit risk adjustment is not an input which is directly observable from the market, the remaining maturity is short and the book balance approximates fair value.

4. Fair values of financial assets and financial liabilities which are not measured at fair value

The Group's financial assets and financial liabilities measured at amortized cost mainly include cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables and long-term borrowings, etc. There are insignificant differences between the book values and fair values

of the Group's financial assets and financial liabilities which are not measured at fair value.

XII. Related parties and related party transactions

1. Related party relationships

(1) Parent company of the Company

The Company, without parent company, has the natural person Liu Meng as its controlling shareholder and ultimate controller.

(2) Subsidiaries of the Company

For details of the subsidiaries, please refer to "Note VIII. 1. (1) Composition of the enterprise group".

2. Related party transactions

(1) Details of related party guarantees

1) As a guaranteed party

Name of guarantor	Guarantee amount	Guarantee start date	Guarantee expiry date	Whether the guarantee has been fulfilled
Liu Meng	366,275,000.00	June 23 rd , 2021	June 23 rd , 2027	No
Kunming Chuanjinnuo Chemical Co., Ltd.				

Note: On June 23rd, 2021, the Company and Liu Meng, the controlling shareholder and actual controller, entered into a maximum guarantee contract with Fangchenggang Branch of China Construction Bank Corporation, separately. The maximum amount of the guarantee liability was RMB 366,275,000, used for Fangchenggang Branch of China Construction Bank Corporation to provide loans, accept commercial notes, issue letters of credit and letters of guarantee, etc. to Guangxi Chuanjinnuo.

(2) Key management personnel remuneration

Item name	Amount incurred in current year	Amount incurred in prior year
Total remuneration	4,245,499.02	4,795,402.00

Note: The Company abolished its Supervisory Board in 2025; therefore, the scope for the remuneration statistics of key management personnel covers non-independent directors and senior management.

3. Balances of related party receivables and payables

As of December 31st, 2025, the Company had no balances of related party transactions to be disclosed.

XIII. Commitments and contingencies

1. Material commitments

(1) Commitment on share repurchase

If there are false records, misleading statements or material omissions in the prospectus of the Company's initial public offering and listing on the GEM Board, which constitute a material and substantial impact on the judgment of whether the Company meets the issuance conditions stipulated by the law, the Company shall hold a board meeting in a timely manner to consider a plan for the repurchase of all the new shares in the initial public offering and submit the plan to the shareholders' meeting for implementation after a resolution has been made. The Company will determine the repurchase price in accordance with the relevant laws at the time of repurchase, the normative documents promulgated by China Securities Regulatory Commission (the CSRC) and the Shenzhen Stock Exchange and the provisions of the Articles of Incorporation, which shall not be lower than the market price at the time of repurchase.

(2) Commitment on compensation by law for investors' losses due to false records, misleading statements or material omissions

There do not exist false records, misleading statements or material omissions in the prospectus of the Company's initial public offering and listing on the GEM Board, and the Company assumes joint and several liability for its authenticity, accuracy and completeness. (1) If there are false records, misleading statements or material omissions in the prospectus, which constitute a material and substantial impact on the judgment of whether the Company meets the issuance conditions stipulated by the law, the Company will repurchase all the new shares in the initial public offering at the secondary market price of the Company's shares. (2) If there are false records, misleading statements or material omissions in the Company's prospectus, which cause investors' losses in securities transactions, the Company will compensate the investors for their losses in accordance with the law.

2. Contingencies

As at December 31st, 2025, the Company had no other material contingencies to be disclosed other than the above matters.

XIV. Events after the balance sheet date

1. Profit distribution

On March 18th, 2024, the *Proposal on the Company's Profit Distribution for 2025* was approved at the 19th meeting of the fifth session of the Board of Directors of the Company.

The proposed profit distribution for 2025 is as follows: based on the Company's share capital totaling 274,867,523 shares as at December 31st, 2025, the Company will distribute a cash dividend of RMB 4 (inclusive of tax) for every ten shares to all shareholders, totaling RMB 109,947,009.20, with neither bonus shares to be offered nor transfers of capital reserve to share capital. The proposal is still to be submitted for consideration at the Company's 2025 Annual General Meeting of Shareholders.

2. Descriptions of other events after the balance sheet date

The Group had no other material events after the balance sheet date, except for the above disclosure of events after the balance sheet date.

XV. Other important events

1. Segment information

(1) Basis for determining reportable segments and accounting policies

According to the internal structure, management requirements and internal reporting system of the Group, its operations for the current year mainly comprise the production, sales and research and development of feed additives and fertilizers and technical services in the region of Kunming, the production, sales and research and development of phosphoric acid and fertilizers by Guangxi Chuanjinnuo Chemical, and the sales operations of Chuan Jin Nuo Hong Kong. On this basis, the operations are classified into three reportable segments, namely Kunming Chuanjinnuo, Guangxi Chuanjinnuo Chemical, and Chuan Jin Nuo Hong Kong. The management of the Group evaluates the operating results of the reportable segments on a periodic basis to determine their resource allocation and performance appraisal.

Report information of the segments is disclosed in accordance with their respective accounting policies and measurement bases used in reporting to the management, which are consistent with those used in the preparation of financial statements.

Kunming Chuanjinnuo Chemical Co., Ltd.

Notes to the financial statements

January 1st, 2025 - December 31st, 2025

(Unless indicated otherwise, all amounts are expressed in RMB)

(2) Financial information of the reportable segments for the year

Item	Kunming Chuanjinnuo	Guangxi Chuanjinnuo Chemical	Chuan Jin Nuo Hong Kong	Others and inter-segment elimination	Total
Operating income	1,512,138,943.83	2,639,514,369.04	14,210,467.52	91,203,415.97	4,074,660,364.42
Revenue from external transactions	1,433,808,618.50	2,626,641,278.40	14,210,467.52		4,074,660,364.42
Revenue from inter-segment transactions	78,330,325.33	12,873,090.64		91,203,415.97	
Operating costs and expenses	1,216,954,663.60	2,252,041,509.51	14,000,748.70	-52,345,992.90	3,535,342,914.71
Costs of external sales	1,180,969,686.77	2,146,275,380.32	13,977,509.04		3,341,222,576.13
Costs of inter-segment sales	77,402,604.89	12,873,088.07		90,275,692.96	
Period expenses and impairment losses	-41,417,628.06	92,893,041.12	23,239.66	-142,621,685.86	194,120,338.58
Operating profit	295,184,280.23	387,472,859.53	209,718.82	143,549,408.87	539,317,449.71
Total assets	2,834,227,885.64	2,047,747,206.44	356,612.00	539,255,603.60	4,343,076,100.48
Total liabilities	288,926,621.92	990,834,055.06	24,424.16	-62,070,554.32	1,341,855,655.46
Supplementary information					
Depreciation and amortization expenses	52,801,576.26	85,818,445.69		-5,625,350.29	144,245,372.24
Non-cash expenses other than depreciation and amortization	2,290,168.11	514,932.49		-2,308,871.91	5,113,972.51
Capital expenditure	90,138,530.37	38,087,726.97		-6,331,287.07	134,557,544.41

XVI. Notes to key items of the financial statements of the parent company

1. Accounts receivable

(1) Accounts receivable by aging

Aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	83,179,616.27	62,042,999.90
Including: Within 6 months	83,179,616.27	62,042,995.75
6 months-1 year		4.15
1-2 years		
More than 2 years		1,202,840.16
Total	83,179,616.27	63,245,840.06

(2) Accounts receivable presented according to the bad debt accrual method

Category	Closing balance				Book value
	Book balance		Bad debt provision		
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	83,179,616.27	100.00	831,796.16	1.00	82,347,820.11
Including: Aging portfolio	83,179,616.27	100.00	831,796.16	1.00	82,347,820.11
Risk-free portfolio					
Total	83,179,616.27	100.00	831,796.16	1.00	82,347,820.11

(Continued)

Category	Opening balance				Book value
	Book balance		Bad debt provision		
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Bad debt provision by portfolio	63,245,840.05	100.00	1,762,161.54	2.79	61,483,678.51
Including: Aging portfolio	57,134,940.05	90.34	1,762,161.54	3.08	55,372,778.51
Risk-free portfolio	6,110,900.00	9.66			6,110,900.00
Total	63,245,840.05	100.00	1,762,161.54	2.79	61,483,678.51

1) Bad debt provision for accounts receivable by portfolio

Aging	Closing balance		
	Book balance	Bad debt provision	Accrual ratio (%)
Within 6 months	83,179,616.27	831,796.16	1.00
6 months-1 year			
1-2 years			
More than 2 years			
Total	83,179,616.27	831,796.16	1.00

(3) Bad debt provision accrued, recovered or reversed for accounts receivable during the year

Category	Opening balance	Amount of change during the year				Closing balance
		Accrual	Recovery or reversal	Charge-offs or write-offs	Others	
Bad debt provision	1,762,161.54	849,483.45	594,664.68	1,185,184.15		831,796.16
Total	1,762,161.54	849,483.45	594,664.68	1,185,184.15		831,796.16

No bad debt provision for significant amounts was recovered or reversed during the year.

(4) Accounts receivable actually written off during the year

Item	Write-off amount
Accounts receivable actually written off	1,185,184.15

There were no significant accounts receivable write-offs during the period.

(5) Accounts receivable and contract assets of the top five closing balances, grouped by party in arrears

Name of entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	As a percentage of the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision for accounts receivable and contract assets
Yunnan Yuneng New Energy Battery Materials Co., Ltd.	15,790,016.85		15,790,016.85	18.98	157,900.17
Siam Java Trading Co., Ltd	13,837,872.69		13,837,872.69	16.64	138,378.73
NUTRECONEDERLANDB.V.	5,706,141.50		5,706,141.50	6.86	57,061.42
Sichuan New Hope Animal Nutrition Technology Co., Ltd.	4,214,544.45		4,214,544.45	5.07	42,145.44
SCANBIO CORPORATION CO., LTD.	2,828,951.42		2,828,951.42	3.40	28,289.51
Total	42,377,526.91		42,377,526.91	50.95	423,775.27

2. Other receivables

Item	Closing balance	Opening balance
Interest receivable		
Dividends receivable		
Other receivables	442,375,504.39	851,145,331.71
Total	442,375,504.39	851,145,331.71

2.1. Other receivables

(1) Other receivables by nature of payment

Nature of payment	Closing book balance	Opening book balance
Transactions with subsidiaries	440,344,461.36	848,945,582.90
Guarantee and deposit	1,471,600.00	451,600.00
Advances	803,203.19	740,775.78
Equity payments		1,000,000.00
Current payments		763,937.41
Petty cash		271,801.92
Total	442,619,264.55	852,173,698.01

(2) Other receivables by aging

Aging	Closing book balance	Opening book balance
Within 1 year (including 1 year)	91,841,453.35	210,510,494.30
1-2 years	164,492,443.11	617,353,956.26
2-3 years	184,031,970.05	2,018,524.04
3-4 years	2,001,798.04	21,550,000.00
4-5 years	250,000.00	1,600.00
More than 5 years	1,600.00	739,123.41
Total	442,619,264.55	852,173,698.01

(3) Other receivables presented according to the bad debt accrual method

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis					
Including: With individually significant amounts and separate bad debt provision					
With individually insignificant amounts and separate bad debt provision					
Bad debt provision by portfolio	442,619,264.55	100.00	243,760.16	0.06	442,375,504.39
Including: Aging portfolio	2,274,803.19	0.51	243,760.16	10.72	2,031,043.03
Risk-free portfolio	440,344,461.36	99.49			440,344,461.36
Total	442,619,264.55	100.00	243,760.16	0.06	442,375,504.39

(Continued)

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Ratio (%)	Amount	Accrual ratio (%)	
Bad debt provision on an individual basis	763,937.41	0.09	763,937.41	100.00	
Including: With individually significant amounts and separate bad debt provision	615,347.27	0.07	615,347.27	100.00	
With individually insignificant amounts and separate bad debt provision	148,590.14	0.02	148,590.14	100.00	
Bad debt provision by portfolio	851,409,760.60	99.91	264,428.89	0.03	851,145,331.71
Including: Aging portfolio	2,464,177.70	0.29	264,428.89	10.73	2,199,748.81
Risk-free portfolio	848,945,582.90	99.62			848,945,582.90
Total	852,173,698.01	100.00	1,028,366.30	0.12	851,145,331.71

1) Other receivables with separate bad debt provision

Name	Opening balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Accrual ratio (%)	Accrual reason
Kunming Xunhechuan Mining Co., Ltd.	615,347.27	615,347.27				
Sporadic customers	148,590.14	148,590.14				
Total	763,937.41	763,937.41				

2) Other receivables with bad debt provision by aging portfolio

Aging	Closing balance		
	Book balance	Bad debt provision	Accrual ratio (%)
Within 1 year (including 1 year)	1,823,203.19	91,160.16	5.00
1-2 years	180,000.00	18,000.00	10.00
2-3 years			20.00
3-4 years	20,000.00	8,000.00	40.00
4-5 years	250,000.00	125,000.00	50.00
More than 5 years	1,600.00	1,600.00	100.00
Total	2,274,803.19	243,760.16	-

3) Other receivables with bad debt provision by risk-free portfolio

Aging	Closing balance		
	Book balance	Bad debt provision	Accrual ratio (%)
Within 1 year (including 1 year)	90,018,250.16		
1-2 years	164,312,443.11		
2-3 years	184,031,970.05		
3-4 years	1,981,798.04		
Total	440,344,461.36		—

4) Other receivables with bad debt provision according to the general model of expected credit losses

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire duration (No credit impairment)	Expected credit losses over the entire duration (Credit impairment has occurred)	
Balance as at January 1 st , 2025		264,428.89	763,937.41	1,028,366.30
Balance as at January 1 st ,	—	—	—	—

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit losses over the next 12 months	Expected credit losses over the entire duration (No credit impairment)	Expected credit losses over the entire duration (Credit impairment has occurred)	
2025 in the current year				
--Transferred to Phase II				
--Transferred to Phase III				
--Reversed to Phase II				
--Reversed to Phase I				
Current year accrual		26,440.36		26,440.36
Current year reversal		47,109.09	6,047.98	53,157.07
Current year charge-offs				
Current year write-offs			757,889.43	757,889.43
Other changes				
Balance as at December 31 st , 2025		243,760.16		243,760.16

(4) Bad debt provision accrued, recovered or reversed for other receivables during the year

Category	Opening balance	Amount of change during the year				Closing balance
		Accrual	Recovery or reversal	Charge-offs or write-offs	Others	
Bad debt provision	1,028,366.30	26,440.36	53,157.07	757,889.43		243,760.16
Total	1,028,366.30	26,440.36	53,157.07	757,889.43		243,760.16

No bad debt provision for significant amounts was recovered or reversed during the year.

(5) Other receivables actually written off during the year

Item	Write-off amount
Other receivables actually written	757,889.43

Significant other accounts receivable write-offs among them:

Name of entity	Nature of payment	Write-off amount	Reason for write-off	Write-off procedures performed	Whether arising from related transactions
Kunming Xunhechuan Mining Co., Ltd.	Current payments	609,299.29	Long-term outstanding and cannot be recovered	Perform internal approval process for bad debt write-offs	No
Total	—	609,299.29	—	—	—

(6) Other receivables of the top five closing balances, grouped by party in arrears:

Name of entity	Nature of payment	Closing balance	Aging	As a percentage of the total closing balance of other receivables (%)	Closing balance of bad debt provision
Guangxi Chuanjinnuo New Energy Co., Ltd.	Borrowings	287,787,873.13	Within 1 year, 1-2 years, 2-3 years	65.02	
Guangxi Chuanjinnuo Chemical Co., Ltd.	Borrowings	142,574,790.19	Within 1 year, 2-3 years	32.21	
Kunming Jingcui Engineering Technology Co., Ltd.	Borrowings	9,981,798.04	Within 1 year, 1-2 years, 2-3 years, 3-4 years	2.26	
Guizhou Jinlin Chemical Co., Ltd.	Guarantee and deposit	1,000,000.00	Within 1 year	0.23	50,000.00
Yunnan Chihong Zinc & Germanium Co., Ltd.	Guarantee and deposit	250,000.00	4-5 years	0.06	125,000.00
Total		441,594,461.36	-	99.78	175,000.00

3. Long-term equity investments

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investments in subsidiaries	687,483,448.00		687,483,448.00	559,610,000.00		559,610,000.00
Investments in associates and joint ventures						
Total	687,483,448.00		687,483,448.00	559,610,000.00		559,610,000.00

(1) Investments in subsidiaries

Investee	Opening balance (book value)	Opening balance of impairment provision	Changes of increase or decrease in current year				Closing balance (book value)	Closing balance of impairment provision
			Added investment	Reduced investment	Impairment provision	Others		
Guangxi Chuanjinnuo Chemical Co., Ltd.	548,660,000.00						548,660,000.00	
Kunming Jingcui Engineering Technology Co., Ltd.	5,000,000.00						5,000,000.00	
Kunming Heliwan Industrial Solid Waste Treatment Co., Ltd.	3,950,000.00						3,950,000.00	
Guangxi Chuanjinnuo New Energy Co., Ltd.	2,000,000.00						2,000,000.00	
Chuan Jin Nuo Hong Kong Co., Limited			144,028.00				144,028.00	
Chuan Jin Nuo International Limited			127,729,420.00				127,729,420.00	
Total	559,610,000.00		127,873,448.00				687,483,448.00	

4. Operating income and operating costs

(1) Details of operating income and operating costs

Item	Amount incurred in current year		Amount incurred in prior year	
	Income	Costs	Income	Costs
Main businesses	1,511,333,319.44	1,258,372,291.66	1,327,825,286.46	1,159,173,308.57
Other businesses	805,624.39		3,023,652.23	592,197.28
Total	1,512,138,943.83	1,258,372,291.66	1,330,848,938.69	1,159,765,505.85

(2) Breakdown of operating income and operating costs

Classification of contracts	Kunming Chuanjinnuo	
	Operating income	Operating costs
Product type	1,512,138,943.83	1,258,372,291.66
Including: Feed grade phosphate	1,032,296,282.47	854,136,258.89
Phosphate fertilizer	227,044,559.00	184,202,447.89
Phosphoric acid	220,739,824.89	205,490,383.60
Others	32,058,277.47	14,543,201.28
Classified by business region	1,512,138,943.83	1,258,372,291.66
Including: Northeast China	2,634,225.75	2,099,499.05
North China	29,815,482.38	24,845,880.97
East China	108,614,573.83	90,241,785.21
South China	203,177,280.81	161,313,348.38
Central China	52,648,424.31	43,238,862.65
Northwest China	26,567,964.66	22,067,777.01
Southwest China	490,366,128.41	412,610,071.64
International	598,314,863.68	501,955,066.75
Market or client type	1,512,138,943.83	1,258,372,291.66
Including: Phosphorus chemical industry	1,480,080,666.36	1,243,829,090.38
Others	32,058,277.47	14,543,201.28
Contract type	1,512,138,943.83	1,258,372,291.66
Including: Merchandising	1,511,333,319.44	1,258,372,291.66
Others	805,624.39	
Classification by time of product transfer	1,512,138,943.83	1,258,372,291.66
Including: Recognized at a certain point in time	1,512,138,943.83	1,258,372,291.66
Recognized over a period of time		
Classification by contract duration	1,512,138,943.83	1,258,372,291.66
Including: Within 1 year	1,512,138,943.83	1,258,372,291.66
More than 1 year		

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

Classification of contracts	Kunming Chuanjinnuo	
	Operating income	Operating costs
Classification by sales channel	1,512,138,943.83	1,258,372,291.66
Including: Direct sale	783,847,112.38	667,840,511.92
Distribution	728,291,831.45	590,531,779.74
Total	1,512,138,943.83	1,258,372,291.66

(3) Information on performance obligations

Item	Time for fulfilling performance obligations	Important payment terms	Nature of Company's commitment to transfer goods	Whether the person is primarily responsible	Amounts assumed by the Company that are expected to be refunded to customers	Types of quality assurance offered by the Company and related obligations
Sell abroad	Cargo loaded on board and departed from port	1) 100% prepayment before loading; 2) Payment by sight letter of credit upon loading; and 3) Payment by wire transfer within 30 days after the date of the bill of lading.	Cargoes	Yes	None	Product quality assurance
Domestic sales	1) Self-pickup by the buyer; 2) Delivery and acceptance of the goods to the customer's designated location; 3) Delivery at the port;	1) Payment before delivery; 2) Payment will be made within 3-10 working days after the goods have been inspected and the invoice has been received.	Cargoes	Yes	None	Product quality assurance

(4) Information on transaction prices apportioned to remaining performance obligations

The income corresponding to performance obligations that have been contracted for but not yet performed or not yet completed at the end of the year is RMB 175,440,352.15, of which RMB 175,440,352.15 is expected to be recognized as income in 2026.

5. Investment income

Item	Amount incurred in current year	Amount incurred in prior year
Investment income from long-term equity investments accounted for using the cost method	131,096,000.00	
Investment income from disposal of financial assets held for trading	310,885.40	455,154.71
Total	131,406,885.40	455,154.71

Supplementary information to the financial statements

1. Non-recurring profit or loss schedule for the year

Item	Current year amount	Descriptions
Gains or losses on disposal of non-current assets (including write-offs of provision for impairment of assets)	2,386.93	
Government grants included in the current profit or loss (except for government grants that are closely related to the Company's normal business operations, meet the requirements of national policies, are enjoyed in accordance with defined criteria, and exert a continuing impact on the Company's profit or loss)	11,406,025.93	
Gains or losses on changes in the fair values of financial assets and financial liabilities held by non-financial enterprises and gains or losses on disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	310,885.40	
Funds possession costs received from non-financial enterprises and charged to the current profit or loss		
Gains or losses on entrusted investments or asset management		
Gains or losses on entrusted external loans		
Losses on assets due to force majeure factors such as natural disasters		
Reversal of provision for impairment of receivables individually tested for impairment		
Income arising when the investment cost of the enterprise for acquiring a subsidiary, associate and joint venture is less than the share of the fair value of the investee's identifiable net assets upon the acquisition of the investment		
Net profit or loss for the period from the beginning of the period to the date of consolidation of subsidiaries arising from business combinations under common control		
Gains or losses on exchanges of non-monetary assets		
Gains or losses on debt restructuring		
One-time expenses incurred by the enterprise due to the fact that the related operating activities are discontinued, such as the expenditures for the relocation of employees		
One-time effect on the current profit or loss due to adjustments in tax, accounting and other laws and regulations		
Share-based payment expenses recognized in a lump sum due to cancellation or modification of share incentive plans		
For cash-settled share-based payments, gains or losses on changes in the fair value of employee benefits payable after the vesting date		
Gains or losses on changes in the fair value of investment properties subsequently measured using the fair value model		
Gains or losses arising from transactions at unfair transaction prices		
Gains or losses arising from contingencies unrelated to the Company's normal business operations		
Custodian fee income from entrusted operations		
Other non-operating income and expenses other than those mentioned above	1,418,423.71	
Other profit or loss items which meet the definition of non-recurring profit or loss		
Subtotal	13,137,721.97	—
Less: Effect of income taxes	1,647,832.93	
Effect of non-controlling interests (after tax)	337,024.48	
Total	11,152,864.56	—

Kunming Chuanjinnuo Chemical Co., Ltd.
Notes to the financial statements
January 1st, 2025 - December 31st, 2025
(Unless indicated otherwise, all amounts are expressed in RMB)

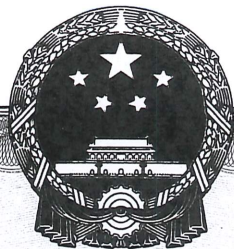
2. Return on net assets and earnings per share

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the parent company	16.67	1.6510	1.6510
Net profit attributable to ordinary shareholders of the parent company after deducting non-recurring profit or loss	16.26	1.6104	1.6104

Kunming Chuanjinnuo Chemical Co., Ltd.

March 18th, 2026





营业执照

统一社会信用代码

91110101592354581W

(副本) (3-1)



扫描市场主体身份码
了解更多登记、备案、
许可、监管信息，体
验更多应用服务。

名称 信永中和会计师事务所（特殊普通合伙）

出资额 6000 万元

类型 特殊普通合伙企业

成立日期 2012 年 03 月 02 日

执行事务合伙人 李晓英、宋朝学、谭小青

主要经营场所 北京市东城区朝阳门北大街 8 号富华大厦
A 座 8 层

经营范围 许可项目：注册会计师业务；代理记账。（依法须经批准的项目，经相关部门批准后方可开展经营活动，具体经营项目以相关部门批准文件或许可证件为准）一般项目：企业管理咨询；税务服务；破产清算服务；业务培训（不含教育培训、职业技能培训等需取得许可的培训）；信息咨询服务（不含许可类信息咨询服务）；技术服务、技术开发、技术咨询、技术交流、技术转让、技术推广；软件开发；软件销售；信息系统集成服务；信息技术咨询服务；网络与信息安全软件开发；信息系统运行维护服务；数据处理服务；计算机软硬件及辅助设备零售。（除依法须经批准的项目外，凭营业执照依法自主开展经营活动）（不得从事国家和本市产业政策禁止和限制类项目的经营活动。）

登记机关



2026 年 01 月 27 日



会计师事务所 执业证书

名称：信永中和会计师事务所(特殊普通合伙)

首席合伙人：谭小青

主任会计师：

经营场所：北京市东城区朝阳门北大街8号富华大厦A座8层

组织形式：特殊普通合伙

执业证书编号：11010136

批准执业文号：京财会许可[2011]0056号

批准执业日期：2011年07月07日



证书序号：0014624

说明

- 1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。
- 2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。
- 3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。
- 4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：北京市财政局

二〇一一年七月五日

中华人民共和国财政部制

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after
this renewal.



彭让(110001670008)
您已通过2016年年检
云南省注册会计师协会



彭让(110001670008)
您已通过2017年年检
云南省注册会计师协会

年度检验登记
Annual Renewal Registration

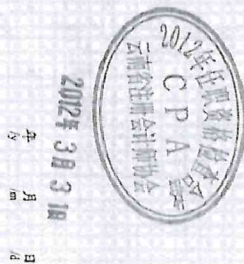
本证书经检验合格，继续有效一年。
This certificate is valid for another year after
this renewal.

年 月 日
/y /m /d

证书编号:
No. of Certificate: 110001670008
批准注册协会:
Authorized Institute of CPAs: 云南省注册会计师协会
发证日期:
Date of Issuance: 二〇〇一年十月十日



年度检验登记
Annual Renewal Registration
本证书经检验合格，继续有效一年。
This certificate is valid for another year after
this renewal.



姓名: 彭让
Full name: PENG RANG
性别: 男
Sex: Male
出生日期: 1974-04-20
Date of birth: 1974-04-20
工作单位: 信永中和会计师事务所昆明分所
Working unit: XINYONGZHONG ACCOUNTING FIRM KUNMING BRANCH
身份证号码: 530111197404204473
Identity card No.: 530111197404204473



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

证书编号: 110101365224
No. of Certificate

批准注册协会: 云南省注册会计师协会
Authorized Institute of CPAs

发证日期: 2016 年 04 月 25 日
Date of Issuance



李秋霞(110101365224)
您已通过2017年年检
云南省注册会计师协会



李秋霞(110101365224)
您已通过2018年年检
云南省注册会计师协会



年度检验登记
Annual Renewal Registration
本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.



年度检验登记
Annual Renewal Registration
本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

年 月 日



姓名: 李秋霞
Full name: 李秋霞
性别: 女
Sex: 女
出生日期: 1987-09-01
Date of birth: 1987-09-01
工作单位: 信永中和会计师事务所(特殊普通合伙)昆明分所
Working unit: 信永中和会计师事务所(特殊普通合伙)昆明分所
身份证号码: 532929198709010040
Identity card No: 532929198709010040