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東北電氣發展股份有限公司

NEE

NORTHEAST ELECTRIC DEVELOPMENT CO.,LTD.

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

(Stock Code: 00042)

UNAUDITED RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The Board of Directors (the “**Board**”) and the directors (the “**Directors**”) of the Northeast Electric Development Company Limited (the “**Company**”) hereby announce the unaudited interim results of the Company and its subsidiaries (the “**Group**”) as of 30 June 2025.

Chapter 1 IMPORTANT NOTICE

- 1.1 The Board, Supervisory Committee, Directors, Supervisors and senior management of the Company hereby confirm that there are no false representations, misleading statements or material omissions contained in this report, and they, severally and jointly, accept full responsibility for the truthfulness, accuracy and completeness of the contents of this interim report.
- 1.2 the Company’s Chairman, Zhu Xinguang, Chief Accounting Officer, Liu Kejia, and Chief Financial Officer, Lin Bin hereby represent: guaranteeing the truthfulness, accurateness and integrity of the financial statements in the interim report.
- 1.3 This announcement has been considered and approved by the 15th meeting of the 10th Board convened on 27 August 2025. All Directors attended the Board meeting in person to consider and approve this report.
- 1.4 The Group prepared the Unaudited Results Announcement for the Six Months Ended 30 June 2025 in accordance with the PRC GAAP and IFRS. The audit committee of the Board has reviewed and confirmed the Company’s interim results announcement for 2025. The audit committee has approved the financial accounting principles, standards and methods adopted by the Company for the unaudited interim accounts for the six months ended 30 June 2025.

- 1.5 the Company proposes not to distribute cash dividend, issue bonus share, or capitalize from capital reserves.
- 1.6 The consolidated turnover is RMB77.29 million in accordance with the IFRS.
- 1.7 The Loss attributable to equity holders of the Company is RMB5.16 million.
- 1.8 Loss per share attributable to equity holders of the Company is RMB0.6 cents.
- 1.9 Unless otherwise stated, Renminbi is the only monetary unit in this announcement.
- 1.10 This announcement is made pursuant to Rule 13.49(6) of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Hong Kong Stock Exchange**”) and Paragraph 46 of Appendix D2 thereto.

1.11 Definitions

Beijing Haihongyuan	Beijing Haihongyuan Enterprise Management Consulting Co., Ltd.*(北京海鴻源企業管理諮詢有限公司), a substantial shareholder of the Company
De facto controller of the Company	N/A
Fuxin Busbar	Fuxin Enclosed Busbar Co., Ltd., a subsidiary of the Company
Garden Lane Hotel	Hainan Garden Lane Flight Hotel Management Co., Ltd., a subsidiary of the Company
HNA Group	HNA Group Co., Ltd., a related party of the Company
HNA Trust Management	Hainan HNA No. 2 Trust Management Service Co., Ltd., a related party of the Company
Hainan First Intermediate People's Court	The First Intermediate People's Court of Hainan Province
Hainan Provincial Higher People's Court	Hainan Provincial Higher People's Court
NEE, the Company, Northeast Electric	Northeast Electric Development Company Limited
NEE (HK)	Northeast Electric Development (HK) Company Limited *(東北電氣發展(香港)有限公司), a whollyowned subsidiary of the Company
NEEQ	National Equities Exchange and Quotations
Stock Exchange	The Stock Exchange of Hong Kong Limited
Tianjin Center	HNA Tianjin Center Development Co., Ltd.*(海航天津中心發展有限公司), a related party of the Company

Chapter 2 CORPORATE PROFILE

2.1 Basic information

Stock abbreviation of Domestic shares	Northeast Electric 3 Domestic shares stockcode	400114
Place of the listing of Domestic	NEEQ	
Stock abbreviation of H shares	Northeast Electric H shares stock code	00042
Place of the listing of H shares	The Stock Exchange of Hong Kong Limited	
Legal Chinese name	東北電氣發展股份有限公司	
Chinese abbreviation	東北電氣	
Legal English name	Northeast Electric Development Company Limited	
English abbreviation	NEE	
Legal representative	Zhu Xinguang	

2.2 Contact person and contact information

	Secretary to the Board	Authorised Representative
Name	Ding Jishi	Zhu Xinguang
Address	35th Internet Finance Building, No.3 Guoxing Avenue, Meilan District, Haikou City, Hainan Province	35th Internet Finance Building, No.3 Guoxing Avenue, Meilan District, Haikou City, Hainan Province
Telephone	0898-65315679	0898-65315679
Fax	0898-65315679	0898-65315679
Email	dbdqshbgs@hnatrust.com	nemm585@sina.com
Website of the Company's designated information disclosure platform		www.hkexnews.hk www.neeq.com.cn
Place for inspection of interim report		Office of the Board

2.3 Additional information

Registered address	Room A1-1077, 5th Floor, Building A, Entrepreneurship Incubation Center, Haikou National High-tech Zone, No.266 Hanhai Avenue, Haikou City, Hainan Province
Postal code	571152
Office address	35th Internet Finance Building, No.3 Guoxing Avenue, Meilan District, Haikou City, Hainan Province
Postal code	570203
Website	www.nee.com.cn
E-mail address	dbdqdashbgs@hnatrust.com

2.4 Registration

Items	Contents	Changes during the reporting period
Unified social credit code	91210000243437397T	No
Registered address	Room A1-1077, 5th Floor, Building A, Entrepreneurship Incubation Center, Haikou National High-tech Zone, No.266 Hanhai Avenue, Haikou City, Hainan Province	No
Registered capital (RMB)	873,370,000	No

2.5 Agency

Sponsoring broker (reporting period)	Shanxi Securities Co., Ltd.
Office address of the sponsoring brokerage	East Tower, Shanxi International Trade Center, No. 69, Fuxi Street, Taiyuan City, Shanxi Province
Did the sponsoring broker change during the reporting period	No
Sponsoring Broker (Report Disclosure Date)	Shanxi Securities Co., Ltd.

Chapter 3 PRINCIPAL ACCOUNTING DATA AND FINANCIAL INDICATORS

(I) Principal financial data and indicators prepared under the PRC GAAP

(1) Profit Ability

Unit: RMB

Items	Amount for the reporting period	Amount for the same period of last year	Increase/decrease in the reporting period compared with the same period of last year
Operating incomes	77,290,682.83	67,972,751.65	13.71%
Gross margin%	34.73%	39.47%	Decreased by 4.74 percentage points
Net profits attributable to shareholders of the listed Company	-5,155,857.75	3,587,825.33	-
Net profits attributable to shareholders of the listed Company after extraordinary Items	-6,102,723.83	-5,651,371.37	-
Weighted average return on net assets%(Basis on net profits attributable to shareholders of the listed Company)	N/A	N/A	-
Weighted average return on net assets %(Basis on net profits attributable to shareholders of the listed Company after extraordinary Items)	N/A	N/A	-
Basic earnings per share (RMB/Share)	-0.006	0.004	-

(2) Debt-paying ability

Unit: RMB

Items	As at the end of the reporting period	As at the end of last year	Increase/decrease in the reporting period compared with the end of last year
Total assets	174,662,262.00	182,456,675.02	-4.27%
Total debt	386,313,239.10	390,735,076.52	-1.13%
Net assets attributable to shareholders of the listed Company	-213,649,912.93	-210,312,561.84	-
Net asset value per share of the listed	-0.24	-0.24	-

Company			
Asset-liability ratio%(parent Company)	3112.91%	3815.83%	-
Asset-liability ratio%(consolidated statements)	221.18%	214.15%	Increase by 7.03 percentage points
Liquidity ratio	0.34	0.34	-
Interest coverage ratio	-53.20	-1.43	-

(3) State of operation

Unit: RMB

Items	Amount for the reporting period	Amount for the same period of last year	Increase/decrease in the reporting period compared with the same period of last year
Net cash flows from operating activities	-6,848,231.62	-5,351,808.35	-
Turnover of account receivable	1.93	1.81	6.63%
Turnover of inventories	1.58	1.55	1.94%

(4) State of growth

Items	Amount for the reporting period	Amount for the same period of last year	Increase/decrease in the reporting period compared with the same period of last year
Total assets growth rate%	-4.27%	6.42%	Decreased by 10.69 percentage points
Operating incomes growth rate%	13.71%	71.75%	Decreased by 58.04 percentage points
Net profits growth rate%	N/A	N/A	-

(5) Extraordinary Items and the related amount

Unit: RMB

Items	Amount
Gains and losses on disposal of non-current assets	
Non-operating income and expense other than the above Items	-15,734.74
Total	-15,734.74
Effect of income tax	
Impact on minority interests (after tax)	
Net extraordinary Items and the related amount	-15,734.74

(II) Principal financial data and indicators prepared in accordance with the International Financial Reporting Standards (IFRS)

Condensed Consolidated Statement of Profit or Loss

Unit: RMB'000

Items	Reporting period (January-June)	The same period of previous year
Turnover	77,291	67,973
Profit before tax	-6,065	-6,371
Taxation	874	906
Profit after tax	-5,191	-5,464
Minority interests	-35	48
Profits attributable to shareholders	-5,156	-5,512

Condensed Consolidated Statement of Financial Position

Unit: RMB'000

Items	At the end of this reporting period	At the end of previous year
Total assets	174,662	182,457
Total liabilities	388,004	391,883
Shareholders' equity	-215,341	-211,460

(III)Description of differences in figures under domestic and foreign accounting standards

Items	Net profits attributable to shareholders of the listed Company		Net assets attributable to shareholders of the listed Company	
	Amount for the reporting period	Amount for the same period of last year	As at the end of the reporting period	As at the end of last year
Domestic accounting standards	-5,155,857.75	3,587,825.33	-213,649,912.93	-210,312,561.84
Items and amounts adjusted according to foreign accounting standards	-	-9,100,000.00	-1,691,223.56	-1,147,625.60
Foreign accounting standards	-5,155,857.75	-5,512,174.67	-215,341,136.49	-211,460,187.44

Note: There are no differences in net profits and net assets prepared under the PRC GAAP and IFRS.

1. According to the PRC GAAP, enterprises are required to accrue and use safety production fees, which are included in special reserves. The amount of special reserves at the end of the previous year was RMB1,147,625.60, and at the end of the current period, it was RMB1,691,223.56. According to International Accounting Standards, these are adjusted and included in other payables, which results in a difference in net assets in the financial reports disclosed according to domestic and international accounting standards for both the end of the current period and the end of the previous year.

Chapter 4 CHANGES IN SHARES AND SHAREHOLDER INFORMATION

4.1 Changes in shares

Unit: Share

Nature of shares		At the beginning of the period		Changes in the period	At the end of the period	
		Number of shares	Percentage (%)		Number of shares	Percentage (%)
Shares not subject to trading moratorium	Total number of shares not subject to trading moratorium	867,370,978	99.31%	0	867,370,978	99.31%
	Including: Controlling Shareholders and de facto Controller	81,494,850	9.33%	0	81,494,850	9.33%
	Directors, supervisors and senior management	0	0%	0	0	0%
	Core employees	0	0%	0	0	0%
Shares subject to trading moratorium	Total number of Shares subject to trading moratorium	5,999,022	0.69%		5,999,022	0.69%
	Including: Controlling Shareholders and de facto Controller	0	0%	0	0	0%
	Directors, supervisors and senior management	0	0%	0	0	0%
	Core employees	0	0%	0	0	0%
Total number of shares		873,370,000	-	0	873,370,000	-
Number of ordinary shareholders						34,165

4.2 Number of shareholders and shareholding

Unit: Share

Total number of ordinary shareholders at the end of the reporting period		34,165	Total number of preferred shareholders with voting rights restored at the end of the reporting period (if any)	0				
Shareholdings of ordinary shareholders holding more than 5% of the total share capital or the top ten ordinary shareholders								
Name of shareholder	Nature of shareholder	Percentage	Number of ordinary shares as at the end of the reporting period	Increase/decrease in the reporting period	Number of ordinary shares held subject to trading moratorium	Number of ordinary shares held not subject to trading moratorium	Shares pledged or frozen	
							Status of shares	Number
HKSCC Nominees Limited	Overseas legal person	29.44%	257,115,919	-34,000	0	257,115,919		
Beijing Haihongyuan Enterprise Management Consulting Co., Ltd.	Domestic non-state-owned legal person	9.33%	81,494,850	0	0	81,494,850	Pledged	81,494,850
Qin Jianming	Domestic natural person	1.86%	16,278,900	72,400	0	16,278,900		
Ding Yinhu	Domestic natural person	1.03%	9,000,999	97	0	9,000,999		
Zhao Rui	Domestic natural person	0.80%	6,960,310	0	0	6,960,310		
Yu Jun	Domestic natural person	0.79%	6,910,000	10,000	0	6,910,000		
Yang Baizhong	Domestic natural person	0.54%	4,747,336	260,000	0	4,747,336		
Shi Yubo	Domestic natural person	0.54%	4,690,579	0	0	4,690,579		
Wang Juan	Domestic natural person	0.48%	4,210,762	-3,789,238	0	4,210,762		
Geng Jing	Domestic natural person	0.48%	4,154,505	179,500	0	4,154,505		
Explanation on the connected relationship or concerted action among the top ten holders of ordinary shares not subject to trading moratorium and that between them and the top ten ordinary shareholders		To the extent known to the Company, there is no related relationship between the aforementioned shareholders and they are not acting in concert. Based on the public information as at the latest practicable date prior to the publication of this report and to the knowledge of Directors, the Company confirmed that there was sufficient public float in its shares.						

Notes:

1. Based on the information that is publicly available as at the latest practicable date prior to the publishing of this interim report and within the knowledge of the Directors, there was sufficient public float of the Company's shares.
2. Save as disclosed above, as at 30 June 2025, the Directors were not aware that any person (excluding Directors, Supervisors, or chief executives (if applicable) or senior management of the Company, the "**Senior Management**") had any interests or short positions in the shares or underlying shares (as the case may be) of the Company which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance ("**SFO**") in Chapter 571 of the Laws of Hong Kong, any interests which were required to be recorded in the register pursuant to Section 336 of the SFO, or was a substantial shareholder of the Company (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")).
3. During the reporting period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares.
4. There is no provision for pre-emptive rights under the laws of the PRC and the Articles of Association of the Company.
5. As of 30 June 2025, the Company did not issue any convertible securities, options, warrants or any other similar right.

4.3 Changes in controlling shareholders and de facto controller

Controlling Shareholders

Name of Controlling Shareholders	Legal representative	Date of establishment	Organization code	Principal businesses
Beijing Haihongyuan Enterprise Management Consulting Co., Ltd.	Wu Jiancheng	July 11 2012	9111011759 96346317	Enterprise management consulting; Enterprise management; Hotel management; Tourism development project planning and consulting; Information technology consulting services; Non-residential real estate leasing; Property management; Parking lot services; Catering management; Conference and exhibition services; Property service evaluation; Internet sales (excluding sales of commodities requiring permits).

De facto controller

The controlling shareholder of the Company did not change, and the Company had no de facto controller during the Reporting Period.

Chapter 5 PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR

5.1 Changes in shareholdings of Directors, supervisors and senior management

There was no change in shareholdings during the reporting period.

5.2 Directors, supervisors and senior management situation

Name	Position	Gender	Date of birth	Term of office commencing on	Term of office ending on
Zhu Xinguang	Chairman	Male	September 1962	18 April 2025	30 December 2025
Liu Jiangmei	Director	Female	March 1974	30 December 2022	15 April 2025
He Wei	Director	Female	August 1987	30 December 2022	30 December 2025
Ding Jishi	Director	Male	September 1985	30 December 2022	30 December 2025
Mi Hongjie	Director	Male	June 1993	29 December 2021	30 December 2025
Liu Kejia	Director	Male	February 1977	26 June 2025	30 December 2025
Fang Guangrong	Independent Director	Male	September 1955	11 March 2019	14 May 2025
Wang Hongyu	Independent Director	Male	March 1972	29 June 2020	30 December 2025
Li Zhengning	Independent Director	Male	March 1980	2 June 2021	30 December 2025
Fan Siyao	Shareholder Representative Supervisor Chairman of Supervisory Board	Male	May 1987	30 December 2022	30 December 2025
Yang Qing	Shareholder Representative Supervisor	Male	August 1982	23 August 2021	30 December 2025
Xing Meixia	Employee Representative Supervisor	Female	June 1988	30 December 2022	30 December 2025
Liu Kejia	President and Chief Financial Officer	Male	February 1977	18 April 2025	30 December 2025
Ding Jishi	Secretary to the Board	Male	September 1985	29 August 2019	30 December 2025

5.3 Relationship between directors, supervisors, senior management and shareholders:

Directors of the Company, namely Mr. Zhu Xinguang, Mr. Liu Kejia, Mr. Ding Jishi and Mr. Mi Hongjie, have a related-party relationship with the controlling shareholder Beijing Haihongyuan and its related parties.

The following individuals have no related-party relationship with the controlling shareholder Beijing Haihongyuan and its related parties: Non-independent director Ms. He Wei; Independent directors Mr. Wang Hongyu and Mr. Li Zhengning.

5.4 Changes in Directors, supervisors and senior management

Name	Initial position	Type	End of term	Reason
Zhu Xinguang	Director	Appointment	Chairman	Operational need
Liu Jiangmei	Director	Resigned	None	Due to personal work reason
Fang Guangrong	Independent director	Resigned	None	Due to personal age and health reasons
Liu Kejia	None	Appointment	President and Chief Financial Officer (CFO)	Operational need

5.5 Equity interest of Directors, supervisors and senior management

Save as disclosed above and to the knowledge of the Directors, senior management and supervisors of the Company, as at 30 June 2025, none of the Directors, senior management and supervisors had any interests or short positions in the shares, underlying shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 of the Laws of Hong Kong) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which are taken to have by such Directors, senior management and supervisors under provisions of the SFO), or which were required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the “**Model Code for Securities Transactions by Directors of Listed Issuers**” in Appendix C3 to the Listing Rules.

5.6 Basic information of on-the-job employees (Company and controlled subsidiaries)

Classification by nature of work	Number of people at the beginning of the period	Number of people at the end of the period
Production staff	186	181
Salesperson	24	23
Technical staff	26	27
Financial staff	23	23
Administrative staff	27	28
Total	286	282

Chapter 6 SUMMARY OF BUSINESS

6.1 Overview

Industry overview

Industry overview Power industry. In the first half of 2025, China's national economy operated generally stably with a steady upward trend. The power and electrical industry as a whole showed characteristics such as an overall balance between supply and demand and accelerated green transformation. According to the data from the Report on Analysis and Forecast of National Power Supply and Demand Situation in the First Half of 2025 released by the China Electricity Council (CEC), in the first half of 2025: The total social electricity consumption across the country reached 4.84 trillion KW-hours, a year-on-year increase of 3.7%; The newly-added power generation installed capacity nationwide stood at 293.32 million KWs, an increase of 140.56 million KWs year-on-year; The total investment in electric power by key national enterprises amounted to RMB654.6 billion, growing by 9.6% year-on-year. The power industry is the pillar industry of the national economy, and the power transmission and transformation equipment manufacturing industry in which the Company operates is the foundation of the power industry. The government continues to increase its investment in the electric power sector. The national action plan titled "Accelerating the Construction of a New Electric Power System (2024-2027)" aims to sustain investments in energy and electricity infrastructure upgrades, significantly driving and enhancing technology innovation, industrial upgrading, and market expansion within the transmission and transformation equipment manufacturing sector. The launch of the Yarlung Zangbo River Super Hydropower Station project by the state, which has a 10-year construction cycle, has further boosted confidence in the power industry.

Hotel and tourism industry. In the first half of 2025, China's hotel industry showed a diversified development trend amid dynamic adjustments. Market activity continued to rise, while market competition remained fierce. As a whole, the hotel industry moved forward steadily through quality upgrading and refined operations, presenting development characteristics of coexisting vitality and challenges. According to the domestic tourism data released by the Ministry of Culture and Tourism, China's domestic tourism market continued to heat up in 2025. In the first half of the year, the national number of domestic trips reached 1.794 billion, an increase of 26.4% compared with the same period last year. Among them, during the "May Day" holiday alone, the national number of domestic trips hit 314 million, a year-on-year increase of 6.4%; the total consumption of domestic tourists reached RMB180.269 billion, with a year-on-year growth of 8.0%.

Main business that the Company engaged in during the Reporting period

the Company has been primarily engaged in the R&D, design, production and sales businesses of products related to power transmission and transformation equipment. Our main products are enclosed busbars that are mainly applied to the power system field to enhance the transmission efficiency of power transmission lines and support the transmission of high power electric energy. Enclosed busbar plays an important role in the power system. Besides, Hainan Garden Lane Flight Hotel Management Co., Ltd., a holding Company of the Company, actively expanded its hotel catering and accommodation businesses during the reporting period. There was no material change in the principal business of the Company during the reporting period.

During the reporting period, the turnover calculated under the PRC GAAP was RMB77.29 million, representing an increase of 13.71% as compared to RMB9.32 million for the corresponding period of the previous year; Loss attributable to equity holders of the Company amounted to RMB5.16 million, with Loss per share of RMB0.006.

No dividend was paid during the period and the Directors do not recommend the payment of the interim dividend for the six months ended 30 June 2025.

6.2 Business review and Management Discussion and Analysis

2025 marks the final year of the 14th Five-Year Plan. China's power industry will continue to maintain a strong development momentum. At the beginning of 2025, the new round of power grid renovation funds of State Grid Corporation of China (SGCC) has clearly specified the orientation: it will focus on optimizing and strengthening the power grid, supporting the high-quality development of new energy, continuing to advance the implementation of major projects, actively expanding effective investment, and driving the upstream and downstream industrial chains. With the continuous increase in national macro-policy investment in power grid construction, it indicates the comprehensive transformation of China's power industry from traditional infrastructure to a strategic industry. Relying on the overall policy dividends of China's power industry, Northeast Electric closely centers on its annual operating goals. It continuously deepens market layout and optimizes industrial structure by focusing on operation and management, cutting costs to improve efficiency for "tight budgeting", and strengthening innovation-driven development. In the first half of 2025, its busbar business maintained steady growth, with new orders reaching RMB 40 million. Meanwhile, for the hotel business it operates, as the visa-free policy for foreign tourists is upgraded and continuously expanded, China's domestic tourism market shows a trend of "booming supply and demand", which will bring traffic dividends to the hotel industry.

Busbar business

During this reporting period, Fuxin Busbar has enhanced its strategic vision and seized the opportunity of structural adjustment. Despite the surge in new orders in the previous year, it has maintained a high-speed growth momentum this year. At present, the cumulative increase in new orders is 23% year-on-year, providing a guarantee for the Company's future sustainable operation. The highlight of the sales structure adjustment is winning the bid for the procurement of one sets of 1000MW enclosed busbar equipment for a large domestic power company's power generation project, with a contract amount exceeding RMB10 million, and there are three sets of units for domestic pumped storage projects that have been awarded the bid or for which there is an intention to win the bid, with a contract value exceeding RMB45 million, adding new impetus to entering the market for million-level unit power generation projects and pumped storage.

Hotel business

In 2025, driven by the country's all-round efforts to expand domestic demand, the release of policy dividends, and the improvement of consumer confidence, service consumption led by cultural and tourism consumption has been continuously boosted, and the tourism and accommodation industry has maintained a steady upward development trend. According to the sampling survey results on domestic residents' travel released by the Ministry of Culture and Tourism of the People's Republic of China, in the first half of 2025, the number of domestic residents' travel trips reached RMB3.285 billion, a year-on-year

increase of 20.6%. Among them, the number of travel trips by urban residents stood at RMB2.452 billion, up 17.5% year-on-year.

With the sustained and stable economic development and the further relaxation of inbound tourism policies, the hotel industry will continue its positive growth momentum. However, the market still faces challenges such as the shrinkage of business demand and the shift of consumption focus. During the reporting period, benefiting from the further recovery and growth of Dalian's cultural and tourism industry, the increase in large-scale conferences and exhibitions, and the growth of business travel demand, Nikko Dalian Hotel will gradually enter the peak season in the third quarter. It will host the Dalian Donggang International Conference in July and Dalian sports events in September, and its revenue in the second half of the year is expected to increase accordingly.

6.3 Analysis of core competitiveness

Thanks to the long-term accumulation in many aspects such as product quality, brand culture, R&D capability, technology, management service and marketing over the years, the Company shows some advantages and industrial competitiveness, which can be seen in the close association between the development of the industry where the Company operates and macroeconomic policies of the State; a certain association between the market and macroeconomic development; advanced production equipment and strong manufacturing capabilities of power transmission and distribution products; accumulation of technological strength and high professional technological level; sound internal control system and standardized corporate governance; certain product development capabilities and investment and financing capabilities.

The wholly-owned subsidiary of the Company, Fuxin Busbar, continues to rely on technological innovation to promote enterprise development: it has established a provincial-level innovation studio in Liaoning, organized and carried out technological process research and innovation activities, and has obtained a total of 39 national utility model patents; We have completed the design, development, production, and sales of five new products, including fully insulated cast busbars, fully insulated tubular busbars, intelligent busbar dehumidification systems, wind turbine tower tubular busbars, and dense busbar trunking, and have fully launched them to the market. Relying on innovative achievements, Fuxin Bus has been awarded the titles of "**National High tech Enterprise**" and "**Innovative Small and Medium sized Enterprise**" in Liaoning Province. The income tax rate for this year is 15%.

There were no material changes in the core competitiveness of the Company during the reporting period. By introducing talents, developing new products, and adapting to market demand adjustments and changes, the Company has improved its competitiveness in some product markets and achieved breakthroughs in some businesses.

6.4 the Company's risks and countermeasures

1. Market risks brought by macroeconomic environment

The power transmission and transformation equipment manufacturing industry in which the Company operates has an important impact on the long-term development of the economy and society, and is closely related to macroeconomic policies, industrial policies and national power planning. Any of increasingly complex global economic environment, intensified macroeconomic risks, energy development strategy, industrial structure, market structure adjustment, industry resource integration, changes in market supply and demand and other factors may have an impact on the Company's operation and development.

The hotel industry is in the midst of a tourism recovery. Any of complex domestic and international situations, macroeconomic fluctuations, major natural disasters and other systemic risks; worse-than-expected economic recovery, and worse-than-expected demand for consumption upgrade will have a greater impact on the Company's performance.

Countermeasures: the Company will pay close attention to the macroeconomic situation at home and abroad, and always be market-oriented, establish an operation management and control model to meet market needs, and pay attention to improving its market position; keep increasing market development efforts, consolidate the market share of traditional busbar, make in-depth exploration of new product market space, strengthen the Company's ability to cope with risks; enhance the market response sensitivity, accurately grasp the market demands, expand the market space, and explore new business growth points.

2. Market competition risk

Affected by the macro-economy, the busbar industry in which the Company operates is facing increasingly fierce competition, and the Company will face greater competitive pressure. The hotel industry is a fully competitive industry, and the industry competition is fierce and white-hot. Countermeasures: We will enhance the market response sensitivity, accurately grasp the market demand, expand the market space of new products, and explore new business growth points. In order to cope with the current fierce market competition, the Company has taken a variety of effective measures to enhance brand influence and professional operation capabilities.

3. Operating cost fluctuation risk

the Company's busbar products have typical characteristics of "**More emphasis on materials and light industry**", the main raw materials represented by copper and aluminum have high value, and their prices fluctuate significantly with the complex and changing international trade environment, supply and demand relations, macroeconomic situation and other factors, requiring a large amount of capital, and their price fluctuations will directly affect the Company's production cost, and then affect the product profitability. Such fluctuations may even adversely affect the stable operation of the Company.

Meanwhile, with the pressure of economic inflation, the operating costs of hotel rooms and catering of the Company continue to rise, and the costs of hotel materials, raw materials, equipment renewal, energy consumption and labor are increasing year by year. Correspondingly, if the room rate, occupancy rate, per capita consumption level and consumer number cannot be improved, the gross profit of the Company's rooms and catering will be squeezed, and we need to improve the profitability through market research and management efficiency enhancement.

Countermeasures: To this end, the Company will study and judge the changes in the relationship between supply and demand of raw material market in a timely manner, strengthen the strategic cooperation with customers and suppliers in depth, and reduce the impact of raw material price fluctuations on the Company, while strengthening scientific and technological innovation and product innovation, reinforcing the enterprise cost control management, and improving the product profitability.

4. Risk of account receivable

Due to the long payment cycle of busbar products, high concentration of users, weak bargaining power of manufacturers, long quality guarantee deposit period and other reasons, the amounts of accounts receivable and inventory at the end of the period are large, affecting the operating efficiency to a certain extent, increasing the Company's capital turnover pressure, operating costs and risks.

Countermeasures: On the one hand, the Company will focus on developing high-quality customers and strengthening customer credit ratings. And on the other hand, the Company will continuously monitor the age of accounts receivable, strengthen collection efforts, and reduce the impairment risk of accounts receivable, in order to effectively prevent financial risks.

5. Continuous operation capability risk

the Company's overseas auditor Wilson & Partners CPA Limited ("**Overseas Auditor**") issued an unmodified audit opinion with a Material Uncertainty Related to Going Concern for the year 2024: We draw your attention to Note II.2 to the financial statements, which indicates that NEE has incurred losses since 2022, recorded negative net profits for three consecutive years from 2022 to 2024, and as at 31 December 2024, recorded accumulated net loss of RMB2,018,924,000, and equity attributable to shareholders of the parent of RMB-210,312,600, the current liabilities exceeded its current assets by RMB211,800,100, and the Company faced compensation of RMB94,078,100 for resolved litigation cases. These matters indicate there are major uncertainties regarding the Company as a going concern, however, without any effect on the published audit opinions.

Response measures: Please refer to the "**Notes made by the Board on the non-standard audit report issued by the accounting**" in the 2024 Annual Report for details.

There have been no significant changes in major risks during this reporting period.

6.5 Prospects for the second half of the year

Centered on the annual business objectives and work tasks for 2025, the Company's management will adopt comprehensive measures to change the loss-making situation by enhancing the operation efficiency and core competitiveness. For details, please see "**Prospect of Future Development**" set out in the Annual Report 2024. By virtue of seizing opportunities and making full use of the capital market, the Company will fine tune its main business and operating strategy and actively increase the operating income and profits from relevant businesses in the upstream and downstream of hotel operation, in a bid to enhance the sustained profitability and comprehensive competitive strength of the listed Company, promote its development and offer maximum protection to the interests of all shareholders, the minority shareholders in particular.

Chapter7 DISCUSSION AND ANALYSIS OF BUSINESS CONDITION

Analysis of principal business prepared under the PRC GAAP

7.1 Overview

the Company has been primarily engaged in the R&D, design, production and sales businesses of products related to power transmission and transformation equipment in recent years. Our main products are enclosed busbars that are mainly applied to the power system field to enhance the transmission efficiency of power transmission lines and support the transmission of high-power electric energy. Enclosed busbar plays an important role in the power system. Besides, Garden Lane Hotel, a holding subsidiary of the Company, actively expanded its hotel catering and accommodation businesses during the reporting period.

There was no material change in the principal business of the Company during the reporting period.

7.2 Analysis of changes in major financial information

7.2.1 Analysis of Asset Liability Structure

√ Applicable □ Not applicable

Unit: RMB

Items	As at the end of the reporting period		As at the end of last year		Increase/decrease in the reporting period compared with the end of last year %
	Amount	As a percentage of total assets %	Amount	As a percentage of total assets %	
Monetary funds	10,792,231.20	6.18%	18,834,578.94	10.32%	-42.70%
Notes receivable	-	-	20,000.00	0.01%	-100.00%
Accounts receivable	45,181,858.99	25.87%	34,802,007.03	19.07%	29.83%
Advances to suppliers	2,672,659.24	1.53%	3,536,769.28	1.94%	-24.43%
Other receivables	10,146,812.09	5.81%	12,278,565.80	6.73%	-17.36%
Inventories	31,096,519.31	17.80%	32,559,631.50	17.85%	-4.49%
Contract assets	7,626,005.86	4.37%	7,958,668.33	4.36%	-4.18%
Other current assets	729,035.18	0.42%	958,221.07	0.53%	-23.92%
Fixed assets	31,214,029.65	17.87%	32,678,445.71	17.91%	-4.48%
Right-of-use assets	3,494,673.89	2.00%	6,989,347.70	3.83%	-50.00%
Intangible assets	10,890,250.45	6.24%	11,022,253.51	6.04%	-1.20%
Other non-current assets	19,070,849.21	10.92%	19,070,849.21	10.45%	-
Deferred Tax Asset	1,747,336.93	1.00%	1,747,336.93	0.96%	-

Unit: RMB

Items	As at the end of the reporting period		As at the end of last year		Increase/decrease in the reporting period compared with the end of last year %
	Amount	As a percentage of total liabilities %	Amount	As a percentage of total liabilities %	

Accounts payable	50,194,463.71	12.99%	43,004,055.56	11.01%	16.72%
Contract liabilities	22,493,252.18	5.82%	24,929,450.09	6.38%	-9.77%
Employment benefits payable	2,900,007.60	0.75%	3,811,782.06	0.98%	-23.92%
Taxes and fees payable	2,798,399.30	0.72%	2,967,633.03	0.76%	-5.70%
Other payables	233,394,289.31	60.42%	238,184,941.31	60.96%	-2.01%
Non-current liabilities due within one year	6,989,347.73	1.81%	6,989,347.70	1.79%	-
Other current liabilities	1,393,201.37	0.36%	2,861,319.59	0.73%	-51.31%
estimated liabilities	34,354,500.00	8.89%	34,354,500.00	8.79%	-
Deferred income	29,296,879.20	7.58%	30,259,480.02	7.74%	-3.18%
Deferred income tax liabilities	873,668.47	0.23%	1,747,336.93	0.45%	-50.00%
Other Non-Current Liabilities	1,625,230.23	0.42%	1,625,230.23	0.42%	-

Reasons for major changes in the Items

Monetary funds: mainly due to the expenses incurred by the subsidiary Fuxin Bus for daily production and operation activities.

Accounts receivable: mainly due to the collection of accounts receivable from the subsidiary Fuxin Bus this year.

Right of use assets: mainly due to the reasonable provision of depreciation of right of use assets by the subsidiary Yitang Hotel Dalian Branch during the lease term.

Other current liabilities: mainly due to the decrease in contract liabilities of subsidiary Fuxin Bus within one year.

Deferred income tax liabilities: mainly due to the decrease in the use right assets of the subsidiary Yitang Hotel Dalian Branch.

7.2.2 Business situation and cash flow analysis

√ Applicable □ Not applicable

Unit: RMB

Items	Amount for the reporting period		Amount for the same period of last year		Increase/decrease in the reporting period compared with the same period of last year %
	Amount	As a percentage of operating incomes %	Amount	As a percentage of operating incomes %	
Operating incomes	77,290,682.83	-	67,972,751.65	-	13.71%
Cost for operation	50,444,045.72	65.27%	41,144,798.54	60.53%	22.60%
Gross margin%	34.73%	-	39.47%	-	下降 4.74 个百分点
Taxes and surcharges	650,030.42	0.84%	366,556.50	0.54%	77.33%
Selling expenses	20,731,944.56	26.82%	22,722,939.51	33.43%	-8.76%
Administrative expenses	10,574,269.74	13.68%	10,396,547.11	15.30%	1.71%
Research and development expenses	835,320.78	1.08%	845,198.23	1.24%	-1.17%
Financial costs	1,631,084.93	2.11%	514,263.44	0.76%	217.17%
Investment income	1,219,518.31	1.58%	1,529,260.06	2.25%	-20.25%
Gain on disposal of assets	-	-	9,124,471.12	13.42%	-100.00%
Other income	307,479.03	0.40%	-10,111.68	-	-
Credit impairment loss	-	-	3,628.15	-	-100.00%
Non-operating income	11,606.04	0.02%	105,441.41	0.16%	-88.99%
Non-operating expenses	27,340.78	0.04%	5,655.02	0.01%	383.48%
Net profit	-5,191,082.26	-	3,635,637.58	-	-
Net cash flows from	-6,848,231.62	-	-5,351,808.35	-	-

operating activities					
Net cash flows from investing activities	-50,442.48	-	8,997,590.00	-	-
Net cash flows from financing activities	-	-	-	-	-

Reasons for major changes in the Items

Taxes and surcharges: mainly caused by the subsidiary Fuxin Bus paying value-added tax.

Financial expenses: mainly due to foreign exchange gains and losses of subsidiary TEPCO Hong Kong.

Investment income: Mainly due to the disposal of assets in the previous year, which resulted in an investment income of RMB9.1 million.

Credit impairment losses: mainly due to the reversal of impairment losses on accounts receivable by subsidiary Fuxin Bus and subsidiary Yitang Hotel Branch.

Asset disposal income: mainly due to the disposal of scrapped assets by the subsidiary Fuxin Busbar in the previous year.

Non operating income: mainly due to receiving employee maternity allowances in the previous year.

Non operating expenses: mainly caused by the subsidiary Fuxin Bus paying late tax fees.

Net cash flow generated from investment activities: mainly due to investment income of RMB9.1 million brought by asset disposal in the previous year.

7.3 Assets and liabilities at fair value

None

7.4 Restricted assets as at the end of the reporting period

Unit: RMB

Items	Book value at the end of the year	Reasons for restriction
Monetary fund – other monetary funds	2,490,049.58	Performance guarantee
Monetary fund – other monetary funds	12,003.97	Judicial freeze
Total	2,502,053.55	

7.5 Disposal of major assets

During the reporting period, there is no disposal of major assets.

7.6 Analysis of major controlling Company and invested Company

Unit: RMB

Company name	Company type	Principal business	Registered capital	Total asset	Net as set	Operating income	Net pro fit
Northeast Electric Development (HK) Co.,Ltd.	Subsidiary	Trading	USD20million	3,669,990.03	768,171.04	-	-1,259,276.65
Great Talent Technology Ltd.	Subsidiary	Investment	USD1	88,082,127.93	5,964,057.17	-	-16,565.94
Shenyang Kaiyi Electric Co.,Ltd.	Subsidiary	Manufacturing of Electrical	RMB1million	44,183,229.64	-60,105,509.85	-	-312,135.90
Fuxin Enclosed Busbar Co.,Ltd.	Subsidiary	Manufacturing of enclosed busbars	USD8.5million	126,252,441.94	20,869,228.48	54,869,323.22	306,943.14
Hainan Garden Lane Flight Hotel Management Co.,Ltd.	Subsidiary	Public space business	RMB50million	55,329,854.42	-141,111,605.73	22,421,359.61	-3,498,698.70
Northeast Electric (Chengdu)Electric Engineering Design Co.,Ltd.	Subsidiary	Electric power engineering	RMB10million	13,262,549.90	6,888,192.07	-	-479.74
HNA Tianjin Center Development Co.,Ltd.	Invested Company	Property leasing, hotel catering	RMB269,887,709	3,669,990.03	768,171.04	-	-1,259,276.65

Analysis of Financial Status of the Company in Accordance with Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited prepared in accordance with the International Financial Reporting Standards (IFRSs)

Share capital

During the reporting period, there is no change in the share capital of the Company.

Reserve

Details of the annual changes in the reserves of the Company and the Group are set out in the financial statements and the statement of changes in shareholders' equity.

Distributable reserve

As at 30 June 2025, according to the relevant regulations, the Company has no distributable reserve. Pursuant to the resolution approved at the Board meeting on 27 August 2025, the Board proposes not to distribute cash dividend, issue bonus share, or capitalize from capital reserves during the year.

Analysis of loans and borrowings

The Group's short-term borrowings were nil (2024: nil).

Working capital and financial resources

The net cash generated from the Group's operating activities for the half year ended 30 June 2025 was approximately RMB6.85 million (2024: net cash generated from operating activities of approximately RMB1.28 million).

As at 30 June 2025, the Group had bank deposits and cash (including pledged bank balances) of approximately RMB10.79 million (2024: RMB18.83 million) and had no bank loans (2024: nil). Borrowings bear fixed interest rates, and no hedging instruments are hedged.

As of 30 June 2025, the Group had current liabilities of RMB321.85 million, non-current liabilities of RMB66.15 million, and deficits attributable to owners of the Company of RMB213.34 million. Details of the capital structure of the Group are set out in the financial report of the Company's interim report.

the Company's funding needs have no obvious seasonal patterns.

Capital expenditure

The Group's funds can meet the capital requirements of the capital expenditure plan and daily operations.

Capital structure

the Company's sources of funds are mainly operating cash inflows and loans of substantial shareholders. As at 30 June 2025, the Group's short-term bank borrowings were nil, and the cash and cash equivalents were RMB10.79 million(2024:nil).

The Group's policy is to manage its capital to ensure that the Group's entities are able to continue to operate while maximizing returns to shareholders by optimizing the ratio of liabilities and equity. The overall strategy of the Group has remained unchanged from previous years.

Prospects for new business

Details of the prospects for new business are set out in "**Prospects for the second half of the year**" of "**Summary of Business**".

Significant investments held and the performance of such investments

Details of significant investments held and the performance of these investments are set out in "**Analysis of Major Controlling Company and Invested Company**" of "**Discussion and Analysis of Business Condition**".

Significant investments and sales

Details of significant investments and sales are set out in "**Disposal of major assets**" of "**Discussion and Analysis of Business Condition**".

Segmental information of results

Details of segmental information of results are set out in the "**Main Business Composition**" of "**Summary of Business**".

Assets pledge

On June 30 2025, the net value of fixed assets and land used as collateral by the Group was RMB 0 (as of December 31 2024, the Group had no pledged assets)

Plan for major investment or acquisition of capital assets in the future

As of the latest practicable date prior to the publication of this report, the Company has no relevant plans.

Gearing ratio

As of 30 June 2025, the Group's gearing ratio (calculated as total liabilities/total assets) was 221%(2024: 214%).

Risks of exchange rate fluctuation and any related hedges

The Group's assets and liabilities are denominated in Renminbi, so the risk of exchange rate changes has little impact on the Group. The Group has taken the following measures in reducing the risk of exchange rate fluctuations: (1) increase the export price of products to reduce the risk of exchange rate fluctuations; (2) agree with the other party in advance in case of large export contracts that the risks of exchange rate fluctuations shall be borne by both parties when the exchange rate fluctuation exceeds the limit of agreed scope; (3) strive to sign forward agreements with financial institutions to lock up exchange rates and avoid risks.

Contingent liabilities

As of 30 June 2025, the Company had no material contingent liabilities.

Chapter8 Significant Events

8.1 Personnel changes

Please refer to “**Chapter 5 Profiles of Directors, Supervisors and Senior Management**”.

8.2 Staff of the Company and remuneration policy

As at 30 June 2025, the number of employees on the payroll of the Company was 282. The total salary of employees was RMB13.33 million in the first half of 2025 (the number of employees of the Group was 286 and the total salary of employees was RMB29.84 million in 2024).

The remuneration of the employees of the Company includes their salaries, bonuses and other fringe benefits. The Company has different rates of remuneration for different employees, which are determined based on their performance, experience, position and other factors in compliance with the relevant PRC laws and regulations.

8.3 Corporate governance structure

At present, the actual corporate governance structure basically complies with the related requirements of securities regulators.

8.4 Profit distribution plan and its implementation

The Company proposes not to distribute cash dividend, issue bonus share, or capitalise from capital reserves.

8.5 Commitments performed during the reporting period and not yet performed as of the end of the reporting period by the de facto controller, shareholders, connected parties, acquirers of the Company and the Company

The Company did not have any commitments performed during the reporting period and not yet performed as of the end of the reporting period by the de facto controller, shareholders, connected parties, acquirers of the Company and the Company during the reporting period.

8.6 Litigation

1. The litigation brought by China Development Bank

The Supreme People's Court issued an enforcement order ((2017) Zui Gao Fa Zhi Fu No.27) in August 2017 to reject the reconsideration request made by NEE and affirm the enforcement order of Beijing Higher People's Court (2015) Gao Zhi Yi Zi No.52. The enforcement order was final. The case was transferred to Hainan First Intermediate People's Court on 21 June 2019. Hainan First Intermediate People's Court had ruled to terminate this execution procedure on 10 March 2023.

2. Progress of the enforcement case of the liabilities arising from guarantee dispute involving Jinzhou Branch of Bank of China

On 19 May 2004, Jinzhou Power Capacitor Co., Ltd. (the "Jinzhou Capacitor"), the former subsidiary of the Company, entered into a RMB13 million loan contract with Bank of China Jinzhou branch (the "BOC"), with a maturity of 12 months in which the Company undertake the guarantee responsibility. BOC subsequently lodged a case with the district Court of Jinzhou City Liaoning Province ("Jinzhou's Intermediate Court") on 16 February 2005 under the circumstances of non-expiry of the loan contract and demanded Jinzhou Capacitor to make an early repayment and the Company undertaking the guarantee liability. Jinzhou's Intermediate Court gave the civil judgment ((2005) Jin Min San He Chu Zi No. 21) on 20 May 2005 by which it was ruled that the Company shall undertake the joint repayment liability for the RMB13 million loan of Jinzhou Capacitor.

BOC applied to the Intermediate People's Court of Jinzhou City Liaoning Province, for filing a case and resuming compulsory enforcement on 5 September 2024. According to the enforcement ruling ((2024) Liao 07 Zhi Hui No. 69) given by the Intermediate People's Court of Jinzhou City Liaoning Province, on 12 December 2024, The Court ruled the execution procedures are terminated. (For details, please refer to the announcements dated 26 September 2024 and 24 December 2024.)

3. The litigation brought by Liaoning Trust and Investment Corporation*(遼寧信託投資公司)

According to the litigation announcement issued by the Company on July 4 2025, the plaintiff, Liaoning Trust and Investment Corporation, has applied to the People's Court of Heping District, Shenyang City of Liaoning Province* (遼寧省沈陽市和平區人民法院) for revoking the "Debt Transfer Agreement" signed with the defendant, Northeast Electric on June 1 2005. The plaintiff request the defendant to return the property interests obtained based on the creditor's rights, that is, the total debt offset price of RMB31.5233 million to be executed. The Court held the first-instance court session on August 5 2025, and the case is still under trial.

8.7 Daily related transactions of the Company during the reporting period

Unit: RMB

Type of Specific Matters	Estimated amount	Actual amount
1. Purchase raw materials, fuel, power, and accept labor services	–	–
2. Selling products, commodities, and providing services	–	–
3. Types of daily connected transactions applicable to the Company stipulated in the Company's articles of association	–	–
4. Acquisition or sale of assets or equity		
5. Venue rental (Note 1)	7,142,857.14	7,142,857.14
6. Others	–	–

Note 1: A supplementary agreement to the lease contract entered into On 22 January 2025, as required for the continued operation of the hotel, Garden Lane Hotel (the “**Lessee**”), a non-wholly-owned subsidiary of the Company, entered into a supplementary agreement to the lease contract (the “**Supplementary Agreement**”) with Dalian Changjiang Plaza Co., Ltd. (the “**Lessor**”), a related party. According to the Supplementary Agreement, the relevant provisions of the original lease contract were adjusted to extend the lease period for one year, changing the lease period from the original “**1 September 2021 to 31 December 2024**” to “**1 September 2021 to 31 December 2025**”, and the rent standard for 2025 was still RMB7.5 million. Apart from the terms expressly adjusted in the Supplementary Agreement, the remainder of the original lease contract shall remain in effect (as detailed in the announcement dated 17 January 2025).

8.8 Controlling shareholders and their connected parties’ use of capital of the listed Company for non-operating purposes

Controlling shareholders and their connected parties did not use any capital of the listed Company for non-operating purposes during the reporting period.

8.9 Significant contracts and their execution

During the reporting period, the Company did not enter into any material trust, contracting or lease arrangement.

8.10 Guarantees

As at the end of the reporting period, the actual balance of the external guarantee provided by the Company totaled RMB30 million, with Jinzhou Power Capacitors Co., Ltd. as the collateral (An independent third-party company).

8.11 Corporate governance

During the reporting period, the listed issuer strictly complied with the code provisions of Corporate Governance Code as set out in Appendix C1 and had no deviations from the code provisions.

For more details on the implementation, please refer to the Corporate Governance Report disclosed in the Annual Report 2024. After the issuance of the Annual Report, the compliance and execution of the Code by the listed issuer remained unchanged.

8.12 Model Code for Securities Transactions by Directors

the Company takes the “**Model Code for Securities Transactions by Directors of Listed Issuers**” (the “**Model Code**”) under the Appendix C3 to the Listing Rules as a code of conduct for directors’ securities transactions; after accepting specific enquiries, all members of the Board of the Company confirmed that they had complied with the Model Code during their tenure as directors of the Company.

The Board has formulated guidelines on the trading of securities of listed companies by “**Directors and relevant employees**”. The Office of the Board has given written notices in advance to insiders (including the Company’s Directors, supervisors, senior management, controlling shareholders, de facto controllers and their connected parties, as defined in the Listing Rules) stating that purchase and sales of shares of the Company shall comply with relevant regulations and forbidding the insiders to purchase or sell the shares with inside information: no transactions of the Company’s securities shall be carried out during the price-sensitive timeframe within 30 days, a lock-up period from 28 July 2025 to 27 August 2025, prior to the results announcement.

All Directors confirmed that: During the reporting period, they had adhered to the guidelines, and neither they nor their connected parties conducted securities transactions of the Company.

the Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of a sufficient number of independent non-executive Directors and at least one independent non-executive Director with appropriate professional qualifications or accounting or related financial management expertise. the Company has appointed three independent non-executive Directors including one with financial management expertise, of whom the biographical details are set out in the Annual Report 2024 of the Company.

the Company has been in place an audit committee under the Board in accordance with Rule 3.21 of the Listing Rules.

8.13 Others

Purchase, sale or redemption of shares

During the reporting period, the Company and its subsidiaries did not purchase, sell and redeem any shares of the Company.

Loans to an entity

At the end of the reporting period, neither the Company nor its subsidiaries have granted loans to any entity.

Pledge of shares by controlling shareholder

At the end of the reporting period, the controlling shareholder of the Company did not pledge all or part of its equities in the Company to guarantee the Company's debts or warranty.

Terms included in the loan agreements under which the controlling shareholder shall fulfil specific responsibilities

At the end of the reporting period, the Company and its subsidiaries did not encounter any situation where the controlling shareholder should fulfil specific responsibilities according to the terms included in the loan agreements.

Breach of loan agreements

At the end of the reporting period, the Company and its subsidiaries did not have any breach of loan agreements.

Provision of financial assistance and guarantee to affiliates

At the end of the reporting period, the Company and its subsidiaries did not provide any financial assistance and guarantee to affiliates.

Share option scheme

During the reporting period, the Company and its subsidiaries did not have any share option scheme.

Directors, supervisors and chief executive's interests in the shares, underlying shares and debentures of the Company

For details of Directors, supervisors and chief executives' interests in the shares, underlying shares and debentures of the Company, please see "**Equity interest of Directors, supervisors and senior management**" under "**Profiles of Directors, Supervisors and Senior Management**".

Audit of interim results

The unaudited results for the six months ended 30 June 2025 were prepared by the Group in accordance with the PRC GAAP and IFRS.

The audit committee under the Board of the Company has reviewed and confirmed the interim results announcement of the Company for 2025.

The audit committee has approved the financial accounting principles, standards and methods adopted by the Company for the unaudited interim accounts for the six months ended 30 June 2025.

8.14 Subsequent events

None

Chapter 9 FINANCIAL STATEMENTS

(PREPARED UNDER THE IFRS)

(1) Consolidated Balance Sheet

Unit: RMB

Items	Notes	June 30 2025	December 31 2024
Current assets:			
Monetary funds		10,792,231.20	18,834,578.94
Deposit Reservation for Balance			
Lending funds			
Financial assets held for trading			
Derivative financial assets			
Notes receivable			20,000.00
Accounts receivable		45,181,858.99	34,802,007.03
Receivables financing			
Advances to suppliers		2,672,659.24	3,536,769.28
Receivable premium			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables		10,146,812.09	12,278,565.80
Including: Interests receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventories		31,096,519.31	32,559,631.50
Among them: data resources			
Contract assets		7,626,005.86	7,958,668.33
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		729,035.18	958,221.07
Total current assets		108,245,121.87	110,948,441.96
Non-current assets:			
Issuing loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets		19,070,849.21	19,070,849.21
Investment properties			
Fixed assets		31,214,029.65	32,678,445.71

Construction in progress			
Biological assets held for production			
Oil and gas assets			
Right-of-use assets		3,494,673.89	6,989,347.70
Intangible assets		10,890,250.45	11,022,253.51
Among them: data resources			
Development expenditure			
Among them: data resources			
Goodwill			
Long-term deferred charges			
Deferred income tax assets		1,747,336.93	1,747,336.93
Other non-current assets			
Total non-current assets		66,417,140.13	71,508,233.06
Total asset		174,662,262.00	182,456,675.02
Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		50,194,463.71	43,004,055.56
Advances from customers			
Contract liabilities		22,493,252.18	24,929,450.09
Sell to repurchase financial assets			
Deposits from customers and interbank			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employment benefits payable		2,900,007.60	3,811,782.06
Taxes and fees payable		2,798,399.30	2,967,633.03
Other payables		235,085,512.87	239,332,566.91
Including: Interests payable			
Dividends payable			
Charges and commissions payable			
Dividend payable for reinsurance			
Held-for-sale liabilities			
Non-current liabilities due within one year		6,989,347.73	6,989,347.70
Other current liabilities		1,393,201.37	2,861,319.59
Total current liabilities		321,854,184.76	323,896,154.94

Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings			
Debt instruments payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
estimated liabilities		34,354,500.00	34,354,500.00
Deferred income		29,296,879.20	30,259,480.02
Deferred income tax liabilities		873,668.47	1,747,336.93
Other non-current liabilities		1,625,230.23	1,625,230.23
Total non-current liabilities		66,150,277.90	67,986,547.18
Total liabilities		388,004,462.66	391,882,702.12
Shareholders' equity:			
Share capital		873,370,000.00	873,370,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		1,083,997,337.88	1,083,997,337.88
Less: Treasury stock			
Other comprehensive income		-257,215,708.71	-258,490,617.41
Designated reserves			
Surplus reserves		108,587,124.40	108,587,124.40
General risk provision			
Retained earnings		-2,024,079,890.06	-2,018,924,032.31
Total equity attributable to shareholders of the Parent		-215,341,136.49	-211,460,187.44
Minority interests		1,998,935.83	2,034,160.34
Total shareholders' equity		-213,342,200.66	-209,426,027.10
Total liabilities and shareholders' equity		174,662,262.00	182,456,675.02

the Company's Chairman:
Zhu Xinguang

Chief Financial Officer:
Liu Kejia

Chief Accounting Officer:
Lin Bin

(2) Balance Sheet of parent company

Unit: RMB

Items	Notes	June 30 2025	December 31 2024
Current assets:			
Monetary funds		12,003.97	442.59

Deposit Reservation for Balance			
Lending funds			
Financial assets held for trading			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing		2,488,323.49	1,212,024.71
Advances to suppliers			
Receivable premium			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables			
Including: Interests receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventories			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		620,824.01	620,824.01
Total current assets		3,121,151.47	1,833,291.31
Non-current assets:			
Issuing loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments		3,487,352.50	3,487,352.50
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets		8,585.08	10,130.02
Construction in progress			
Biological assets held for production			
Oil and gas assets			
Right-of-use assets			
Intangible assets			
Development expenditure			
Goodwill			
Long-term deferred charges			
Deferred income tax assets			
Other non-current assets			
Total non-current assets		3,495,937.58	3,497,482.52
Total asset		6,617,089.05	5,330,773.83

Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers			
Contract liabilities			
Sell to repurchase financial assets			
Deposits from customers and interbank			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employment benefits payable		2,360,386.67	2,461,170.54
Taxes and fees payable		143,555.93	152,843.00
Other payables		169,125,845.38	166,444,922.29
Including: Interests payable			
Dividends payable			
Charges and commissions payable			
Dividend payable for reinsurance			
Held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities			
Total current liabilities		171,629,787.98	169,058,935.83
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings			
Debt instruments payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income		34,354,500.00	34,354,500.00
Deferred income tax liabilities			
Other non-current liabilities			

Total non-current liabilities		34,354,500.00	34,354,500.00
Total liabilities		205,984,287.98	203,413,435.83
Owner's equity			
Share capital		873,370,000.00	873,370,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		996,869,700.23	996,869,700.23
Less: Treasury stock			
Other comprehensive income			
Designated reserves			
Surplus reserves		108,587,124.40	108,587,124.40
General risk provision			
Retained earnings		-2,178,194,023.56	-2,176,909,486.63
Total shareholders' equity		-199,367,198.93	-198,082,662.00
Total liabilities and shareholders' equity		6,617,089.05	5,330,773.83

(3) Consolidated income statement

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Total operating income		77,290,682.83	67,972,751.65
Including: Revenue from operation		77,290,682.83	67,972,751.65
Interest income			
The premium has been made			
Fee and commission income			
II. Total operating costs		84,866,696.15	76,013,873.09
Including: Cost for operation		50,444,045.72	41,144,798.54
Interest expense			
Service charge and commission fee			
Surrender value			
Net payments for insurance claims			
Draw the net insurance liability reserve			
Bond insurance expense			
Reinsurance expenses			
Taxes and surcharges		650,030.42	366,556.50
Selling expenses		20,731,944.56	22,722,939.51
Administrative expenses		10,574,269.74	10,764,545.32
Research and development expenses		835,320.78	845,198.23
Financial costs		1,631,084.93	169,834.99

Including: Interest expense		111,903.36	169,834.99
Interest income		-3,159.27	
Add: Other income		1,219,518.31	1,552,829.82
Investment income (loss presented with “-” prefix)			24,471.12
Including: Investment income from associates and joint ventures			
Gain on derecognition of financial assets measured at amortized cost			
Exchange earning(loss presented with “-” prefix)			
Net open hedge income (loss presented with “-” prefix)			
Gain from changes in fair value (loss presented with “-” prefix)			
Credit impairment loss (loss presented with “-” prefix)		307,479.03	-10,111.68
Asset impairment loss (loss presented with “-” prefix)			
Gain on disposal of assets (loss presented by “-” prefix)			3,628.15
III. Profit from operation (loss presented with “-” prefix)		-6,049,015.98	-6,470,304.03
Add: Non-operating income		11,606.04	105,441.41
Less: Non-operating expenses		27,340.78	5,655.02
IV. Total profits (total loss presented with “-” prefix)		-6,064,750.72	-6,370,517.64
Less: Income tax expenses		-873,668.46	-906,155.22
V. Net profit (net loss presented with “-” prefix)		-5,191,082.26	-5,464,362.42
Include: the net profit realized by the merged party before the merger			
A. Classified by business continuity		-	-
1. Net profit from continued operations (net loss presented with “-” prefix)		-5,191,082.26	-5,464,362.42
2. Net profit from discontinued operations (net loss presented with “-” prefix)			
B. Classified by ownership		-	-
1. Net profit attributable to shareholders of the Parent (net loss		-35,224.51	47,812.25

presented with “-” prefix)			
2. Profits and losses attributable to minority interests (net loss presented with “-” prefix)		-5,155,857.75	-5,512,174.67
VI. Net after-tax other comprehensive income		169,750.27	-1,659,232.68
A. Net after-tax other comprehensive income attributable to shareholders of the Parent		169,750.27	-1,659,232.68
1. Other comprehensive income not reclassification to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income of non-convertible profit and loss under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of the Company’ s own credit risk			
(5) Others			
2. Other comprehensive income reclassification to profit or loss		169,750.27	-1,659,232.68
(1) Other comprehensive income of convertible profit and loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) The amount of financial assets reclassified into other comprehensive income			
(4) Other debt investment credit impairment provisions			
(5) Cash flow hedge reserve			
(6) Exchange difference on translation of foreign financial statements		169,750.27	-1,659,232.68
(7) Others			
B. Net after-tax other comprehensive income attributable to minority interests			
VII. Total comprehensive income		-5,021,331.99	-7,123,595.10
A. Total comprehensive income attributable to shareholders of the		-4,986,107.48	-7,171,407.35

Parent			
B. Total comprehensive income attributable to minority interests		-35,224.51	47,812.25
VIII. Earning per share:			
A. Basic earning per share (RMB per share)		-0.006	-0.006
B. Diluted earning per share (RMB per share)		-0.006	-0.006

(4) Parent company income statement

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I Revenue from operation			
Less: Cost for operation			
Taxes and surcharges			
Selling expenses			
Administrative expenses		1,295,798.31	1,140,180.05
Research and development expenses			
Financial costs		298.06	344.94
Including: Interest expense			
Interest income		-1.94	-1.56
Add: Other income			
Investment income (loss presented with “-” prefix)			
Including: Investment income from associates and joint ventures			
Gain on derecognition of financial assets measured at amortized cost			
Exchange gains(loss presented with “-” prefix)			
Net open hedge income (loss presented with “-” prefix)			
Gain from changes in fair value (loss presented with “-” prefix)			
Credit impairment loss (loss presented with “-” prefix)			
Asset impairment loss (loss presented with “-” prefix)			
Gain on disposal of assets (loss presented by “-” prefix)			

II. Profit from operation (loss presented with “-” prefix)		-1,296,096.37	-1,140,524.99
Add: Non-operating income		11,559.44	56,162.61
Less: Non-operating expenses			
III. Total profits (total loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
Less: Income tax expenses			
IV. Net profit (net loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
1. Net profit from continued operations (net loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
2. Net profit from discontinued operations (net loss presented with “-” prefix)			
V. Net after-tax other comprehensive income			
1. Other comprehensive income not reclassifiable to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income of non-convertible profit and loss under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of the Company’ s own credit risk			
(5) Others			
2. Other comprehensive income reclassification to profit or loss			
(1) Other comprehensive income of convertible profit and loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) The amount of financial assets reclassified into other comprehensive income			
(4) Other debt investment credit impairment provisions			
(5) Cash flow hedge reserve			

(6) Exchange difference on translation of foreign financial statements			
(7) Others			
VI. Total comprehensive income		-1,284,536.93	-1,084,362.38
VII. Earning per share:			
A. Basic earning per share (RMB per share)			
B. Diluted earning per share (RMB per share)			

(5) Consolidated statement of cash flow

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received for sales of goods and rendering of services		72,254,345.23	81,280,470.53
Net increase in customer deposits and interbank deposits			
Net increase in borrowing from the central bank			
Net increase in funds borrowed from other financial institutions			
Cash received from the original insurance contract premium			
Net cash received from reinsurance operations			
Net increase in policyholders' savings and investment funds			
Cash for interest, fees and commissions			0.01
Net increase in borrowed funds			
Net increase in repurchase business funds			
Net cash received from agents buying and selling securities			
Tax refund received			285,914.62
Other cash receipts relating to operating activities		4,616,710.16	5,228,473.21
Cash inflows from operating activities (subtotal)		76,871,055.39	86,794,858.37
Cash payments for purchase of goods and		50,215,763.74	55,940,600.87

services			
Net increase in loans and advances to customers			
Net increase in deposits with central banks and interbanks			
Cash to pay the original insurance contract compensation			
Net increase in financial assets held for trading purposes			
Net increase in borrowed funds			
Cash for interest, fees and commissions			
Cash to pay policy dividends			
Cash paid to or on behalf of employees		18,365,073.20	19,513,151.89
Taxes and fees paid		3,176,578.66	399,755.81
Other cash payments relating to operating activities		11,961,871.41	16,293,158.15
Cash outflows for operating activities (subtotal)		83,719,287.01	92,146,666.72
Net cash flows from operating activities		-6,848,231.62	-5,351,808.35
II. Cash flows from investing activities:			
Cash received from investment withdrawal			9,100,000.00
Cash received from investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			3,700.00
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Cash inflows from investing activities (subtotal)			9,103,700.00
Cash paid for purchase or construction of fixed assets, intangibles assets and other long-term assets		50,442.48	106,110.00
Cash paid for investment			
Net increase in mortgage loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments relating to investing activities			
Cash outflows for investing activities (subtotal)		50,442.48	106,110.00

Net cash flows from investing activities		-50,442.48	8,997,590.00
III. Cash flows from financing activities:			
Cash received from investors			
Including: Cash received by subsidiaries from investments of minority shareholders			
Cash received from loans raised			
Cash received from bond issuance			
Other cash receipts relating to financing activities			
Cash inflows from financing activities (subtotal)			
Cash paid for debt repayment			
Cash paid for dividends, profit distribution and interests			
Including: Dividends and profits paid by subsidiaries to minority shareholders			
Other cash payments relating to financing activities			
Cash outflows for financing activities (subtotal)			
Net cash flows from financing activities			
IV. Impact of change of foreign exchange rates on cash and cash equivalents		8,235.42	33,314.14
V. Net increase of cash and cash equivalents		-6,890,438.68	3,679,095.79
Add: cash and cash equivalents opening balance		18,834,578.94	6,442,713.65
VI. Cash and cash equivalents closing balance		11,944,140.26	10,121,809.44

(6) Statement of cash flow of parent company

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received for sales of goods and rendering of services			
Tax refund received			

Other cash receipts relating to operating activities		11,561.38	387,885.34
Cash inflows from operating activities (subtotal)		11,561.38	387,885.34
Cash payments for purchase of goods and services			
Cash paid to or on behalf of employees			21,681.87
Taxes and fees paid			
Other cash payments relating to operating activities			367,712.78
Cash outflows for operating activities (subtotal)			389,394.65
Net cash flows from operating activities		11,561.38	-1,509.31
II. Cash flows from investing activities:			
Cash received from investment withdrawal			
Cash received from investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Cash inflows from investing activities (subtotal)			
Cash paid for purchase or construction of fixed assets, intangibles assets and other long-term assets			
Cash paid for investment			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments relating to investing activities			
Cash outflows for investing activities (subtotal)			
Net cash flows from investing activities			
Cash flows from financing activities:			
Cash received from investors			
Cash received from loans raised			
Cash received from bond issuance			

Other cash receipts relating to financing activities			
Cash inflows from financing activities (subtotal)			
Cash paid for debt repayment			
Cash paid for dividends, profit distribution and interests			
Other cash payments relating to financing activities			
Cash outflows for financing activities (subtotal)			
Net cash flows from financing activities			
IV. Impact of change of foreign exchange rates on cash and cash equivalents			
V. Net increase of cash and cash equivalents		11,561.38	-1,509.31
Add: cash and cash equivalents opening balance		442.59	2,051.94
VI. Cash and cash equivalents closing balance		12,003.97	542.63

Chapter 10 FINANCIAL STATEMENTS

(PREPARED UNDER THE PRC GAAP)

I. AUDIT REPORT

The interim report of the Company has not been audited.

II. FINANCIAL STATEMENTS

(1) Consolidated Balance Sheet

Unit: RMB

Items	Notes	June 30 2025	December 31 2024
Current assets:			
Monetary funds		10,792,231.20	18,834,578.94
Deposit Reservation for Balance			
Lending funds			
Financial assets held for trading			
Derivative financial assets			
Notes receivable			20,000.00
Accounts receivable		45,181,858.99	34,802,007.03
Receivables financing			
Advances to suppliers		2,672,659.24	3,536,769.28
Receivable premium			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables		10,146,812.09	12,278,565.80
Including: Interests receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventories		31,096,519.31	32,559,631.50
Contract assets		7,626,005.86	7,958,668.33
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		729,035.18	958,221.07
Total current assets		108,245,121.87	110,948,441.96
Non-current assets:			
Issuing loans and advances			
Debt investments			

Other debt investments			
Long-term receivables			
Long-term equity investments			
Other equity instrument investments			
Other non-current financial assets		19,070,849.21	19,070,849.21
Investment properties			
Fixed assets		31,214,029.65	32,678,445.71
Construction in progress			
Biological assets held for production			
Oil and gas assets			
Right-of-use assets		3,494,673.89	6,989,347.70
Intangible assets		10,890,250.45	11,022,253.51
Development expenditure			
Goodwill			
Long-term deferred charges			
Deferred income tax assets		1,747,336.93	1,747,336.93
Other non-current assets			
Total non-current assets		66,417,140.13	71,508,233.06
Total asset		174,662,262.00	182,456,675.02
Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		50,194,463.71	43,004,055.56
Advances from customers			
Contract liabilities		22,493,252.18	24,929,450.09
Sell to repurchase financial assets			
Deposits from customers and interbank			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employment benefits payable		2,900,007.60	3,811,782.06
Taxes and fees payable		2,798,399.30	2,967,633.03
Other payables		233,394,289.31	238,184,941.31
Including: Interests payable			
Dividends payable			
Charges and commissions payable			
Dividend payable for reinsurance			

Held-for-sale liabilities			
Non-current liabilities due within one year		6,989,347.73	6,989,347.70
Other current liabilities		1,393,201.37	2,861,319.59
Total current liabilities		320,162,961.20	322,748,529.34
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings			
Debt instruments payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
estimated liabilities		34,354,500.00	34,354,500.00
Deferred income		29,296,879.20	30,259,480.02
Deferred income tax liabilities		873,668.47	1,747,336.93
Other non-current liabilities		1,625,230.23	1,625,230.23
Total non-current liabilities		66,150,277.90	67,986,547.18
Total liabilities		386,313,239.10	390,735,076.52
Shareholders' equity:			
Share capital		873,370,000.00	873,370,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		1,083,997,337.88	1,083,997,337.88
Less: Treasury stock			
Other comprehensive income		-257,215,708.71	-258,490,617.41
Designated reserves		1,691,223.56	1,147,625.60
Surplus reserves		108,587,124.40	108,587,124.40
General risk provision			
Retained earnings		-2,024,079,890.06	-2,018,924,032.31
Total equity attributable to shareholders of the Parent		-213,649,912.93	-210,312,561.84
Minority interests		1,998,935.83	2,034,160.34
Total shareholders' equity		-211,650,977.10	-208,278,401.50
Total liabilities and shareholders' equity		174,662,262.00	182,456,675.02

the Company's Chairman:
Zhu Xinguang

Chief Financial Officer:
Liu Kejia

Chief Accounting Officer:
Lin Bin

(2) Balance Sheet of parent company

Unit: RMB

Items	Notes	June 30 2025	December 31 2024
Current assets:			
Monetary funds		12,003.97	442.59
Deposit Reservation for Balance			
Lending funds			
Financial assets held for trading			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing		2,488,323.49	1,212,024.71
Advances to suppliers			
Receivable premium			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables			
Including: Interests receivable			
Dividends receivable			
Redemptory monetary capital for sale			
Inventories			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		620,824.01	620,824.01
Total current assets		3,121,151.47	1,833,291.31
Non-current assets:			
Issuing loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments		3,487,352.50	3,487,352.50
Other equity instrument investments			
Other non-current financial assets			
Investment properties			
Fixed assets		8,585.08	10,130.02
Construction in progress			
Biological assets held for production			
Oil and gas assets			
Right-of-use assets			
Intangible assets			
Development expenditure			
Goodwill			

Long-term deferred charges			
Deferred income tax assets			
Other non-current assets			
Total non-current assets		3,495,937.58	3,497,482.52
Total asset		6,617,089.05	5,330,773.83
Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers			
Contract liabilities			
Sell to repurchase financial assets			
Deposits from customers and interbank			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employment benefits payable		2,360,386.67	2,461,170.54
Taxes and fees payable		143,555.93	152,843.00
Other payables		169,125,845.38	166,444,922.29
Including: Interests payable			
Dividends payable			
Charges and commissions payable			
Dividend payable for reinsurance			
Held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities			
Total current liabilities		171,629,787.98	169,058,935.83
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term borrowings			
Debt instruments payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			

Long-term employee benefits payable			
Provisions			
Deferred income		34,354,500.00	34,354,500.00
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		34,354,500.00	34,354,500.00
Total liabilities		205,984,287.98	203,413,435.83
Shareholders' equity:			
Share capital		873,370,000.00	873,370,000.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserves		996,869,700.23	996,869,700.23
Less: Treasury stock			
Other comprehensive income			
Designated reserves			
Surplus reserves		108,587,124.40	108,587,124.40
General risk provision			
Retained earnings		-2,178,194,023.56	-2,176,909,486.63
Total shareholders' equity		-199,367,198.93	-198,082,662.00
Total liabilities and shareholders' equity		6,617,089.05	5,330,773.83

(3) Consolidated income statement

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Total operating income		77,290,682.83	67,972,751.65
Including: Revenue from operation		77,290,682.83	67,972,751.65
Interest income			
The premium has been made			
Fee and commission income			
II. Total operating costs		84,866,696.15	75,990,303.33
Including: Cost for operation		50,444,045.72	41,144,798.54
Interest expense			
Service charge and commission fee			
Surrender value			
Net payments for insurance claims			
Draw the net insurance liability reserve			
Bond insurance expense			
Reinsurance expenses			

Taxes and surcharges		650,030.42	366,556.50
Selling expenses		20,731,944.56	22,722,939.51
Administrative expenses		10,574,269.74	10,396,547.11
Research and development expenses		835,320.78	845,198.23
Financial costs		1,631,084.93	514,263.44
Including: Interest expense		111,903.36	169,834.99
Interest income		-3,159.27	-23,569.75
Add: Other income		1,219,518.31	1,529,260.06
Investment income (loss presented with “-” prefix)			9,124,471.12
Including: Investment income from associates and joint ventures			
Gain on derecognition of financial assets measured at amortized cost			
Exchange earning(loss presented with “-” prefix)			
Net open hedge income (loss presented with “-” prefix)			
Gain from changes in fair value (loss presented with “-” prefix)			
Credit impairment loss (loss presented with “-” prefix)		307,479.03	-10,111.68
Asset impairment loss (loss presented with “-” prefix)			
Gain on disposal of assets (loss presented by “-” prefix)			3,628.15
III. Profit from operation (loss presented with “-” prefix)		-6,049,015.98	2,629,695.97
Add: Non-operating income		11,606.04	105,441.41
Less: Non-operating expenses		27,340.78	5,655.02
IV. Total profits (total loss presented with “-” prefix)		-6,064,750.72	2,729,482.36
Less: Income tax expenses		-873,668.46	-906,155.22
V. Net profit (net loss presented with “-” prefix)		-5,191,082.26	3,635,637.58
Include: the net profit realized by the merged party before the merger			
A. Classified by business continuity		-	-
1. Net profit from continued operations (net loss presented with “-” prefix)		-5,191,082.26	3,635,637.58

2. Net profit from discontinued operations (net loss presented with “-” prefix)			
B. Classified by ownership		-	-
1. Net profit attributable to shareholders of the Parent (net loss presented with “-” prefix)		-35,224.51	47,812.25
2. Profits and losses attributable to minority interests (net loss presented with “-” prefix)		-5,155,857.75	3,587,825.33
VI. Net after-tax other comprehensive income		169,750.27	-1,659,232.68
A. Net after-tax other comprehensive income attributable to shareholders of the Parent		169,750.27	-1,659,232.68
1. Other comprehensive income not reclassification to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income of non-convertible profit and loss under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of the Company’ s own credit risk			
(5) Others			
2. Other comprehensive income reclassification to profit or loss		169,750.27	-1,659,232.68
(1) Other comprehensive income of convertible profit and loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) The amount of financial assets reclassified into other comprehensive income			
(4) Other debt investment credit impairment provisions			
(5) Cash flow hedge reserve			
(6) Exchange difference on translation of foreign financial statements		169,750.27	-1,659,232.68
(7) Others			
B. Net after-tax other comprehensive			

income attributable to minority interests			
VII. Total comprehensive income		-5,021,331.99	1,976,404.90
A. Total comprehensive income attributable to shareholders of the Parent		-4,986,107.48	1,928,592.65
B. Total comprehensive income attributable to minority interests		-35,224.51	47,812.25
VIII. Earning per share:			
A. Basic earning per share (RMB per share)		-0.006	0.004
B. Diluted earning per share (RMB per share)		-0.006	0.004

(4) Parent company income statement

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I Revenue from operation			
Less: Cost for operation			
Taxes and surcharges			
Selling expenses			
Administrative expenses		1,295,798.31	1,140,180.05
Research and development expenses			
Financial costs		298.06	344.94
Including: Interest expense			
Interest income		-1.94	-1.56
Add: Other income			
Investment income (loss presented with “-” prefix)			
Including: Investment income from associates and joint ventures			
Gain on derecognition of financial assets measured at amortized cost			
Exchange gains(loss presented with “-” prefix)			
Net open hedge income (loss presented with “-” prefix)			
Gain from changes in fair value (loss presented with “-” prefix)			

Credit impairment loss (loss presented with “-” prefix)			2,700
Asset impairment loss (loss presented with “-” prefix)			
Gain on disposal of assets (loss presented by “-” prefix)			
II. Profit from operation (loss presented with “-” prefix)		-1,296,096.37	-1,140,524.99
Add: Non-operating income		11,559.44	56,162.61
Less: Non-operating expenses			
III. Total profits (total loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
Less: Income tax expenses			
IV. Net profit (net loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
1. Net profit from continued operations (net loss presented with “-” prefix)		-1,284,536.93	-1,084,362.38
2. Net profit from discontinued operations (net loss presented with “-” prefix)			
V. Net after-tax other comprehensive income			
1. Other comprehensive income not reclassifiable to profit or loss			
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive income of non-convertible profit and loss under the equity method			
(3) Changes in fair value of other equity instruments investment			
(4) Changes in fair value of the Company’ s own credit risk			
(5) Others			
2. Other comprehensive income reclassification to profit or loss			
(1) Other comprehensive income of convertible profit and loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) The amount of financial assets			

reclassified into other comprehensive income			
(4) Other debt investment credit impairment provisions			
(5) Cash flow hedge reserve			
(6) Exchange difference on translation of foreign financial statements			
(7) Others			
VI. Total comprehensive income		-1,284,536.93	-1,084,362.38
VII. Earning per share:			
A. Basic earning per share (RMB per share)			
B. Diluted earning per share (RMB per share)			

(5) Consolidated statement of cash flow

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received for sales of goods and rendering of services		72,254,345.23	81,280,470.53
Net increase in customer deposits and interbank deposits			
Net increase in borrowing from the central bank			
Net increase in funds borrowed from other financial institutions			
Cash received from the original insurance contract premium			
Net cash received from reinsurance operations			
Net increase in policyholders' savings and investment funds			
Cash for interest, fees and commissions			0.01
Net increase in borrowed funds			
Net increase in repurchase business funds			
Net cash received from agents buying and selling securities			
Tax refund received			285,914.62
Other cash receipts relating to		4,616,710.16	5,228,473.21

operating activities			
Cash inflows from operating activities (subtotal)		76,871,055.39	86,794,858.37
Cash payments for purchase of goods and services		50,215,763.74	55,940,600.87
Net increase in loans and advances to customers			
Net increase in deposits with central banks and interbanks			
Cash to pay the original insurance contract compensation			
Net increase in financial assets held for trading purposes			
Net increase in borrowed funds			
Cash for interest, fees and commissions			
Cash to pay policy dividends			
Cash paid to or on behalf of employees		18,365,073.20	19,513,151.89
Taxes and fees paid		3,176,578.66	399,755.81
Other cash payments relating to operating activities		11,961,871.41	16,293,158.15
Cash outflows for operating activities (subtotal)		83,719,287.01	92,146,666.72
Net cash flows from operating activities		-6,848,231.62	-5,351,808.35
II. Cash flows from investing activities:			
Cash received from investment withdrawal			9,100,000.00
Cash received from investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			3,700.00
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Cash inflows from investing activities (subtotal)			9,103,700.00
Cash paid for purchase or construction of fixed assets, intangibles assets and other long-term assets		50,442.48	106,110.00
Cash paid for investment			
Net increase in mortgage loans			
Net cash paid for acquisition of subsidiaries and other business units			

Other cash payments relating to investing activities			
Cash outflows for investing activities (subtotal)		50,442.48	106,110.00
Net cash flows from investing activities		-50,442.48	8,997,590.00
III. Cash flows from financing activities:			
Cash received from investors			
Including: Cash received by subsidiaries from investments of minority shareholders			
Cash received from loans raised			
Cash received from bond issuance			
Other cash receipts relating to financing activities			
Cash inflows from financing activities (subtotal)			
Cash paid for debt repayment			
Cash paid for dividends, profit distribution and interests			
Including: Dividends and profits paid by subsidiaries to minority shareholders			
Other cash payments relating to financing activities			
Cash outflows for financing activities (subtotal)			
Net cash flows from financing activities			
IV. Impact of change of foreign exchange rates on cash and cash equivalents		8,235.42	33,314.14
V. Net increase of cash and cash equivalents		-6,890,438.68	3,679,095.79
Add: cash and cash equivalents opening balance		18,834,578.94	6,442,713.65
VI. Cash and cash equivalents closing balance		11,944,140.26	10,121,809.44

(6) Statement of cash flow of parent company

Unit: RMB

Items	Notes	January to June 2025	January to June 2024
I. Cash flows from operating activities:			
Cash received for sales of goods and			

rendering of services			
Tax refund received			
Other cash receipts relating to operating activities		11,561.38	387,885.34
Cash inflows from operating activities (subtotal)		11,561.38	387,885.34
Cash payments for purchase of goods and services			
Cash paid to or on behalf of employees			21,681.87
Taxes and fees paid			
Other cash payments relating to operating activities			367,712.78
Cash outflows for operating activities (subtotal)			389,394.65
Net cash flows from operating activities		11,561.38	-1,509.31
II. Cash flows from investing activities:			
Cash received from investment withdrawal			
Cash received from investment income			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Other cash receipts relating to investing activities			
Cash inflows from investing activities (subtotal)			
Cash paid for purchase or construction of fixed assets, intangibles assets and other long-term assets			
Cash paid for investment			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash payments relating to investing activities			
Cash outflows for investing activities (subtotal)			
Net cash flows from investing activities			
Cash flows from financing activities:			
Cash received from investors			

Cash received from loans raised			
Cash received from bond issuance			
Other cash receipts relating to financing activities			
Cash inflows from financing activities (subtotal)			
Cash paid for debt repayment			
Cash paid for dividends, profit distribution and interests			
Other cash payments relating to financing activities			
Cash outflows for financing activities (subtotal)			
Net cash flows from financing activities			
IV. Impact of change of foreign exchange rates on cash and cash equivalents			
V. Net increase of cash and cash equivalents		11,561.38	-1,509.31
Add: cash and cash equivalents opening balance		442.59	2,051.94
VI. Cash and cash equivalents closing balance		12,003.97	542.63

10.1 Explanation of changes in accounting policy, accounting estimates and accounting methods in comparison with the financial report of the previous year

There is no change in accounting policy, accounting estimates and accounting methods in comparison with the financial report of the previous year.

10.2 Description of retrospective restatement of major accounting errors in the reporting period

There was no retrospective restatement of major accounting errors in the reporting period.

10.3 Description of changes in the coverage of the consolidated statements as compared to the financial report for the previous year

As of June 30 2025, the Company has included a total of 6 subsidiaries in the consolidation scope. Compared with the previous year's financial report, the consolidation scope of the group this year has decreased by 1 compared to the previous year. Dongdian Business Travel (Hainan) Information Consulting Services Co., Ltd. was established on March 3 2023. Its subsidiary, Hainan Garden Lane Flight Hotel Management Co.,Ltd. holds a 51% stake and will be deregistered in 2024.

10.4 Others

10.4.1 Business distribution

All of the Group's incomes and profits were from the domestic market, so the Group's management considers there is no need to prepare the divisional statement.

10.4.2 Taxation

Main taxation category and tax rate of the Company

Category	Tax Base	Tax Rate
VAT	The taxable income is calculated at the tax rates of 16%, 13%, 6%, and the VAT payable is determined by the output VAT net of deductible input VAT of the period.	16%, 13%, 6%
Urban construction & maintenance tax	At 7% of the turnover tax actually paid.	7%
Corporate income tax	At 25% of the taxable income payable.	25%, 16.5%, 15%
Educational surcharge	At 5% of the turnover tax actually paid.	5%

Notes:

(1) For Northeast Electric Development (Hong Kong) Limited, a wholly-owned subsidiary of the Company registered in HKSAR of the PRC, the profits tax rate is 16.5%.

(2) Great Talent Technology Co., Ltd. is a wholly-owned subsidiary, registered in the British Virgin Islands. No corporate income tax is imposed on it.

(3) The corporate income tax of Shenyang Kaiyi Electric Co., Ltd., a subsidiary of the Company, is collected in a way of verification.

(4) Fuxin Busbar, a subsidiary of the Company, was rated as high-tech enterprises in National level, and pays corporate income tax at 15%.

10.4.3 Net profit

Items	There porting period	The same period of last year
Net profit attributable to shareholders of the parent Company(RMB)	-5,155,857.75	3,587,825.33

10.4.4 Earnings per share

Items	The reporting period	The same period of last year
Basic earnings per share (RMB/share)	-0.006	0.004
Diluted earnings per share (RMB/share)	-0.006	0.004

10.4.5 Dividends

No dividends were paid or proposed for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil), and no dividend was proposed from the end of the reporting period.

10.4.6 Share capital

Items	The reporting period	The same period of last year
Total share capital (RMB)	873,370,000.00	873,370,000.00

10.5 Publication of the interim report on the internet websites of The Stock Exchange of Hong Kong Limited and the Company

All information about the interim report as required by Appendix D2 to the Listing Rules will be published on the Hong Kong Stock Exchange's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.nee.com.cn>) in due course.

By order of the Board
Northeast Electric Development Co., Ltd.
Zhu Xinguang
Chairman

Haikou, Hainan Province, the PRC
27 August 2025

As at the date of this Announcement, the Board comprises of five executive Directors, namely Mr. Zhu Xinguang, Ms. He Wei, Mr. Ding Jishi, Mr. Mi Hongjie and Mr. Liu Kejia; and three independent non-executive Directors, namely Mr. Li Zhengning, Mr. Wang Hongyu and Mr. Fang Guangrong.

* for identification purpose only