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Red Avenue New Materials Group Co., Ltd.

彤程新材料集团股份有限公司

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

(Stock Code: 9607)

2026 THIRD QUARTERLY REPORT

This announcement is made by Red Avenue New Materials Group Co., Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to the Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2026 third quarterly report of the Group for the nine months ended 30 September 2026 (the “**Reporting Period**”). The financial statements contained in the report have been prepared under the China Accounting Standards for Business Enterprises and have not been audited.

This announcement and the accompanying financial statements are originally prepared in Chinese and published in both English and Chinese. If there is any inconsistency or conflict between the Chinese and English versions, the Chinese version shall prevail.

By order of the Board

Red Avenue New Materials Group Co., Ltd.

Zhang Ning

Chairperson of the Board and Executive Director

Shanghai, the People's Republic of China

27 October 2026

As of the date of this announcement, the board of directors of the Company comprises (i) Ms. Zhang Ning, Mr. Ding Lin, Mr. Yuan Minjian, Mr. Yu Yaoming and Mr. Tang Jie as executive directors; (ii) Mr. Li Xiaoguang as non-executive director; and (iii) Mr. Zhang Yun, Mr. Jiang Changjian, Mr. Feng Yaoling and Mr. Chan Chi Fung Leo as independent non-executive directors.

Stock Code: 603650

Stock Short Name: Red Avenue New Materials

Red Avenue New Materials Group Co., Ltd.

2026 Third Quarterly Report

The board of directors of the Company and all directors hereby warrant that there are no misrepresentations, misleading statements or material omissions in this announcement, and accept legal responsibilities for the truthfulness, accuracy and completeness of the contents of this announcement.

Important Notice:

The board of directors, directors and senior management of the Company assure for the truthfulness, accuracy and completeness of the contents of the quarterly report, confirm that there are no misrepresentations, misleading statements or material omissions in this quarterly report and accept several and joint legal liability.

Person in charge of the Company Zhang Ning, person in charge of the accounting work Yu Yaoming, and person in charge of the accounting department (the accountant in charge) Zhu Wenqing, have declared that they assure the truthfulness, accuracy and completeness of the financial information in the quarterly report.

Whether the third quarterly financial statements have been audited

☐Yes ☒No

I. Key Financial Data

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Increase/decrease in the Reporting Period compared with the same period last year (%)	From the beginning of the year to the end of the Reporting Period	Increase/decrease from the beginning of the year to the end of the Reporting Period compared with the same
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				period last year (%)
Operating income	1,128,304,902.00	29.87	3,264,455,093.44	29.37
Total profit	143,826,919.38	-5.02	547,801,713.93	5.32
Net profit attributable to shareholders of the Company	133,020,596.57	-7.09	522,053,824.35	5.66
Net profit excluding non-recurring profit or loss attributable to shareholders of the Company	128,759,400.58	-8.41	489,664,852.37	4.99
Net cash flow from operating activities	N/A	N/A	114,908,753.14	-57.21
Basic earnings per share (RMB/share)	0.22	-8.33	0.85	2.41
Diluted earnings per share (RMB/share)	0.22	-8.33	0.85	2.41
Weighted average net assets earnings ratio (%)	3.18	-1.11	12.22	-2.27
	End of the Reporting Period	End of last year		Increase/decrease at the end of the Reporting Period compared with the end of last year (%)
Total assets	12,179,090,494.29	9,218,735,541.99		32.11
Equity attributable to shareholders of the Company	6,810,563,249.45	4,186,318,066.53		62.69

Note: “The Reporting Period” refers to the three-month period from the beginning of the current quarter to the end of the current quarter, and the same below.

(II) Items and amounts of non-recurring profit or loss

√Applicable □Not applicable

Unit: Yuan Currency: RMB

Items of non-recurring profit or loss	Amounts for the current period	Amounts from the beginning of the year to the end of the reporting period	Explanation
Profit or loss on disposal of non-current assets, including write-off of impairment provisions	-874,869.30	14,159,023.13	
Government grants included in profit or loss for the current period, other than government grants that are closely related to the normal business operations of the Company and entitled in accordance with established standards and in compliance with national policies, and have a continuing impact on the profit or loss of the Company	2,270,746.07	30,210,819.86	
Profits and losses on changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and profits and losses from disposal of financial assets and financial liabilities excluding effective hedging business associated with the Company's normal business operations	4,965,978.97	-7,435,505.16	
Income earned from lending funds to non-financial enterprises and recognized in profit or loss			
Profits or losses from entrusting others to invest or manage assets			
Profits or losses from entrusted loans			
Losses on various assets due to force majeure factors, such as natural disasters			
Reversal of impairment provisions for receivables individually tested for impairment			
Gains arising from the investment cost of acquiring subsidiaries, associates and joint ventures being less than the fair value of the identifiable net assets			

of the investee entitled to at the time of acquisition			
Net profit or loss of subsidiaries from the beginning of the period to the date of merger arising from business combinations under common control for the current period			
Profit or loss from exchanges of non-monetary assets			
Profit or loss from debt restructuring			
One-off expenses incurred by the enterprise due to the discontinuation of relevant business operations, such as expenditures for employee resettlement			
One-off impact on the current period's profit or loss arising from adjustments to laws and regulations such as tax and accounting laws and regulations			
Share-based payment expenses recognised on a one-off basis due to the cancellation or modification of equity incentive plans			
Profit or loss arising from changes in the fair value of employee compensation payable after the vesting date in respect of cash-settled share-based payments			
Profit or loss arising from changes in the fair value of investment properties subsequently measured using the fair value model			
Gains arising from transactions with obviously unfair transaction prices			
Profit or loss arising from contingencies unrelated to the Company's normal business operations			
Custody fee income obtained from entrusted operations			
Non-operating incomes and expenses other than the above items	-1,958,844.94	-2,351,196.55	
Other profit or loss items that meet the definition of non-recurring profit or loss			

Less: affected amount of income tax	212,191.30	2,167,679.13	
Affected amount of non-controlling interests, net of tax	-70,376.49	26,490.17	
Total	4,261,195.99	32,388,971.98	

Explanations on reasons for the Company's identification of items not listed in the "Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Profit or Loss" as items of non-recurring profit or loss with significant amounts, and the identification of items of non-recurring profit or loss listed in the "Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Profit or Loss" as items of recurring profit or loss, the Company shall explain the reasons.

☐Applicable ☒Not applicable

(III) Disclosure as to and reasons for changes in major accounting data and financial indicators

☒Applicable ☐Not applicable

Items	Percentage of change (%)	Major reason(s)
Total profit for the Reporting Period	-5.02	In the Reporting Period, the total profit for the third quarter decreased by RMB7.6 million year-on-year, a decrease of 5.02%, primarily due to a year-on-year decrease of RMB 74.15 million in investment income generated from associates in the third quarter.
Total profit from the beginning of the year to the end of the Reporting Period	5.32	The Company's cumulative total profit for the first three quarters increased by RMB27.69 million year-on-year, representing an increase of 5.32%, of which: the cumulative total profit of the electronic materials segment for the first three quarters was RMB163 million, representing a year-on-year increase of approximately RMB120 million, or an increase of 292.74%; the cumulative investment income generated from associates and other similar entities for the first three quarters decreased by RMB102 million as compared with the same period last year, and the exchange losses increased by RMB30.78 million as compared with the corresponding period last year. Excluding investment and financing-related items, the pre-tax operating profit: the Company's operating profit for the third quarter was RMB123.88 million, representing a year-on-year increase of RMB61.57 million, or an increase of 98.82%. The Company's cumulative operating profit for the first three quarters was RMB385.29 million, representing a year-on-year increase of RMB150.95 million, or an increase of 64.41%.
Net cash flows from operating activities	-57.21	This was primarily due to the rapid growth in sales revenue of new products during the year and the timing difference

from the beginning of the year to the end of the Reporting Period		caused by the credit period. Excluding the effect of the one-off subsidies received in the third quarter of the corresponding period last year, the net cash flows from operating activities for the third quarter of the reporting period increased by 28.10% as compared with the corresponding period last year.
Total assets	32.11	In September, the Company completed the issuance of H Shares, and the net proceeds were received.
Equity attributable to shareholders of the Company	62.69	In September, the Company completed the issuance of H Shares, and the net proceeds were received, with a corresponding increase in shareholders' equity.

II. Shareholder information

(I) Total number of ordinary shareholders and number of preferred shareholders with restored voting rights and list of shareholding of the top ten shareholders

Unit: Share

Total number of ordinary shareholders at the end of the Reporting Period	100,612	Total number of preferred shareholders with restored voting rights at the end of the Reporting Period (if any)	0			
Particulars of shareholding of the top ten shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Total number of shares held	Shareholding percentage (%)	Number of shares held subject to restrictions on sales	Shares pledged, marked or locked up	
					Condition	Number
RED AVENUE INVESTMENT GROUP LIMITED	Overseas legal person	294,570,000	43.05	0	Nil	0
Virgin Holdings Limited	Overseas legal person	80,162,700	11.72	0	Nil	0
HKSCC NOMINEES LIMITED	Overseas legal person	68,116,700	9.96	22,577,600	Unknown	Unknown
Shaanxi Coal Industry Company Limited	State-owned legal person	18,176,944	2.66	0	Nil	0

PICC Life Insurance Company Limited—Traditional—Ordinary Insurance Product	Others	4,856,825	0.71	0	Nil	0
Hong Kong Securities Clearing Company Limited	Others	4,409,706	0.64	0	Nil	0
PICC Property and Casualty Company Limited—Own Funds	Others	2,825,300	0.41	0	Nil	0
Shanghai Pudong Development Bank Co., Limited—Guang Fa Small Cap Growth Mixed Securities Investment Fund (LOF)	Others	2,473,800	0.36	0	Nil	0
PICC Life Insurance Company Limited - Participating – Individual Participating Insurance	Others	2,470,174	0.36	0	Nil	0
Huatai Securities Co., Limited—Penghua CSI Subdivision Chemical Industry Theme Exchange Traded Open-End Index Securities Investment Fund	Others	2,213,901	0.32	0	Nil	0

Particulars of shareholding of the top 10 shareholders not subject to restrictions on sales
(excluding shares lent through refinancing)

Name of shareholder	Number of unrestricted shares held	Type and number of shares	
		Type	Number
RED AVENUE INVESTMENT GROUP LIMITED	294,570,000	Renminbi-denominated ordinary share	294,570,000
Virgin Holdings Limited	80,162,700	Renminbi-denominated ordinary share	80,162,700
HKSCC NOMINEES LIMITED	68,116,700	Overseas listed foreign shares	68,116,700
Shaanxi Coal Industry Company Limited	18,176,944	Renminbi-denominated ordinary share	18,176,944
PICC Life Insurance Company Limited – Traditional – Ordinary Insurance Product	4,856,825	Renminbi-denominated ordinary share	4,856,825

Hong Kong Securities Clearing Company Limited	4,409,706	Renminbi-denominated ordinary share	4,409,706
PICC Property and Casualty Company Limited – Own Funds	2,825,300	Renminbi-denominated ordinary share	2,825,300
Shanghai Pudong Development Bank Co., Ltd. –Guang Fa Small Cap Growth Mixed Securities Investment Fund (LOF)	2,473,800	Renminbi-denominated ordinary share	2,473,800
PICC Life Insurance Company Limited – Participating – Individual Participating Insurance	2,470,174	Renminbi-denominated ordinary share	2,470,174
Huatai Securities Co., Limited – Penghua CSI Subdivision Chemical Industry Theme Exchange Traded Open-End Index Securities Investment Fund	2,213,901	Renminbi-denominated ordinary share	2,213,901
Description of the related relationships among, or concerted actions taken by the above shareholders	Among the top ten shareholders, RED AVENUE INVESTMENT GROUP LIMITED and Virgin Holdings Limited are persons acting in concert. The Company is not aware of whether there are any related relationships among the other above-mentioned shareholders or whether they are persons acting in concert as defined in the Measures for the Administration of the Acquisition of Listed Companies.		
Description of the top ten shareholders and the top ten unrestricted shareholders involved in margin financing and securities lending and refinancing businesses (if any)	Nil		

Note:

1. As at the end of the Reporting Period, the Company's special securities account for share repurchase held 3,001,917 shares of the Company, accounting for 0.44%
2. The total number of shareholders of the Company includes holders of A Shares (ordinary shares) and registered holders of H Shares. As at the end of the Reporting Period, there were 100,600 A Share shareholders and 12 registered H Share shareholders.
3. HKSCC NOMINEES LIMITED, i.e. Hong Kong Securities Clearing Company Nominees Limited, is the nominee holder of the shares held by non-registered H Share shareholders of the Company.

Involvement of shareholders with shareholdings of more than 5%, top ten shareholders and top ten unrestricted shareholders in lending shares for refinancing businesses

☐Applicable ☒Not applicable

Changes of top ten shareholders and top ten unrestricted shareholders as compared with the previous period due to lending/returning shares for refinancing

☐Applicable ☒Not applicable

III. OTHER REMINDERS

Other important information about the operation of the Company during the reporting period to which investors should pay attention

☐Applicable ☒Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Types of audit opinions

☐Applicable ☒Not applicable

(II) Financial statements

Consolidated balance sheet

30 September 2026

Prepared by: Red Avenue New Materials Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2026	31 December 2025
Current assets:		
Monetary funds	3,570,414,369.52	1,239,636,822.64
Settlement reserve		
Placements with banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable	33,233,700.37	98,668,164.87
Accounts receivable	1,088,977,580.56	814,017,335.96
Receivables financing	422,925,325.14	284,379,586.67
Prepayments	80,970,993.94	46,327,833.64
Premiums receivable		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Other receivables	13,881,245.55	19,561,993.38
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	652,016,862.65	581,434,065.35
Including: Data resources		
Contract assets		

Assets held for sale		
Non-current assets due within one year		
Other current assets	44,592,957.85	52,898,315.45
Total current assets	5,907,013,035.58	3,136,924,117.96
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	2,565,535,748.49	2,531,909,884.40
Other investments in equity instruments	27,492,723.79	31,740,980.73
Other non-current financial assets	145,195,518.09	122,631,030.30
Investment properties	2,441,662.69	3,152,651.72
Fixed assets	1,918,906,774.04	1,916,839,284.25
Construction in progress	609,595,525.27	432,007,121.25
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	31,799,435.19	43,080,911.80
Intangible assets	390,164,586.58	400,302,061.82
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill	437,441,161.33	437,441,161.33
Long-term deferred expenses	30,000,995.26	29,326,286.00
Deferred income tax assets	97,514,809.59	88,104,752.32
Other non-current assets	15,988,518.39	45,275,298.11
Total non-current assets	6,272,077,458.71	6,081,811,424.03
TOTAL ASSETS	12,179,090,494.29	9,218,735,541.99
Current liabilities:		
Short-term borrowings	2,088,944,526.62	1,146,776,415.50
Borrowings from central bank		
Borrowings from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	117,251,669.59	76,819,339.53
Accounts payable	556,909,892.28	495,942,086.07
Advances received	33,333.34	23,333.35
Contract liabilities	2,903,303.55	4,994,629.10
Funds from financial assets sold under repurchase agreements		

Receipts of deposits and deposits from other banks		
Funds from securities brokerage for trading		
Funds from securities underwriting		
Employee benefits payable	57,226,660.24	69,865,332.21
Tax payable	26,165,302.24	19,489,547.35
Other payables	235,661,776.13	281,094,317.46
Including: Interest payable		
Dividends payable		
Fees and commission payable		
Reinsurance payables		
Liabilities held for sale		
Non-current liabilities due within one year	896,789,748.87	978,140,461.87
Other current liabilities	297,201.47	643,083.40
Total current liabilities	3,982,183,414.33	3,073,788,545.84
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	1,056,094,910.26	1,675,600,507.39
Bond payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	29,250,787.73	36,978,957.09
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	100,852,790.13	113,961,658.66
Deferred income tax liabilities	60,179,299.64	59,713,032.56
Other non-current liabilities		
Total non-current liabilities	1,246,377,787.76	1,886,254,155.70
TOTAL LIABILITIES	5,228,561,202.09	4,960,042,701.54
Equity attributable to equity holders (or shareholders):		
Paid-up capital (or share capital)	684,188,336.00	616,107,972.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	3,939,510,400.31	1,498,906,946.65
Less: Treasury shares	80,939,514.91	104,816,204.75
Other comprehensive income	-127,947,102.53	-4,118,480.10
Special reserve		
Surplus reserve	269,217,071.79	249,736,465.78
General risk reserves		
Unallocated profit	2,126,534,058.79	1,930,501,366.95

Total equity attributable to equity holders (or shareholders) of the parent company	6,810,563,249.45	4,186,318,066.53
Minority interests	139,966,042.75	72,374,773.92
Total equity attributable to equity holders (or shareholders)	6,950,529,292.20	4,258,692,840.45
Total liabilities and equity attributable to equity holders (or shareholders)	12,179,090,494.29	9,218,735,541.99

Person in charge of the Company: Zhang Ning Person in charge of the accounting work: Yu Yaoming

Person in charge of the Accounting Department: Zhu Wenqing

Consolidated Income Statement

January–September 2026

Prepared by: Red Avenue New Materials Group Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	First three quarters of 2026 (January – September)	First three quarters of 2025 (January – September)
I. Total operating income	3,264,455,093.44	2,523,424,551.03
Including: Operating income	3,264,455,093.44	2,523,424,551.03
Interest income		
Earned premiums		
Fees and commission income		
II. Total operating costs	3,014,774,281.21	2,385,090,618.02
Including: Operating costs	2,512,574,342.57	1,908,087,941.21
Interest expense		
Fees and commission expense		
Surrender benefits		
Net claims paid		
Net increase in insurance reserves		
Policyholder dividend expense		
Reinsurance expenses		
Taxes and surcharges	15,372,589.56	13,040,245.09
Selling expenses	93,381,360.64	84,777,181.37
Administrative expenses	128,150,807.13	138,431,147.63
Research and development expenses	177,705,127.53	177,391,611.70
Finance expenses	87,590,053.78	63,362,491.02
Including: Interest expense	68,773,292.88	80,213,994.30
Interest income	21,833,937.88	27,811,569.64
Add: Other income	54,377,019.87	36,236,244.34
Investment income (losses indicated by “-”)	242,930,944.68	344,489,572.86

Including: Investment income from associates and joint ventures	241,953,972.09	329,633,524.90
Gains on derecognition of financial assets measured at amortized cost		
Exchange gains (losses indicated by “-”)		
Net gains on net exposure hedging (losses indicated by “-”)		
Gains from changes in fair value (losses indicated by “-”)	-7,435,505.16	-
Credit impairment losses (losses indicated by “-”)	-1,682,490.14	446,847.95
Asset impairment losses (losses indicated by “-”)	-1,856,305.86	7,755,862.20
Gains on disposal of assets (losses indicated by “-”)	14,152,069.89	-718,123.68
III. Operating profit (losses indicated by “-”)	550,166,545.51	526,544,336.68
Add: Non-operating income	143,432.68	202,117.94
Less: Non-operating expenses	2,508,264.26	6,632,744.18
IV. Total profit (total losses indicated by “-”)	547,801,713.93	520,113,710.44
Less: Income tax expense	26,159,620.30	15,693,955.50
V. Net profit (net losses indicated by “-”)	521,642,093.63	504,419,754.94
(1) By continuity of operations		
1. Net profit from continuing operations (net loss indicated by “-”)	521,642,093.63	504,419,754.94
2. Net profit from discontinued operations (net loss indicated by “-”)		
(2) By ownership attribution		
1. Net profit attributable to shareholders of the parent company (net loss indicated by “-”)	522,053,824.35	494,072,774.34
2. Profit or loss attributable to non-controlling interests (net loss indicated by “-”)	-411,730.72	10,346,980.60
VI. Net of tax amount of other comprehensive income	-133,445,923.00	22,206,899.49
(I) Net of tax amount of other comprehensive income attributable to owners of the parent company	-123,828,622.43	22,206,899.49
1. Other comprehensive income that will not be reclassified to profit or loss	-2,653,296.55	-
(1) Changes in remeasurement of defined benefit plans		
(2) Other comprehensive income under the equity method that cannot be reclassified to profit or loss	-1,927,259.05	
(3) Changes in fair value of investments in other equity instruments	-726,037.50	
(4) Changes in fair value of own credit risk of the enterprise		
(5) Other		
2. Other comprehensive income that will be reclassified to profit or loss	-121,175,325.88	22,206,899.49

(1) Other comprehensive income under the equity method that can be reclassified to profit or loss	-100,120,980.14	25,363,793.53
(2) Changes in fair value of investments in other debt instruments		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Credit impairment provision for investments in other debt instruments		
(5) Cash flow hedge reserve		
(6) Foreign currency translation differences of financial statements	-21,054,345.74	-3,156,894.04
(7) Other		
(II) Net of tax amount of other comprehensive income attributable to non-controlling interests	-9,617,300.57	-
VII. Total comprehensive income	388,196,170.63	526,626,654.43
(I) Total comprehensive income attributable to owners of the parent company	398,225,201.92	516,279,673.83
(II) Total comprehensive income attributable to non-controlling interests	-10,029,031.29	10,346,980.60
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.85	0.83
(II) Diluted earnings per share (RMB/share)	0.85	0.83

If a business combination under common control occurs in the current period, the net profit realized by the combined entity before the combination is: RMB 0; the net profit realized by the combined entity in the prior period is: RMB 0.

Person in charge of the Company: Zhang Ning Person in charge of accounting work: Yu Yaoming
Person in charge of the accounting department: Zhu Wenqing

Consolidated Cash Flow Statement

January–September 2026

Prepared by: Red Avenue New Materials Group Co., Ltd.

Unit: Yuan; Currency: RMB; Audit type: Unaudited

Item	First three quarters of 2026 (January – September)	First three quarters of 2025(January – September)
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	2,241,282,067.00	1,814,426,734.21
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in funds borrowed from other financial institutions		

Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in policyholder deposits and investment funds		
Cash received from interest, fees and commissions		
Net increase in funds borrowed		
Net increase in funds from repurchase business		
Net cash received from agency trading of securities		
Tax refunds received	52,954,777.49	33,536,428.17
Other cash received relating to operating activities	45,404,675.99	112,872,697.74
Subtotal of cash inflows from operating activities	2,339,641,520.48	1,960,835,860.12
Cash paid for goods purchased and services received	1,698,609,667.10	1,247,745,461.02
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and interbank deposits		
Cash paid for claims under original insurance contracts		
Net increase in funds lent		
Cash paid for interest, fees and commissions		
Cash paid for policyholder dividends		
Cash paid to and on behalf of employees	312,744,673.11	291,919,458.30
Taxes paid	70,792,971.19	67,423,221.94
Other cash paid relating to operating activities	142,585,455.94	85,221,109.45
Subtotal of cash outflows from operating activities	2,224,732,767.34	1,692,309,250.71
Net cash flows from operating activities	114,908,753.14	268,526,609.41
II. Cash flows from investing activities:		
Cash received from disposal of investments	375,095,519.32	568,508,782.56
Cash received from investment income	129,581,622.19	105,162,605.08
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	121,845.90	100,900.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	504,798,987.41	673,772,287.64
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	329,508,341.45	165,300,101.06
Cash paid for investments	132,515,407.72	443,065,194.46
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	462,023,749.17	608,365,295.52
Net cash flows from investing activities	42,775,238.24	65,406,992.12

III. Cash flows from financing activities:		
Cash received from absorbing investments	2,585,417,811.84	64,514,042.47
Including: Cash received by subsidiaries from absorbing investments from non-controlling interests	76,740,741.17	64,514,042.47
Cash received from borrowings	1,578,150,000.00	2,130,500,356.86
Other cash received relating to financing activities	37,582,877.82	-
Subtotal of cash inflows from financing activities	4,201,150,689.66	2,195,014,399.33
Cash paid for repayment of debts	1,327,979,344.96	1,674,420,898.28
Cash paid for distribution of dividends or profits, or for payment of interest	376,824,787.27	370,181,515.64
Including: Dividends or profits paid by subsidiaries to non-controlling interests		
Other cash paid relating to financing activities	22,754,266.93	178,518,628.80
Subtotal of cash outflows from financing activities	1,727,558,399.16	2,223,121,042.72
Net cash flows from financing activities	2,473,592,290.50	-28,106,643.39
IV. Effect of exchange rate changes on cash and cash equivalents	-27,707,309.37	-2,828,694.52
V. Net increase in cash and cash equivalents	2,603,568,972.51	302,998,263.62
Add: Opening balance of cash and cash equivalents	476,150,456.51	503,208,760.30
VI. Closing balance of cash and cash equivalents	3,079,719,429.02	806,207,023.92

Person in charge of the Company: Zhang Ning

Person in charge of accounting work: Yu Yaoming

Person in charge of the accounting department: Zhu Wenqing

(III) Initial adoption of new accounting standards or interpretations of standards, etc. in 2026 involving adjustments to the financial statements at the beginning of the year of initial adoption

☐ Applicable ☒ Not applicable

Hereby announced.

Board of Directors of Red Avenue New Materials Group Co., Ltd.

27 October 2026