

Konka Group Co., Ltd.
FINANCIAL REPORT

For the Six Months Ended 30 June 2024

(Un-audited)

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Legal representative: Cao Shiping
Head of the accounting work: Nie Yong
Head of the accounting department: Ping Heng

English Translation for Reference Only. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

I Independent Auditor's Report

Are these interim financial statements audited by an independent auditor?

Yes No

The interim financial statements of the Company have not been audited by an independent auditor.

II Financial Statements

Currency unit for the financial statements and the notes thereto: RMB

1. Consolidated Balance Sheet

Prepared by Konka Group Co., Ltd.

30 June 2024

Unit: RMB

Item	30 June 2024	1 January 2024
Current assets:		
Monetary assets	5,514,370,579.43	6,506,359,577.02
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	294,937,209.31	469,636,700.78
Derivative financial assets		
Notes receivable	301,987,637.11	533,171,949.15
Accounts receivable	1,856,961,440.23	1,726,545,973.08
Accounts receivable financing	203,279,738.30	173,396,326.14
Prepayments	139,219,299.00	165,454,311.51
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	829,528,634.29	989,121,067.51
Including: Interest receivable	7,770,148.68	6,681,258.01
Dividends receivable	14,705,644.62	941,482.38
Financial assets purchased under resale agreements		
Inventories	3,404,537,028.08	3,249,897,700.98
Including: Data resource		
Contract assets	2,712,594.37	2,190,385.93
Assets held for sale		
Current portion of non-current assets		
Other current assets	2,361,815,002.60	2,359,159,468.75
Total current assets	14,909,349,162.72	16,174,933,460.85
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	5,500,299,082.95	5,566,483,863.29
Investments in other equity instruments	23,841,337.16	23,841,337.16
Other non-current financial assets	1,985,908,473.73	2,009,676,398.00

Investment property	1,516,938,003.43	1,470,226,723.87
Fixed assets	5,050,425,327.42	5,218,297,745.16
Construction in progress	844,964,613.42	860,899,498.68
Productive living assets		
Oil and gas assets		
Right-of-use assets	199,746,862.53	197,054,423.17
Intangible assets	1,044,478,407.72	1,087,386,015.34
Including: Data resource		
Development costs		
Including: Data resource		
Goodwill	22,196,735.11	22,196,735.11
Long-term prepaid expense	490,136,795.26	518,919,223.71
Deferred income tax assets	1,439,587,794.69	1,426,573,982.16
Other non-current assets	1,296,144,671.61	1,248,328,806.16
Total non-current assets	19,414,668,105.03	19,649,884,751.81
Total assets	34,324,017,267.75	35,824,818,212.66
Current liabilities:		
Short-term borrowings	6,510,087,630.95	6,390,592,056.27
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	981,928,381.95	990,482,927.20
Accounts payable	2,940,551,760.72	2,726,831,675.97
Advances from customers	311,664.91	
Contract liabilities	326,016,727.91	527,975,160.12
Financial assets sold under repurchase agreements		
Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	198,487,964.48	304,733,103.63
Taxes payable	51,565,332.83	214,417,135.87
Other payables	1,762,366,179.22	1,922,791,905.14
Including: Interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	3,600,939,407.57	5,314,147,396.36
Other current liabilities	46,276,463.29	54,330,715.75
Total current liabilities	16,418,531,513.83	18,446,302,076.31
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	7,205,788,337.63	7,779,150,079.88

Bonds payable	4,796,908,712.83	2,426,992,578.67
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	165,941,212.56	160,218,818.92
Long-term payables	4,957,346.58	6,135,734.07
Long-term employee benefits payable	4,661,069.67	4,718,466.37
Provisions	323,500,578.73	304,519,839.80
Deferred income	408,691,107.22	425,135,237.90
Deferred income tax liabilities	139,226,712.39	185,026,165.27
Other non-current liabilities	205,172,360.96	179,996,351.33
Total non-current liabilities	13,254,847,438.57	11,471,893,272.21
Total liabilities	29,673,378,952.40	29,918,195,348.52
Owners' equity:		
Share capital	2,407,945,408.00	2,407,945,408.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	521,710,300.12	526,499,506.76
Less: Treasury stock		
Other comprehensive income	-14,125,068.08	-13,443,558.44
Specific reserve	6,615,537.36	4,657,488.24
Surplus reserves	1,244,180,364.24	1,244,180,364.24
General reserve		
Retained earnings	386,980,133.30	1,474,561,975.85
Total equity attributable to owners of the Company as the parent	4,553,306,674.94	5,644,401,184.65
Non-controlling interests	97,331,640.41	262,221,679.49
Total owners' equity	4,650,638,315.35	5,906,622,864.14
Total liabilities and owners' equity	34,324,017,267.75	35,824,818,212.66

Legal representative: Cao Shiping

CFO: Nie Yong

Head of the financial department: Ping Heng

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	30 June 2024	1 January 2024
Current assets:		
Monetary assets	3,694,617,771.19	4,739,026,071.80
Held-for-trading financial assets	294,937,209.31	469,636,700.78
Derivative financial assets		
Notes receivable	222,896,079.58	212,545,745.69
Accounts receivable	3,106,912,552.06	2,907,508,425.51
Accounts receivable financing	642,758.36	
Prepayments	5,424,580,131.75	3,050,914,644.86
Other receivables	8,002,724,273.44	7,962,523,971.43

Including: Interest receivable	7,098,359.12	6,325,400.49
Dividends receivable	410,736,627.52	395,209,709.13
Inventories	299,147,504.71	74,359,735.29
Including: Data resource		
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	1,838,906,798.09	1,776,247,847.16
Total current assets	22,885,365,078.49	21,192,763,142.52
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments	8,332,374,129.98	8,353,187,518.14
Investments in other equity instruments	17,940,215.36	17,940,215.36
Other non-current financial assets	396,353,137.96	396,353,137.96
Investment property	877,638,798.38	896,398,058.58
Fixed assets	397,097,652.85	408,039,474.28
Construction in progress	11,367,352.75	10,456,702.05
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	40,888,560.99	44,546,041.59
Including: Data resource		
Development costs		
Including: Data resource		
Goodwill		
Long-term prepaid expense	39,527,817.85	43,352,655.77
Deferred income tax assets	1,186,943,851.11	1,186,943,851.11
Other non-current assets	43,471,716.30	42,958,066.97
Total non-current assets	11,343,603,233.53	11,400,175,721.81
Total assets	34,228,968,312.02	32,592,938,864.33
Current liabilities:		
Short-term borrowings	2,422,190,833.33	2,344,154,349.99
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	49,606,194.38	83,813,428.75
Accounts payable	6,941,296,340.84	6,459,535,317.41
Advances from customers		
Contract liabilities	1,760,530,391.45	943,718,573.19
Employee benefits payable	33,454,862.51	65,273,780.70
Taxes payable	7,818,682.23	9,069,845.15
Other payables	4,393,887,450.33	3,471,748,973.76

Including: Interest payable		
Dividends payable		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	3,452,517,761.24	5,206,842,165.89
Other current liabilities	10,393,884.82	9,728,362.56
Total current liabilities	19,071,696,401.13	18,593,884,797.40
Non-current liabilities:		
Long-term borrowings	5,981,642,333.84	6,655,411,621.10
Bonds payable	4,796,908,712.83	2,426,992,578.67
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions	201,328,037.54	201,607,949.06
Deferred income	42,136,017.50	40,966,821.50
Deferred income tax liabilities	26,128,671.60	69,803,544.47
Other non-current liabilities	46,390,412.64	45,682,878.82
Total non-current liabilities	11,094,534,185.95	9,440,465,393.62
Total liabilities	30,166,230,587.08	28,034,350,191.02
Owners' equity:		
Share capital	2,407,945,408.00	2,407,945,408.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	329,941,716.72	341,229,750.75
Less: Treasury stock		
Other comprehensive income	-1,399,371.64	-1,399,371.64
Specific reserve		
Surplus reserves	1,260,024,039.76	1,260,024,039.76
Retained earnings	66,225,932.10	550,788,846.44
Total owners' equity	4,062,737,724.94	4,558,588,673.31
Total liabilities and owners' equity	34,228,968,312.02	32,592,938,864.33

3. Consolidated Income Statement

Unit: RMB

Item	H1 2024	H1 2023
1. Revenue	5,412,530,372.47	10,472,061,171.94
Including: Operating revenue	5,412,530,372.47	10,472,061,171.94
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	6,381,475,426.88	11,506,953,501.55
Including: Cost of sales	5,009,969,615.02	10,079,343,784.11

Interest expense		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	64,692,935.11	42,718,966.53
Selling expense	495,376,454.26	558,536,665.53
Administrative expense	315,946,020.02	390,244,567.77
R&D expense	214,578,026.81	237,033,893.11
Finance costs	280,912,375.66	199,075,624.50
Including: Interest expense	407,018,728.71	432,772,700.64
Interest income	116,244,724.79	123,908,981.38
Add: Other income	56,768,387.57	137,917,215.41
Return on investment (“-” for loss)	5,047,444.22	826,829,010.88
Including: Share of profit or loss of joint ventures and associates	-41,296,057.12	-30,242,661.05
Income from the derecognition of financial assets at amortized cost (“-” for loss)	-1,728,018.83	
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	-179,800,523.76	-132,580,077.43
Credit impairment loss (“-” for loss)	-163,079,433.18	-140,192,679.36
Asset impairment loss (“-” for loss)	-92,012,866.95	-15,283,496.76
Asset disposal income (“-” for loss)	590,329.38	64,713.62
3. Operating profit (“-” for loss)	-1,341,431,717.13	-358,137,643.25
Add: Non-operating income	15,773,523.89	17,325,617.18
Less: Non-operating expense	6,155,804.84	4,326,608.02
4. Profit before tax (“-” for loss)	-1,331,813,998.08	-345,138,634.09
Less: Income tax expense	-51,275,843.13	-16,710,667.58
5. Net profit (“-” for net loss)	-1,280,538,154.95	-328,427,966.51
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	-1,280,538,154.95	-328,427,966.51
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to shareholders of the Company as the parent (“-” for loss)	-1,087,581,842.55	-193,240,232.33
5.2.2 Net profit attributable to non-controlling interests (“-” for loss)	-192,956,312.40	-135,187,734.18
6. Other comprehensive income, net of tax	-2,253,474.92	-2,932,583.82
Attributable to owners of the Company as the parent	-681,509.64	4,837.39

6.1 Items that will not be reclassified to profit or loss		
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Changes in the fair value of investments in other equity instruments		
6.1.4 Changes in the fair value arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-681,509.64	4,837.39
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method	-83,919.23	
6.2.2 Changes in the fair value of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-597,590.41	4,837.39
6.2.7 Other		
Attributable to non-controlling interests	-1,571,965.28	-2,937,421.21
7. Total comprehensive income	-1,282,791,629.87	-331,360,550.33
Attributable to owners of the Company as the parent	-1,088,263,352.19	-193,235,394.94
Attributable to non-controlling interests	-194,528,277.68	-138,125,155.39
8. Earnings per share		
8.1 Basic earnings per share	-0.4517	-0.0803
8.2 Diluted earnings per share	-0.4517	-0.0803

Legal representative: Cao Shiping

CFO: Nie Yong

Head of the financial department: Ping Heng

4. Income Statement of the Company as the Parent

Unit: RMB

Item	H1 2024	H1 2023
1. Operating revenue	915,335,790.52	671,342,472.97
Less: Cost of sales	909,780,380.96	682,543,280.18
Taxes and surcharges	8,494,960.13	2,825,863.63
Selling expense	50,967,849.89	120,609,233.66
Administrative expense	93,947,054.64	136,536,029.86
R&D expense	13,571,658.64	15,002,427.03
Finance costs	216,389,535.25	158,153,694.90
Including: Interest expense	378,248,970.66	415,373,817.97

Interest income	153,071,010.77	181,172,038.86
Add: Other income	7,605,313.33	45,777,006.94
Return on investment (“-” for loss)	32,020,268.53	749,413,182.91
Including: Share of profit or loss of joint ventures and associates	9,290,355.87	-17,573,675.23
Income from the derecognition of financial assets at amortized cost (“-” for loss)	-152,875.26	
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	-174,699,491.47	-145,356,925.98
Credit impairment loss (“-” for loss)	-12,086,636.46	-22,515,556.31
Asset impairment loss (“-” for loss)	-5,180,066.67	-5,669,387.21
Asset disposal income (“-” for loss)	-110.13	18,634.76
2. Operating profit (“-” for loss)	-530,156,371.86	177,338,898.82
Add: Non-operating income	2,512,547.44	1,209,609.70
Less: Non-operating expense	593,962.79	2,143,784.68
3. Profit before tax (“-” for loss)	-528,237,787.21	176,404,723.84
Less: Income tax expense	-43,674,872.87	64,758,360.48
4. Net profit (“-” for net loss)	-484,562,914.34	111,646,363.36
4.1 Net profit from continuing operations (“-” for net loss)	-484,562,914.34	111,646,363.36
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax		
5.1 Items that will not be reclassified to profit or loss		
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments		
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for investments in other debt obligations		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign		

currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	-484,562,914.34	111,646,363.36
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	H1 2024	H1 2023
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	4,267,852,047.59	10,257,069,599.77
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	139,455,404.70	114,042,516.44
Cash generated from other operating activities	210,684,546.43	434,232,897.74
Subtotal of cash generated from operating activities	4,617,991,998.72	10,805,345,013.95
Payments for commodities and services	3,502,746,057.91	9,023,089,761.99
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	862,103,567.56	961,152,003.48
Taxes paid	226,961,849.89	267,360,124.35
Cash used in other operating activities	465,518,888.49	755,293,229.37
Subtotal of cash used in operating activities	5,057,330,363.85	11,006,895,119.19
Net cash generated from/used in operating activities	-439,338,365.13	-201,550,105.24
2. Cash flows from investing activities:		
Proceeds from disinvestment	28,078,887.19	889,008,792.86
Return on investment	17,454,288.86	102,906,034.84

Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	1,648,546.24	5,504,209.67
Net proceeds from the disposal of subsidiaries and other business units		18,818,889.67
Cash generated from other investing activities	23,144,979.61	429,959,598.68
Subtotal of cash generated from investing activities	70,326,701.90	1,446,197,525.72
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	383,427,125.49	541,154,096.54
Payments for investments		
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	2,127,401.00	471,154,667.83
Subtotal of cash used in investing activities	385,554,526.49	1,012,308,764.37
Net cash generated from/used in investing activities	-315,227,824.59	433,888,761.35
3. Cash flows from financing activities:		
Capital contributions received	391,891.90	600,000.05
Including: Capital contributions by non-controlling interests to subsidiaries	391,891.90	600,000.05
Borrowings raised	9,415,119,545.51	6,347,967,876.40
Cash generated from other financing activities	354,016,478.39	270,299,841.72
Subtotal of cash generated from financing activities	9,769,527,915.80	6,618,867,718.17
Repayment of borrowings	9,327,233,269.01	5,423,409,343.95
Interest and dividends paid	270,910,689.62	417,032,889.60
Including: Dividends paid by subsidiaries to non-controlling interests	126,628.99	735,000.00
Cash used in other financing activities	720,237,854.70	486,741,862.16
Subtotal of cash used in financing activities	10,318,381,813.33	6,327,184,095.71
Net cash generated from/used in financing activities	-548,853,897.53	291,683,622.46
4. Effect of foreign exchange rates changes on cash and cash equivalents	7,010,247.78	44,134,367.10
5. Net increase in cash and cash equivalents	-1,296,409,839.47	568,156,645.67
Add: Cash and cash equivalents, beginning of the period	5,674,784,349.55	5,461,912,010.90
6. Cash and cash equivalents, end of the period	4,378,374,510.08	6,030,068,656.57

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	H1 2024	H1 2023
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,602,584,444.18	1,612,906,405.48
Tax rebates	34,492,177.78	33,601,449.43
Cash generated from other operating activities	71,344,066.52	125,639,407.49
Subtotal of cash generated from operating activities	1,708,420,688.48	1,772,147,262.40
Payments for commodities and services	2,021,282,615.27	1,685,690,002.69

Cash paid to and for employees	113,835,388.28	163,714,700.87
Taxes paid	22,683,808.32	6,158,152.38
Cash used in other operating activities	161,079,943.22	258,237,321.10
Subtotal of cash used in operating activities	2,318,881,755.09	2,113,800,177.04
Net cash generated from/used in operating activities	-610,461,066.61	-341,652,914.64
2. Cash flows from investing activities:		
Proceeds from disinvestment	7,873,623.97	377,895,533.73
Return on investment	13,490,000.00	45,984,167.78
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	20,138.36	463,991.29
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	3,388,426,673.22	2,247,236,977.19
Subtotal of cash generated from investing activities	3,409,810,435.55	2,671,580,669.99
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	17,759,814.73	64,727,368.50
Payments for investments	13,000,000.00	77,400,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	3,417,504,221.91	1,822,125,825.03
Subtotal of cash used in investing activities	3,448,264,036.64	1,964,253,193.53
Net cash generated from/used in investing activities	-38,453,601.09	707,327,476.46
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings raised	7,632,107,916.66	5,060,000,000.00
Cash generated from other financing activities	5,179,636,847.74	4,539,539,207.19
Subtotal of cash generated from financing activities	12,811,744,764.40	9,599,539,207.19
Repayment of borrowings	8,221,706,940.23	3,708,306,940.22
Interest and dividends paid	289,317,772.25	439,526,690.78
Cash used in other financing activities	4,969,550,553.21	5,451,482,339.89
Subtotal of cash used in financing activities	13,480,575,265.69	9,599,315,970.89
Net cash generated from/used in financing activities	-668,830,501.29	223,236.30
4. Effect of foreign exchange rates changes on cash and cash equivalents	3,479,996.51	6,131,671.92
5. Net increase in cash and cash equivalents	-1,314,265,172.48	372,029,470.04
Add: Cash and cash equivalents, beginning of the period	4,263,319,288.76	3,833,613,544.22
6. Cash and cash equivalents, end of the period	2,949,054,116.28	4,205,643,014.26

7. Consolidated Statements of Changes in Owners' Equity

H1 2024

Unit: RMB

Item	H1 2024													Non-controlling interests	Total owners' equity
	Equity attributable to owners of the Company as the parent											Subtotal			
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings		Other		
	Preferred shares	Perpetual bonds	Other												
1. Balance as at the end of the period of prior year	2,407,945,408.00				526,499,506.76		-13,443,558.44	4,657,488.24	1,244,180,364.24		1,474,561,975.85		5,644,401,184.65	262,221,679.49	5,906,622,864.14
Add: Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Other adjustments															
2. Balance as at the beginning of the Reporting Period	2,407,945,408.00				526,499,506.76		-13,443,558.44	4,657,488.24	1,244,180,364.24		1,474,561,975.85		5,644,401,184.65	262,221,679.49	5,906,622,864.14
3. Increase/decrease in the period ("-" for decrease)					-4,789,206.64		-681,509.64	1,958,049.12			-1,087,581,842.55		-1,091,094,509.71	-164,890,039.08	-1,255,984,548.79
3.1 Total comprehensive income							-681,509.64				-1,087,581,842.55		-1,088,263,352.19	-194,528,277.68	-1,282,791,629.87
3.2 Capital increased and reduced by owners					-4,789,206.64								-4,789,206.64	29,083,500.46	24,294,293.82
3.2.1 Ordinary shares increased by owners														391,891.90	391,891.90

3.2.2 Capital increased by holders of other equity instruments														
3.2.3 Share-based payments included in owners' equity														
3.2.4 Other					-4,789,206.64							-4,789,206.64	28,691,608.56	23,902,401.92
3.3 Profit distribution														
3.3.1 Appropriation to surplus reserves														
3.3.2 Appropriation to general reserve														
3.3.3 Appropriation to owners (or shareholders)														
3.3.4 Other														
3.4 Transfers within owners' equity														
3.4.1 Increase in capital (or share capital) from capital reserves														
3.4.2 Increase in capital (or share capital) from surplus reserves														
3.4.3 Loss offset by surplus reserves														
3.4.4 Changes in defined benefit schemes transferred to retained earnings														
3.4.5 Other comprehensive income transferred to retained earnings														
3.4.6 Other														
3.5 Specific reserve								1,958,049.12				1,958,049.12	554,738.14	2,512,787.26

3.5.1 Increase in the period							2,537,402.71				2,537,402.71	589,725.35	3,127,128.06	
3.5.2 Used in the period							579,353.59				579,353.59	34,987.21	614,340.80	
3.6 Other														
4. Balance as at the end of the Reporting Period	2,407,945,408.00				521,710,300.12		-14,125,068.08	6,615,537.36	1,244,180,364.24		386,980,133.30	4,553,306,674.94	97,331,640.41	4,650,638,315.35

H1 2023

Unit: RMB

Item	H1 2023														
	Equity attributable to owners of the Company as the parent												Non-controlling interests	Total owners' equity	
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other			Subtotal
	Preferred shares	Perpetual bonds	Other												
1. Balance as at the end of the period of prior year	2,407,945,408.00				365,247,361.05		-14,265,181.63		1,244,180,364.24		3,637,291,770.33		7,640,399,721.99	820,973,239.93	8,461,372,961.92
Add: Adjustment for change in accounting policy											1,576,234.17		1,576,234.17	136,147.01	1,712,381.18
Adjustment for correction of previous error															
Other adjustments															
2. Balance as at the beginning of the Reporting Period	2,407,945,408.00				365,247,361.05		-14,265,181.63		1,244,180,364.24		3,638,868,004.50		7,641,975,956.16	821,109,386.94	8,463,085,343.10
3. Increase/ decrease in the period ("-" for decrease)					72,867,671.02		4,837.39				-192,680,226.89		-119,807,718.48	-139,649,988.36	-259,457,706.84
3.1 Total comprehensive income							4,837.39				-193,240,232.33		-193,235,394.94	-138,125,155.39	-331,360,550.33
3.2 Capital increased and					72,867,671.02								72,867,671.02	-789,832.97	72,077,838.05

reduced by owners															
3.2.1 Ordinary shares increased by owners													600,000.03	600,000.03	
3.2.2 Capital increased by holders of other equity instruments															
3.2.3 Share-based payments included in owners' equity															
3.2.4 Other				72,867,671.02								72,867,671.02	-1,389,833.00	71,477,838.02	
3.3 Profit distribution													-735,000.00	-735,000.00	
3.3.1 Appropriation to surplus reserves															
3.3.2 Appropriation to general reserve															
3.3.3 Appropriation to owners (or shareholders)													-735,000.00	-735,000.00	
3.3.4 Other															
3.4 Transfers within owners' equity															
3.4.1 Increase in capital (or share capital) from capital reserves															
3.4.2 Increase in capital (or share capital) from surplus reserves															
3.4.3 Loss offset by surplus reserves															
3.4.4 Changes in defined benefit schemes transferred to retained earnings															
3.4.5 Other comprehensive income transferred to retained															

earnings																	
3.4.6 Other																	
3.5 Specific reserve																	
3.5.1 Increase in the period																	
3.5.2 Used in the period																	
3.6 Other										560,005.44	560,005.44						560,005.44
4. Balance as at the end of the Reporting Period	2,407,945,408.00			438,115,032.07		-14,260,344.24		1,244,180,364.24		3,446,187,777.61	7,522,168,237.68	681,459,398.58					8,203,627,636.26

8. Statements of Changes in Owners' Equity of the Company as the Parent

H1 2024

Unit: RMB

Item	H1 2024											O t h e r	Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings			
		Preferre d shares	Perpetua l bonds	Other									
1. Balance as at the end of the period of prior year	2,407,945,408.00				341,229,750.75		-1,399,371.64		1,260,024,039.76	550,788,846.44			4,558,588,673.31
Add: Adjustment for change in accounting policy													
Adjustment for correction of previous error													
Other adjustments													
2. Balance as at the beginning of the Reporting Period	2,407,945,408.00				341,229,750.75		-1,399,371.64		1,260,024,039.76	550,788,846.44			4,558,588,673.31
3. Increase/ decrease in the period ("-" for decrease)					-11,288,034.03					-484,562,914.34			-495,850,948.37
3.1 Total comprehensive income										-484,562,914.34			-484,562,914.34

3.2 Capital increased and reduced by owners					-11,288,034.03							-11,288,034.03
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners' equity												
3.2.4 Other					-11,288,034.03							-11,288,034.03
3.3 Profit distribution												
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)												
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve												
3.5.1 Increase in the period												
3.5.2 Used in the period												
3.6 Other												
4. Balance as at the end of the Reporting Period	2,407,945,408.00				329,941,716.72		-1,399,371.64		1,260,024,039.76	66,225,932.10		4,062,737,724.94

H1 2023

Unit: RMB

Item	H1 2023											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	O t h e r	Total owners' equity
		Preferred shares	Perpetua l bonds	Other								
1. Balance as at the end of the period of prior year	2,407,945,408.00				241,044,390.55		-1,500,000.00		1,260,024,039.76	1,306,066,395.60		5,213,580,233.91
Add: Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other adjustments										-6,088,070.45		-6,088,070.45
2. Balance as at the beginning of the Reporting Period	2,407,945,408.00				241,044,390.55		-1,500,000.00		1,260,024,039.76	1,299,978,325.15		5,207,492,163.46
3. Increase/ decrease in the period ("-" for decrease)					72,867,671.02					111,646,363.36		184,514,034.38
3.1 Total comprehensive income										111,646,363.36		111,646,363.36
3.2 Capital increased and reduced by owners					72,867,671.02							72,867,671.02
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners' equity												
3.2.4 Other					72,867,671.02							72,867,671.02
3.3 Profit distribution												
3.3.1 Appropriation to surplus reserves												

3.3.2 Appropriation to owners (or shareholders)											
3.3.3 Other											
3.4 Transfers within owners' equity											
3.4.1 Increase in capital (or share capital) from capital reserves											
3.4.2 Increase in capital (or share capital) from surplus reserves											
3.4.3 Loss offset by surplus reserves											
3.4.4 Changes in defined benefit schemes transferred to retained earnings											
3.4.5 Other comprehensive income transferred to retained earnings											
3.4.6 Other											
3.5 Specific reserve											
3.5.1 Increase in the period											
3.5.2 Used in the period											
3.6 Other											
4. Balance as at the end of the Reporting Period	2,407,945,408.00				313,912,061.57		-1,500,000.00		1,260,024,039.76	1,411,624,688.51	5,392,006,197.84

Notes to the Financial Statements of Konka Group Co., Ltd.

For the Year from 1 January 2024 to 30 June 2024

(All amounts in RMB yuan unless otherwise stated)

I. Company Profile

1. Establishment

Konka Group Co., Ltd. (hereinafter referred to as “the Company” and the “Group” when including subsidiaries), is a joint-stock limited company reorganized from the former Shenzhen Konka Electronic Co., Ltd. in August 1991 upon approval of the People’s Government of Shenzhen Municipality, and has its ordinary shares (A-share and B-share) listed on Shenzhen Stock Exchange with prior consent from the People’s Bank of China Shenzhen Special Economic Zone Branch. On 29 August 1995, the Company was renamed to “Konka Group Co., Ltd.” (Credibility code: 914403006188155783) with its main business electronic industry. And now the headquarters locates in No. 28 of No. 12 of Keji South Rd., Science & Technology Park, Yuehai Street, Nanshan District, Shenzhen, Guangdong Province.

2. Share capital

After the distribution of bonus shares, allotments, increased share capital and new shares issued over the years, as of 30 June 2024, the Company has issued a total of 2,407,945,408.00 shares (denomination of RMB1 per share) with a registered capital of RMB2,407,945,408.00.

3. The nature of the company's business and main operating activities

The Group was mainly engaged in consumer electronics and semiconductor businesses, conducting the production and sales of colour TVs, white goods, optoelectronic display, storage and printed circuit Boards, etc.

4. The financial statements contained herein have been approved for issue by the Board of Directors of the Company on 29 August 2024.

II. Consolidation scope

The Company has a total of 111 subsidiaries included in the consolidation scope including Shenzhen Konka Electronics Technology Co., Ltd., Anhui Konka Electronic Co., Ltd. and Dongguan Konka Electronic Co., Ltd. The consolidation scope of the Company for the Reporting Period decreased by 5 households including Konka Huanjia Environmental Technology Co., Ltd., Shenzhen Wankaida Science and Technology Co., Ltd., etc. due to losing control for bankruptcy and liquidation of subsidiaries or cancellation compared to the same period of last year.

For details, please refer to Note 8 “Changes in the consolidation scope” and Note 9 “Equity in Other Entities”.

A check list of corporate names and their abbreviations mentioned in this Report

No.	Corporate name	Abbreviation
1	Shenzhen Konka Electronics Technology Co., Ltd.	Electronics Technology
2	Nantong Haimen Konka Smart Technology Co., Ltd.	Haimen Konka
3	Chengdu Konka Smart Technology Co., Ltd.	Chengdu Konka Smart
4	Chengdu Konka Electronic Co., Ltd.	Chengdu Konka Electronic
5	Nantong Hongdin Smart Technology Co., Ltd.	Nantong Hongdin
6	Shenzhen Kangcheng Technology Innovation and Development Co., Ltd.	Shenzhen Kangcheng
7	Xiaojia Technology Co., Ltd.	Xiaojia Technology
8	Liaoyang Kangshun Smart Technology Co., Ltd.	Liaoyang Kangshun Smart
9	Liaoyang Kangshun Renewable Resources Co., Ltd.	Liaoyang Kangshun Renewable
10	Nanjing Konka Electronics Co., Ltd.	Nanjing Konka
11	Chuzhou Konka Precision Intelligent Manufacturing Technology Co., Ltd.	Chuzhou Konka
12	GuangDong XingDa HongYe Electronic Co., Ltd.	XingDa HongYe
13	Shenzhen Konka Circuit Co., Ltd.	Konka Circuit
14	Suining Konka Flexible Electronic Technology Co., Ltd.	Konka Flexible Electronic
15	Suining Konka Hongye Electronics Co., Ltd.	Konka Hongye Electronics
16	Boluo Konka Precision Technology Co., Ltd.	Boluo Precision
17	Boluo Konka PCB Co., Ltd.	Boluo Konka
18	Anhui Konka Tongchuang Electrical Appliances Co., Ltd.	Anhui Tongchuang
19	Jiangsu Konka Smart Electrical Appliances Co., Ltd.	Jiangsu Konka Smart
20	Anhui Konka Electrical Appliance Technology Co., Ltd.	Anhui Electrical Appliance
21	Henan Frestec Refrigeration Appliance Co., Ltd.	Frestec Refrigeration
22	Henan Frestec Electrical Appliances Co., Ltd.	Frestec Electrical Appliances
23	Henan Frestec Household Appliances Co., Ltd.	Frestec Household Appliances
24	Henan Frestec Smart Home Technology Co., Ltd.	Frestec Smart Home
25	Shenzhen Konka Investment Holdings Co., Ltd.	Konka Investment
26	Yibin Konka Technology Park Operation Co., Ltd.	Yibin Konka Technology Park

No.	Corporate name	Abbreviation
27	Shenzhen Konka Capital Equity Investment Management Co., Ltd.	Konka Capital
28	Konka Suiyong Investment (Shenzhen) Co., Ltd.	Konka Suiyong
29	Shenzhen Konka Shengxing Industrial Co., Ltd.	Shengxing Industrial
30	Shenzhen Konka Zhitong Technology Co., Ltd.	Zhitong Technology
31	Konka Electronic Material Technology (Shenzhen) Co., Ltd.	Konka Electronic Material
32	Beijing Konka Electronic Co., Ltd.	Beijing Konka Electronic
33	Tianjin Konka Technology Co., Ltd.	Tianjin Konka
34	Suining Konka Industrial Park Development Co., Ltd.	Suining Konka Industrial Park
35	Suining Konka Electronic Technological Innovation Co., Ltd.	Suining Electronic Technological Innovation
36	Shanghai Konka Industrial Co., Ltd.	Shanghai Konka
37	Yantai Kangjin Technology Development Co., Ltd.	Yantai Kangjin
38	Shenzhen Konka Mobile Interconnection Technology Co., Ltd.	Mobile Interconnection
39	Sichuan Konka Smart Terminal Technology Co., Ltd.	Sichuan Konka
40	Yibin Konka Smart Technology Co., Ltd.	Yibin Smart
41	Shenzhen KONSEMI Co., Ltd.	Shenzhen KONSEMI
42	Chongqing Konka Technology Development Co., Ltd.	Chongqing Konka
43	Kowin Memory Technology (Shenzhen) Co., Limited	Kowin Memory (Shenzhen)
44	Kowin Memory Technology (Hong Kong) Co., Limited	Kowin Memory (Hong Kong)
45	Konka Xinyun Semiconductor Technology (Yancheng) Co., Ltd.	Konka Xinyun Semiconductor
46	Konka Cross-border (Hebei) Technology Development Co., Ltd.	Konka Cross-border (Hebei)
47	Shenzhen Nianhua Enterprise Management Co., Ltd.	Shenzhen Nianhua
48	Konka Huazhong (Hunan) Technology Co., Ltd.	Konka Huazhong
49	Shenzhen Wankaida Science and Technology Co., Ltd.	Wankaida
50	Shenzhen Konka Chuangzhi Electrical Appliances Co., Ltd.	Shenzhen Chuangzhi Electrical Appliances
51	Suining Jiarun Property Co., Ltd.	Suining Jiarun Property
52	Anhui Konka Electronic Co., Ltd.	Anhui Konka
53	Anhui Kangzhi Trade Co., Ltd.	Kangzhi Trade

No.	Corporate name	Abbreviation
54	Shenzhen Konka Telecommunications Technology Co., Ltd.	Telecommunication Technology
55	Konka Mobility Co., Limited	Konka Mobility
56	Dongguan Konka Electronic Co., Ltd.	Dongguan Konka
57	Suining Konka Smart Technology Co., Ltd.	Suining Konka Smart
58	Chongqing Konka Optoelectronic Technology Co., Ltd.	Chongqing Optoelectronic Technology
59	Yibin Kangrun Environmental Technology Co., Ltd.	Yibin Kangrun
60	Yibin Kangrun Medical Waste Centralized Treatment Co., Ltd.	Yibin Kangrun Medical
61	Ningbo Khr Electric Appliance Co., Ltd.	Ningbo Khr Electric Appliance
62	Jiangxi Konka New Material Technology Co., Ltd.	Jiangxi Konka
63	Jiangxi High Transparent Substrate Material Technology Co., Ltd.	Jiangxi High Transparent Substrate
64	Jiangxi Xinfeng Microcrystalline Jade Co., Ltd.	Xinfeng Microcrystalline
65	Konka Huanjia Environmental Technology Co., Ltd.	Konka Huanjia
66	Konka Huanjia (Henan) Environmental Technology Co., Ltd.	Konka Huanjia (Henan)
67	Shanxi Konka Intelligent Appliance Co., Ltd.	Shanxi Konka Intelligent
68	Shenzhen Konka Pengrun Technology & Industry Co., Ltd.	Pengrun Technology
69	Jiaxin Technology Co., Ltd.	Jiaxin Technology
70	Konka Ronghe Industrial Technology (Zhejiang) Co., Ltd.	Konka Ronghe
71	Shenzhen Konka Unifortune Technology Co., Ltd.	Konka Unifortune
72	Jiali International (Hong Kong) Limited	Jiali International
73	Sichuan Kangjiatong Technology Co., Ltd.	Kangjiatong
74	Jiangkang (Shanghai) Technology Co., Ltd.	Jiangkang (Shanghai) Technology
75	Shenzhen Konka Intelligent Manufacturing Technology Co., Ltd.	Konka Intelligent Manufacturing
76	Hainan Konka Technology Co., Ltd.	Hainan Konka Technology
77	Konka Ventures Development (Shenzhen) Co., Ltd.	Konka Ventures
78	Yibin Konka Incubator Management Co., Ltd.	Yibin Konka Incubator
79	Yantai Konka Healthcare Enterprise Service Co., Ltd.	Yantai Konka
80	Chengdu Anren Konka Cultural and Creative Incubator Management Co., Ltd.	Chengdu Anren

No.	Corporate name	Abbreviation
81	Guiyang Konka Enterprise Service Co., Ltd.	Konka Enterprise Service
82	Shenzhen Konka Eco-Development Investment Co., Ltd.	Konka Eco-Development
83	Konka (Europe) Co., Ltd.	Konka Europe
84	Hong Kong Konka Limited	Hong Kong Konka
85	Hongdin International Trading Limited	Hongdin Trading
86	Konka North America LLC	Konka North America
87	Kanghao Technology Co., Ltd.	Kanghao Technology
88	Hongdin Invest Development Limited	Hongdin Invest
89	Chain Kingdom Memory Technologies Co., Limited	Chain Kingdom Memory Technologies
90	Chain Kingdom Semiconductor (Shaoxing) Co., Ltd.	Chain Kingdom Semiconductor (Shaoxing)
91	Hongjet (Hong Kong) Company Limited	Hongjet
92	Chongqing Xinyuan Semiconductor Co., Ltd.	Chongqing Xinyuan Semiconductor
93	Anlu Konka Industry Operation Service Co. Ltd.	Anlu Konka
94	Shenzhen Kanghong Dongsheng Investment Partnership (Limited Partnership)	Kanghong Dongsheng
95	Guizhou Konka New Material Technology Co., Ltd.	Guizhou Konka New Material Technology
96	Guangdong Xinwei Semiconductor Co., Ltd.	Guangdong Xinwei
97	Guizhou Kanggui Material Technology Co., Ltd.	Guizhou Kanggui Material Technology
98	Nantong Kanghai Technology Industry Development Co., Ltd.	Nantong Kanghai
99	Chongqing Kangyiyun Business Operation Management Co., Ltd.	Chongqing Kangyiyun
100	Jiangxi Konka High-tech Park Operation and Management Co., Ltd.	Jiangxi Konka High-tech Park
101	Shangrao Konka Electronic Technology Innovation Co., Ltd.	Shangrao Konka Electronic Technology Innovation
102	Guizhou Konka New Energy Material Technology Co., Ltd.	Guizhou Konka New Energy
103	Zhejiang Konka Electronics Co., Ltd.	Zhejiang Konka Electronic
104	Zhejiang Konka Technology Industry Development Co., Ltd.	Zhejiang Konka Technology Industry
105	Xi'an Konka Intelligent Appliance Co., Ltd.	Xi'an Konka Intelligent

No.	Corporate name	Abbreviation
106	Xi'an Konka Network Technology Co., Ltd.	Xi'an Konka Network
107	Xi'an Kanghong Technology Industry Development Co., Ltd.	Xi'an Kanghong Technology Industry
108	Xi'an Konka Intelligent Technology Development Co., Ltd.	Xi'an Konka Intelligent Technology
109	Anhui Konka Low Carbon Technology Co., Ltd.	Anhui Konka Low Carbon
110	Shenzhen Kanghong Xintong Investment Partnership (Limited Partnership)	Kanghong Xintong
111	Songyang Konka Smart Industry Operation Management Co., Ltd.	Songyang Industry Operation
112	Shenzhen Kangyan Technology Co., Ltd.	Kangyan Technology
113	Konka Photovoltaic Technology Co., Ltd.	Konka Photovoltaic Technology
114	Songyang Konka Intelligent Technology Development Co., Ltd.	Songyang Konka Intelligent
115	Konka North China (Tianjin) Technology Co., Ltd.	Konka North China
116	Shenzhen Konka Digital Technology Development Co., Ltd.	Digital Technology

III. Basis for the Preparation of Financial Statements

1. Basic for the preparation

The Group's financial statements were prepared in accordance with the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance as well as guidelines on accounting standards for business enterprises, announcements on interpreting the accounting standards for business enterprises and other related regulations (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), as well as the disclosure regulations of the General Provisions on Financial Reporting No. 15 for Companies Publicly Issuing Securities (revised in 2023) by the China Securities Regulatory Commission (hereinafter referred to as the "CSRC").

2. Going-concern

The Group has evaluated its ability to continue as a going concern for 12 months since the end of the Reporting Period, and has not found any matters or situations that raise significant doubts about its ability to continue as a going concern. Therefore, the financial statements are presented on a going concern basis.

IV. Important Accounting Policies and Estimations

Specific accounting policies and accounting estimates: The specific accounting policies and accounting estimates formulated by the Group according to the actual production and operation

characteristics include provisions for bad debts of accounts receivable, provisions for inventory depreciation, depreciation of fixed assets, revenue recognition and measurement, etc.

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Group are in compliance with in compliance with the Accounting Standards for Business Enterprises, which factually, accurately and completely present the Group’s financial positions on 30 June 2024, business results and cash flows, and other relevant information for H1 2024.

2. Fiscal Period

The Group’s fiscal year starts on January 1 and ends on December 31 of every year according to the Gregorian calendar.

3. Operating Cycle

The normal operating cycle refers to the period from the purchase of assets for processing to the realization of cash or cash equivalents by the Group. An operating cycle for the Group is 12 months, which is also the classification criterion for the liquidity of its assets and liabilities.

4. Recording Currency

The Group adopted RMB as the bookkeeping base currency.

5. Methodology for Determining Materiality Criteria and Basis for Selection

The Group prepares and discloses financial statements adhering to the principle of materiality. The disclosures in the notes to the financial statements cover matters involving judgments about materiality criteria, the methods for determining materiality thresholds, and the bases for selecting these criteria:

Disclosures involving materiality standard judgments	Location of disclosure of this matter in the notes to the present financial statements	Methodology for determining materiality criteria and basis for selection
Significant individually bad debt provisioned receivables	Note VI-4. Accounts receivable (2)	Individual amount exceeding RMB50,000,000
Receivables with significant amount of bad debt provision recovered or reversed during the period	Note VI-4. Accounts receivable (3)	Individual amount exceeding RMB10 million

Disclosures involving materiality standard judgments	Location of disclosure of this matter in the notes to the present financial statements	Methodology for determining materiality criteria and basis for selection
Significant write-offs of receivables during the period Write-offs	Note VI-4. Accounts receivable (4)	Individual amount exceeding RMB10 million
Significant accounts payable aged over 1 year	Note VI-26. Accounts payable	Individual amount exceeding RMB10 million
Significant receipts in advance and contractual liabilities/projected liabilities/other payables aged over 1 year	Note VI-27; Note VI-28; Note VI-31; Note VI-39	Individual amount exceeding RMB10 million
Significant construction in progress project	Note VI-16. Construction in progress (2)	Increase or decrease in a single asset during the year or a balance exceeding RMB0.1 billion

6. Accounting Treatment Methods for Business Combinations under the Same Control or not under the Same Control

(1) Business Combinations under the Same Control

A business combination involving entities under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

As the combining party, the assets and liabilities obtained by the Group in a business combination under the same control shall be measured on the basis of their carrying value in the final controlling party on the combining date. As for the balance between the carrying value of the net assets obtained and the carrying value of the consideration paid by it (or aggregate nominal amount of shares issued), the capital reserve shall be adjusted. If the capital reserve is not sufficient to be offset, the retained earnings shall be adjusted.

(2) Business Combinations not under the Same Control

A business combination involving entities not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties

both before and after the combination.

As purchaser, the identifiable assets, liabilities and contingent liabilities of the acquiree acquired in the business combination under different control shall be measured at fair value on the acquisition date. The balance that the combined cost greater than the fair value share of the identifiable net assets of the purchased party obtained in the combination shall be recognized as goodwill; When the merger cost is less than the fair value share of the identifiable net assets of the acquiree acquired in the merger, the fair value of all identifiable assets, liabilities and contingent liabilities acquired in the merger, and merger costs shall be reviewed first. After review, if the merger cost is still less than the fair value share of the identifiable net assets of the acquiree acquired in the merger, the difference shall be included in the non-operating income of the merger period.

7. Criteria for Judging Control and Methods for Preparing Consolidated Financial Statements

The scope of consolidation for the consolidated financial statements of the Group is based on control, including the Company and all its subsidiaries (including enterprises, divisible parts of investees, and structured entities controlled by the Company). The Group assesses control based on whether it has power over the investee, has exposure or rights to variable returns from its involvement with the investee, and has the ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are adjusted in accordance with the accounting policies and accounting period of the Group during the preparation of the consolidated financial statements, where the accounting policies and the accounting periods are inconsistent between the Group and subsidiaries.

The impact of internal transactions between the Company and its subsidiaries, as well as between subsidiaries and each other, was offset in consolidation. The shares of the subsidiary's owner's equity that do not belong to the parent Group and the shares of minority shareholders' equity in current net profit and loss, other comprehensive income and total comprehensive income shall be respectively listed in the consolidated financial statement "Minority shareholders' equity, minority shareholders' profit and loss, other comprehensive income that belongs to minority shareholders and total comprehensive income that belongs to minority shareholders".

For subsidiaries acquired through merger of enterprises under the same control, their operating results and cash flows are included in the consolidated financial statements from the beginning of the current merger period. When preparing the comparative consolidated financial statements, the relevant items in the financial statements of the previous year shall be adjusted as if the consolidated reporting entity had existed since the final controlling party began to control it.

The treatment method of supplementary disclosure in consolidated financial statement for the Reporting Period when the controlling right is acquired, if the equity of the invested organization

under the same control is successively obtained through several transactions and eventually the enterprise merger is conducted. For example: At the occasion of the equity of the investee under the same control is acquired step by step through multiple transactions, and finally form the business combination, when preparing the consolidated statement, it shall be deemed as the adjustment is made in the current state when the final controlling party starts to control. And when compiling the comparative report, the assets and liabilities of the merged party shall be merged into the comparative statement of the consolidated financial statements of the consolidated Group without any earlier than the time when the Group and the merged party are under the control of the ultimate controlling party, and the combined net increased assets shall be adjusted to the relevant items under owners' equity in the comparative statements. In order to avoid the re-calculation of the net assets value of the merged party, the long-term equity investment held by the Group before the merger, the confirmed relevant profit and loss on the same party with the Group and the merged party on the date of acquisition of the original equity from the final control date to the merger date, and changes of other comprehensive income and other net assets shall offset the beginning retained earnings and current profits and losses of the comparative statement period respectively.

For subsidiaries acquired through business combination under the different control, the operating results and cash flow shall be included in the consolidated financial statements from the date when the Group obtains the control right. When preparing the consolidated financial statements, the financial statements of the subsidiaries shall be adjusted on the basis of the fair value of the identifiable assets, liabilities and contingent liabilities determined on the acquisition date.

The treatment method of supplementary disclosure in consolidated financial statement for the Reporting Period when the controlling right is acquired, if the equity of the invested organization not under the same control is successively obtained through several transactions and eventually the enterprise merger is conducted. For example: At the occasion of the equity of the investee under different control is acquired step by step through multiple transactions and eventually form the business combination, when preparing the consolidated statement, the equity of the investee held before the purchase date is re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and its book value is included in the current investment income. The equity of the acquiree held before the relevant purchase date involves other comprehensive income under the equity method and other changes in owner's equity other than net profit and loss, other comprehensive income and profit distribution, which are converted into investment profit and loss in the current period of the purchase date, except for other comprehensive income arising from the remeasurement of defined benefit plans's net liabilities or changes in net assets by the investee.

The Group partially disposes of long-term equity investments in subsidiaries without losing control, when preparing the consolidated financial statements, the difference between the disposal price and the share of net assets that the subsidiaries have continuously calculated since the date of purchase

or the date of consolidation is corresponding to the disposal of long-term equity investments. The capital premium or equity premium is adjusted. If the capital reserve is insufficient to offset, the retained earnings are adjusted.

If the Group loses control over the investee due to the disposal of some equity investments and other reasons, the remaining equity shall be re-measured at its fair value on the date of loss of control when preparing the consolidated financial statements. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, minus the share of the net assets of the original subsidiary calculated on the basis of the original shareholding ratio and continuously calculated from the date of purchase or merger, is included in the investment profit and loss of the current period when the control right is lost, and goodwill is offset. Other comprehensive income related to the original subsidiary's equity investment, etc., will be transferred to the current investment profit and loss when the control right is lost.

If the Group disposes of the equity investment in a subsidiary Group step by step through multiple transactions until the loss of control right, if the transactions of the disposal of the equity investment in a subsidiary Group until the loss of control right belong to a package transaction, the transactions shall be treated as transactions of the disposal of the subsidiary Group and the loss of control right for accounting. However, the difference between the disposal price and the share of the subsidiary's net assets corresponding to the disposal investment before the loss of control right is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the investment profit and loss of the current period when the control right is lost.

8. Classification of Joint arrangements and Accounting Treatment of Joint Operations

The Group classifies joint arrangements into joint operations and joint ventures. For a joint operation, the Group, as a joint operator, recognizes the assets and liabilities that it holds and bears in the joint operation, and recognizes the jointly-held assets and jointly-borne liabilities according to the Group's stake in the joint operation; recognizes relevant income and expense according to the Group's stake in the joint operation. When the Group purchases or sells the assets not constituting business with the joint operation, the Group only recognized the share of the other joint operators in the gains and losses arising from the transaction.

9. Cash and Cash Equivalents

In the Group's understanding, the cash in the cash flow statement includes cash on hand and deposits that can be used for cover, the cash equivalents in the cash flow statement include high circulating investments held within three months which are easily convertible into known amount of cash and whose risks in change of value are minimal.

10. Foreign Currency Businesses and Translation of Foreign Currency Financial Statements

(1) Foreign currency transaction

Foreign currency transactions of the Group are initially recognized at the exchange rate at the beginning of the month of the transaction date (usually referring to the middle rate of the foreign exchange rate announced by the People's Bank of China on the day, the same below), converting the foreign currency amount into the functional currency amount. On the balance sheet date, the monetary items in foreign currency were converted into RMB at the spot exchange rate on balance sheet date. Except the exchange difference arising from special foreign-currency borrowing for the purpose of construction or production of assets meeting capitalization conditions treated in the principle of capitalization, the conversion difference was directly included in the current profits and losses.

(2) Translation of foreign currency financial statement

The asset and liability items in foreign currency balance sheet were converted at the spot exchange rate on balance sheet date; except for “undistributed profit”, owner’s equity items were converted at the spot exchange rate at the time of business occurrence; income and expenditure items in income statement were converted at the average exchange rate for the period (monthly average exchange rate) of the transaction occurrence date. The conversion difference of foreign currency statements arising from the aforementioned conversion was presented in other comprehensive income item. The foreign currency cash flow was converted at the average exchange rate for the period (monthly average exchange rate) of the cash flow occurrence date. The amount of exchange rate change influence on cash was independently presented in cash flow statement.

11. Financial Instruments

(1) Recognition and derecognition of financial instruments

The Group recognizes a financial asset or liability when it becomes a party of the relevant financial instrument contract.

The Company's financial assets (or a portion of a financial asset, or a part of a group of similar financial assets) shall be derecognized when meeting any of the following conditions, meaning they are removed from the accounts and the balance sheet: 1) The right to receive cash flows from the financial asset expires; 2) The financial asset is transferred, and the Group has transferred substantially all risks and rewards of ownership of the financial asset; 3) The financial asset is transferred, and the Group has neither transferred nor retained substantially all risks and rewards of ownership, and has not retained control over the financial asset.

In case of current obligation of financial liabilities (or partial financial liabilities) being terminated, derecognition of such financial liabilities (or partial financial liabilities) is conducted by the Group. If the Group (borrower) concludes an agreement with the lender to replace existing financial liabilities with new ones and contract terms of new financial liabilities are different from those of existing financial liabilities, derecognition of existing financial liabilities and recognition of new financial liabilities shall be conducted. In case of material alteration of contract terms of existing

financial liabilities (partial financial liabilities) by the Group, derecognition of existing financial liabilities and recognition of new financial liabilities as per modified terms shall be conducted. In case of derecognition of financial liabilities (partial financial liabilities), the Group includes the balance between its carrying value and payment consideration into the current profit or loss.

All regular acquisitions or sales of financial assets are recognized and derecognized on a transaction date basis.

(2) Classification and measurement of financial assets

The Group classifies the financial assets into financial assets measured at amortized cost, financial assets measured by the fair value and the changes recorded in other comprehensive income and financial assets at fair value through profit or loss based on the business model for financial assets management and characteristics of contractual cash flow of financial assets.

The Group classified the financial assets meeting the following conditions at the same time as financial assets at amortized cost: ①The business mode of the Group to manage the financial assets targets at collecting the contractual cash flow. ②The contract of the financial assets stipulates that the cash flow generated in the specific date is the payment of the interest based on the principal and outstanding principal amount. These financial assets initially measured at fair value and relevant transaction cost shall be included into the initial recognized amount and subsequently measured at amortized cost. Except for those designated to be hedge items, the difference between the initial recognized amount and the amount due shall be amortized at actual interest rate and their amortization, impairment and exchange gain and loss as well as gains or losses arising from derecognition shall be recorded into the current profit or loss.

The Group classified the financial assets meeting the following conditions at the same time as financial assets at fair value through other comprehensive income: ①The Business mode for managing financial assets of the Group takes contract cash flow collected as target and selling as target. ②The contract of the financial assets stipulates that the cash flow generated in the specific date is the payment of the interest based on the principal and outstanding principal amount. These financial assets initially measured at fair value and relevant transaction cost shall be included into the initial recognized amount. Except for those designated as hedged items, as for these financial assets, except for gains or losses on credit impairment, exchange gain and loss and interest of financial assets measured at actual interest rate, other gains or losses generated shall be recorded into other comprehensive income. When derecognized, the accumulated gains and losses originally recorded into other comprehensive income shall be transferred out into the current profit or loss.

The Group recognizes interest income according to the effective interest rate method. Interest income is calculated and determined according to the book balance of the financial asset multiplied by the actual interest rate, except for the following circumstances: ① For the financial asset with credit impairment that has been purchased or originated, from the initial recognition, the interest

income is calculated and determined according to the amortized cost of the financial asset and the actual interest rate adjusted by credit. ② For financial assets purchased or originated that have not suffered credit impairment but have suffered credit impairment in subsequent periods, the interest income shall be calculated and determined according to the amortized cost and actual interest rate of the financial assets in subsequent periods.

The Group designates non-transactional investment in equity instruments as financial assets at fair value through other comprehensive income. Those designated non-transactional investment in equity instruments by the Group is initially measured at fair value and relevant transaction cost shall be recorded into the initial recognized amount. Except for dividends (excluding those belonging to recovery of investment cost) which shall be recorded into the current profit or loss, other relevant gains and losses (including exchange gains and losses) shall be recorded into other comprehensive income and cannot be transferred into the current profit or loss subsequently. When derecognized, the accumulated gains or losses originally recorded into other comprehensive income shall be transferred out into retained earnings. Equity instrument investments measured at fair value through other comprehensive income included: Equity investments to be held in the long term as planned by the Group for strategic purpose, with no control, joint control or significance influence, and with no active market quotation.

The Group classifies financial assets not belonging to above two as financial assets at fair value through profit or loss which shall be initially measured at fair value and relevant transaction cost shall be directly recorded into the current profit or loss. Gains or losses arising from these financial assets shall be recorded into the current profit or loss.

The contingent consideration recognized by the Group in the business combination not under the same control which constitutes a financial asset shall be classified as the financial asset at fair value through profit or loss.

(3) Classification, recognition and measurement of financial liabilities

The Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities and financial liabilities designated at the initial recognition to be measured by the fair value and their changes are recorded in the current profit or loss. The subsequent measurement shall be at fair value and gains or losses arising from changes in fair value and the dividends and interest expense related to the financial liability shall be the current profit or loss.

Other financial liabilities shall be subsequently measured at amortized cost with actual interest rate. The Group classifies financial liabilities except for the following items as financial liabilities at amortized cost: ① Financial liabilities at fair value through profit or loss including held-for-trading financial liabilities (including the derivative instruments belonging to financial liabilities) and

designated financial liabilities at fair value through profit or loss. ②Financial liabilities arising from the transfer of financial assets not meeting the derecognition conditions or continuous involvement in the transferred financial assets. ③Financial guarantee contract not belonging to cases of above ① or ② and loan commitments at interest rate lower than the market rate not belonging to the case in ①.

The Group treats the financial liability arising from contingent consideration recognized as the purchase party in the business combination not under the same control at fair value and changes thereof shall be recorded into the current profit or loss.

(4) Impairment of Financial Instrument

The Group needs to confirm that the financial assets subject to the impairment loss are the financial assets measured based on the amortized cost, the debt instrument investment measured based on the fair value with its variations included into other comprehensive incomes and the lease outlay receivable, mainly including notes receivable, account receivable, other receivables, investment on creditor's rights, other investments on creditor's rights and long-term receivables etc. Besides, in respect of the contract assets and partial financial guarantee contract, corresponding impairment provisions shall be calculated and withdrawn and corresponding credit impairment losses recognized according to various accounting policies mentioned in this part.

1) Methods for the Recognition of Impairment Provisions

For all mentioned items above, the Group shall calculate and withdraw corresponding impairment provisions and recognize corresponding credit impairment losses according to applicable expected credit loss measurement methods (general methods or simplified methods) with the expected credit loss as the basis.

Credit loss refers to the difference between all receivable contract cash flows and all expected cash flows that are discounted to the present value based on the original actual interest rate -- the present value of all cash shortfall. However, for the purchased or original financial assets subject to the credit impairment, the Group shall realize the discounting based on the actual interest rate subject to the credit adjustment.

General methods applied to measure the expected credit loss can be described as: the Group shall evaluate whether the credit risk of the financial assets (including the contract assets and other applicable items; the same below) increases remarkably after the initial recognition on the balance sheet day; if the credit risk increases remarkably after the initial recognition, the Group shall measure the provision for loss based on the specific expected credit loss amount during the entire period of existence; if not, the Group shall measure the provision for loss based on the specific expected credit loss amount in the following 12 months. While evaluating the expected credit loss, the Group shall take all reasonable and well-founded information into consideration, including the forward-looking information.

For the financial instrument of lower credit risk on the balance sheet day, the Group shall assume that its credit risk does not increase remarkably after the initial recognition, and corresponding provision for loss shall be measured according to the expected credit loss in the following 12 months.

2) Standards for Judging Whether the Credit Risk Increases Remarkably after the Initial Recognition

If any financial assets' probability of default within the expected period of existence determined on the balance sheet day is obviously higher than that within the expected period of existence determined during the initial recognition, it shall indicate the remarkable increase of the financial assets' credit risk. Unless it is under special circumstances, the Group shall adopt various variations in the default risk in the following 12 months as the reasonable basis for estimating corresponding variations in the default risk within the entire period of existence and determining whether the credit risk increases remarkably after the initial recognition.

3) Combined Method for Evaluating the Expected Credit Risk based on Corresponding Combination

For the financial assets with remarkably different credit risk, the Group shall separately evaluate its credit risk, including the receivables from related parties, receivables involved in any dispute with the other party or any lawsuit and arbitration, and receivables with obvious evidence showing that the debtor cannot fulfill the due payment obligation etc.

Except for the financial assets whose credit risk shall be separately evaluated, the Group shall divide these financial assets into different combinations based on the specific risk features, on which basis, corresponding credit risks can be evaluated.

4) Accounting Treatment Methods Applied to the Impairment of Financial Assets

At the end of the period, the Group shall calculate the expected credit losses of various financial assets. If the expected credit loss is higher than the carrying amount of its current impairment provision, the difference shall be recognized as the impairment loss; if lower, the difference shall be recognized as the gain from the impairment.

(5) Recognition and measurement of financial assets transfer

The Group derecognizes a financial asset when one of the following conditions is met: ① the rights to receive cash flows from the asset have expired; ② the enterprise has transferred its rights to receive cash flows from the asset to a third party under a pass-through arrangement; or ③ the enterprise has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the overall transfer of financial assets fulfills the requirements for derecognition, the difference

between the book value of the transferred financial assets and the sum of the consideration received due to the transfer and the corresponding derecognition part of the accumulated amount of fair value changes originally directly included in other comprehensive income (the contract terms involving the transferred financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and interest based on the unpaid principal amount) shall be included in the current profits and losses.

If the partial transfer of financial assets satisfies the conditions for termination confirmation, the entire book value of the transferred financial assets will be apportioned between the termination confirmation portion and the non-termination confirmation portion according to their relative fair values, and the consideration received for the transfer And the amount corresponding to the termination of the recognition of the cumulative amount of changes in fair value originally included in other comprehensive income that should be apportioned to the derecognition part And the payment of interest based on the outstanding principal amount), and the difference between the total book value of the aforesaid financial assets allocated is included in the current profit and loss.

(6) The distinction between financial liabilities and equity instruments and related treatment methods

The Group distinguishes the financial liabilities and equity instruments according to the following principles: (1) If the Group cannot unconditionally avoid performing a contractual obligation by delivering cash or other financial assets, the contractual obligation meets the definition of financial liabilities. Although some financial instruments do not explicitly include the terms and conditions of the obligation to deliver cash or other financial assets, they may indirectly form contractual obligations through other terms and conditions. (2) If a financial instrument must be settled with or can be settled with the Group's own equity instrument, it is necessary to consider whether the Group's own equity instrument used to settle the instrument is used as a substitute for cash or other financial assets, or to enable the holder of the instrument to enjoy the residual equity in the assets of the issuer after deducting all liabilities. If it belongs to the former condition, the instrument is the financial liability of the issuer; if it belongs to the latter condition, the instrument is the equity instrument of the issuer. In some cases, a financial instrument contract requires the Group to use or use its own equity instrument to settle the financial instrument, in which the amount of contractual rights or contractual obligations is equal to the number of its own equity instruments available or to be delivered multiplied by its fair value at the time of settlement, regardless of whether the amount of contractual rights or obligations is fixed, whether it is entirely or partially based on changes in variables other than the market price of the Group's own equity instruments, the contract shall be classified as a financial liability.

In classifying financial instruments (or their components) in the consolidated statement, the Group has taken into account all terms and conditions reached between the Group members and the holders of financial instruments. If the Group as a whole undertakes the obligation to deliver cash, other

financial assets or settle accounts in other ways that cause the instrument to become a financial liability due to the instrument, the instrument shall be classified as a financial liability.

If financial instruments or their components are financial liabilities, the Group will include interest, dividends (or dividends), gains or losses, and gains or losses arising from redemption or refinancing, etc. in the current profits and losses.

If financial instruments or their components are equity instruments, when they are issued (including refinancing), repurchased, sold or cancelled, the Group will treat them as changes in equity and will not recognize changes in the fair value of equity instruments.

(7) Offsetting financial assets and financial liabilities

The Group's financial assets and liabilities shall be separately presented in the balance sheet and not set off each other. But when meeting the following conditions at the same time, the net amount after offset shall be presented in the balance sheet: (1) The Group has the statutory right to set off recognized amount which is currently executable; (2) The Group plans to settle with the net amount or realize the financial asset and pay off the financial liability simultaneously.

12. Notes Receivable

For notes receivable, the Group shall measure the provision for loss based on the specific expected credit loss during the entire period of existence. According to the credit risk characteristics thereof, except those with separate evaluation of credit risk, notes receivable can be divided into different combinations:

Item	Basis
Bank Acceptance	The Acceptor shall be the bank with high credit level and low risks
Trade Acceptance	Classified by credit risk of acceptors (the same as accounts receivable)

13. Accounts Receivable

For account receivable and contract assets excluding significant financing composition, the Group shall measure the provision for loss according to the specific expected credit loss amount within the entire period of existence.

For account receivable, contract assets and lease payment receivable including significant financing composition, the Group shall always measure the provision for loss according to the specific expected credit loss amount within the period of existence.

Except the account receivable and contract assets whose credit risks shall be separately evaluated, the Group shall divide them into different combinations based on the specific credit risks:

Item	Basis
Aging Combination	This portfolio is accounts receivable with aging as the credit risk feature.
Related party combination	The accounts receivable from the other entities within the consolidation scope

14. Accounts Receivable Financing

The Group's accounts receivable financing is based on expected credit losses, and provision is made for depreciation reserves in accordance with the expected credit loss measurement method for notes receivable.

15. Other Receivables

The Group measures the loss reserves on other receivables in accordance with the following circumstances: a) For financial assets whose credit risk has not significantly increased since the initial recognition, the Group measures the loss reserves at the amount of expected credit losses for the next 12 months; b) For financial assets whose credit risk has increased significantly since the initial recognition, the Group measures the loss reserves at an amount equal to the expected credit losses for the entire period of the financial instrument; c) For financial assets purchased or originated from credit impairment, the Group measures the loss reserves at an amount equal to the expected credit losses over the entire period of the financial instrument. Except other receivables whose credit risks shall be separately evaluated, the Group shall divide them into different combinations based on the specific credit risk features:

Item	Basis
Aging Combination	This portfolio is other receivables with aging as the credit risk feature.
Low Risk Combination	This combination shall regard other receivables of extremely low risk (including the revolving fund, the cash deposit and the guarantee deposit) as the credit risk feature.
Related party combination	Other receivables from the other entities within the consolidation scope

16. Long-term Receivables

By determining whether the credit risk of long-term account receivables increases remarkably after the initial recognition, the Group shall measure the impairment loss based on the specific expected credit loss in the following 12 months or during the entire period of existence. Except long-term

account receivables whose credit risks shall be separately evaluated, the Group shall divide them into different combinations based on the specific credit risk features:

Item	Basis
Financing Lease Combination	Regarding the long-term receivables related to the financing lease as the credit risk characteristics

17. Inventories

The Group's inventories mainly include raw materials, products in process, semi-finished products, Products on hand, and entrusted processing materials.

The perpetual inventory method is used for inventories. Inventories are priced at the actual cost at the time of acquisition; the actual cost of inventories is determined by the weighted average method when inventories are claimed or issued. Low-value consumables and packaging are amortized through the one-off charge-off method.

The net realizable value of inventories of goods that are used directly for sale, such as inventory goods, products in process, and materials for sale, is determined by the estimated selling price of the inventory minus estimated sale expenses, and related taxes; the net realizable value of inventories of materials held for production is determined by the estimated selling price of the finished goods produced minus the estimated costs of completion, estimated sale expenses, and related taxes. The inventories with various numbers and low unit price shall be made provisions for depreciation reserves of inventories according to the category of inventories. For inventories that are produced and sold in the same region with same or similar end use or purposes, and hard to be measured separately from other items, it shall be made merger provisions for falling price of inventories.

The net realizable value refers, in the ordinary course of business, to the account after deducting the estimated cost of completion, estimated sale expense and relevant taxes from the estimated sale price of inventories. The net realizable value of inventories shall be fixed on the basis of valid evidence as well as under consideration of purpose of inventories and the effect of events after balance-sheet-date.

After withdrawing the depreciation reserves for inventories, if the factors, which cause any write-down of the inventories, have disappeared, causing the net realizable value of inventories is higher than its carrying amount; the amount of write-down shall be reversed from the original amount of depreciation reserve for inventories. The reversed amount shall be included in the profits and losses of the current period.

18. Contract Assets

(1) Confirmation methods and standards of contract assets

Contract assets refer to the right of the Group to receive consideration after transferring goods to customers, and this right depends on factors other than the passage of time. If the Group sells two clearly distinguishable products to customers, it has the right to receive payment because one of the products has been delivered, but the payment is also dependent on the delivery of the other product, the Group has the right to receive payment as a contract assets.

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

The method for determining the expected credit losses of contract assets involves measuring the impairment losses of contract assets by referencing the method used for the impairment loss measurement of receivables as previously described.

The Group calculates the expected credit loss of contract assets on the balance sheet date. If the expected credit loss is greater than the book value of the current contract asset impairment provision, the Group will recognize the difference as an impairment loss and debit the "asset impairment loss". Credited "Contract asset impairment provision". On the contrary, the Group recognizes the difference as an impairment gain and keeps the opposite accounting records.

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

19. Assets Relating to Contract Costs

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

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

The contract performance cost, that is, the cost incurred by the Group for the performance of the contract, does not fall within the scope of other accounting standards and meets the following conditions at the same time, as the contract performance cost is recognized as an asset: the cost and a current or expected contract Directly related, including direct labor, direct materials, manufacturing expenses, clearly the cost borne by the customer, and other costs incurred only due to the contract; this cost increases the Group's future resources for fulfilling its performance obligations; This cost is expected to be recovered.

The contract acquisition cost, that is, the incremental cost incurred by the Group to obtain the contract is expected to be recovered, and is recognized as an asset as the contract acquisition cost; if the asset amortization period does not exceed one year, it is included in the current profit and loss when it occurs. Incremental cost refers to the cost (such as sales commission, etc.) that the Group

will not incur without obtaining the contract. The Group's expenses incurred in obtaining the contract, other than the expected incremental cost that can be recovered (such as travel expenses incurred regardless of whether the contract is obtained, etc.), are included in the current profit and loss when they are incurred, but it is clearly borne by the customer except.

(2) Amortization of assets related to contract costs

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

(3) Impairment of assets related to contract costs

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

If the depreciation factors of the previous period have changed, and the aforementioned difference is higher than the book value of the asset, the original provision for asset impairment shall be reversed and included in the current profit and loss, but the book value of the asset after the reversal shall not exceed Assuming no provision for impairment is made, the book value of the asset on the date of reversal.

20. Long-term Equity Investments

The Group's long-term equity investments mainly consist of investments in subsidiaries, associated enterprises, and joint ventures.

The Group's judgment on joint control is based on the fact that all participants or a combination of participants collectively control the arrangement and that the policies of the activities related to the arrangement shall be unanimously agreed by those participants who.

The Group is generally considered to have a significant influence on the investee when it owns, directly or indirectly through a subsidiary, above 20% but below 50% of the voting rights of the investee. If the Group holds less than 20% of the voting rights of the investee, it also needs to judge whether the Group has a significant influence on the investee by taking into account the facts and circumstances such as having representatives on the board of directors or similar authority of the investee, or participating in the process of formulating financial and operating policies of the investee, or having major transactions with the investee, or sending management personnel to the investee, or providing key technical information to the investee.

If control over the investee is formed, it is a subsidiary of the Group. For long-term equity

investment acquired through business combination under the same control, the initial investment cost of the long-term equity investments is recorded at the merger date based on the acquisition of the merged party's share of the book value of the net assets of the ultimate controller in the consolidated financial statement. If the book value of the net assets of the merged party on the merger date is negative, the cost of long-term equity investments is determined as zero.

If the equity of the investee under the same control is acquired in stages through multiple transactions to eventually result in a business combination, additional disclosures of the treatment of long-term equity investments in the parent Group's financial statements shall be made in the Reporting Period in which control is obtained. For example, if the business combination that is ultimately formed through multiple transactions to acquire the equity of the investee under the same control belongs to a package deal, the Group shall conduct accounting treatment to treat each transaction as a single transaction to acquire control. If the transaction is not a package deal, the initial investment cost of the long-term equity investment is based on the share of the book value of the net assets of the merged party in the consolidated financial statements of the ultimate controller at the merger date. The difference between the initial investment cost and the sum of the book value of the long-term equity investment before the merger plus the book value of the new consideration paid for further acquisition of shares at the merger date shall offset against capital reserve; and where capital reserve is insufficient to be offset, the retained earnings shall be adjusted.

For long-term equity investment acquired through business combination not under the same control, the initial investment cost shall be the consolidation cost.

If the equity of the investee not under the same control is acquired in stages through multiple transactions to eventually result in a business combination, additional disclosures of the cost treatment of long-term equity investments in the parent Group's financial statements shall be made in the Reporting Period in which control is obtained. For example, if the business combination that is ultimately formed through multiple transactions to acquire the equity of the investee not under the same control belongs to a package deal, the Group shall conduct accounting treatment to treat each transaction as a single transaction to acquire control. If the transaction is not a package deal, the sum of the book value of the equity investment originally held plus the cost of the new investment shall be the initial investment cost calculated in accordance with the cost method. If the equity held prior to the purchase date is accounted by the equity method, the relevant other comprehensive income accounted by the original equity method shall not be adjusted. The same basis of accounting as that used for the direct disposal of the related assets or liabilities by the investee is used for the disposal of the investment. If the equity held prior to the purchase date is a financial asset designated to be measured at fair value with fluctuations included in other comprehensive income, the cumulative profit or loss on the equity previously recognized in other comprehensive income shall be transferred from other comprehensive income to the retained earnings; if the equity is a financial asset measured at fair value and the changes of which are included in profits and losses of the

current period, the equity previously recognized as profits and losses from the changes in fair value shall not be transferred to investment income. If the equity held prior to the purchase date is an investment for other equity instruments, the changes in fair value of the equity investment accumulated in other comprehensive income before the purchase date shall be transferred to the retained earnings.

Except for the long-term equity investments acquired through business combination hereinabove, long-term equity investments acquired by paying cash are recorded as investment cost based on the actual purchase price paid; long-term equity investments acquired by issuing equity securities are recorded as investment cost based on the fair value of the equity securities issued; long-term equity investments invested by investors are recorded as investment cost based on the value agreed in the investment contract or agreement.

The Group calculates its investments in subsidiaries through the cost method and its investments in joint ventures and associate enterprises through the equity method.

For long-term equity investments calculated by the cost method for subsequent measurement, the book value of the cost of long-term equity investments shall be increased by the fair value of the cost amount paid for the additional investment and relevant transaction costs incurred when the additional investment is made. Cash dividends or profits declared by the investee are recognized as investment income for the current period in accordance with the due amount.

In addition to the above-mentioned long-term equity investment obtained through business combination, the long-term equity investment obtained by paying cash shall be regarded as the investment cost according to the purchase price actually paid; the long-term equity investment obtained by issuing equity securities shall be regarded as the investment cost according to the fair value of issuing equity securities; the long-term equity investment invested by investors shall be regarded as the investment cost according to the investment contract or agreement. The value of the Group is regarded as the cost of investment.

The Group adopts the cost method for investment in subsidiaries and the equity method for investment in joint ventures and associated enterprises.

For the long-term equity investment whose subsequent measurement adopts the cost method, when the additional investment is made, the book value of the long-term equity investment cost is increased according to the fair value of the cost amount paid by the additional investment and the relevant transaction expenses. The cash dividends or profits declared to be distributed by the investee shall be recognized as the current investment income according to the amount that should be enjoyed.

For the long-term equity investment with equity method for subsequent measurement, the book value of the long-term equity investment will increase or decrease with the change of the owner's equity of the invested entity. When confirming the share of the net profit and loss of the investee, the

net profit and loss of the investee shall be calculated based on the fair value of the identifiable assets of the investee at the time of obtaining the investment, in accordance with the accounting policies and accounting period of the Group, and offset the internal transaction profit and loss between the joint venture and the joint venture according to the shareholding ratio Profit is recognized after adjustment.

For disposal of long-term equity investment, the difference between the book value and the actual price shall be included in the current investment income. For long-term equity investment accounted by equity method, other comprehensive income accounted by the original equity method shall be accounted on the same basis as the investee's direct disposal of relevant assets or liabilities when the equity method is terminated, and the owner's equity shall be recognized due to other changes in owner's equity of the investee except net profit and loss, other comprehensive income and profit distribution When the equity method is terminated, all of them shall be transferred into the current investment income.

In case of loss of joint control or significant influence on the investee due to the disposal of part of equity investment, the remaining equity after disposal shall be accounted according to the relevant provisions of the recognition and measurement standards of financial instruments, and the difference between the fair value and the book value of the remaining equity on the date of loss of joint control or significant influence shall be included in the current profits and losses. When the equity method is terminated, the other comprehensive income of the original equity investment recognized as a result of its accounting with the equity method shall be handled on the same basis as the investee's direct disposal of the relevant assets or liabilities and carried forward in proportion. The owner's equity recognized as a result of the changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward in proportion Transfer to current investment income.

If the control over the investee is lost due to the disposal of part of the long-term equity investment, and the residual equity after disposal can jointly control or exert significant influence on the investee, it shall be accounted according to the equity method, and the difference between the book value of the disposal equity and the disposal consideration shall be included in the investment income, and the residual equity shall be regarded as adjusted by the equity method when it is obtained If the residual equity cannot exercise joint control or exert significant influence on the investee, the accounting treatment shall be carried out according to the relevant provisions of the recognition and measurement standards of financial instruments. The difference between the book value of the disposal equity and the disposal consideration shall be included in the investment income, and the difference between the fair value and the book value of the residual equity on the day of losing control shall be included in the current profits and losses.

If the transaction from step-by-step disposal of equity to loss of control right does not belong to package transaction, accounting treatment shall be carried out for each transaction separately. If it is

a "package deal", each transaction will be treated as a transaction of disposal of subsidiaries and loss of control. However, before the loss of control, the difference between the disposal price of each transaction and the book value of the long-term equity investment corresponding to the disposed equity will be recognized as other comprehensive income, and when the control is lost, it will be transferred to the current account of loss of control Period profit and loss.

21. Investment Property

The term "investment property" refers to the real estate held for generating rent and/or capital appreciation. Investment property of the Group include the right to use any land which has already been rented; the right to use any land which is held and prepared for transfer after appreciation; and the right to use any building which has already been rented. In addition, if the board of directors (or similar organizations) makes a written resolution to use the vacant buildings held by the Group for operating lease and the holding intention will not change in a short time, they will also be listed as investment real estate.

The initial measurement of the investment property shall be made at its cost. Subsequent expenditures incurred for an investment property is included in the cost of the investment property when it is probable that economic benefits associated with the investment property will flow to the Group and the cost can be reliably measured, otherwise the expenditure is recognized in profit or loss in the period in which they are incurred.

The Group shall make a follow-up measurement to the investment property by employing the cost pattern on the date of the balance sheet. An accrual depreciation or amortization shall be made for the investment property in the light of the accounting policies of the use right of buildings or lands.

For details of impairment test method and withdrawal method of impairment provision of investment property, please refer to Note IV. 27. "Long-term assets impairment".

The Group's investment real estate adopts the average life method for depreciation or amortization. The expected service life, net residual value rate and annual depreciation (amortization) rate of all kinds of investment real estate shall refer to the depreciation policy of buildings in fixed assets and the amortization policy of land use right in intangible assets.

When owner-occupied real estate or inventories are changed into investment property or investment property is changed into owner-occupied real estate, of which book value prior to the change shall be the entry value after the change.

When an investment property is changed to an owner-occupied real estate, it would be transferred to fixed assets or intangible assets at the date of such change. When an owner-occupied real estate is changed to be held to earn rental or for capital appreciation, the fixed asset or intangible asset is transferred to investment property at the date of such change. If the fixed asset or intangible asset is changed into investment property measured by adopting the cost pattern, whose book value prior to the change shall be the entry value after the change; if the fixed asset or intangible asset is changed

into investment property measured by adopting the fair value pattern, whose fair value on the date of such change shall be the entry value after the change.

An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The amount of proceeds on sale, transfer, retirement or damage of an investment property less its carrying amount and related taxes and expenses is recognized in profit or loss in the period in which it is incurred.

22. Fixed Assets

The Group's fixed assets are tangible assets held for the production of goods, provision of services, rental or operation management and have a useful life of more than one year.

Fixed assets should be recognized when it is probable that the economic benefits associated with them will be incorporated into the Group and their cost can be measured reliably. The Group's fixed assets include buildings and constructions, machinery and equipment, electronic equipment, transportation equipment, and other equipment.

The Group depreciates all fixed assets by straight-line method, except for fully depreciated fixed assets that continue to be used and land that is separately valued. The categorized depreciable lives, estimated net salvage rates and depreciation rates of the Group's fixed assets are as follows:

No.	Category	Method	Depreciation period (year)	Expected net salvage value (%)	Annual depreciation (%)
1	Housing and building	Straight-line depreciation	20-40	5-10.00	2.25-4.75
2	Machinery equipment	Straight-line depreciation	5-10	5-10.00	9.00-19.00
3	Electronic equipment	Straight-line depreciation	3-5	5-10.00	18.00-31.67
4	Transportation vehicle	Straight-line depreciation	3-5	5-10.00	18.00-31.67
5	Other equipment	Straight-line depreciation	5	5-10.00	18.00-19.00

The estimated useful life, estimated net salvage value and depreciation method of fixed assets are reviewed at the end of each year. Accounting estimation methods are used when changes are required.

23. Construction in Progress

The cost of construction in progress is determined based on actual project expenditures, including all necessary project expenditures incurred during construction, borrowing costs to be capitalized before the project reaches its predetermined usable state, and other related expenses, etc.

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

Construction in progress is transferred to fixed assets upon reaching the predetermined usable state, with the criteria as follows:

Item	Criteria for carrying forward fixed assets
Houses and buildings	The main construction project and ancillary projects are substantially completed, meeting the predetermined design requirements. Upon joint acceptance by the Company's Engineering Department and units responsible for surveying, design, construction, supervision, etc., and government departments such as the Fire Services Department and the Housing Authority, and reaching the predetermined usable state following process approval, it is transferred to fixed assets.
machinery and equipment	The equipment management department and the equipment manufacturer are jointly responsible for the installation and commissioning of the equipment, including hardware debugging, process conditions debugging, etc. Upon completion of debugging and reaching the predetermined usable state following process approval, it is transferred to fixed assets.

24. Borrowing Costs

The Group capitalizes borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets as part of the cost of those assets. Other borrowing costs are recognized as expenses in the current period. The assets determined by the Group that meet the conditions for capitalization include: fixed assets, investment real estate and inventory that need more than one year of purchasing, construction or production activities to reach the preset usable or sellable status, shall be capitalized when the asset expenditure has occurred, the borrowing costs have occurred, and the purchasing, construction or production activities necessary for the asset to reach the preset usable or sellable status have begun; When the acquisition, construction or

production of assets that meet the capitalization conditions reach the intended usable or sellable status, capitalization is stopped, and the borrowing costs incurred thereafter are included in the profits and losses of the current period. If there is an abnormal interruption in the acquisition, construction or production of assets that meet the capitalization conditions and the interruption lasts for more than 3 consecutive months, the capitalization of borrowing costs will be suspended until the acquisition, construction or production of assets starts again.

During the capitalization period, the Group recognizes the amount of borrowing costs capitalized in each accounting period using the following method: In the case of borrowing special-purpose borrowings, the amount of interest expense actually incurred in the current period, less interest income earned on the unused borrowed funds deposited in the bank or investment income earned on temporary investments, shall be capitalized; in the case of occupying general borrowings, the amount shall be determined on the basis of the weighted average number of asset expenditures for the portion of accumulated asset expenditures in excess of the special-purpose borrowings multiplied by the capitalization rate of the general borrowings occupied, where the capitalization rate is calculated and determined on the basis of the weighted average interest rate of the general borrowings. The capitalization rate is based on the weighted average interest rate of general borrowings.

25. Right-of-Use Assets

The right-of-use assets refer to the right of the Group as the lessee to use the leased assets during the lease term.

(1) Initial measurement

After the commencement date of the lease term, the Group uses the cost for initial measurement of right-of-use assets. The cost includes the following four items: a) The initial measurement amount of lease liabilities; b) If there is a lease incentive for the lease payment paid on or before the commencement date of the lease term, the relevant amount of the lease incentive already enjoyed shall be deducted; c) The initial direct expenses incurred are the incremental costs incurred in reaching the lease; d) The costs expected to be incurred for dismantling and removing the leased assets, restoring the site where the leased assets are located or restoring the leased assets to the state agreed in the lease terms, except those incurred for the production of inventories.

(2) Follow-up measurement

After the commencement date of the lease term, the Group adopts the cost model to carry out follow-up measurement of the right-of-use assets, that is, the right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses. If the Group re-measures the lease liabilities according to the relevant provisions of the lease standards, the book value of the right-of-use assets shall be adjusted accordingly.

(3) Depreciation of right-of-use assets

From the commencement date of the lease term, the Group has accrued depreciation on the right-of-use assets. Right-of-use assets are usually depreciated from the month when the lease term begins. The accrued depreciation amount is included in the cost of related assets or current profits and losses according to the use of the right-of-use assets.

When determining the depreciation method of the right-of-use assets, the Group makes a decision based on the expected consumption mode of the economic benefits related to the right-of-use assets, and accrues depreciation for the right-of-use assets on the straight-line method.

When determining the depreciation period of the right-of-use assets, the Group follows the following principles: If the ownership of the leased assets can be reasonably determined when the lease term expires, depreciation shall be accrued within the remaining service life of the leased assets; if it cannot be reasonably determined that the ownership of the leased asset can be obtained when the lease term expires, depreciation shall be accrued within the shorter of the lease term and the remaining service life of the leased asset.

(4) Impairment of right-of-use assets

If the right-of-use assets are impaired, the Group carries out subsequent depreciation according to the book value of the right-of-use assets after deducting the impairment loss.

26. Intangible Assets

The Group's intangible assets include land use rights, patented technology and non-proprietary technology, which are measured at actual cost at the time of acquisition. Acquired intangible assets are stated at actual cost based on the actual price paid and related other expenses. The actual cost of intangible assets invested by investors is determined at the value agreed in the investment contract or agreement, but if the agreed value in the contract or agreement is not fair, the actual cost is determined at fair value. Intangible assets, such as patents, acquired in a merger not under common control but owned by the acquiree but not recognized in its financial statements, are recognized as intangible assets at fair value at the time of initial recognition of the acquiree's assets.

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

The Group's intangible assets include land use rights, patented technology, non-patented technology, etc., measured at the actual cost at the time of acquisition. For purchased intangible assets, the actual cost is determined by the actual payment made and related expenditures. For intangible assets contributed by investors, the actual cost is determined based on the value agreed upon in the investment contract or agreement; however, if the contractually agreed value is not fair, the fair value is used to determine the actual cost. Intangible assets such as patents, which are acquired in a business combination under common control but not recognized in the financial statements of the acquiree, are recognized as intangible assets at their fair value upon initial recognition of the assets of the acquiree.

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

The scope of the Group's R&D expenditures includes salaries of R&D personnel, direct input costs, depreciation and amortization, design fees, equipment testing fees, fees for R&D outsourced to external parties, and other expenses.

The Group classifies its internal research and development project expenditures into expenditure on the research phase and expenditure on the development phase, based on the nature of the expenditures and the degree of uncertainty in whether the R&D activities will result in an intangible asset. Expenditure on the research phase are recognized in profit or loss when incurred. Expenditure on the development phase are capitalized when all of the following conditions are met:

a) The Group has assessed the technical feasibility of completing the intangible asset so that it will

be available for use or sale.

- b) The Group intends to complete the intangible asset and use or sell it.
- c) It is probable that the intangible asset will generate future economic benefits.
- d) The Group has the adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.
- e) The expenditure attributable to the development phase of the intangible asset can be measured reliably. Development phase expenditures not meeting these capitalization criteria are recognized in profit or loss for the current period when incurred.

27. Impairment of Long-term Assets

For non-current non-financial Assets of fixed assets, projects under construction, intangible assets with limited service life, investing real estate with cost model, long-term equity investment of subsidiaries, cooperative enterprises and joint ventures, the Group should judge whether decrease in value exists on the date of balance sheet. Recoverable amounts should be tested for decrease in value if it exists. Goodwill, intangible assets with uncertain service life and other non-accessible intangible assets should be tested for impairment at the end of each year, regardless of whether there is any indication of impairment.

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

If the recoverable amount is less than carrying value in impairment test results, the provision for impairment of differences should include in impairment loss. Recoverable amounts would be the higher of net value of asset fair value deducting disposal charges or present value of predicted cash flow. Asset fair value should be determined according to negotiated sales price of fair trade. If no sales agreement exists but with asset active market, fair value should be determined according to the Buyer's price of the asset. If no sales agreement or asset active market exists, asset fair value could be acquired on the basis of best information available. Disposal expenses include legal fees, taxes, cartage or other direct expenses of merchantable Assets related to asset disposal. Present value of predicted asset cash flow should be determined by the proper discount rate according to Assets in service and predicted cash flow of final disposal. Asset depreciation reserves should be calculated on the basis of single Assets. If it is difficult to predict the recoverable amounts for single Assets, recoverable amounts should be determined according to the belonging asset group. Asset group is the minimum asset combination producing cash flow independently.

(2) Impairment of goodwill

In impairment test, carrying value of the business reputation in financial report should be shared to beneficial asset group and asset group combination in collaboration of business merger. It is shown in the test that if recoverable amounts of shared business reputation asset group or asset group combination are lower than book value, it should determine the impairment loss. Impairment loss amount should firstly be deducted and shared to the carrying value of business reputation of asset

group or asset group combination, then deduct carrying value of all assets according to proportions of other carrying value of above assets in asset group or asset group combination except business reputation.

After the asset impairment loss is determined, recoverable value amounts would not be returned in future.

28. Long-term Deferred Expenses

The Long-term deferred expenses of the Group including renovation cost, mold cost and so on shall be amortized evenly during the benefit period. If these long-term deferred expenses cannot benefit the future accounting period, the amortized value of this item that has not been amortized shall be transferred to the current profit and loss.

29. Contract Liabilities

Liabilities of contracts refer to the Group's obligation to transfer goods to customers due to the consideration received or receivable from customers. Before the transfers, if the customer has paid the consideration or if the Group has obtained the right to unconditionally collect the contract consideration, the liabilities of contracts shall be recognized based on the amount received or receivable at the earlier point between the actual payment by the customer and the payment due.

30. Employee Compensation

Salaries of staff of the Group include short-term salary, post-employment benefits, termination compensation, and other long-term benefits.

Short-term salary mainly includes wages, bonuses, allowances and subsidies, as well as employee benefits, medical insurance, maternity insurance, employment injury insurance, housing provident fund, labor union expenses, and staff education expenses, and non-monetary benefits. During the accounting period when the employees provide services, the actual short-term compensation is recognised as a liability that shall be included in the current profit and loss or the cost of related assets according to the beneficiary.

The post-employment benefits mainly include the basic endowment insurance, etc. They are divided into defined contribution plans and defined benefit plans in accordance with the risks and obligations undertaken by the Group. According to the defined contribution plan, the deposit paid to a separate entity in exchange for the services provided by the employees during the accounting period on the balance sheet date is recognized as liabilities, and shall be included in the current profit and loss or the cost of related assets according to the beneficiary. If the Group has a defined benefit plan, the specific accounting method should be explained.

When terminating labour relations before expiration of contract, or layoffs with compensations, and the Group cannot terminate the labour relations unilaterally or reduce the demission welfare, remuneration and liabilities produced from the demission welfare should be determined and

included in current profits and losses when determining the costs of demission welfare and recombination. However, demission welfare not fully paid within 12 months after annual Reporting Period should be handled the same as other long-term employees' payrolls.

The inside employee retirement plan is treated by adopting the same principle with the above dismissal welfare. The Group would record the salary and the social security insurance fees paid and so on from the employee's service termination date to normal retirement date into current profits and losses (dismissal welfare) under the condition that they meet the recognition conditions of estimated liabilities.

The other long-term welfare that the Group offers to the staffs, if met with the setting drawing plan, should be accounting disposed according to the setting drawing plan, while the rest should be disposed according to the setting revenue plan.

31. Lease Liabilities

(1) Initial measurement

The Group initially measures the lease obligation at the present value of the lease payments outstanding at the commencement date of the lease term.

1) Lease payments

Lease payments refer to the amount paid by the Group to the lessor related to the right to use the leased assets during the lease term, including: a) Fixed payment amount and substantial fixed payment amount. If there is lease incentive, deduct the amount related to lease incentive; b) The variable lease payment amount depending on the index or ratio, which is determined according to the index or ratio on the commencement date of the lease term at the initial measurement; c) When the Group reasonably determines the exercise price of the purchase option when it will exercise it; d) The lease term reflects the amount to be paid to exercise the termination option when the Group will exercise the termination option; e) The amount expected to be paid based on the residual value of the guarantee provided by the Group.

2) Rate of discount

When calculating the present value of the lease payments, the Group uses the interest rate implicit in lease as the rate of discount, which is the interest rate at which the sum of the present value of the lessor's lease receipts and the present value of the unsecured residual value equals the sum of the fair value of the leased asset and the lessor's initial direct expenses. If the Group fails to determine the interest rate implicit in lease, the incremental interest rate on borrowing will be used as the rate of discount. The incremental interest rate on borrowing shall mean the interest rate payable by the Group to borrow funds under similar mortgage conditions during similar periods to acquire assets close to the value of the right-of-use assets under similar economic circumstances. The interest rate is related to the following matters: a) The Group's own situation, that is, the Company's solvency and credit status; b) The term of "loan", that is, the lease term; c) The amount of "borrowed" funds, that is, the amount of lease liabilities; d) "Mortgage conditions", that is, the nature and quality of the underlying assets; e) Economic environment, including the jurisdiction where the lessee is located, the valuation currency, the time when the contract is signed, etc. The incremental borrowing rate is based on the Group's latest asset-based lending interest rate for similar assets and adjusted to take

into account the above factors.

(2) Follow-up measurement

After the commencement date of the lease term, the Group carries out follow-up measurement of lease liabilities according to the following principles: a) When recognizing the interest of lease liabilities, the Group will increase the carrying amount of lease liabilities; b) When paying the lease payments, the Group will reduce the book amount of the lease liability; c) When the lease payments changes due to revaluation or lease change, the Group will remeasure the book value of lease liability.

The Group calculates the interest expenses of the lease obligations during each period of the lease term at a fixed periodic interest rate, and includes them (except those that shall be capitalized) in profit or loss for the current period. Periodic rate refers to the rate of discount adopted by the Group when initially measuring lease liabilities, or the revised rate of discount adopted by the Group when lease liabilities need to be remeasured according to the revised rate of discount due to changes in lease payments or lease changes.

(3) Re-measurement

After the commencement date of the lease term, the Group re-measures the lease liability based on the present value of the changed lease payment and adjusts the book value of the right-of-use assets accordingly when the following circumstances occur. If the carrying value of the right-of-use assets has been reduced to zero, but the lease obligations still need to be further reduced, the Group will include the remaining amount in profit or loss for the current period. a) The actual fixed payment amount changes (in this case, the original rate of discount is used for discount); b) The estimated amount payable of the residual value changes (in this case, the original rate of discount is used for discount); c) The index or ratio used to determine the lease payment changes (in this case, the revised rate of discount is used for discount); d) The evaluation result of the purchase option changes (in this case, the revised rate of discount is adopted for discount); e) The evaluation result or actual exercise of the lease renewal option or the lease termination option changes (in this case, the revised rate of discount is adopted for discount).

32. Provisions

The Group should recognize the related obligation as a provision for liability when the obligation meets the following conditions: (1) That obligation is a present obligation of the enterprise; (2) It is probable that an outflow of economic benefits from the enterprise will be required to settle the obligation; (3) A reliable estimate can be made of the amount of the obligation.

The projected liabilities are initially measured in accordance with the optimal estimate of the necessary expenses for the fulfillment of the current obligation, with the risks related to contingent matters, uncertainty, the time value of money, and other factors taken into consideration. The Group reviews the current best estimate of the provisions for contingent liabilities at the balance sheet date and adjusts the carrying amount of the provision as necessary.

When all or some of the expenses necessary for the liquidation of an provisions of an enterprise is expected to be compensated by a third party, the compensation should be separately recognized as an asset only when it is virtually certain that the reimbursement will be obtained. Besides, the amount recognized for the reimbursement should not exceed the carrying value of the estimated liabilities.

33. Principles of Revenue Recognition and Measurement Method

The revenue of the Group mainly consists of the income from main business and the income from other businesses.

(1) Revenue recognition principle

The Group has fulfilled the performance obligations in the contract, that is, when the customer obtains control of the relevant goods or services, revenue is recognized. Obtaining control over related goods or services means being able to lead the use of the goods or the provision of such services and obtain almost all of the economic benefits from it.

On the starting date of the contract, the Group evaluates the contract, identifies each individual performance obligation contained in the contract, and determines whether each individual performance obligation is performed within a certain period of time or at a certain point in time.

When one of the following conditions is met, it is a performance obligation within a certain period of time, otherwise, it is a performance obligation at a certain point in time:

- ① The customer obtains and consumes the economic benefits brought by the Group's performance at the same time the Group performs the contract.
- ② The customer can control the products under construction during the performance of the Group.
- ③ The goods produced during the performance of the Group have irreplaceable uses, and the Group has the right to collect payments for the cumulative performance of the contract during the entire contract period.

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

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

- ① The Group enjoys the current right to receive payment for the goods or services.
- ② The Group has transferred the legal ownership of the product to the customer.
- ③ The Group has transferred the goods in kind to the customer.
- ④ The Group has transferred the main risks and rewards of the ownership of the product to the customer.

⑤The customer has accepted the goods or services.

The Group has transferred goods or services to customers and the right to receive consideration is listed as contract assets, and contract assets are devalued on the basis of expected credit losses. The Group's unconditional right to collect consideration from customers is listed as receivables. The Group's obligation to transfer goods or services to customers due to the consideration received from customers is listed as contract liabilities.

(2) Principles of income measurement

① If the contract contains two or more performance obligations, at the beginning of the contract, the Group will allocate the transaction price to each individual performance obligation based on the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation. Revenue is measured at the transaction price of each individual performance obligation.

②The transaction price is the amount of consideration that the Group expects to be entitled to receive due to the transfer of goods or services to customers, excluding payments collected on behalf of third parties and payments expected to be returned to customers. The transaction price confirmed by the Group does not exceed the amount at which the accumulated confirmed income will most likely not undergo a significant reversal when the relevant uncertainty is eliminated. It is expected that the money returned to the customer will not be included in the transaction price as a liability.

③If there is variable consideration in the contract, such as cash discounts and price guarantees in part of the contract between the Group and its customers, the Group determines the best estimate of the variable consideration according to the expected value or the most likely amount, but includes the variable The transaction price of the consideration shall not exceed the amount at which the accumulated confirmed income is unlikely to be reversed significantly when the relevant uncertainty is eliminated.

④For the consideration payable to customers, the Group offsets the transaction price from the consideration payable to customers, and offsets the current income at the time when the relevant income is recognized and the payment (or promised to pay) the customer consideration is later, unless the consideration payable is for Obtain other clearly distinguishable products from customers.

⑤For sales with a sales return clause, when the customer obtains control of the relevant product, the Group recognizes revenue based on the amount of consideration expected to be received due to the transfer of the product to the customer, and the expected return due to the sales return is recognized as an estimated liability ; At the same time, according to the expected book value of the returned goods at the time of transfer, the balance after deducting the estimated cost of recovering the goods (including the value impairment of the returned goods) is recognized as an asset, that is, the return

cost receivable, according to the transferred goods The book value at the time of the transfer, deducting the net carry-over cost of the aforementioned asset cost. On each balance sheet date, the Group re-estimates the future sales returns and re-measures the aforementioned assets and liabilities.

⑥ If there is a significant financing component in the contract, the Group shall determine the transaction price based on the amount payable in cash when the customer assumes control of the goods or services. Using the discount rate that discounts the nominal amount of the contract consideration into the current commodity price, the difference between the determined transaction price and the amount of the consideration promised in the contract is amortized by the actual interest method during the contract period. On the starting date of the contract, the Group expects that the time between the customer's acquisition of control of the goods or services and the customer's payment of the price will not exceed one year, regardless of the significant financing components in the contract.

⑦ According to contractual agreements, legal provisions, etc., the Group provides quality assurance for the products sold and the assets built. For guarantee-type quality assurance to assure customers that the goods sold meet the established standards, the Group conducts accounting treatment in accordance with "contingent events-estimated liabilities". For the service quality assurance that provides a separate service in order to assure customers that the goods sold meet the established standards, the Group regards it as a single performance obligation, based on the stand-alone selling price of the quality assurance of goods and services. In a relative proportion, part of the transaction price is allocated to service quality assurance, and revenue is recognized when the customer obtains control of the service. When assessing whether the quality assurance provides a separate service in addition to ensuring that the products sold meet the established standards, the Group considers whether the quality assurance is a legal requirement, the quality assurance period, and the nature of the Group's commitment to perform the tasks.

⑧ When the construction contract between the Group and the customer is changed: ① If the contract change adds clearly distinguishable construction services and contract prices, and the new contract price reflects the stand-alone selling price of the new construction services, the Group will The contract change shall be treated as a separate contract for accounting treatment; ② If the contract change does not fall into the above-mentioned circumstance ①, and there is a clear distinction between the construction services that have been transferred and the construction services that have not been transferred on the date of the contract change, the Group Treat it as the termination of the original contract, and at the same time, merge the unfulfilled part of the original contract and the changed part of the contract into a new contract for accounting treatment; ③ If the contract change does not fall into the above situation ①, and the construction service has been transferred on the date of contract change There is no clear distinction between the construction service and the untransferred construction service. The Group accounts for the changed part of the

contract as a component of the original contract. The resulting impact on the recognized revenue will be adjusted on the date of contract change.

(3) Specific methods of revenue recognition

① Revenue recognized on time

The Group's sales of household appliances, electronic components, etc., belong to the performance obligation performed at a certain point in time.

Recognition conditions for income from domestic sales of goods and overseas direct sales of goods: The Group has delivered the product to the customer in accordance with the contract and the customer has received the product, the payment has been recovered or the receipt of payment has been obtained, and the relevant economic benefits are likely to flow in. The main risks and rewards have been transferred, and the legal ownership of the goods has been transferred.

Conditions for confirming the income of exported goods: The Group has declared the products for export according to the contract, obtained the bill of lading, and delivered the goods to the carrier entrusted by the purchaser. The payment has been recovered or the receipt of payment has been obtained and relevant economic benefits are likely to flow in. The main risks and rewards of commodity ownership have been transferred, and the legal ownership of commodities has been transferred.

② Income confirmed according to the performance progress

The Group's business contracts with customers for project construction, online advertising, operating leases, etc. are performance obligations performed within a certain period of time, and revenue is recognized according to the progress of the performance.

34. Government Grants

The government grants of the Group are divided into asset-based grants related to and income-based grants. Asset-based grants refer to the government grants for long-term assets obtained by the purchase, construction, and other ways. Income-based grants refer to other grants. If the beneficiaries are not specified in government documents, the Group will make the distinction according to the aforesaid principle. Beneficiaries which are difficult to categorize shall be classified as an income-based government grant as a whole.

Current elements of government grants shall be measured based on the amount actually received. Those shall be measured according to the amount receivable are grants paid according to a fixed quota standard, or funds that meet the relevant conditions stipulated by the financial support policy with conclusive evidence at the end of the year and which are expected as the financial support. Non-monetary elements of the government grants shall be measured at fair value. Those whose fair value cannot be obtained reliably shall be measured at its nominal amount (RMB1).

Asset-based grants shall be used to offset the carrying value of related assets or presented as deferred income, and shall, over the life of the related asset, be included in the current profits and losses by the equal amortization method.

If the related asset is sold, transferred, scrapped, or damaged before the end of its useful life, its deferred income that has not been distributed shall be transferred to the current profit and loss of asset disposal.

Income-based grants that are used to compensate related costs or losses in subsequent periods shall be deemed as deferred income and shall be included in the current profits and losses during the period when the related costs or losses are recognized. Government grants related to routine activities shall be included in other income in accordance with the nature of the transaction. Government grants not related to routine activities shall be included in non-operating income and expenditure.

The Group obtains interest grants on policy-related concessional loans in two different ways: the interest subsidy funds are allocated by the government either to the lending bank or directly to the Group. The respective accounting treatment is carried out as follows:

(1) Where the government allocates the funds to the lending bank, and the bank provides a loan to the Group at a policy-related preferential interest rate, the actual amount of the loan received is taken as the entry value, and the borrowing costs are calculated based on the loan principal and the policy-related preferential interest rate.

(2) Where the government allocates the funds directly to the Group, the grants are offset against borrowing costs.

Where the government grants that the Group has recognized in accounting need to be returned, the accounting treatment in the current period is carried out as follows:

- 1) If the book value of an asset is offset on initial recognition, the book value will be adjusted;
- 2) If there is deferred income, the book balance of the deferred income will be offset, and the excess will be included in profit or loss in the current period;
- 3) Under any other circumstances, the grants will be included in profit or loss in the current period.

35. Deferred Income Tax Assets/Deferred Income Tax Liabilities

The Group's deferred tax assets and deferred tax liabilities are calculated and recognized based on the difference (temporary difference) between the tax base and book value of the assets and liabilities. In the case of deductible losses that can be deducted from taxable income in subsequent years in accordance with the provisions of the tax laws, the corresponding deferred income tax assets are recognized. In the case of temporary differences arising from the initial recognition of goodwill, the corresponding deferred income tax liabilities are not recognized. With respect to temporary differences arising from the initial recognition of an asset or liability in a transaction

which isn't a business combination and which affects neither accounting profit nor taxable income (or deductible losses), the corresponding deferred income tax assets and deferred income tax liabilities are not recognized. On the balance sheet date, the deferred income tax assets and deferred income tax liabilities are measured at the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

The Group recognizes deferred income tax assets to the extent of the taxable income which it is most likely to obtain and which can be deducted from deductible temporary differences, deductible losses and tax credits.

36. Leasing

(1) Identification of leases

The term "lease" refers to a contract whereby the lessor transfers the right of use regarding the leased asset(s) to the lessee within a specified time in exchange for consideration. On the commencement date of the contract, the Group assesses whether the contract is a lease or contains a lease. If a party to the contract transfers the right allowing the control over the use of one or more assets that have been identified within a certain period, in exchange for a consideration, such contract is a lease or includes a lease. In order to determine whether a party to the contract transfers the right allowing the control over the use of the identified assets for a certain period of time, the Group assesses whether the customers in the contract are entitled to obtain almost all the economic benefits arising from the use of the identified assets during the use period, and have the right to dominate the use of the identified assets during the use period.

If a contract contains multiple single leases at the same time, the Group will split the contract, and conduct accounting treatment of each single lease respectively. If a contract contains both lease and non-lease parts at the same time, the Group will split the lease and non-lease parts for accounting treatment.

(2) The Group as lessee

1) Lease recognition

On the commencement date of the lease term, the Group recognizes the right-of-use assets and lease obligations in respect of the lease. For the recognition and measurement of right-of-use assets and lease liabilities, please refer to Note IV "25. Right-of-use assets" and "31. Lease liabilities".

2) Lease change

A lease change refers to a change in the scope, consideration, and term of lease outside the original contract clauses, including the addition or termination of the one or several rights to use lease assets, and the extension or reduction of the lease term specified in the contract. The effective date of lease change refers to the date when both parties reach an agreement on lease change.

If the lease changes and the following conditions are met at the same time, the Group will account for the lease change as a separate lease: a) The lease change expands the lease scope or extends the lease term by increasing the right to use one or more leased assets; b) The increased consideration is equivalent to the separate price of the expanded lease scope or the extended lease term adjusted according to the contract conditions.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Group will allocate the consideration of the changed contract in accordance with the relevant provisions of the lease standards and re-determine the changed lease term. The revised rate of discount is used to discount the changed lease payments to remeasure the lease liability. When calculating the present value of the changed lease payments, the Group uses the interest rate implicit in lease as the rate of discount. If the interest rate implicit in lease cannot be determined, the Group adopts the incremental borrowing rate of the lessee on the effective date of the lease change as the rate of discount. With regard to the impact of the above-mentioned lease liability adjustment, the Group conducts accounting treatment according to the following situations: a) The lessee will correspondingly reduce the book value of the right-of-use assets and include the profit or loss of the lease terminated in part or whole in the current profit or loss, if the lease change narrows the scope of lease or shortens the lease term. b) The lessee will correspondingly adjust the book value of the right-of-use assets, if other lease changes result in the re-measurement of the lease obligation.

3) Short-term and low-value asset leases

For short-term leases with a lease term not exceeding 12 months and low-value asset leases with lower value when single leased assets are brand new assets, the Group chooses not to recognize right-of-use assets and lease liabilities. The Group includes the payments of short-term and low-value asset leases incurred during each period of the lease term in the profit or loss for the current period or the cost of relevant assets by the straight-line method.

(3) The Group as lessor

On the basis that (1) the contract assessed is a lease or includes a lease, the Group, as the lessor, classifies leases into finance leases and operating leases on the lease commencement date.

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

The Group usually classifies a lease that falls under any one or more of the following circumstances as a finance lease: a) When the lease term expires, the ownership of the leased asset is transferred to the lessee; b) The lessee has the option to purchase the leased asset(s). As the agreed purchase price is low enough compared with the fair value of the leased asset(s) at the time the option is expected to be exercised, it can be reasonably determined at the inception of the lease that the lessee will exercise the option; c) Although the ownership of the assets is not transferred, the lease term accounts for most of the service life of the leased assets; d) On the lease commencement date, the present value of lease receipts is almost equivalent to the fair value of leased assets; e) The leased assets are special in nature, and only the lessee can use them without major renovation. The Group may also classify a lease that falls under any one or more of the following circumstances as a finance lease: a) If the lessee cancels the lease, losses to the lessor caused by the cancellation will be borne by the lessee; b) The gains or losses arising from the fluctuation of the fair value of the residual value of assets belong to the lessee; c) The lessee has the ability to continue leasing until the next term at a rent far below the market level.

1) Accounting treatment of finance leases

Initial measurement

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

the finance lease and derecognizes the leased asset of the finance lease. It recognizes the net investment in the lease as the entry value of the finance lease, when initially measuring the finance lease receivable.

The net investment in the lease is the sum of the net value of the unguaranteed residual value and the lease receivable not received on the commencement date of the lease term at the interest rate implicit in lease. Lease collection amount refers to the amount that the lessor should collect from the lessee for transferring the right to use the leased assets during the lease term, including: a) Fixed payment amount and substantial fixed payment amount that the lessee needs to pay. If there is lease incentive, deduct the amount related to lease incentive; b) The variable lease payment depending on the index or ratio, which is determined according to the index or ratio on the commencement date of the lease term at the initial measurement; c) The exercise price of the purchase option, provided that it is reasonably determined that the lessee will exercise the option; d) The amount to be paid by the lessee to exercise the option to terminate the lease, provided that the lease term reflects that the lessee will exercise the option to terminate the lease; e) The residual value of guarantee provided to the lessor by the lessee, the party related to the lessee and an independent third party that has the financial ability to fulfill the guarantee obligation.

Follow-up measurement

The Group calculates and confirms the interest income at a fixed periodic rate in each period in the lease term. Periodic rate refers to the rate of discount implicit in lease adopted to determine the net investment in the lease (in the case of sublease, if the interest rate implicit in lease of sublease cannot be determined, the rate of discount implicit in original lease is adopted (adjusted according to the initial direct expenses related to sublease)), or the revised rate of discount determined in accordance with the relevant provisions where the change of the finance lease is not accounted for as a separate lease and meets the condition that the lease will be classified as a finance lease if the change became effective on the lease commencement date.

Accounting treatment of lease change

If the lease changes and the following conditions are met at the same time, the Group will account for the lease change as a separate lease: a) The lease change expands the lease scope by increasing the right to use one or more leased assets; b) The increased consideration is equivalent to the separate price of the expanded lease scope adjusted according to the contract conditions.

If the change of finance lease is not accounted for as a separate lease, and the condition that the lease will be classified as an operating lease if the change takes effect on the lease commencement date is met, the Group will account for it as a new lease from the effective date of the lease change, and take the net lease investment before the effective date of the lease change as the book value of the leased asset.

2) Accounting treatment of operating leases

Treatment of rent

The Group recognizes lease receipts from operating leases as rental income on a straight-line basis during each period of the lease term.

Incentives provided

If the Group provides a rent-free period, it allocates the total rentals over the entire lease term without deducting the rent-free period by the straight-line method, and also recognizes rental

income during the rent-free period. If certain expenses of the lessee are borne, the Group allocates the balance of rental income over the lease term after such expenses are deducted from the gross rental income.

Initial direct cost

Initial direct expenses incurred by the Group in connection with operating leases shall be capitalized to the cost of the leased underlying asset and recorded in the profits and losses of the current period in stages over the lease term on the same basis of recognition as rental income.

Depreciation

For the fixed assets in the assets under operating lease, the Group adopts the depreciation policy of similar assets to calculate and distill depreciation. For other assets under operating lease, the Group amortizes them in a systematic and reasonable manner.

Variable lease payments

Variable lease payments made by the Group in relation to operating leases that are not included in the lease receivable are included in the current profit or loss when they are actually incurred.

Change of operating leases

If an operating lease changes, the Group will regard it as a new lease for accounting treatment from the effective date of the change. The advance receipt or the lease receivable related to the lease prior to the change is recognized as the payment receivable of the new lease.

37. Changes in Main Accounting Policies and Estimates

(1) Changes of accounting policies

The Ministry of Finance issued the *Accounting Standards for Business Enterprises Interpretation No. 17* (C.K. [2023] No. 21) (hereinafter referred to as “Interpretation No. 17”) on 25 October 2023.

① Since 1 January 2024, the Group starts to implement the regulation of the Interpretation No. 17 issued by the Ministry of Finance regarding the classification of current liabilities and non-current liabilities, which has no impacts on the financial statements of the Company.

② Since 1 January 2024, the Group starts to implement the regulation of the Interpretation No. 17 issued by the Ministry of Finance regarding the disclosure of the financing arrangement of suppliers, which has no impacts on the financial statements of the Company.

③ Since 1 January 2024, the Group starts to implement the regulation of the Interpretation No. 17 issued by the Ministry of Finance regarding the accounting treatment for sale-leaseback transactions, which has no impacts on the financial statements of the Company.

(2) Changes in Accounting Estimates

No such cases in the Reporting Period.

V. Taxation

1. Main Taxes and Tax Rate

Category of taxes	Basis	Specific situation of the taxes rate
VAT	Calculated the output tax at the tax rate and paid the VAT by the amount after deducting the deductible withholding VAT at current period, of which the VAT applicable to easy collection won't belong to the deductible withholding VAT.	1%, 3%, 5%, 6%, 9%, 13%
Urban maintenance and construction tax	The circulating tax actually paid	<p>Paid at 5% by subsidiaries including: Dongguan Konka, XingDa HongYe, Xinfeng Microcrystalline, Boluo Konka Precision, Boluo Konka, Ningbo Kanghanrui, Jiangsu Konka Smart, Yibin Kangrun, Yibin Kangrun Medical, Konka Ronghe, Chain Kingdom Semiconductor (Shaoxing), Guizhou Kanggui Materials, Zhejiang Konka Electronic, Songyang Konka Intelligent</p> <p>Paid reduced by half at 7% by subsidiaries including: Liaoyang Kangshun Renewable, Zhitong Technology, Yibin Smart, Shenzhen Nianhua, Anlu Konka, Jiangxi Konka High-tech Park, Kanghong Xintong</p> <p>Paid reduced by half at 5% by subsidiaries including: Jiangkang (Shanghai) Technology, Guizhou Konka New Material, Guizhou Konka New Energy, Zhejiang Konka Technology Industry</p> <p>Paid at 1%: Jiangxi Konka, Jiangxi High Transparent Substrate</p> <p>Paid at 7%: other subsidiaries.</p>
Education surtax	The circulating tax actually paid	<p>Paid reduced by half at 3% by subsidiaries including: Liaoyang Kangshun Renewable, Zhitong Technology, Yibin Smart, Shenzhen Nianhua, Anlu Konka, Jiangxi Konka High-tech Park, Kanghong Xintong, Jiangkang (Shanghai) Technology, Zhejiang Konka Technology Industry</p> <p>Paid at 3%: other subsidiaries.</p>
Local education surtax	The circulating tax actually paid	<p>Paid reduced by half at 2% by subsidiaries including: Liaoyang Kangshun Renewable, Zhitong Technology, Yibin Smart, Shenzhen Nianhua, Anlu Konka, Jiangxi Konka High-tech Park, Kanghong Xintong,</p>

Category of taxes	Basis	Specific situation of the taxes rate
		Jiangkang (Shanghai) Technology, Zhejiang Konka Technology Industry Paid at 2%: other subsidiaries.
Enterprise income tax	Taxable income	25%/ See 2.Tax Preference and Approved Documents for details

The main taxpayers of different corporate income tax rates are explained as follows:

Name of entity	Income tax rate
Electronics Technology, Anhui Konka, Anhui Tongchuang, Shanxi Konka, Jiangsu Konka, Xinfeng Microcrystalline, Boluo Precision, Chengdu Konka Electronic, Xiaojia Technology	15%
Hong Kong Konka, Hongdin Trading, Jiali International, Hongjet, Jiaxin Technology, Hongdin Invest, Konka Mobility, Kowin Memory (Hong Kong)	16.5%
Chain Kingdom Memory Technologies	16.5%
Konka Europe	15%
Kanghao Technology	22.5%
Konka North America	21%
The Company as the Parent and other subsidiaries	25%

Note: According to regulations of Temporary Provisions of Income Tax of Trans-boundary Tax Payment Enterprises by State Administration of Taxation, resident enterprises without business establishment or places of legal persons should be tax payment enterprises with the administrative measures of income tax of “unified computing, level-to-level administration, local prepayment, liquidation summary, and finance transfer”. It came into force from 1 January 2008. According to the above methods, the Company’s sales branch companies in each area will hand in the corporate income taxes in advance from 1 January 2008 and will be final settled uniformly by the Company at the year-end.

2. Tax Preference and Approved Documents

(1) According to the announcement of the State Administration of Taxation No. 12 of 2023: Small enterprises with small profits shall reduce the taxable income amount by 25% and pay the corporate income tax at the tax rate of 20%, which shall be continued until 31 December 2027.

(2) On 18 October 2022, Anhui Konka, a subsidiary of the Company, obtained the Certificate of High-Tech Enterprise jointly issued by the Department of Science and Technology of Anhui Province, the Department of Finance of Anhui Province and the Taxation Bureau of Anhui

Province of the State Administration of Taxation, with the certificate number GR202234002272, which is valid for three years. In accordance with the relevant tax regulations, Anhui Konka is entitled to the relevant tax incentives for three consecutive years from 2022 to 2024 to enjoy the relevant tax preferential policies on high-tech enterprises and pay enterprise income tax at a preferential tax rate of 15%.

(3) On 4 November 2022, Xinfeng Microcrystalline, a subsidiary of the Company, obtained the Certificate of High-Tech Enterprise jointly issued by the Department of Science and Technology of Jiangxi Province, the Department of Finance of Jiangxi Province and the Taxation Bureau of Jiangxi Province of the State Administration of Taxation, with the certificate number GR202236000999, which is valid for three years. According to the relevant tax regulations, Xinfeng Microcrystalline is entitled to the relevant tax incentives for three consecutive years from 2022 to 2024 to enjoy the relevant tax preferential policies on high-tech enterprises and pay enterprise income tax at a preferential tax rate of 15%.

(4) On 18 October 2022, Anhui Tongchuang, a subsidiary of the Company, obtained the Certificate of High-Tech Enterprise jointly issued by the Department of Science and Technology of Anhui Province, the Department of Finance of Anhui Province and the Taxation Bureau of Anhui Province of the State Administration of Taxation, with the certificate number GR202234000798, which is valid for three years. In accordance with the relevant tax regulations, Anhui Tongchuang is entitled to the relevant tax incentives for three consecutive years from 2022 to 2024 to enjoy the relevant tax preferential policies on high-tech enterprises and pay enterprise income tax at a preferential tax rate of 15%.

(5) On 22 December 2022, Boluo Precision, a subsidiary of the Company, obtained the "High-tech Enterprise Certificate" jointly issued by Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province and Guangdong Provincial Tax Service of State Taxation Administration (No. GR202244017658), which will be valid for three years. According to relevant tax regulations, Boluo Precision enjoys relevant preferential tax policies for high-tech enterprises for three consecutive years from 2022 to 2024, and pays enterprise income tax at a reduced rate of 15%.

(6) On 19 December 2022, Electronic Technology, a subsidiary of the Company, received the Certificate of High-Tech Enterprise jointly issued by Shenzhen Science and Technology Innovation Committee, Shenzhen Finance Bureau and Shenzhen Taxation Bureau of the State Administration of Taxation, with the certificate number GR202244205867, which is valid for three years. In accordance with the relevant tax regulations, Electronic Technology is entitled to the relevant tax incentives for three consecutive years from 2022 to 2024 to enjoy the relevant tax preferential policies on high-tech enterprises and pay enterprise income tax at a preferential tax rate of 15%.

(7) On 19 December 2022, Xiaojia Technology, a subsidiary of the Company, received the Certificate of High-Tech Enterprise jointly issued by Shenzhen Science and Technology Innovation Committee, Shenzhen Finance Bureau and Shenzhen Taxation Bureau of the State Administration of Taxation, with the certificate number GR202244203274, which is valid for three years. In accordance with the relevant tax regulations, Xiaojia Technology is entitled to the relevant tax incentives for three consecutive years from 2022 to 2024 to enjoy the relevant tax

preferential policies on high-tech enterprises and pay enterprise income tax at a preferential tax rate of 15%.

(8) On 29 November 2023, Shanxi Konka, a subsidiary of the Company, obtained the "High-tech Enterprise Certificate" jointly issued by Department of Science and Technology of Shanxi Province, Department of Finance of Shanxi Province and Shanxi Provincial Tax Service of State Taxation Administration (No. GR202361002167), which will be valid for three years. According to relevant tax regulations, Shanxi Konka enjoys relevant preferential tax policies for high-tech enterprises for three consecutive years from 2023 to 2025, and pays enterprise income tax at a reduced rate of 15%.

(9) On 6 November 2023, Jiangsu Konka, a subsidiary of the Company, obtained the "High-tech Enterprise Certificate" jointly issued by Department of Science and Technology of Jiangsu Province, Department of Finance of Jiangsu Province and Jiangsu Provincial Tax Service of State Taxation Administration (No. GR202332008044), which will be valid for three years. According to relevant tax regulations, Jiangsu Konka enjoys relevant preferential tax policies for high-tech enterprises for three consecutive years from 2023 to 2025, and pays enterprise income tax at a reduced rate of 15%.

(10) In accordance with the Announcement on the Renewal of the Enterprise Income Tax Policy for Western Development Enterprises (Ministry of Finance, General Administration of Taxation, National Development and Reform Commission Announcement No. 23 of 2020), an enterprise established in the western region who is mainly engaged in an industry specified in the Catalogue of Encouraged Industries in the Western Region and whose main business income accounts for over 60% of its gross income in the current year, is entitled to a reduced corporate income tax rate of 15%. Chengdu Konka Electronic, a subsidiary of the Company, is eligible for this preferential tax policy.

(11) According to the fiscal and taxation document [2011] No. 100 published by the Ministry of Finance and the State Administration of Taxation, for the VAT general taxpayers who sell their self-developed and produced software products, the VAT shall be levied at the rate of 13%, and then the part that the actual tax burden on their VAT exceeds 3 will be implemented with the policy of immediate withdrawal. The Company's subsidiaries, Electronics Technology and Anhui Tongchuang all enjoy this preferential policy.

VI. Notes to Major Items in the Consolidated Financial Statements of the Company

Unless otherwise noted, the following annotation project (including the main projects, annotation of the financial statement of the Company), the period-begin refers to 1 January 2024, the period-end refers to 30 June 2024, this period refers to the period from 1 January 2024 to 30 June 2024 and the previous period refers to the period from 1 January 2023 to 30 June 2023. The monetary unit is renminbi.

1. Monetary assets

Item	Closing balance	Opening balance
Cash on hand		469.28

Item	Closing balance	Opening balance
Bank deposits	4,599,678,470.84	5,892,986,243.07
Other monetary assets	914,692,108.59	613,372,864.67
Total	5,514,370,579.43	6,506,359,577.02
Of which: Total amount deposited overseas	64,430,289.51	55,324,772.13

Note: The closing balance of other monetary funds is mainly the balance of time deposits, margin deposits and account balance on WeChat, Alipay and other platforms. For details of restricted funds, please refer to Note VI-23 Assets with restricted ownership or use right.

2. Held-for-trading financial assets

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	294,937,209.31	469,636,700.78
Including: Investment in equity instruments	294,937,209.31	469,636,700.78
Total	294,937,209.31	469,636,700.78

3. Notes receivable

(1) Classified presentation of notes receivable

Item	Closing balance	Opening balance
Banker's acceptance	285,785,824.21	517,759,367.29
Commercial acceptance draft	16,201,812.90	15,412,581.86
Total	301,987,637.11	533,171,949.15

(2) Listed by withdrawal methods for provision for bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item					
Provision set aside for bad debts by portfolio	302,325,037.03	100.00	337,399.92	0.11	301,987,637.11
Of which: Banker's acceptance	285,785,824.21	94.53			285,785,824.21

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Commercial acceptance draft	16,539,212.82	5.47	337,399.92	2.04	16,201,812.90
Total	302,325,037.03	100.00	337,399.92	0.11	301,987,637.11

(Continued)

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item					
Provision set aside for bad debts by portfolio	533,492,913.47	100.00	320,964.32	0.06	533,171,949.15
Of which: Banker's acceptance	517,759,367.29	97.05			517,759,367.29
Commercial acceptance draft	15,733,546.18	2.95	320,964.32	2.04	15,412,581.86
Total	533,492,913.47	100.00	320,964.32	0.06	533,171,949.15

Provision for expected credit losses on commercial acceptance draft based on aging in the portfolio

Name	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	16,539,212.82	337,399.92	2.04
Total	16,539,212.82	337,399.92	2.04

(3) Provision for bad debts of notes receivable set aside, recovered or reclassified in the Reporting Period

Category	Opening balance	Change in the current year				Closing balance
		Provision	Recovery or reclassification	Charge-off or write-off	Others	

Category	Opening balance	Change in the current year				Closing balance
		Provision	Recovery or reclassification	Charge-off or write-off	Others	
Commercial acceptance draft	320,964.32	29,365.33	12,929.73			337,399.92
Banker's acceptance						
Total	320,964.32	29,365.33	12,929.73			337,399.92

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

Item	Amount pledged at the end of the period
Banker's acceptance	135,131,288.11
Commercial acceptance draft	
Total	135,131,288.11

(5) Notes receivable endorsed or discounted but had not yet matured on the balance sheet date at the end of the period

Item	Amount derecognised at the end of the period	Amount not derecognised at the end of the period
Banker's acceptance	1,263,789,633.51	
Commercial acceptance draft		13,712,030.20
Total	1,263,789,633.51	13,712,030.20

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

There were no significant write-offs of notes receivable in the current period.

4. Accounts receivable

(1) Accounts receivable listed by aging portfolio

Aging	Book balance at the period-end	Book balance at the period-begin
Within one year (inclusive)	1,398,638,104.01	1,489,573,102.24
One to two years	347,323,499.85	152,217,296.67
Two to three years	181,933,992.96	131,889,796.60
Three to four years	232,579,903.76	265,897,663.73
Four to five years	286,691,759.72	674,517,508.86
Over five years	1,028,121,298.28	894,028,569.23

Aging	Book balance at the period-end	Book balance at the period-begin
Total	3,475,288,558.58	3,608,123,937.33

(2) Accounts receivable listed by withdrawal methods for bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item	1,395,605,627.86	40.16	1,266,377,364.82	90.74	129,228,263.04
Provision set aside for bad debts by portfolio					
Of which: Aging portfolio	2,079,682,930.72	59.84	351,949,753.53	16.92	1,727,733,177.19
Subtotal of portfolio	2,079,682,930.72	59.84	351,949,753.53	16.92	1,727,733,177.19
Total	3,475,288,558.58	100.00	1,618,327,118.35	46.57	1,856,961,440.23

(Continued)

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item	1,601,967,285.04	44.40	1,524,090,371.01	95.14	77,876,914.03
Provision set aside for bad debts by portfolio					
Of which: Aging portfolio	2,006,156,652.29	55.60	357,487,593.24	17.82	1,648,669,059.05
Subtotal of portfolio	2,006,156,652.29	55.60	357,487,593.24	17.82	1,648,669,059.05
Total	3,608,123,937.33	100.00	1,881,577,964.25	52.15	1,726,545,973.08

1) Provision set aside for bad debts of accounts receivable by single item

Name	Opening balance		Closing balance			Reasons for the provision
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision percentage (%)	
Shanghai Huaxin International Group Co., Ltd.	299,136,676.70	293,153,943.17	298,855,950.30	292,878,831.29	98.00	Expected to be difficult to recover
Hongtu Sanbao High-tech Technology Co., Ltd.	200,000,000.00	180,000,000.00	200,000,000.00	180,000,000.00	90.00	Expected to be difficult to recover
Shenzhen Yaode Technology Co., Ltd.	145,562,210.29	145,562,210.29	146,468,551.71	146,468,551.71	100.00	Not expected to be recoverable
Guangan Ouqishi Electronic Technology Co., Ltd.	113,140,553.53	110,965,942.46	113,140,553.53	110,965,942.46	98.08	Expected to be difficult to recover
Zhongfu Tiangong Construction Group Co., Ltd.	71,389,096.65	53,541,822.49	71,289,096.65	53,466,822.49	75.00	Expected to be difficult to recover
Gome Customization (Tianjin) Home Appliances Co., Ltd.	59,569,295.02	59,569,295.02	57,021,975.73	57,021,975.73	100.00	Not expected to be recoverable
CCCC First Harbor Engineering Company Ltd.	55,438,105.00	55,438,105.00	65,221,300.00	65,221,300.00	100.00	Not expected to be recoverable
Xingda Hongye (Hk) Limited	51,902,301.95	51,902,301.95	51,902,301.95	51,902,301.95	100.00	Not expected to be recoverable
Dongguan High Energy Polymer Materials Co., Ltd.	50,699,037.70	32,893,535.66	50,699,037.70	32,893,535.66	64.88	Expected to be difficult to recover
China Energy Electric Fuel Co., Ltd.	50,000,000.00	50,000,000.00	49,993,564.16	49,993,564.16	100.00	Not expected to be recoverable
Others	505,130,008.20	491,063,214.97	291,013,296.13	225,564,539.37	77.51	Expected to be difficult to

Name	Opening balance		Closing balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
						recover
Total	1,601,967,285.04	1,524,090,371.01	1,395,605,627.86	1,266,377,364.82		

2) Provision set aside for bad debts of accounts receivable by portfolio

Aging	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	1,336,869,720.64	27,272,142.13	2.04
One to two years	327,253,283.46	32,790,779.07	10.02
Two to three years	111,580,526.11	25,317,621.37	22.69
Three to four years	106,521,040.82	69,110,851.27	64.88
Four to five years	16,541,028.26	16,541,028.26	100.00
Over five years	180,917,331.43	180,917,331.43	100.00
Total	2,079,682,930.72	351,949,753.53	16.92

(3) Provision for bad debts of accounts receivable set aside, recovered or reclassified in the current period

Category	Opening balance	Change in the current year	
		Provision	Recovery or reclassification
Provision for bad debts of accounts receivable	1,881,577,964.25	50,338,166.41	24,347,173.17
Total	1,881,577,964.25	50,338,166.41	24,347,173.17

(Continued)

Category	Change in the current year		Closing balance
	Charge-off or write-off	Decrease for other reasons	
Provision for bad debts of accounts receivable		289,241,839.14	1,618,327,118.35
Total		289,241,839.14	1,618,327,118.35

Note: Decreases for other reasons were RMB-1,805,743.22 due to exchange rate changes and the decrease by RMB291,047,582.36 due to the loss of controlling right.

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

There are no actually written-off accounts receivable in this period.

(5) Top five accounts receivable and contract assets in the closing balance categorised by debtors

The total amount of accounts receivable with top five closing balance categorised by debtors in the current period was RMB1,446,160,600.23, accounting for 41.61% of the total closing balance of accounts receivable. The total closing balance of provision for bad debts correspondingly set aside was RMB656,491,796.91.

5. Contract assets

(1) Contract assets

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Carrying value	Book balance	Provision for bad debts	Carrying value
Accounts receivable for settled items that are not unconditionally paid	2,769,083.68	56,489.31	2,712,594.37	2,236,000.34	45,614.41	2,190,385.93
Total	2,769,083.68	56,489.31	2,712,594.37	2,236,000.34	45,614.41	2,190,385.93

(2) Classified presentation of contract assets by provisioning methods of bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item					
Provision set aside for bad debts by portfolio					
Of which: Aging portfolio	2,769,083.68	100.00	56,489.31	2.04	2,712,594.37
Subtotal of portfolio	2,769,083.68	100.00	56,489.31	2.04	2,712,594.37
Total	2,769,083.68	100.00	56,489.31	2.04	2,712,594.37

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Provision set aside for bad debts by the single item					
Provision set aside for bad debts by portfolio					
Of which: Aging portfolio	2,236,000.34	100.00	45,614.41	2.04	2,190,385.93
Subtotal of portfolio	2,236,000.34	100.00	45,614.41	2.04	2,190,385.93
Total	2,236,000.34	100.00	45,614.41	2.04	2,190,385.93

(3) Provision set aside for bad debts of contract assets by portfolio

Aging	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	2,769,083.68	56,489.31	2.04
Total	2,769,083.68	56,489.31	2.04

(4) Provision for bad debts of contract assets set aside, recovered or reclassified in the current period

Item	Provision in the current period	Recovery or reclassification in the current period	Charge-off/Write-off in the current period	Reasons
Accounts receivable for settled items that are not unconditionally paid	10,874.90			Normal provision
Total	10,874.90			

(5) Contract assets actually written off in the current period

There were no contract assets actually written off in the current period.

6. Accounts receivable financing

Item	Closing balance	Opening balance
Notes receivable	203,279,738.30	173,396,326.14
Total	203,279,738.30	173,396,326.14

7. Other accounts receivable

Item	Closing balance	Opening balance
Interest receivable	7,770,148.68	6,681,258.01
Dividends receivable	14,705,644.62	941,482.38
Other accounts receivable	807,052,840.99	981,498,327.12
Total	829,528,634.29	989,121,067.51

7.1 Interest receivable

Item	Closing balance	Opening balance
Interest on term deposits	7,770,148.68	6,681,258.01
Total	7,770,148.68	6,681,258.01

7.2 Dividends receivable

(1) Category of dividends receivable

Item (or investee)	Closing balance	Opening balance
Shenzhen Jielunte Technology Co., Ltd.		941,482.38
Chutian Dragon Co., Ltd.	4,240,444.62	
Wuhan Tianyuan Environmental Protection Co., Ltd.	10,465,200.00	
Total	14,705,644.62	941,482.38

7.3 Other receivables

(1) Other receivables classified by account nature

Nature of fund	Book balance at the end of the period	Book balance at the beginning of the period
Deposit and margin	344,926,113.50	1,234,840,210.69
Intercourse funds among minority shareholders in the business consolidation not under the same control and related parties	181,205,407.34	179,663,586.05
Energy-saving subsidies receivable	152,399,342.00	152,399,342.00
Others	2,961,254,595.30	1,496,129,924.02
Total	3,639,785,458.14	3,063,033,062.76

(2) Other receivables listed by aging

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within one year	69,465,860.34	253,550,068.51

One to two years	84,541,478.76	77,519,916.42
Two to three years	365,391,923.70	551,521,166.18
Three to four years	835,835,984.39	690,507,047.29
Four to five years	534,137,348.24	1,092,957,617.71
Over five years	1,750,412,862.71	396,977,246.65
Total	3,639,785,458.14	3,063,033,062.76

(3) Classified presentation of other receivables by provisioning methods of bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Other receivables of expected credit losses set aside by single item	2,540,492,875.97	69.80	2,241,666,571.98	88.24	298,826,303.99
Other receivables of provision for bad debts set aside by credit risk characteristic portfolio:					
Of which: Aging portfolio	961,885,583.89	26.42	560,823,547.39	58.30	401,062,036.50
Low-risk portfolio	137,406,998.28	3.78	30,242,497.78	22.01	107,164,500.50
Subtotal of portfolio	1,099,292,582.17	30.20	591,066,045.17	53.77	508,226,537.00
Total	3,639,785,458.14	100.00	2,832,732,617.15	77.83	807,052,840.99

(Continued)

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Other receivables of expected credit losses set aside by single item	1,960,682,465.29	64.01	1,644,122,039.53	83.85	316,560,425.76
Other receivables of provision for bad debts set aside by credit risk characteristic					

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
portfolio:					
Of which: Aging portfolio	975,322,848.99	31.84	413,933,906.39	42.44	561,388,942.60
Low-risk portfolio	127,027,748.48	4.15	23,478,789.72	18.48	103,548,958.76
Subtotal of portfolio	1,102,350,597.47	35.99	437,412,696.11	39.68	664,937,901.36
Total	3,063,033,062.76	100.00	2,081,534,735.64	67.96	981,498,327.12

1) Provision set aside for bad debts of other receivables by portfolio

Aging	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	54,240,251.77	837,915.76	1.54
One to two years	56,548,914.22	2,984,352.63	5.28
Two to three years	260,548,432.36	54,329,136.75	20.85
Three to four years	535,245,817.07	343,779,819.69	64.23
Four to five years	58,706,234.60	55,131,888.19	93.91
Over five years	134,002,932.15	134,002,932.15	100.00
Total	1,099,292,582.17	591,066,045.17	53.77

2) Provision set aside for bad debts of other receivables by the general expected credit loss model

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Balance as of 1 January 2024	1,443,228.60	435,969,467.51	1,644,122,039.53	2,081,534,735.64
Balance as of 1 January 2024 in the current period	-756,286.95	740,212.80	16,074.15	
-- Transferred to	-756,286.95	756,286.95		

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Phase II				
-- Transferred to Phase III		-16,074.15	16,074.15	
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the current period		153,571,711.07	1,541,821.29	155,113,532.36
Recovery in the current period	1,119,050.04	-44,896.70	16,967,374.68	18,041,528.02
Charge-off in the current period				
Write-off in the current period				
Other changes	1,270,024.15	-98,158.67	612,954,011.69	614,125,877.17
Balance as at 30 June 2024	837,915.76	590,228,129.41	2,241,666,571.98	2,832,732,617.15

Note: The first stage is that credit risk has not increased significantly since initial recognition. For other receivables with an aging portfolio and a low-risk portfolio within one year, the loss provision is measured according to the expected credit losses in the next 12 months.

The second stage is that credit risk has increased significantly since initial recognition but credit impairment has not yet occurred. For other receivables with an aging portfolio and a low-risk portfolio that exceed one year, the loss provision is measured based on the expected credit losses for the entire duration.

The third stage is the credit impairment after initial confirmation. For other receivables of credit impairment that have occurred, the loss provision is measured according to the credit losses that have occurred throughout the duration.

(4) Provision for bad debts of other receivables set aside, recovered or reclassified in the current period

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reclassification	Charge-off or write-off	Others	
Provis	2,081,534,735.64	155,113,532.36	18,041,528.02		-614,125,877.17	2,832,732,617.15

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reclassification	Charge-off or write-off	Others	
Provision for bad debts of other receivables						
Total	2,081,534,735.64	155,113,532.36	18,041,528.02		-614,125,877.17	2,832,732,617.15

Note: Decreases for other reasons were RMB-1,330,923.76 due to exchange rate changes and the decrease by RMB612,794,944.33 due to the loss of controlling right.

(5) Other receivables actually written off in the current period

There were no other receivables actually written off for the Reporting Period.

(6) Top five other accounts receivable in the closing balance categorised by debtors

The total amount of other receivables with top five closing balance categorised by debtors in the current year was RMB2,986,256,781.60, accounting for 82.04% of the total closing balance of other receivables. The total closing balance of provision for bad debts correspondingly set aside was RMB2,370,741,736.67.

8. Prepayments

(1) Age of prepayments

Item	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within one year	85,269,826.19	61.25	114,332,392.60	69.10
One to two years	10,668,862.35	7.66	827,985.04	0.50
Two to three years	41,876,819.11	30.08	46,545,996.66	28.13
Over three years	1,403,791.35	1.01	3,747,937.21	2.27
Total	139,219,299.00	100.00	165,454,311.51	100.00

Note: The amount of advanced payments aged over one year at the end of the period is RMB53,949,472.81, accounting for 38.75% of the total balance of advanced payments of the Company, and consists mainly of unavailability of funds or unsettled payments.

(2) Top five prepayments in the closing balance categorised by payees

The total amount of prepayments with top five closing balance categorised by payees was RMB102,365,394.64, accounting for 73.53% of the total closing balance of prepayments.

9. Inventory

(1) Inventory classification

Item	Closing balance		
	Book balance	Provision for inventory impairment/for contract fulfilment cost impairment	Carrying value
Raw materials	732,595,142.46	75,967,089.52	656,628,052.94
Semi-finished products	101,913,886.80	46,991,125.84	54,922,760.96
Commodities in stock	2,656,510,493.28	465,581,487.44	2,190,929,005.84
Commissioned products	2,218,974.86	212,731.64	2,006,243.22
Development costs	500,050,965.12		500,050,965.12
Total	3,993,289,462.52	588,752,434.44	3,404,537,028.08

(Continued)

Item	Opening balance		
	Book balance	Provision for inventory impairment/for contract fulfilment cost impairment	Carrying value
Raw materials	593,131,602.70	86,829,664.81	506,301,937.89
Semi-finished products	96,408,258.96	41,741,196.19	54,667,062.77
Commodities in stock	2,636,678,840.40	490,032,803.73	2,146,646,036.67
Commissioned products	1,934,264.95	211,225.91	1,723,039.04
Development costs	540,559,624.61		540,559,624.61
Total	3,868,712,591.62	618,814,890.64	3,249,897,700.98

(2) Inventory falling price reserves and impairment provision of contract performance costs

Item	Opening balance	Increase in the current year	
		Withdrawal	Others
Raw materials	86,829,664.81	13,078,363.92	

Item	Opening balance	Increase in the current year	
		Withdrawal	Others
Semi-finished products	41,741,196.19	9,074,809.14	
Commodities in stock	490,032,803.73	58,956,623.28	
Commissioned products	211,225.91		
Total	618,814,890.64	81,109,796.34	

(Continued)

Item	Decrease in the current year		Closing balance
	Write-off	Others	
Raw materials	23,902,301.61	38,637.60	75,967,089.52
Semi-finished products	3,824,879.49		46,991,125.84
Commodities in stock	82,450,133.39	957,806.18	465,581,487.44
Commissioned products		-1,505.73	212,731.64
Total	110,177,314.49	994,938.05	588,752,434.44

Specific basis for determining the realisable net value and reasons for inventory falling price reserves and impairment provision for contract performance costs transferred back or written off during the Reporting Period:

Item	Specific basis for withdrawal of inventory falling price reserves	Reasons for charge-off of provision for inventories impairment in the current year
Raw materials	The realisable net value was lower than the carrying value	They have been sold or used in the current period
Semi-finished products	The realisable net value was lower than the carrying value	They have been sold or used in the current period
Commodities in stock	The realisable net value was lower than the carrying value	They have been sold in the current period

10. Other current assets

Item	Closing balance	Opening balance
Principal and interests of entrusted loans to associated enterprises	1,789,416,914.11	1,744,123,316.97
Prepayments and deductible taxes, and refund of tax for export receivable	525,792,569.13	569,875,346.61
Deferred expenses	31,816,213.30	28,112,001.12

Item	Closing balance	Opening balance
Costs receivable for returning goods	14,031,714.93	15,925,346.67
Others	757,591.13	1,123,457.38
Total	2,361,815,002.60	2,359,159,468.75

13. Long-term equity investment

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Konka Ventures Development (Shenzhen) Co., Ltd.	5,004,579.62				109,011.09	
Nanjing Zhihuiguang Information Technology Research Institute Co., Ltd.	2,019,287.36				22,211.40	
Feidi Technology (Shenzhen) Co., Ltd.	10,706,907.72				3,224,155.07	
Shenzhen Kangyue Enterprise Co., Ltd.						
Foshan Zhujiang Media Creative Park Cultural Development Co., Ltd.						
Kangkai Technology Service (Chengdu) Co., Ltd.	114,193.79				10,500.00	
Puchuang Jiakang Technology Co, Ltd.	2,716,274.71				462,390.15	
Shenzhen Jielunte Technology Co., Ltd.	94,917,575.00				-6,341,750.17	
Panxu Intelligence Co., Ltd.	48,686,477.11				-1,154,019.69	
Orient Excellent (Zhuhai) Asset Management Co., Ltd.	8,198,574.99				429,295.82	
Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	338,089,300.42		1,768,886.32		906,768.44	

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Tongxiang Wuzhen Kunyu Venture Capital Investment Co., Ltd.	3,524,037.08				1,940.11	
Shenzhen RF-Llink Technology Co., Ltd.						
Anhui Kaikai Shijie E-commerce Co., Ltd.	418,814,414.98				-5,828,645.96	
Kunshan Kangsheng Investment Development Co., Ltd.	207,333,483.86				-3,336,356.30	
Shanxi Silk Road Cloud Intelligent Tech Co., Ltd.	5,187,588.48				-669,600.90	
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.						
Shenzhen Zhongkang Beidou Technology Co., Ltd. (formerly named: Shenzhen Zhongbing Konka Technology Co., Ltd.)						
Shenzhen Yaode Technology Co., Ltd.						
Wuhan Tianyuan Environmental Protection Co., Ltd.	512,729,351.11				17,245,673.07	
Chuzhou Konka Technology Industry Development Co., Ltd.	39,335,548.57				-4,638,032.20	
Chuzhou Kangjin Health Industrial Development Co., Ltd.	239,037,618.98				-3,469,664.26	

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Nantong Kangjian Technology Industrial Park Operations and Management Co., Ltd.	107,310,029.86					
Chuzhou Kangxin Health Industry Development Co., Ltd.	180,752,809.79				-1,100,714.21	
Dongguan Guankang Yuhong Investment Co., Ltd.	501,408,938.92				-13,062,060.07	
Shenzhen Morsemi Semiconductor Technology Co., Ltd.						
Shandong Econ Technology Co., Ltd.	1,130,575,773.36					
Dongguan Kangjia New Materials Technology Co., Ltd.	6,857,694.77				2,886.15	
Chongqing E2info Technology Co., Ltd.	1,048,983,188.06				10,939,004.61	
Yantai Kangyun Industrial Development Co., Ltd.	65,884,386.16				-2,727,492.22	
E3info (Hainan) Technology Co., Ltd.	30,715,678.97					
Shenzhen Kangjia Jiapin Intelligent Electrical Apparatus Technology Co., Ltd.	7,090,590.47				-480,528.54	
Shenzhen KONKA E-display Co., Ltd.	85,057,438.63				1,799,918.18	
Chongqing Yuanlv Benpao Real Estate	28,089,915.82				-1,351,812.31	

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Co., Ltd.						
Shenzhen Kangpeng Digital Technology Co., Ltd.	1,770,021.01				-345,320.82	
Yantai Kangtang Construction Development Co., Ltd.	862,394.07				87,749.85	
Dongguan Konka Smart Electronic Technology Co., Ltd.	24,124,143.70				-3,070,775.78	
Shenzhen Aimijiakang Technology Co., Ltd.	1,173,870.57				-98,033.64	
Beijing Konka Jingyuan Technology Co., Ltd.	703,703.42					
Chongqing Liangshan Enterprise Management Co., Ltd.	178,368.53				9,427.45	
Shenzhen Kangxi Technology Innovation Development Co., Ltd.	1,026,306.07				6,387.02	
Shandong Kangfei Intelligent Electrical Appliances Co., Ltd.	245,911.63					
Henan Kangfei Intelligent Electric Appliance Co., Ltd.	1,939,694.34				-18,408.41	
Guangdong Kangyuan Semiconductor Co., Ltd.	9,957,207.04				-1,776,663.77	

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Chongqing Kangyiqing Technology Co., Ltd.	633,719.09				-300,000.00	
Zhejiang Kangying Semiconductor Technology Co., Ltd. (formally: Shenzhen Kangying Semiconductor Technology Co., Ltd.)	19,339,655.22				-1,145,348.00	-84,875.89
KK Smartech Limited	1,612,150.56				-8,552.93	
Chongqing Kangjian Photoelectric Technology Co., Ltd.	8,329,131.78				-2,160,000.00	
Anhui Kangta Supply Chain Management Co., Ltd.	17,256,599.85				-236,863.48	
Wuhan Kangtang Information Technology Co., Ltd.	25,757,222.60				-848,227.42	
Sichuan Chengrui Real Estate Co., Ltd.	31,708,992.07				-3,935,564.36	
Konka Industrial Development (Wuhan) Co., Ltd.	42,134,231.89				-1,425,590.64	
Hefei KONSEMI Storage Technology Co., Ltd.	188,654,285.66				-12,222,171.62	956.66
Xi'an Kang'an Intelligent Storage Technology Co., Ltd.	6,000,000.00				-183,110.10	
Sichuan Hongxinchen Real Estate	53,934,595.60					

Investee	Opening balance	Changes in the current period				
		Increase in the investment	Decrease in the investment	Cost method to equity method	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Development Co., Ltd.						
Konka Huanjia Environmental Technology Co., Ltd.						
Total	5,566,483,863.29		1,768,886.32		-36,677,989.39	-83,919.23

(Continued)

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Konka Ventures Development (Shenzhen) Co., Ltd.		55,392.38			5,058,198.33	
Nanjing Zhihuiguang Information Technology Research Institute Co., Ltd.		17,358.62			2,024,140.14	
Feidi Technology (Shenzhen) Co., Ltd.					13,931,062.79	
Shenzhen Kangyue Enterprise Co., Ltd.						24,977,328.88
Foshan Zhujiang Media Creative Park Cultural Development Co., Ltd.						
Kangkai Technology Service (Chengdu) Co., Ltd.					124,693.79	
Puchuang Jiakang Technology Co, Ltd.					3,178,664.86	

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Shenzhen Jielunte Technology Co., Ltd.					88,575,824.83	
Panxu Intelligence Co., Ltd.					47,532,457.42	
Orient Excellent (Zhuhai) Asset Management Co., Ltd.					8,627,870.81	
Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)		730,916.13			336,496,266.41	
Tongxiang Wuzhen Kunyu Venture Capital Investment Co., Ltd.					3,525,977.19	
Shenzhen RF-Llink Technology Co., Ltd.						85,656,027.35
Anhui Kaikai Shije E-commerce Co., Ltd.					412,985,769.02	
Kunshan Kangsheng Investment Development Co., Ltd.		7,350,000.00			196,647,127.56	
Shanxi Silk Road Cloud Intelligent Tech Co., Ltd.					4,517,987.58	
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.						12,660,222.73
Shenzhen Zhongkang Beidou Technology Co., Ltd. (formerly named: Shenzhen Zhongbing Konka Technology Co., Ltd.)						

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Shenzhen Yaode Technology Co., Ltd.						214,559,469.35
Wuhan Tianyuan Environmental Protection Co., Ltd.	-11,288,034.03	10,465,200.00			508,221,790.15	
Chuzhou Konka Technology Industry Development Co., Ltd.					34,697,516.37	
Chuzhou Kangjin Health Industrial Development Co., Ltd.					235,567,954.72	
Nantong Kangjian Technology Industrial Park Operations and Management Co., Ltd.					107,310,029.86	
Chuzhou Kangxin Health Industry Development Co., Ltd.					179,652,095.58	
Dongguan Guankang Yuhong Investment Co., Ltd.					488,346,878.85	
Shenzhen Morsemi Semiconductor Technology Co., Ltd.						
Shandong Econ Technology Co., Ltd.					1,130,575,773.36	81,806,510.02
Dongguan Kangjia New Materials Technology Co., Ltd.					6,860,580.92	
Chongqing E2info Technology Co., Ltd.					1,059,922,192.67	

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Yantai Kangyun Industrial Development Co., Ltd.					63,156,893.94	
E3info (Hainan) Technology Co., Ltd.		4,000,000.00			26,715,678.97	
Shenzhen Kangjia Jiapin Intelligent Electrical Apparatus Technology Co., Ltd.					6,610,061.93	
Shenzhen KONKA E-display Co., Ltd.					86,857,356.81	
Chongqing Yuanlv Benpao Real Estate Co., Ltd.					26,738,103.51	
Shenzhen Kangpeng Digital Technology Co., Ltd.					1,424,700.19	
Yantai Kangtang Construction Development Co., Ltd.					950,143.92	
Dongguan Konka Smart Electronic Technology Co., Ltd.					21,053,367.92	
Shenzhen Aimijiakang Technology Co., Ltd.					1,075,836.93	
Beijing Konka Jingyuan Technology Co., Ltd.					703,703.42	
Chongqing Liangshan Enterprise Management Co., Ltd.					187,795.98	

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Shenzhen Kangxi Technology Innovation Development Co., Ltd.					1,032,693.09	
Shandong Kangfei Intelligent Electrical Appliances Co., Ltd.			245,911.63			245,911.63
Henan Kangfei Intelligent Electric Appliance Co., Ltd.					1,921,285.93	
Guangdong Kangyuan Semiconductor Co., Ltd.					8,180,543.27	
Chongqing Kangyiqing Technology Co., Ltd.					333,719.09	
Zhejiang Kangying Semiconductor Technology Co., Ltd. (formally: Shenzhen Kangying Semiconductor Technology Co., Ltd.)					18,109,431.33	
KK Smartech Limited					1,603,597.63	
Chongqing Kangjian Photoelectric Technology Co., Ltd.					6,169,131.78	
Anhui Kangta Supply Chain Management Co., Ltd.					17,019,736.37	
Wuhan Kangtang Information Technology Co., Ltd.					24,908,995.18	
Sichuan Chengrui Real Estate Co., Ltd.					27,773,427.71	

Investee	Changes in the current period				Closing balance	Closing balance of the provision for impairment
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others		
Konka Industrial Development (Wuhan) Co., Ltd.					40,708,641.25	
Hefei KONSEMI Storage Technology Co., Ltd.	6,498,827.39				182,931,898.09	
Xi'an Kang'an Intelligent Storage Technology Co., Ltd.					5,816,889.90	
Sichuan Hongxinchun Real Estate Development Co., Ltd.					53,934,595.60	
Konka Huanjia Environmental Technology Co., Ltd.						91,800,000.00
Total	-4,789,206.64	22,618,867.13	245,911.63		5,500,299,082.95	511,705,469.96

12. Other equity instrument investments

12.1 Other equity instrument investments

Item	Closing balance	Opening balance
Shenzhen Tianyilian Science & Technology Co., Ltd.		
Beijing Huyu Digital Technology Co., Ltd.	5,901,121.80	5,901,121.80
Feihong Electronics Co., Ltd.		
ZAEFI		
Shenzhen Chuangce Investment Development Co., Ltd.		
Shanlian Information Technology Engineering Centre	1,860,809.20	1,860,809.20
Shenzhen CIU Science & Technology Co., Ltd.	953,000.00	953,000.00
Shenzhen Digital TV National Engineering Laboratory Co., Ltd.	7,726,405.16	7,726,405.16
Shanghai National Engineering Research Centre of Digital TV Co., Ltd.	2,400,000.00	2,400,000.00
BOHUA UHD	5,000,001.00	5,000,001.00
Total	23,841,337.16	23,841,337.16

12.2 Investments in non-trading equity instruments in the current period

Item	Dividend income recognised in the current period	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Shenzhen Tianyilian Science & Technology Co., Ltd.			4,800,000.00		Long-term holding based on strategic purpose	
Beijing Huyu Digital Technology Co., Ltd.			98,878.20		Long-term holding based on strategic purpose	
Feihong Electronics Co., Ltd.			1,300,000.00		Long-term holding based on strategic purpose	
ZAEFI			100,000.00		Long-term holding based on strategic purpose	
Shenzhen Chuangce Investment Development Co., Ltd.			485,000.00		Long-term holding based on strategic purpose	
Shanlian Information Technology Engineering Centre			3,139,190.80		Long-term holding based on strategic purpose	
Shenzhen CIU Science & Technology Co., Ltd.			200,000.00		Long-term holding based on strategic purpose	
Shenzhen Digital TV National Engineering Laboratory Co., Ltd.			1,273,594.84		Long-term holding based on strategic purpose	
Shanghai National Engineering Research Centre of Digital TV Co., Ltd.					Long-term holding based on strategic purpose	
BOHUA UHD					Long-term holding based on	

Item	Dividend income recognised in the current period	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
					strategic purpose	
Total			11,396,663.84			

13. Other non-current financial assets

Item	Closing balance	Opening balance
China Asset Management-Jiayi Overseas Designated Plan	200,732,067.00	200,732,067.00
Tianjin Huacheng Property Development Co., Ltd.	1,000,000.00	1,000,000.00
Tianjin Property No. 8 Enterprise Management Partnership (Limited Partnership)	28,540,777.26	28,540,777.26
CCB Trust-Cai Die No. 6 Property Rights Trust Scheme	66,080,293.70	66,080,293.70
Daye Trust Co., Ltd.	100,000,000.00	100,000,000.00
Yibin OCT Sanjiang Properties Co., Ltd.	199,774,696.09	199,774,696.09
Kunshan Xinjia Emerging Industry Equity Investment Fund Partnership (Limited Partnership)	230,264,035.04	231,190,200.00
Tongxiang Wuzhen Jiayu Digital Economy Industry Equity Investment Partnership (Limited Partnership)	198,129,473.88	201,451,000.00
Yibin Kanghui Electronic Information Industry Equity Investment Partnership (Limited Partnership)	60,292,296.39	60,292,000.00
Chuzhou Jiachen Information Technology Consulting Service Partnership (Limited Partnership)	59,700,013.59	59,700,013.59
Yancheng Kangyan Information Industry Investment Partnership (Limited Partnership)	140,082,317.80	162,937,428.56
Chongqing Kangxin Equity Investment Fund Limited Partnership (Limited Partnership)	155,692,673.16	155,691,200.00
Shenzhen Kanghuijia Technology Co., Ltd.	7,684.53	7,684.53
Subtotal of equity investments	1,440,296,328.44	1,467,397,360.73
Ningbo Yuanqing No. 9 Investment Partnership	148,855,198.11	148,855,198.11

Item	Closing balance	Opening balance
Shenzhen Beihu Technology Partnership (Limited Partnership)	59,735,232.88	59,735,232.88
Shanxi Kangmengrong Enterprise Management Consulting Partnership (Limited Partnership)	8,520,728.55	9,163,411.30
Nanjing Kangfeng De'jia Asset Management Partnership (Limited Partnership)	100,000,000.00	100,000,000.00
Shenzhen Gaohong Enterprise Consulting Management Partnership (Limited Partnership)	114,815,791.63	109,739,999.99
Shenzhen Zitang No.1 Enterprise Consulting Management Partnership (Limited Partnership)	99,000,000.00	99,000,000.00
Xi'an Bihuijia Enterprise Management Consulting Partnership (Limited Partnership)	14,685,194.12	15,785,194.99
Subtotal of debt investments	545,612,145.29	542,279,037.27
Total	1,985,908,473.73	2,009,676,398.00

14. Investment property

(1) Investment properties measured at cost

Item	Land use right	Properties and buildings	Total
I. Original carrying value			
1. Opening balance	91,837,689.30	1,558,110,727.67	1,649,948,416.97
2. Increase in the current period	10,542,998.55	62,056,444.27	72,599,442.82
(1) External purchase			
(2) Fixed assets\construction in progress\transfer of intangible assets	10,542,998.55	62,056,444.27	72,599,442.82

Item	Land use right	Properties and buildings	Total
3. Decrease in the current period			
(1) Disposal			
(2) Other transfer out			
4. Closing balance	102,380,687.85	1,620,167,171.94	1,722,547,859.79
II. The accumulative depreciation and accumulative amortisation			
1. Opening balance	21,541,632.80	158,180,060.30	179,721,693.10
2. Increase in the current period	1,366,075.68	24,522,087.58	25,888,163.26
(1) Provision or amortisation	1,366,075.68	24,522,087.58	25,888,163.26
3. Decrease in the current period			
(1) Disposal			
(2) Other transfer out			
4. Closing balance	22,907,708.48	182,702,147.88	205,609,856.36
III. Provision for impairment			
1. Opening balance			
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period			

Item	Land use right	Properties and buildings	Total
(1) Disposal			
(2) Other transfer out			
4. Closing balance			
IV. Carrying value			
1. Closing carrying value	79,472,979.37	1,437,465,024.06	1,516,938,003.43
2. Opening carrying value	70,296,056.50	1,399,930,667.37	1,470,226,723.87

(2) Impairment test of investment properties measured at cost

No provision for impairment of investment properties was made during the Reporting Period.

(3) Investment properties measured at fair value

There were no investment properties measured at fair value of the Group.

(4) Investment properties in the process of title certificate handling

Item	Carrying value	Reason that the certificate of title was not completed
Konka Standard Electronic Product Plants Project in Suining	375,714,645.70	In the process of project closure, project closure will not be processed until the project is completed.
Total	375,714,645.70	

(5) Investment properties with restricted ownership or use rights

Item	Closing carrying value	Reasons for the restriction
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Item	Closing carrying value	Reasons for the restriction
Konka Guangming Technology Centre	572,516,043.72	Mortgage loan
Houses and buildings of Shaanxi Konka	70,800,534.86	Mortgage loan
Total	643,316,578.58	

15. Fixed assets

Item	Closing carrying value	Opening carrying value
Fixed assets	5,017,976,577.28	5,218,297,745.16
Liquidation of fixed assets	32,448,750.14	
Total	5,050,425,327.42	5,218,297,745.16

15.1 Fixed Assets

(1) Fixed assets

Item	Properties and buildings	Machinery and equipment	Electronic equipment	Transport equipment	Other equipment	Total
I. Original carrying value						
1. Opening balance	4,064,218,816.99	3,320,880,784.80	302,188,512.88	55,935,781.31	189,243,639.88	7,932,467,535.86
2. Increased amount of the period	3,197,639.47	92,432,260.80	2,212,968.25	385,233.45	1,303,855.17	99,531,957.14
(1) Purchase	3,197,639.47	14,508,655.11	2,114,251.41	385,233.45	1,303,855.17	21,509,634.61

Item	Properties and buildings	Machinery and equipment	Electronic equipment	Transport equipment	Other equipment	Total
(2) Transfer-in of construction in progress		77,710,101.27	17,787.61			77,727,888.88
(3) Increase through consolidation						
(4) Other transfer-in		213,504.42	80,929.23			294,433.65
3. Decreased amount of the period	112,806,344.20	12,878,085.53	5,765,117.33	1,359,998.05	886,178.86	133,695,723.97
(1) Disposal or write-off	51,084,326.98	11,934,642.83	5,250,024.44	1,359,998.05	819,642.86	70,448,635.16
(2) Decrease for loss of controlling right		302,363.06	515,092.89		2,876.10	820,332.05
(3) Other decreases	61,722,017.22	641,079.64			63,659.90	62,426,756.76
4. Ending balance	3,954,610,112.26	3,400,434,960.07	298,636,363.80	54,961,016.71	189,661,316.19	7,898,303,769.03
II. Accumulated depreciation						
1. Opening balance	740,844,429.80	1,465,754,243.66	200,150,283.49	42,094,186.82	125,133,960.40	2,573,977,104.17
2. Increased amount of the period	57,920,184.65	124,779,559.01	14,586,543.16	2,151,073.91	7,201,870.28	206,639,231.01
(1) Provision	57,101,166.26	124,779,559.01	12,656,846.89	2,151,073.91	7,201,870.28	203,890,516.35
(2) Increase through consolidation						

Item	Properties and buildings	Machinery and equipment	Electronic equipment	Transport equipment	Other equipment	Total
(3) Other increase	819,018.39		1,929,696.27			2,748,714.66
3. Decreased amount of the period	31,229,339.51	10,409,963.77	3,415,649.87	1,032,253.06	2,758,219.45	48,845,425.66
(1) Disposal or write-off	60,727.49	9,543,422.23	2,954,073.36	1,032,253.06	705,912.00	14,296,388.14
(2) Decrease for loss of controlling right		167,718.41	461,576.51		2,588.49	631,883.41
(3) Other decreases	31,168,612.02	698,823.13			2,049,718.96	33,917,154.11
4. Ending balance	767,535,274.94	1,580,123,838.90	211,321,176.78	43,213,007.67	129,577,611.23	2,731,770,909.52
III. Provision for impairment						
1. Opening balance	23,987,527.51	107,259,898.81	2,789,800.42	841,445.29	5,314,014.50	140,192,686.53
2. Increased amount of the period		10,646,284.08				10,646,284.08
(1) Provision		10,646,284.08				10,646,284.08
3. Decreased amount of the period		357,047.03	1,919,104.94		6,536.41	2,282,688.38
(1) Disposal or write-off		222,402.39	1,898,966.13		6,536.41	2,127,904.93
(2) Other decrease		134,644.64	20,138.81			154,783.45
4. Ending balance	23,987,527.51	117,549,135.86	870,695.48	841,445.29	5,307,478.09	148,556,282.23

Item	Properties and buildings	Machinery and equipment	Electronic equipment	Transport equipment	Other equipment	Total
IV. Carrying value						
1. Ending carrying value	3,163,087,309.81	1,702,761,985.31	86,444,491.54	10,906,563.75	54,776,226.87	5,017,976,577.28
2. Opening carrying value	3,299,386,859.68	1,747,866,642.33	99,248,428.97	13,000,149.20	58,795,664.98	5,218,297,745.16

(2) List of temporarily idle fixed assets

Item	Original carrying value	Accumulated depreciation	Provision for impairment	Carrying value
Machinery and equipment	814,906,750.09	434,472,592.81	87,220,284.81	293,213,872.47
Electronic equipment	10,569,556.50	9,252,851.88	111,084.51	1,205,620.11
Transport equipment	3,887,229.49	3,639,105.62	20,675.15	227,448.72
Properties and buildings	264,495,526.66	146,277,917.11	7,899,900.07	110,317,709.48
Other equipment	1,313,806.25	741,647.49	259,629.18	312,529.58
Total	1,095,172,868.99	594,384,114.91	95,511,573.72	405,277,180.36

(3) Fixed assets leased out through operating leases

Item	Closing carrying value
Electronic equipment	250,227.89
Machinery and equipment	15,146,352.83
Other equipment	264,878.88
Transport equipment	13,555.68
Total	15,675,015.28

(4) Details of fixed assets failed to accomplish certification of property

Item	Original carrying value	Accumulated depreciation	Provision for impairment	Net book value	Reason that the certificate of title was not completed
Ankang's plants	603,628,412.83	39,879,186.98		563,749,225.85	Being handled
Housing and buildings of Chongqing Konka	453,857,134.27	14,198,661.09		439,658,473.18	Being handled
Fenggang Konka Smart Colour TV Project (Section I) Property	425,011,644.82	8,765,865.17		416,245,779.65	Being handled
Frestec Smart Home properties and buildings	406,680,006.86	6,075,992.68		400,604,014.18	Being handled
Yikang Building	76,610,752.33	42,937,872.94		33,672,879.39	Being

Item	Original carrying value	Accumulated depreciation	Provision for impairment	Net book value	Reason that the certificate of title was not completed
property					handled
Boluo Printing Plate Phase III Plant	52,579,211.93	1,670,318.30		50,908,893.63	Being handled
Jingyuan Building property	7,700,000.00	4,331,237.47		3,368,762.53	Being handled
Standard electronic product plants in Suining	1,544,085.19	87,005.85		1,457,079.34	Being handled
Total	2,027,611,248.23	117,946,140.48		1,909,665,107.75	

(5) Impairment test of fixed assets

During the Reporting Period, the Company conducted impairment tests on the fixed assets of Henan Frestec Refrigeration Appliance Co., Ltd., determined their recoverable amounts based on the net fair value less disposal costs, and recognised an impairment loss on assets of RMB 10,646,284.08.

Item	Carrying value	Recoverable amount	Impairment amount	Determination of fair value and disposal costs	Key parameters	Basis for determining key parameters
Machinery equipment of Frestec Refrigeration	13,043,951.93	2,397,667.85	10,646,284.08	1. The fair value is determined on the quotation of second-hand equipment suppliers; 2. The disposal costs are included in the quotation and are not considered.	1. Scope of asset group; 2. Fair value;	1. The scope of asset group: abandoned and idle equipment such as baler, foaming machine, multi-station vacuum forming machine of container and gallbladder; 2. The fair value is determined on the quotation of second-hand equipment suppliers.
Total	13,043,951.93	2,397,667.85	10,646,284.08	—	—	—

(6) Fixed Assets with Restricted Ownership or Use Right

Item	Closing carrying value	Reasons for the restriction
Anhui Konka's buildings	594,158,945.16	Mortgage loan
Housing and buildings of Chongqing Konka	333,838,258.53	Mortgage loan
Properties and buildings of Shanxi Konka Intelligent	257,597,123.66	Mortgage loan
Housing and buildings of Anhui Tongchuang	137,747,881.71	Mortgage loan
Housing and buildings of Frestec Refrigeration	79,482,863.26	As collateral for finance lease
Machinery equipment of XingDa HongYe	62,102,622.44	As collateral for finance lease
Buildings of Konka Group	61,612,474.97	Mortgage loan
Housing and buildings of Jiangsu Konka Intelligent	34,142,638.01	Mortgage loan
Housing and buildings of XingDa HongYe	29,164,839.65	Mortgage loan
Machinery equipment of Xinfeng Microcrystalline	7,677,954.68	As collateral for finance lease
Housing and buildings of Jiangxi Konka	2,279,341.79	Original shareholder guarantee mortgage
Total	1,599,804,943.86	

(7) Disposal of Fixed Assets

Item	Closing carrying value	Opening carrying value
Frestec Refrigeration Project	32,448,750.14	
Total	32,448,750.14	

16. Construction in progress

(1) Construction in progress

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Jiangxi High-permeability Crystallisation Kiln	246,576,748.57	46,755,148.57	199,821,600.00	246,576,748.57	46,755,148.57	199,821,600.00
Dongguan Konka New Industrial Park	12,820,621.35		12,820,621.35			
Construction of Suining Electronic Industrial Park Workshops	177,627,683.33		177,627,683.33	177,516,258.23		177,516,258.23
Suining Konka Hongye Plant Decoration Project	84,574,481.80		84,574,481.80	76,141,438.86		76,141,438.86
Dishwasher Project of Jiangxi Konka				55,685,802.09		55,685,802.09
Production Line Renovation Project of Jiangxi Konka	85,354,578.78	12,415,331.15	72,939,247.63	85,861,185.36	12,518,073.84	73,343,111.52
Other projects	330,003,779.69	32,822,800.38	297,180,979.31	321,142,187.11	42,750,899.13	278,391,287.98
Total	936,957,893.52	91,993,280.10	844,964,613.42	962,923,620.22	102,024,121.54	860,899,498.68

(2) Changes in major projects under construction in the current period

Name of item	Opening balance	Increase in the current	Decrease in the current period	Closing balance
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		period	Transferred to long-term assets	Other decreases	
Jiangxi High-permeability Crystallisation Kiln	246,576,748.57				246,576,748.57
Construction of Suining Electronic Industrial Park Workshops	177,516,258.23	111,425.10			177,627,683.33
Dishwasher Project of Shaanxi Konka	55,685,802.09		55,685,802.09		
Total	479,778,808.89	111,425.10	55,685,802.09		424,204,431.90

(Continued)

Name of item	Estimated number (RMB100 million)	Proportion estimated of the project accumulative input (%)	Engineering Schedule (%)	Accumulated amount of interest capitalisation	Of which: the amount of the capitalised interests in the current period	Capitalisation rate of the interests in the current period (%)	Source of fund
Jiangxi High-permeability Crystallisation Kiln	3.40	72.52	72.52	32,249,994.16			Bank loans
Construction of Suining Electronic Industrial Park Workshops	7.34	95.00	95.00				Self-owned fund
Dishwasher Project of Shaanxi Konka	0.56	98.86	98.86				Self-owned fund
Total	11.30			32,249,994.16			

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

Category	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for withdrawal
Jiangxi High-permeability Crystallisation Kiln	46,755,148.57			46,755,148.57	

Category	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for withdrawal
Jiangxi High Transparent Nano Line 1 Project	36,181,822.63		6,224,551.33	29,957,271.30	Failure to achieve serviceable conditions
Henan Civil Construction Project	3,703,547.42		3,703,547.42		Decrease for losing control power
Other projects	15,383,602.92		102,742.69	15,280,860.23	Failure to achieve serviceable conditions
Total	102,024,121.54		10,030,841.44	91,993,280.10	—

(4) Impairment test of construction in progress

There was no provision for impairment of construction in progress during the Reporting Period.

17. Right-of-use assets

(1) List of right-of-use assets

Item	Properties and buildings	Electronic equipment	Transport equipment	Total
I. Original carrying value				
1. Opening balance	278,099,315.84	279,350.52		278,378,666.36
2. Increase in the current period	33,384,402.11			33,384,402.11
(1) Rent	33,384,402.11			33,384,402.11
(2) Others				
3. Decrease in the current period	32,622,122.73			32,622,122.73
(1) Decrease for loss of controlling right				
(2) Others	32,622,122.73			32,622,122.73
4. Closing balance	278,861,595.22	279,350.52		279,140,945.74
II. Accumulated depreciation				
1. Opening balance	81,209,388.74	114,854.45		81,324,243.19
2. Increase in the current period	27,978,636.37	31,804.75		28,010,441.12
(1) Provision	27,978,636.37	31,804.75		28,010,441.12
(2) Others				
3. Decrease in the current period	29,940,601.10			29,940,601.10
(1) Decrease for loss of controlling right				
(2) Others	29,940,601.10			29,940,601.10
4. Closing balance	79,247,424.01	146,659.20		79,394,083.21
III. Provision for impairment				
1. Opening balance				
2. Increase in the current period				

Item	Properties and buildings	Electronic equipment	Transport equipment	Total
(1) Provision				
3. Decrease in the current period				
(1) Disposal				
4. Closing balance				
IV. Carrying value				
1. Closing carrying value	199,614,171.21	132,691.32		199,746,862.53
2. Opening carrying value	196,889,927.10	164,496.07		197,054,423.17

Note: Other decreases in original value and accumulated depreciation are mainly due to lease expiration.

18. Intangible assets

(1) List of intangible assets

Item	Land use right	Intellectual property					Total
		Trademark right	Patent and know-how	Franchise rights	Right to use software and others	Subtotal	
I. Original carrying value							
1. Opening balance	886,356,061.91	72,197,456.33	116,697,625.44	187,333,182.47	177,648,647.63	553,876,911.87	1,440,232,973.78
2. Increased amount of the period				927,169.67	3,620,554.10	4,547,723.77	4,547,723.77
(1) Purchase					2,404,874.68	2,404,874.68	2,404,874.68
(2) Transfer-in of construction in progress				927,169.67	1,215,679.42	2,142,849.09	2,142,849.09
(3) Other reasons							
3. Decreased amount of the period	24,316,563.55				21,116,714.34	21,116,714.34	45,433,277.89
(1) Disposal	13,773,565.00				21,116,714.34	21,116,714.34	34,890,279.34
(2) Decrease for loss of controlling right							
(3) Decrease for other	10,542,998.55						10,542,998.55

reasons							
4. Ending balance	862,039,498.36	72,197,456.33	116,697,625.44	188,260,352.14	160,152,487.39	537,307,921.30	1,399,347,419.66
II. Accumulated amortisation							
1. Opening balance	96,724,173.74	23,415,626.44	71,699,652.31	11,721,315.62	103,542,668.71	210,379,263.08	307,103,436.82
2. Increased amount of the period	9,722,325.73	2,081,757.98	54,451.51	5,224,211.87	8,802,235.81	16,162,657.17	25,884,982.90
(1) Provision	9,722,325.73	2,081,757.98	54,451.51	5,224,211.87	8,802,235.81	16,162,657.17	25,884,982.90
(2) Other increases							
3. Decreased amount of the period	2,746,215.07				21,116,714.33	21,116,714.33	23,862,929.40
(1) Disposal	2,610,583.98				21,116,714.33	21,116,714.33	23,727,298.31
(2) Decrease for loss of controlling right							
(3) Decrease for other reasons	135,631.09						135,631.09
4. Ending balance	103,700,284.40	25,497,384.42	71,754,103.82	16,945,527.49	91,228,190.19	205,425,205.92	309,125,490.32
III. Provision for impairment							
1. Opening balance		564,705.88	44,943,521.62		235,294.12	45,743,521.62	45,743,521.62
2. Increased amount of the period							

(1) Provision							
(2) Increase in business combinations							
3. Decreased amount of the period							
(1) Disposal							
(2) Decrease for loss of controlling right							
4. Ending balance		564,705.88	44,943,521.62		235,294.12	45,743,521.62	45,743,521.62
IV. Carrying value							
1. Ending carrying value	758,339,213.96	46,135,366.03		171,314,824.65	68,689,003.08	286,139,193.76	1,044,478,407.72
2. Opening carrying value	789,631,888.17	48,217,124.01	54,451.51	175,611,866.85	73,870,684.80	297,754,127.17	1,087,386,015.34

Note: There was no impairment of the Group's intangible assets during the Reporting Period.

(2) Land use right with certificate of title uncompleted

The Group did not have land use rights for which no title deeds had been issued.

(3) Significant intangible assets

Item	Closing carrying value	Remaining amortisation period (year)
Land use right of Dongguan Konka	183,797,800.67	45.17
Concessions of Yibin Konka	171,314,824.65	16.33
Land use right of Frestec Smart Home Technology	89,302,521.51	46.25
Land usage right of Frestec Refrigeration	62,865,741.86	32.25
Total	507,280,888.69	

(4) Intangible assets with restricted ownership or using right

Item	Closing carrying value	Reasons for the restriction
Land use right of Dongguan Konka	183,797,800.67	Mortgage loan
Land use right of Shanxi Konka Intelligent	109,812,076.81	Mortgage loan
Land use right of Frestec Smart Home Technology	89,302,521.51	Mortgage loan
Land usage right of Frestec Refrigeration	62,865,741.86	As collateral for finance lease
Land use right of Anhui Konka	53,273,636.00	Mortgage loan
Land use right of Chongqing Konka	44,097,359.88	Mortgage loan
Land use right of Anhui Tongchuang	17,210,885.31	Mortgage loan
Land use right of Jiangsu Konka	13,511,463.83	Mortgage loan
Land use right of XingDa HongYe	12,878,528.02	Mortgage loan
Land use right of Jiangxi Konka	11,936,997.05	Original shareholder guarantee mortgage
Land use right of Konka Guangming	4,224,230.38	Mortgage loan
Total	602,911,241.32	

19. Goodwill

(1) Original carrying value of goodwill

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
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		Formed through business combinations	Others	Disposal	Others	
Jiangxi Konka	340,111,933.01					340,111,933.01
XingDa HongYe	44,156,682.25					44,156,682.25
Total	384,268,615.26					384,268,615.26

(2) Provision for goodwill impairment

Investee	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision	Others	Disposal	Others	
Jiangxi Konka	340,111,933.01					340,111,933.01
XingDa HongYe	21,959,947.14					21,959,947.14
Total	362,071,880.15					362,071,880.15

20. Long-term deferred expenses

Item	Opening balance	Increase in the current period	Amortisation in the current period	Other decreases in the current period	Closing balance
Decoration expenses	370,388,936.88	8,587,369.87	35,331,884.42	10,930,839.71	332,713,582.62
Shoppe expense	24,974,475.38	16,321,473.67	11,660,670.44	1,664,114.98	27,971,163.63
Others	123,555,811.45	35,612,984.68	21,836,551.80	7,880,195.32	129,452,049.01
Total	518,919,223.71	60,521,828.22	68,829,106.66	20,475,150.01	490,136,795.26

21. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred tax assets that have not been offset

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax Assets	Deductible temporary differences	Deferred tax Assets
Deductible losses	3,833,414,709.20	811,599,214.91	3,747,584,829.70	794,363,411.92
Provision for asset impairment	1,829,025,527.80	401,304,876.17	1,879,389,407.11	407,751,765.55

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax Assets	Deductible temporary differences	Deferred tax Assets
Deferred revenue	167,074,039.39	36,955,793.78	167,691,056.33	36,766,230.50
Accrued expenses	313,175,362.02	66,365,728.23	262,522,401.07	58,732,850.29
Unrealised internal sales profits	55,997,896.96	11,745,908.12	55,653,196.64	13,913,299.16
Lease liabilities	201,197,429.82	50,004,006.85	207,847,769.62	50,208,319.90
Others	260,960,747.01	61,612,266.63	279,982,155.72	64,838,104.84
Total	6,660,845,712.20	1,439,587,794.69	6,600,670,816.19	1,426,573,982.16

(2) Deferred tax liabilities that have not been offset

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Estimated added value of assets not under the same control	167,391,570.39	35,716,343.31	154,693,540.82	37,285,533.12
Prepaid interest	37,541,390.08	9,385,347.52	37,541,390.08	9,385,347.52
Accelerated depreciation of fixed assets	44,154,571.98	6,785,641.35	3,005,493.04	608,518.82
Financial assets at fair value through profit or loss	148,002,025.36	37,000,506.34	327,802,549.12	81,950,637.29
Right-of-use assets	192,106,186.72	48,026,546.70	195,220,008.99	48,074,535.52
Others	9,249,308.72	2,312,327.18	47,153,970.40	7,721,593.00
Total	598,445,053.25	139,226,712.40	765,416,952.45	185,026,165.27

(3) Breakdown of unrecognised deferred tax assets

Item	Closing balance	Opening balance
Deductible losses	4,607,675,003.87	3,693,212,186.74
Deductible temporary differences	3,928,816,549.12	4,173,904,666.60

Item	Closing balance	Opening balance
Total	8,536,491,552.99	7,867,116,853.34

(4) Deductible losses of unrecognised deferred tax assets matured/will mature in the following year

Year	Closing balance	Opening balance	Notes
2024	121,029,752.50	175,414,641.28	
2025	435,923,297.45	464,500,932.68	
2026	209,031,391.65	224,104,387.87	
2027	94,666,236.63	110,289,035.04	
2028	740,529,446.35	2,718,903,189.87	
2029 and following years	3,006,494,879.29		
Total	4,607,675,003.87	3,693,212,186.74	—

22. Other non-current assets

Item	Closing balance		
	Book balance	Provision for impairment	Carrying value
Prepayment for land-purchase	1,029,457,502.92		1,029,457,502.92
Prepayment for construction, equipment and other long-term assets	266,687,168.69		266,687,168.69
Total	1,296,144,671.61		1,296,144,671.61

(Continued)

Item	Opening balance		
	Book balance	Provision for impairment	Carrying value
Prepayment for land-purchase	1,029,317,896.04		1,029,317,896.04
Prepayment for construction, equipment and other long-term assets	219,010,910.12		219,010,910.12
Total	1,248,328,806.16		1,248,328,806.16

23. Assets with restricted ownership or use rights

Item	End of the period			
	Book balance	Carrying value	Type of restriction	Restriction details
Monetary	1,135,996,069.35	1,135,996,069.35	Margins, pledges, time	Among them, RMB439,611,924.45 is margin deposit, pledged for

Item	End of the period			
	Book balance	Carrying value	Type of restriction	Restriction details
assets			deposits	borrowings or issuing bank acceptance; RMB664.24 is financial supervisory account funds; RMB469,680,000.00 is time deposit that cannot be withdrawn in advance; RMB226,703,480.66 is restricted due to other reasons.
Accounts receivable	1,082,099.02	1,059,896.50	Pledge	Pledge loan
Notes receivable	135,131,288.11	135,131,288.11	Pledge	Pledged to issue bills
Inventory	477,577,793.08	477,577,793.08	Mortgage	Mortgage loan
Investment property	706,736,950.42	643,316,578.58	Mortgage	Mortgage loan
Fixed assets	1,937,212,292.51	1,599,804,943.86	Mortgage	Mortgage for finance lease, mortgage loan, mortgage guaranteed by the original shareholder
Intangible assets	627,235,336.77	602,911,241.32	Mortgage	Mortgage for finance lease, mortgage loan, mortgage guaranteed by the original shareholder
Construction in progress	46,810,437.16	46,810,437.16	Mortgage	Mortgage loan
Total	5,067,782,266.42	4,642,608,247.96	—	—

(Continued)

Item	Beginning of the period			
	Book balance	Carrying value	Type of restriction	Restriction details
Monetary assets	831,575,227.47	831,575,227.47	Margins, pledges, time deposits	Among them, RMB384,011,696.60 is margin deposit, pledged for borrowings or issuing bank acceptance, RMB226,611,500.00 is time deposit that cannot be withdrawn in advance; RMB220,952,030.87 is restricted due to other reasons.
Accounts receivable	2,527,314.22	2,474,071.67	Pledge	Pledge loan
Notes receivable	209,288,446.67	209,288,446.67	Pledge	They are pledged for the issuance of bank acceptance

Item	Beginning of the period			
	Book balance	Carrying value	Type of restriction	Restriction details
Inventory	601,395,411.05	599,475,045.44	Seizure, mortgage	Carrying value of inventories seized as a result of the minority shareholder case of a subsidiary was RMB49,679,547.48, and the Company did not waive claims; year-end book value of inventory used for mortgage loans was RMB549,795,497.96.
Investment property	634,578,011.63	585,984,804.04	Mortgage	Mortgage loan
Fixed assets	2,003,558,346.93	1,689,602,310.18	Mortgage	Mortgage for finance lease, mortgage loan, mortgage guaranteed by the original shareholder
Intangible assets	687,667,571.97	620,594,057.60	Mortgage	Mortgage for finance lease, mortgage loan, mortgage guaranteed by the original shareholder
Construction in progress	40,629,663.23	40,629,663.23	Mortgage	Mortgage loan
Total	5,011,219,993.17	4,579,623,626.30	—	—

24. Short-term loans

(1) Classification of short-term loans

Type of borrowings	Closing balance	Opening balance	Notes
Unsecured loan	5,487,754,338.21	4,741,431,032.21	
Guaranteed loan	660,533,547.75	1,374,378,896.71	①②③
Mortgage loan	361,799,744.99	274,782,127.35	④⑤⑥⑦⑧
Total	6,510,087,630.95	6,390,592,056.27	

①The Company has provided a joint and several guarantee for the short-term borrowings totaling RMB199,942,853.31 taken out by its subsidiaries Anhui Konka, Yibin Smart, Boluo Precision, Jiangxi Konka, Jiangxi Konka and Konka Xinyun Semiconductor.

②The Company has obtained short-term borrowings amounting to RMB410,418,472.21 from Shenzhen Chegongmiao Sub-branch of China Everbright Bank Co., Ltd., and the Company's subsidiaries Suining Konka Industrial Park and Konka Circuit have each provided a joint and several guarantee for debts continuously incurred in a specific period and capped at a specific amount, being liable for 80% and 20% of such debts, respectively.

③The Company's subsidiary Ningbo Khr Electric Appliance has obtained short-term borrowings amounting to RMB50,172,222.23 from Cixi Guancheng Sub-branch of Bank of China Limited, for which the Company and KEG Group Co., Ltd. have each provided a joint and several guarantee at the ratio of 3:2.

④By mortgaging properties and buildings with a carrying value of RMB409,974,007.80 and land use rights with a carrying value of RMB35,467,241.33, the Company's subsidiary Anhui Konka has obtained short-term borrowings amounting to RMB141,791,828.32 from Chuzhou Branch of Bank of China Limited.

⑤By mortgaging land use rights with a carrying value of RMB89,302,521.51, the Company's subsidiary Frestec Smart Home has obtained short-term borrowings amounting to RMB52,056,333.33 from Xinxiang Branch of Industrial Bank Co., Ltd., and the Company and Meng Honggang, the legal representative of Chuzhou Hanshang Electrical Appliances Co., Ltd., have each provided a joint and several guarantee for debts continuously incurred in a specific period and capped at a specific amount, being liable for 51% and 49% of such debts, respectively.

⑥By mortgaging properties and buildings with a carrying value of RMB29,164,839.65 and land use rights with a carrying value of RMB12,878,528.02 and pledging a certificate of deposit in the amount of RMB19,800,000.00, with a joint and several guarantee provided by Hu Zehong, the Company's subsidiary XingDa HongYe has obtained short-term borrowings amounting to RMB94,090,083.34 from Fusha Sub-branch of Zhongshan Rural Commercial Bank Co., Ltd.

⑦By mortgaging properties and buildings with a carrying value of RMB34,142,638.01 and land use rights with a carrying value of RMB13,511,463.83, the Company's subsidiary Jiangsu Konka Smart has obtained short-term borrowings amounting to RMB30,033,750.00 from Changzhou Branch of China Zheshang Bank Co., Ltd.

⑧By mortgaging properties and buildings with a carrying value of RMB137,747,881.71 and land use rights with a carrying value of RMB17,210,885.31, the Company's subsidiary Anhui Tongchuang has obtained short-term borrowings amounting to RMB43,827,750.00 from Hefei Branch of China Zheshang Bank Co., Ltd.

(2) Outstanding Short-term borrowings overdue

There were no outstanding short-term borrowings overdue at the end of the current period.

25. Notes payable

Type of note	Closing balance	Opening balance
Banker's acceptance	775,950,422.77	786,833,882.36
Commercial acceptance draft	205,977,959.18	203,649,044.84
Total	981,928,381.95	990,482,927.20

26. Accounts payable

Item	Closing balance	Opening balance
Within one year	2,320,012,296.29	2,002,263,324.19
One to two years	390,501,476.73	448,060,250.16
Two to three years	75,821,318.63	107,371,417.74
Over three years	154,216,669.07	169,136,683.88
Total	2,940,551,760.72	2,726,831,675.97

27. Accounts received in advance

Type of note	Closing balance	Opening balance
Rents	311,664.91	
Total	311,664.91	

28. Contract liabilities

(1) Contract liabilities

Item	Closing balance	Opening balance
Sales advances received	326,016,727.91	527,975,160.12
Total	326,016,727.91	527,975,160.12

Note: Contractual liabilities over one year are detailed in "VI.41. Other non-current liabilities" in this note.

(2) Significant contract liabilities with an age of more than one year

There were no significant contract liabilities with an age of more than one year in the Reporting Period.

(3) Significant changes in carrying value in the current period

There were no significant changes in carrying value in the current period.

29. Payroll payable

(1) List of payrolls payable

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Short-term remuneration	302,906,283.43	663,359,406.44	770,236,182.60	196,029,507.27
Post-employment benefits-defined contribution plans	984,500.20	51,532,957.08	51,538,306.83	979,150.45

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Dismissal benefits	842,320.00	8,099,251.50	7,462,264.74	1,479,306.76
Other benefits due within one year				
Total	304,733,103.63	722,991,615.02	829,236,754.17	198,487,964.48

(2) Short-term remuneration

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Salaries, bonuses, allowances and subsidies	292,819,254.32	584,485,214.41	693,448,301.36	183,856,167.37
Employee benefits	5,354,332.27	31,342,888.00	29,128,609.38	7,568,610.89
Social insurance premiums	564,961.75	22,518,004.27	22,491,339.94	591,626.08
Including: Medical insurance premiums	396,722.21	20,007,041.07	19,958,059.73	445,703.55
Work injury insurance premiums	77,112.94	1,644,853.26	1,605,135.75	116,830.45
Maternity insurance premiums	91,126.60	866,109.94	928,144.46	29,092.08
Housing fund	486,011.97	19,532,752.22	19,688,006.12	330,758.07
Labour union funds and education funds	3,681,723.12	5,480,547.54	5,479,925.80	3,682,344.86
Short-term absence with payment				
Short-term profit sharing plan				
Others				
Total	302,906,283.43	663,359,406.44	770,236,182.60	196,029,507.27

(3) Defined contribution plans

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Basic endowment management insurance	835,465.17	49,330,295.67	49,333,661.41	832,099.43
Unemployment insurance premiums	149,035.03	2,202,661.41	2,204,645.42	147,051.02

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Annuity contribution				
Total	984,500.20	51,532,957.08	51,538,306.83	979,150.45

30. Taxes payable

Item	Closing balance	Opening balance
Value-added tax	15,634,896.66	66,607,505.30
Property tax	12,276,323.34	5,219,025.56
Stamp duty	7,282,071.55	6,782,263.86
Corporate income tax	6,262,028.72	91,733,192.66
Land use tax	3,597,483.22	11,704,493.10
Personal income tax	2,197,631.55	2,285,063.65
Tariff	1,678,500.01	1,513,377.11
City construction and maintenance tax	572,922.63	3,479,642.26
Education fees and local education Surcharge	434,273.38	2,525,463.27
Fund for disposing abandoned appliances and electronic products		21,210,465.50
Others	1,629,201.77	1,356,643.60
Total	51,565,332.83	214,417,135.87

31. Other payables

Item	Closing balance	Opening balance
Interest payable		
Other payables	1,762,366,179.22	1,922,791,905.14
Total	1,762,366,179.22	1,922,791,905.14

31.1 Interests payable

Item	Closing balance	Opening balance
Interest on corporate bonds		
Interest on long-term borrowings with interest paid by installment and principal paid at maturity		
Interest payable on short-term borrowings		
Total		

31.2 Other Payables

(1) Other accounts payable presented based on the fund nature

Nature of fund	Closing balance	Opening balance
Trading funds	666,170,006.98	798,553,216.65
Expenses payable	463,347,998.31	521,810,773.58
Related party borrowing	216,849,686.69	236,064,633.74
Cash deposit and front	291,952,029.84	282,035,338.52
Advance payment	6,202,442.99	5,480,880.33
Equity payable	24,302,796.96	24,302,796.96
Others	93,541,217.45	54,544,265.36
Total	1,762,366,179.22	1,922,791,905.14

(2) Significant other accounts payable with an age of more than one year or overdue

Unit	Closing balance	Reason for non-repayment or carry-over
The Third Construction Engineering Company Ltd. of China Construction Second Engineering Bureau	21,535,346.08	It was not yet due for payment as per the contract
Total	21,535,346.08	

32. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term borrowings due within one year	2,718,841,649.66	2,891,407,222.55
Long-term payables due within one year	140,336.20	141,650.44
Bonds payable due within one year	830,985,555.48	2,370,572,421.45
Lease liabilities due within one year	50,971,866.23	52,026,101.92
Total	3,600,939,407.57	5,314,147,396.36

33. Other current liabilities

Item	Closing balance	Opening balance
Accounts payable paid by endorsement of outstanding notes at the end of the Reporting Period	13,712,030.20	11,524,075.93
Tax to be charged off	17,159,993.79	23,890,662.41

Item	Closing balance	Opening balance
Refunds payable	15,404,439.30	18,915,977.41
Total	46,276,463.29	54,330,715.75

34. Long-term loans

Type of borrowings	Closing balance	Opening balance	Notes
Guaranteed loan	3,652,266,829.86	4,047,706,381.39	①②③④⑤⑥⑦⑧⑨
Mortgage loan	1,337,302,982.46	1,207,161,686.81	⑩⑪⑫⑬⑭⑮⑯⑰
Entrusted borrowings	2,089,923,918.27	2,054,850,296.35	⑱
Unsecured loan	2,743,058,366.07	3,276,240,462.52	
Pledge loan	102,077,890.63	84,598,475.36	⑲⑳
Less: Portion due within one year	2,718,841,649.66	2,891,407,222.55	
Total	7,205,788,337.63	7,779,150,079.88	

① The Company has obtained long-term borrowings amounting to RMB1,478,977,500.00 from Shenzhen Branch of China Guangfa Bank Co., Ltd., the term of which is from 23 August 2022 to 20 December 2026, and for which the Company's parent company OCT Group provides joint and several liability guarantee at the maximum amount.

② The Company has obtained long-term borrowings amounting to RMB1,290,971,055.64 from Shenzhen Branch of China Development Bank Co., Ltd., the term of which is from 22 December 2022 to 22 September 2026, and for which the Company's parent company OCT Group provides joint and several liability guarantee at the maximum amount.

③ The Company has obtained long-term borrowings amounting to RMB600,351,666.66 from the Shenzhen Branch of Export-Import Bank of China, the term of which is from 25 June 2024 to 25 June 2026, and for which the Company's parent company OCT Group provides joint and several liability guarantee at the maximum amount.

④ The Company's subsidiary Anhui Konka has obtained long-term borrowings amounting to RMB80,083,333.33 from Chuzhou Plaza Sub-branch of China Construction Bank Co., Ltd., the term of which is from 29 October 2021 to 26 October 2026, and for which the Company provides joint and several liability guarantee.

⑤ The Company's subsidiary Anhui Konka has obtained long-term borrowings amounting to RMB48,486,886.48 from Chuzhou Branch of Agricultural Bank of China Co., Ltd., the term of which is from 29 June 2023 to 28 June 2028, and for which the Company provides joint and several liability guarantee.

⑥ The Company's subsidiary Anhui Tongchuang has obtained long-term borrowings amounting to RMB29,029,000.00 from Chuzhou Branch of China Everbright Bank Co., Ltd., the term of which is from 26 December 2023 to 25 June 2025, and for which the Company provides joint and several liability guarantee at the maximum amount.

⑦ The Company's subsidiary Konka Xinyun Semiconductor has obtained long-term borrowings amounting to RMB42,812,500.00 from Yancheng Branch of Huaxia Bank Co., Ltd., the term of which is from 15 September 2021 to 21 August 2026, and for which the Company provides joint and several liability guarantee.

- ⑧ The Company's subsidiary Sichuan Konkra has obtained long-term borrowings amounting to RMB28,053,833.34 from Yibin Rural Commercial Bank Co. Ltd., the term of which is from 23 May 2023 to 26 April 2026, and for which the Company provides joint and several liability guarantee.
- ⑨ The Company's subsidiary Guangdong XingDa HongYe Electronic Co., Ltd. has obtained long-term borrowings amounting to RMB53,501,054.41 from Chengdu Branch of Industrial Bank Co., Ltd., the term of which is from 25 January 2024 to 7 November 2038, and for which the Company and Guangdong Shudian Technology Development Enterprise (Limited partnership) provide joint and several liability guarantee at the maximum amount.
- ⑩ The Company has obtained long-term borrowings amounting to RMB399,892,032.96 from Guanlan Sub-branch of Shenzhen Rural Commercial Bank Co., Ltd., the term of which is from 21 January 2021 to 17 January 2027, and for which it provides land use rights of a carrying value of RMB4,224,230.38 and investment properties of a carrying value of RMB572,516,043.72 and properties and buildings of a carrying value of RMB61,612,474.97 as mortgage.
- ⑪ The Company's subsidiary Anhui Konkra has obtained long-term borrowings amounting to RMB80,309,336.72 from Chuzhou Branch of Industrial Bank Co., Ltd., the term of which is from 16 July 2021 to 15 July 2031, and for which it provides fixed assets of a carrying value of RMB184,184,937.36 and land use rights of a carrying value of RMB17,806,394.67 as mortgage, and for which the Company provides joint and several liability guarantee.
- ⑫ The Company's subsidiary Dongguan Konkra has obtained long-term borrowings amounting to RMB331,310,338.95 from Dongguan Fenggang Sub-branch of Agricultural Bank of China Co., Ltd., the term of which is from 23 June 2021 to 21 October 2030, and for which it provides land use rights as intangible assets of a carrying value of RMB183,797,800.67 as mortgage and the Company provides joint and several liability guarantee.
- ⑬ The Company's subsidiary Nantong Kanghai has obtained long-term borrowings amounting to RMB47,955,164.36 from Haimen Sub-branch of Bank of Suzhou Co., Ltd., the term of which is from 24 April 2023 to 25 July 2025, and for which it provides land use rights and construction in progress of a carrying value of RMB261,709,900.51 as mortgage.
- ⑭ The Company's subsidiary Shanxi Konkra Intelligent has obtained long-term borrowings amounting to RMB247,747,500.00 from Shanxi Free Trade Zone Xi'an International Port Area Sub-branch of Industrial and Commercial Bank of China Co., Ltd., the term of which is from 28 September 2023 to 3 November 2033, and for which it provides investment properties of a carrying value of RMB70,800,534.86, properties and buildings of a carrying value of RMB257,597,123.66 and land use rights of a carrying value of RMB109,812,076.81 as mortgage.
- ⑮ The Company's subsidiary Xi'an Kanghong Technology Industry has obtained long-term borrowings amounting to RMB81,540,943.64 from the Business Department of Shanxi Branch of Bank of Communications Co., Ltd., the term of which is from 15 June 2023 to 31 December 2032, and for which it provides properties and buildings and land use rights of a carrying value of RMB215,867,892.57 as mortgage and the Company provides joint and several liability guarantee at the maximum amount.
- ⑯ The Company's subsidiary Yantai Kangjin has obtained long-term borrowings amounting to RMB11,100,000.00 from Yantai Rural Commercial Bank Co. Ltd., the term of which is from 16 January 2023 to 12 February 2026, and for which it provides construction in progress of a carrying value of RMB46,810,437.16 as mortgage.
- ⑰ The Company's subsidiary Chongqing Konkra has obtained long-term borrowings amounting to RMB137,447,665.83 from Chongqing Liangjiang Branch of Industrial and Commercial Bank of China Co., Ltd., the term of which is from 30 December 2022 to 29 December 2037, and for which it provides properties and buildings of a carrying value of RMB333,838,258.53 and land use rights of a carrying value of RMB44,097,359.88 as mortgage and the Company provides joint and several liability guarantee at the maximum amount.
- ⑱ The Company's parent company OCT Group has extended entrusted loans amounting to RMB2,089,923,918.27 to the Company through China Merchants Bank Co., Ltd., the term of

which is from 10 January 2022 to 25 May 2025.

①9 The Company's subsidiary Yibin Kangrun Medical has obtained long-term borrowings amounting to RMB52,311,352.44 from Yibin Branch of Industrial and Commercial Bank of China Co., Ltd. with the accounts receivable arising from the prospective earnings from a franchise agreement with an appraisal value of RMB595,900,000.00 as pledge, and the term thereof is from 30 June 2022 to 15 April 2040.

②0 The Company's subsidiary Yibin Kangrun Medical has obtained long-term borrowings amounting to RMB49,766,538.19 from Yibin Branch of Postal Savings Bank of China Co., Ltd. with the accounts receivable arising from the prospective earnings from a franchise agreement with an appraisal value of RMB595,900,000.00 as pledge, and the term thereof is from 30 June 2022 to 15 April 2040.

35. Bonds payable

(1) List of Bonds Payable

Item	Closing balance	Opening balance
Corporate bonds	5,627,894,268.31	4,797,565,000.12
Less: Bonds payable due within one year	830,985,555.48	2,370,572,421.45
Total	4,796,908,712.83	2,426,992,578.67

(2) Changes in bonds payable

Bond name	Total par value	Issue date	Bond maturity	Issue amount	Opening balance
21Konka01 (note a)	1,000,000,000.00	2021/1/8	Three years	996,500,000.00	1,043,732,777.88
21Konka02 (note b)	500,000,000.00	2021/5/21	Three years	498,250,000.00	512,094,339.67
21Konka03 (note c)	800,000,000.00	2021/7/9	Three years	797,200,000.00	814,745,303.93
22Konka01 (note d)	1,200,000,000.00	2022/7/14	Three years	1,195,800,000.00	1,217,398,867.91
22Konka03 (note e)	600,000,000.00	2022/9/8	Three years	597,900,000.00	605,499,371.09
22Konka05 (note f)	600,000,000.00	2022/10/18	Three years	597,900,000.00	604,094,339.64
24Konka01 (note g)	1,500,000,000.00	2024/1/29	Three years	1,495,200,000.00	
24Konka02 (note h)	400,000,000.00	2024/3/18	Three years	398,720,000.00	
24Konka03 (note i)	400,000,000.00	2024/3/18	Three years	398,720,000.00	
Total	7,000,000,000.00			6,976,190,000.00	4,797,565,000.12

(Continued)

Bond name	Issuance in the current period	Accrue interest by par value	Amortisation of premium/discount
21Konka01 (note a)		867,222.12	
21Konka02 (note b)		7,722,222.21	183,438.12
21Konka03 (note c)		15,800,000.00	440,251.55
22Konka01 (note d)		19,380,000.00	660,377.29
22Konka03 (note e)		9,900,000.00	330,188.74
22Konka05 (note f)		10,500,000.00	330,188.74
24Konka01 (note g)	1,495,200,000.00	25,500,000.00	998,113.18
24Konka02 (note h)	398,720,000.00	4,622,222.21	199,077.58
24Konka03 (note i)	398,720,000.00	4,656,888.88	199,077.57
Total	2,292,640,000.00	98,948,555.42	3,340,712.77

(Continued)

Bond name	Prepayment in the current period	Closing balance
21Konka01 (note a)	1,044,600,000.00	
21Konka02 (note b)	520,000,000.00	
21Konka03 (note c)		830,985,555.48
22Konka01 (note d)		1,237,439,245.20
22Konka03 (note e)		615,729,559.83
22Konka05 (note f)		614,924,528.38
24Konka01 (note g)		1,521,698,113.18
24Konka02 (note h)		403,541,299.79
24Konka03 (note i)		403,575,966.45
Total	1,564,600,000.00	5,627,894,268.31

Note 1:

a: On 8 January 2021, the Company issued RMB1 billion of private placement corporate bonds with the duration of three years, the annual interest rate of 4.46% and the due date of 8 January 2024. "21 Konka 01" was fully redeemed and delisted from the exchange on 8 January 2024.

b: On 21 May 2021, the Company issued RMB500 million of private placement corporate bonds with the duration of three years, the annual interest rate of 4.00% and the due date of 21 May 2024. "21 Konka 02" was fully redeemed and delisted from the exchange on 21 May 2024.

c: On 9 July 2021, the Company issued RMB800 million of private placement corporate bonds with the duration of three years, the annual interest rate of 3.95% and the due date of 9 July 2024. "21 Konka 03" was fully redeemed and delisted from the exchange on 9 July 2024.

d: On 14 July 2022, the Company issued RMB1.2 billion of public placement corporate bonds with the duration of three years, the annual interest rate of 3.23% and the due date of 14 July 2025.

e: On 8 September 2022, the Company issued RMB600 million of private placement corporate

bonds with the duration of three years, the annual interest rate of 3.30% and the due date of 8 September 2025.

f: On 18 October 2022, the Company issued RMB600 million of private placement corporate bonds with the duration of three years, the annual interest rate of 3.50% and the due date of 18 October 2025.

g: On 29 January 2024, the Company issued RMB1.5 billion of private placement corporate bonds with the duration of three years, the annual interest rate of 4.00% and the due date of 29 January 2027.

h: On 18 March 2024, the Company issued RMB0.4 billion of private placement corporate bonds with the duration of three years, the annual interest rate of 4.00% and the due date of 18 March 2027.

i: On 18 March 2024, the Company issued RMB0.4 billion of private placement corporate bonds with the duration of three years, the annual interest rate of 4.03% and the due date of 18 March 2027.

Note 2: OCT Group provided full-amount, unconditional and irrevocable joint and several liabilities guarantee for the due payment of the public and private offering of corporate bonds.

36. Lease liabilities

Item	Closing balance	Opening balance
Lease liabilities	216,913,078.79	212,244,920.84
Less: Lease liabilities due within one year (see Note VI-32)	50,971,866.23	52,026,101.92
Total	165,941,212.56	160,218,818.92

37. Long-term payables

Item	Closing balance	Opening balance
Payables for equipment	5,488,624.85	6,823,209.13
Less: Unrecognised financing expenses	390,942.07	545,824.62
Less: Amount due within one year (see Note VI-32)	140,336.20	141,650.44
Total	4,957,346.58	6,135,734.07

38. Long-term payroll payables

Item	Closing balance	Opening balance
Termination benefits-net liabilities of defined contribution plans	4,661,069.67	4,718,466.37

Item	Closing balance	Opening balance
Total	4,661,069.67	4,718,466.37

39. Estimated liabilities

Item	Closing balance	Opening balance	Cause(s)
Pending litigation	206,591.51	206,591.51	
Discard expenses	1,684,347.81	1,644,068.13	
Product quality assurance	120,667,033.32	101,726,574.07	After-sales of household appliances
Performance compensation	200,942,606.09	200,942,606.09	
Total	323,500,578.73	304,519,839.80	

40. Deferred revenue

(1) Category of deferred income

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Cause(s)
Government grants	425,135,237.90	15,638,700.00	32,082,830.68	408,691,107.22	Related to assets/income
Total	425,135,237.90	15,638,700.00	32,082,830.68	408,691,107.22	

(2) Government subsidy items

Government subsidy items	Opening balance	Subsidies increased in the current period	Amount recognised as non-operating income in the current period	Amount recognised as other income in the current period	Other changes	Closing balance	Related to assets/income
Headquarters 8K device-side R&D project of Konka Group	22,424,922.40	3,000,000.00		1,064,187.26		24,360,735.14	Related to assets
Plant construction subsidy for Yibin Konka Industrial Park	103,545,436.45			1,159,766.16		102,385,670.29	Related to assets
Plant decoration subsidy for Yibin Konka Industrial Park	10,074,508.36			719,607.72		9,354,900.64	Related to assets
Equipment subsidy for Konka Xinyun Semiconductor (Yancheng)	9,696,681.53			449,675.04		9,247,006.49	Related to income
Returned payments for land by Chongqing Konka	17,934,545.55			196,363.62		17,738,181.93	Related to assets

Government subsidy items	Opening balance	Subsidies increased in the current period	Amount recognised as non-operating income in the current period	Amount recognised as other income in the current period	Other changes	Closing balance	Related to assets/income
Medical waste centralised treatment project in Gaoxian County, Yibin City	29,150,950.10			865,869.78		28,285,080.32	Related to assets
Other government subsidies related to assets/income	232,308,193.51	12,638,700.00		13,627,361.10	14,000,000.00	217,319,532.41	Related to assets/income
Total	425,135,237.90	15,638,700.00		18,082,830.68	14,000,000.00	408,691,107.22	

41. Other non-current liabilities

Item	Closing balance	Opening balance
Contract liabilities over one year	205,172,360.96	179,996,351.33
Total	205,172,360.96	179,996,351.33

42. Share capital

Item	Opening balance	Increase/decrease (+/-) in the current period					Closing balance
		New shares issued	Bonus issue	Bonus issue from profit	Others	Subtotal	
Total shares	2,407,945,408.00						2,407,945,408.00

43. Capital reserves

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Other capital surplus	526,499,506.76	6,498,827.39	11,288,034.03	521,710,300.12
Total	526,499,506.76	6,498,827.39	11,288,034.03	521,710,300.12

Note: Capital surplus for the Reporting Period--other capital surplus increase and decrease due to the main reasons:

①The associated enterprise Wuhan Tianyuan Environmental Protection Co., Ltd. issued conversion of convertible bonds, resulting in a decrease in other capital surplus of RMB11,288,034.03.

②The equity incentives of the associated enterprise Hefei KONSEMI Storage Technology Co., Ltd. resulted in an increase in other capital surplus of RMB6,498,827.39.

44. Other comprehensive income

Item	Beginning of the period		Amount incurred in the current period					End of the period
	Balance	Amount incurred before income tax in the current period	Less: Amount recognised as other comprehensive income in the previous period and transferred to profit or loss in the Reporting Period	Less: Amount recognised as other comprehensive income in the previous period and transferred to retained earnings in the Reporting Period	Less: Income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	Balance
I. Other comprehensive income that cannot be reclassified as profits or losses	-6,398,878.20							-6,398,878.20
Changes in the fair value of other equity instrument investments	-6,398,878.20							-6,398,878.20
Others								
II. Other comprehensive income reclassified as profits and losses	-7,044,680.24	-2,253,474.92				-681,509.64	-1,571,965.28	-7,726,189.88
Including: Other comprehensive income that can be transferred to profits or losses under the equity method	-4,115,978.90	-83,919.23				-83,919.23		-4,199,898.13
Exchange difference on translating foreign	-2,928,701.34	-2,169,555.69				-597,590.41	-1,571,965.28	-3,526,291.75

Item	Beginning of the period		Amount incurred in the current period					End of the period
	Balance	Amount incurred before income tax in the current period	Less: Amount recognised as other comprehensive income in the previous period and transferred to profit or loss in the Reporting Period	Less: Amount recognised as other comprehensive income in the previous period and transferred to retained earnings in the Reporting Period	Less: Income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	Balance
operations								
Total of other comprehensive income	-13,443,558.44	-2,253,474.92				-681,509.64	-1,571,965.28	-14,125,068.08

45. Special reserve

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production fund	4,657,488.24	2,537,402.71	579,353.59	6,615,537.36
Total	4,657,488.24	2,537,402.71	579,353.59	6,615,537.36

46. Surplus reserves

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	1,005,961,774.19			1,005,961,774.19
Discretionary surplus reserves	238,218,590.05			238,218,590.05
Total	1,244,180,364.24			1,244,180,364.24

47. Unappropriated profit

Item	The current period	Last period
Balance as at the end of last period	1,474,561,975.85	3,638,352,029.02
Add: Total beginning balance of retained earnings before adjustments		
Including: Changes in accounting policies		
Opening balance of current period	1,474,561,975.85	3,638,352,029.02
Add: Net profit attributable to owners of the parent company in the current period	-1,087,581,842.55	-2,163,790,053.17
Less: Appropriation of statutory surplus reserves		
Ordinary share dividends payable		
Closing balance of the current period	386,980,133.30	1,474,561,975.85

48. Operating revenue and cost of sales

(1) Operating income and operating costs

Item	Amount incurred in the current period		Amount incurred last period	
	Income	Cost	Income	Cost
Principal business	5,085,252,685.02	4,774,748,009.74	9,989,383,650.13	9,658,914,170.75
Other business	327,277,687.45	235,221,605.28	482,677,521.81	420,429,613.36

Item	Amount incurred in the current period		Amount incurred last period	
Total	5,412,530,372.47	5,009,969,615.02	10,472,061,171.94	10,079,343,784.11

(2) Information on the breakdown of operating revenue and cost of sales

Category of contracts	Operating income	Operating expenses
Business type		
Of which: Consumer appliances business	2,247,070,655.48	2,014,585,214.49
Colour TV business	2,115,790,827.61	2,069,113,672.93
PCB business	231,558,538.52	201,913,961.50
Semiconductor and memory chip business	82,962,696.19	104,195,917.13
Other business	735,147,654.67	620,160,848.97
Total	5,412,530,372.47	5,009,969,615.02
Classified by operating region		
Of which: Domestic	4,046,161,239.69	3,696,751,585.18
Overseas	1,366,369,132.78	1,313,218,029.84
Total	5,412,530,372.47	5,009,969,615.02

(3) Information in relation to the trade price apportioned to the residual contract performance obligation

The amount of revenue corresponding to performance obligations that have been contracted but have not yet been fulfilled or completed at the end of the period is RMB1,061,116,290.83, of which RMB885,586,483.67 is expected to be recognised as revenue in 2024, and the remaining RMB175,529,807.16 is expected to be recognised as revenue in 2025 and following years.

49. Taxes and surcharges

Item	Amount incurred in the current period	Amount incurred last period
Stamp duty	20,423,713.44	17,006,122.55
Land use tax	10,267,616.69	8,628,212.80
Property tax	22,000,493.47	9,429,982.31
City maintenance & construction tax	3,736,313.54	3,916,672.25
Educational surcharge	1,783,117.24	1,795,764.31
Local educational surcharge	1,124,579.62	1,197,136.14

Item	Amount incurred in the current period	Amount incurred last period
Water resources fund	466,801.02	474,599.45
Others	4,890,300.09	270,476.72
Total	64,692,935.11	42,718,966.53

50. Selling expenses

Item	Amount incurred in the current period	Amount incurred last period
Employee benefits	179,816,426.03	171,827,349.50
Advertising expense	58,845,808.44	114,639,309.81
Warranty fee	97,656,311.72	80,388,332.75
Promotional activities	81,436,139.43	95,664,759.55
Logistic Fee	36,650,239.62	41,136,310.25
Travel expenses	10,047,637.20	9,554,537.27
Lease expense	4,534,869.11	5,281,279.82
Entertainment fees	5,092,642.27	6,056,077.13
Exhibition expenses	3,678,606.92	5,525,688.44
Taxes and fund		549,965.00
Others	17,617,773.52	27,913,056.01
Total	495,376,454.26	558,536,665.53

51. Administration expenses

Item	Amount incurred in the current period	Amount incurred last period
Employee benefits	154,300,923.47	201,752,601.81
Depreciation charges	112,987,437.91	103,962,882.38
Intermediary fees	10,762,242.10	20,680,100.93
Travel expenses	3,069,025.63	6,391,903.53
Water and electricity expenses	6,470,775.15	5,169,402.73
Loss on scraping of inventories	544,223.62	580,512.03
Others	27,811,392.14	51,707,164.36
Total	315,946,020.02	390,244,567.77

52. R&D expense

Item	Amount incurred in the current period	Amount incurred last period
Salary	112,601,611.50	125,331,251.82
Depreciation and amortisation charge	55,043,697.25	52,673,986.51
New product trial production expense	13,867,547.29	12,377,094.01
Material expense	9,254,000.43	17,796,228.66
Commission service fee	222,156.14	2,048,184.94
Testing expense	2,797,313.59	3,249,155.22
Information use fee	369,876.67	360,938.22
Others	20,421,823.94	23,197,053.73
Total	214,578,026.81	237,033,893.11

53. Finance costs

Item	Amount incurred in the current period	Amount incurred last period
Interest expense	407,018,728.71	432,772,700.64
Less: Interest income	116,244,724.79	123,908,981.38
Add: Exchange loss	-25,405,623.27	-133,558,528.06
Other expenses	15,543,995.01	23,770,433.30
Total	280,912,375.66	199,075,624.50

54. Other income

Resources	Amount incurred in the current period	Amount incurred last period
Support funds	13,782,260.00	70,000,000.00
Rewards and subsidies	22,036,812.48	23,457,361.87
Transfer of deferred income	18,082,830.68	38,449,192.67
Software tax refund	1,596,783.94	3,434,829.42
Post subsidies	110,985.80	541,457.45
Subsidies for L/C exports	1,158,714.67	2,034,374.00
Tax rebates and refunds	56,768,387.57	137,917,215.41

55. Investment income

Item	Amount incurred in the current period	Amount incurred last period
Returns on long-term equity investments calculated by the equity method	-41,296,057.12	-30,242,661.05
Return on investment arising from the disposal of long-term equity investments	2,450,000.00	188,118,447.66
Conversion of long-term equity investments accounted for by the equity method to financial assets		574,780,174.75
Income from remeasurement of residual stock rights at fair value after losing control power		51,474,909.15
Interest income from debt investments during the holding period	9,640,886.02	36,609,075.35
Return on investment in the financial assets held for trading during the holding period	4,240,444.62	9,383,976.00
Income from the derecognition of financial assets at amortized cost	-1,970,677.82	
Investment income from disposal of financial assets at fair value through profit or loss	11,456.91	-3,794,910.98
Others	31,971,391.61	500,000.00
Total	5,047,444.22	826,829,010.88

56. Income from changes in the fair value

Sources of income from changes in the fair value	Amount incurred in the current period	Amount incurred last period
Financial assets at fair value through profit or loss	-179,800,523.76	-132,580,077.43
Total	-179,800,523.76	-132,580,077.43

57. Credit impairment loss

Item	Amount incurred in the current period	Amount incurred last period
Bad debt loss of notes receivable	-16,435.60	6,446,862.01
Bad debt loss of accounts receivable	-25,990,993.24	-50,164,953.87
Bad debt loss of other accounts receivable	-137,072,004.34	-96,474,587.50
Total	-163,079,433.18	-140,192,679.36

58. Impairment losses on assets

Item	Amount incurred in the current period	Amount incurred last period
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Item	Amount incurred in the current period	Amount incurred last period
Inventory depreciation loss and contract performance cost impairment loss	-81,109,796.34	-15,274,484.20
Impairment loss of long-term equity investments	-245,911.63	
Impairment loss on fixed assets	-10,646,284.08	
Contractual asset impairment loss	-10,874.90	-9,012.56
Total	-92,012,866.95	-15,283,496.76

59. Asset disposal income ("-" for loss)

Item	Amount incurred in the current period	Amount incurred last period	Amount recorded into the non-recurring profit or loss of current period
Incomes from disposal of held-for-sale assets			
Incomes from disposal of non-current assets	590,329.38	64,713.62	590,329.38
Including: incomes from disposal of non-current assets not classified as held-for-sale assets	590,329.38	64,713.62	590,329.38
Including: Fixed assets disposal income	54,072.55	-195,494.55	54,072.55
Intangible assets disposal income		18,588.36	
Income from disposal of construction in progress			
Right-of-use assets disposal income	536,256.83	241,619.81	536,256.83
Income from non-monetary assets exchange			
Income from disposal of non-current assets in debt restructuring			
Total	590,329.38	64,713.62	590,329.38

60. Non-operating income

(1) List of Non-operating Income

Item	Amount incurred in the current period	Amount incurred last period	Amount recorded into the non-recurring profit or loss of current period
Compensation and penalty income	3,092,879.89	2,522,169.54	3,092,879.89
Government grants not related to the ordinary activities of the enterprise		8,708,660.28	
Non-current assets damage and retirement gains	7,433.54	450.00	7,433.54
Others	12,673,210.46	6,094,337.36	12,673,210.46
Total	15,773,523.89	17,325,617.18	15,773,523.89

(2) Government subsidies recorded in profit or loss of the current period

The Company had no government subsidies recorded in profit or loss in the current period.

61. Non-operating expenses

Item	Amount incurred in the current period	Amount incurred last period	Amount recorded into the non-recurring profit or loss of current period
Losses on damage and scraping of non-current assets	2,221,846.15	1,419,908.80	2,221,846.15
Compensation expense	294,044.54	54,800.00	294,044.54
Others	3,639,914.15	2,851,899.22	3,639,914.15
Total	6,155,804.84	4,326,608.02	6,155,804.84

62. Income tax expense

(1) Income tax expense

Item	Amount incurred in the current period	Amount incurred last period
Income tax expense in the current period	7,537,422.29	27,239,426.46
Deferred income tax expense	-58,813,265.42	-43,950,094.04
Total	-51,275,843.13	-16,710,667.58

(2) Adjustment process of accounting profits and income tax expenses

Item	Amount incurred in the current period
Total consolidated profit in the current period	-1,331,813,998.08
Income tax expense calculated at legal/applicable tax rate	-332,953,499.52

Item	Amount incurred in the current period
Impact of different tax rates applied by subsidiaries	49,670,857.48
Impact of income tax in the periods before adjustment	2,029,136.42
Impact of non-taxable income	-1,326,854.19
Impacts of non-deductible costs, expenses, and losses	6,364,150.59
Impact of using deductible losses on the deferred tax assets not recognised previously	-3,249,242.62
Impact of deductible temporary differences or deductible losses of deferred tax assets not recognised in the current period	232,204,752.55
Changes in the balance of deferred income tax assets/liabilities in previous period due to adjustment of tax rate	
Others	-4,015,143.83
Income tax expense	-51,275,843.13

63. Other comprehensive income

For details, please refer to "Note VI-44 Other comprehensive income".

64. Items in the cash flow statement

(1) Cash related to operating activities

1) Other cash received related to operating activities

Item	Amount incurred in the current period	Amount incurred last period
Income from government subsidies	48,053,764.37	196,790,552.27
Front money and guarantee deposit	46,360,237.95	107,899,740.15
Trading funds	30,412,346.71	45,235,678.79
Interest income from bank deposits	42,714,837.97	49,564,086.35
Compensation and penalty income	7,630,486.32	8,691,566.66
Others	35,512,873.11	26,051,273.52
Total	210,684,546.43	434,232,897.74

2) Other cash paid related to operating activities

Item	Amount incurred in the current period	Amount incurred last period
Cash payment fee	402,018,344.95	535,602,399.78

Item	Amount incurred in the current period	Amount incurred last period
Deposit and margin	44,313,952.61	146,237,387.07
Payment made on behalf	124,940.56	5,640,757.14
Expense for bank handling charges	2,373,726.27	2,735,395.17
Others	16,687,924.10	65,077,290.21
Total	465,518,888.49	755,293,229.37

(2) Cash related to investment activities

1) Significant cash received related to investment activities

Item	Amount incurred in the current period	Amount incurred last period
Recovery of loan at call	10,535,206.45	382,971,149.03
Total	10,535,206.45	382,971,149.03

2) Significant cash paid related to investment activities

Item	Amount incurred in the current period	Amount incurred last period
Payment of loan at call		310,116,949.03
Total		310,116,949.03

3) Other cash received related to investment activities

Item	Amount incurred in the current period	Amount incurred last period
Recovery of loan at call	10,535,206.45	382,971,149.03
Cash received from acquisition of subsidiaries		
Others	12,609,773.16	46,988,449.65
Total	23,144,979.61	429,959,598.68

4) Other cash paid related to investment activities

Item	Amount incurred in the current period	Amount incurred last period
Payment of loan at call		310,116,949.03
Cash paid for disposal of subsidiaries		
Others	2,127,401.00	161,037,718.80

Item	Amount incurred in the current period	Amount incurred last period
Total	2,127,401.00	471,154,667.83

(3) Cash related to financing activities

1) Other proceeds received related to financing activities

Item	Amount incurred in the current period	Amount incurred last period
Recovery of margin deposit pledged	354,016,478.39	219,929,641.72
Receiving loan at call		50,370,200.00
Others		
Total	354,016,478.39	270,299,841.72

2) Other cash paid related to financing activities

Item	Amount incurred in the current period	Amount incurred last period
Deposit as margin for pledge	663,728,905.41	401,172,422.54
Cash paid for leases	21,561,318.50	62,969,375.44
Retuning loan at call	17,268,436.34	1,870,614.17
Financing cost	13,578,122.88	20,729,450.01
Others	4,101,071.57	
Total	720,237,854.70	486,741,862.16

3) Changes in liabilities arising from financing activities

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Non-current liabilities due within one year	5,314,147,396.36		3,554,889,000.05	4,420,572,739.53	847,524,249.31	3,600,939,407.57
Short-term loans	6,390,592,056.27	4,722,488,141.61	95,250,537.68	4,698,063,104.58	180,000.03	6,510,087,630.95
Long-term loans	7,779,150,079.88	2,399,991,403.90	220,066,042.50	474,380,098.93	2,719,039,089.72	7,205,788,337.63
Bonds payable	2,426,992,578.67	2,292,640,000.00	916,756,951.59	8,495,261.95	830,985,555.48	4,796,908,712.83
Lease liabilities	160,218,818.92		38,146,433.42	18,785,621.02	13,638,418.76	165,941,212.56
Long-term payables	6,135,734.07		156,196.78	1,156,606.99	177,977.28	4,957,346.58
Total	22,077,236,664.17	9,415,119,545.51	4,825,265,162.02	9,621,453,433.00	4,411,545,290.58	22,284,622,648.12

(4) Notes to the presentation of cash flows on a net basis

No cash flows were presented on a net basis in the current period.

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

Item	Amount incurred in the current period
Payment for materials made by endorsement of notes receivable	1,011,509,768.95
Acquisition of long-term assets by endorsement of notes receivable	47,756,919.89
Other payments made by endorsement of notes receivable	86,393,313.21

65. Supplementary data on the statements of cash flows

(1) Supplementary data on the statements of cash flows

Item	Amount of current period	Amount of last period
1. Reconciliation of net profit to cash flows from operating activities:	—	—
Net profit	-1,280,538,154.95	-328,427,966.51
Add: Provision for asset impairment	92,012,866.95	15,283,496.76
Credit impairment loss	163,079,433.18	140,192,679.36
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	229,778,679.61	217,019,718.21
Depreciation of right-of-use assets	28,010,441.12	11,748,166.57
Amortisation of intangible assets	25,884,982.90	26,128,581.85
Amortisation of long-term prepaid expense	68,829,106.66	62,948,271.42
Losses on disposal of fixed assets, intangible assets and other long-lived assets (" " indicates income)	-590,329.38	-64,713.62
Losses on scrap of fixed assets (" " indicates income)	2,214,412.61	1,419,458.80
Losses on changes in fair value (" " indicates income)	179,800,523.76	132,580,077.43
Finance costs (" " indicates income)	354,429,278.33	383,689,359.03
Investment loss (" " indicates income)	-5,047,444.22	-826,829,010.88
Decrease in deferred income tax assets (" " indicates increase)	-13,013,812.53	-154,867,914.83
Increase in deferred income tax liabilities (" "	-45,799,452.88	110,917,820.79

Item	Amount of current period	Amount of last period
indicates decrease)		
Decrease in inventories (" " indicates increase)	-286,354,098.48	-265,531,923.08
Decrease in accounts receivable generated from operating activities (" " indicates increase)	106,159,668.41	13,821,648.87
Increase in accounts payable used in operating activities (" " indicates decrease)	-40,111,635.54	296,871,337.26
Others	-18,082,830.68	-38,449,192.67
Net cash flows from operating activities	-439,338,365.13	-201,550,105.24
2. Significant investment and financing activities not involving cash		
Conversion of liabilities into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
3. Net changes in cash and cash equivalents:		
Balance of cash at the end of the period	4,378,374,510.08	6,030,068,656.57
Less: Opening balance of cash	5,674,784,349.55	5,461,912,010.90
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-1,296,409,839.47	568,156,645.67

(2) Net cash paid for the acquisition of subsidiaries in the current period

No such cases in the Reporting Period.

(3) Net cash received for the disposal of subsidiaries in the current period

No such cases in the Reporting Period.

(4) Composition of cash and cash equivalents

Item	Closing balance	Opening balance
Cash	4,378,374,510.08	5,674,784,349.55
Including: Cash on hand		469.28
Bank deposits available for payment at any time	4,375,229,927.84	5,672,034,875.67
Other monetary funds available for payment at any time	3,144,582.24	2,749,004.60

Item	Closing balance	Opening balance
Balance of cash and cash equivalents at the end of the period	4,378,374,510.08	5,674,784,349.55

(5) Presentation of cash and cash equivalents with restricted use

Item	Amount of current period	Amount of last period	Reasons for classifying the funds as cash and cash equivalents
Project loan proceeds	22,487,519.50	20,347,896.55	The proceeds can be used at any time to make payments, and such payments can only be made for projects
Project pre-sale funds	18,266,154.30	22,377,807.75	The proceeds can be used at any time to make payments, and such payments can only be made for projects
Total	40,753,673.80	42,725,704.30	—

(6) Monetary funds not classified as cash and cash equivalents

Item	Amount of current period	Amount of last period	Reasons for not classifying the funds as cash and cash equivalents
Cash deposit	441,866,862.11	440,390,112.54	It is pledged for borrowing or deposit for issuance of banker acceptance
Time deposits	469,680,000.00	226,700,000.00	The management intends to hold the deposits to maturity
Frozen funds	224,449,207.24	211,180,037.05	Not readily available for payment
Total	1,135,996,069.35	878,270,149.59	—

66. Items in the Statement of Changes in Shareholders' Equity

No "other" amount in the closing amount of last year was adjusted in the current period.

67. Foreign currency monetary items

(1) Foreign currency monetary items

Item	Period-end foreign currency balance	Exchange rate	Period-end balance denominated in RMB
Monetary assets			
Including: USD	66,033,733.90	7.1268	470,609,214.76

Item	Period-end foreign currency balance	Exchange rate	Period-end balance denominated in RMB
EUR	102,467.40	7.6617	785,074.48
EGP	55,989,392.53	0.1484	8,307,832.66
GBP	1.32	9.0430	11.94
HKD	3,461,326.45	0.9127	3,159,083.42
CAD	6.96	5.2274	36.38
PLN	3,231,330.02	1.7689	5,715,829.73
Accounts receivable			
Including: USD	83,486,351.12	7.1268	594,990,527.16
EUR	439,537.80	7.6617	3,367,606.76
EGP	2,131.64	0.1484	316.30
HKD	57,955,633.95	0.9127	52,894,947.99
AUD	49,764.00	4.7992	238,827.39
Accounts payable			
Including: USD	5,750,797.03	7.1268	40,984,780.27
HKD	923,023.67	0.9127	842,425.24
Other accounts receivable			
Including: USD	108,427,213.73	7.1268	772,739,066.81
EGP	108,000.00	0.1484	16,025.28
HKD	1,028,048.88	0.9127	938,279.65
JPY	21,400,000.00	0.0501	1,072,011.60
Accounts payable			
Including: USD	33,913,641.95	7.1268	241,695,743.45
EUR	48,742.86	7.8771	383,952.38
EGP	44,720,358.59	0.2338	10,457,617.06
HKD	906,393.76	0.9127	827,247.46
Other payables			
Including: USD	4,401,044.69	7.1268	31,365,365.30
EUR	152,526.56	7.6617	1,168,612.74
EGP	411,311.00	0.2338	96,182.88

Item	Period-end foreign currency balance	Exchange rate	Period-end balance denominated in RMB
HKD	2,161,652.99	0.9127	1,972,897.45

(2) Overseas entities

The significant overseas entities include Hongdin Trading, Hong Kong Konka, Chain Kingdom Memory Technologies, Kangjietong, Jiali International, and Kowin Memory (Hong Kong). The main overseas operating place is Hong Kong. The Company's recording currency is HKD since the main currency in circulation in Hong Kong is HKD.

VII. R&D expenditures

Item	Amount incurred in the current period	Amount incurred last period
Salary	112,601,611.50	125,331,251.82
Depreciation and amortisation charge	55,043,697.25	52,673,986.51
New product trial production expense	13,867,547.29	12,377,094.01
Material expense	9,254,000.43	17,796,228.66
Commission service fee	222,156.14	2,048,184.94
Testing expense	2,797,313.59	3,249,155.22
Information use fee	369,876.67	360,938.22
Others	20,421,823.94	23,197,053.73
Total	214,578,026.81	237,033,893.11
Including: Expensed R&D expenditure	214,578,026.81	237,033,893.11
Capitalised R&D expenditure		

VIII. Changes in the Scope of Consolidation

1. Combinations of businesses not under common control

The Company had no combinations of businesses not under common control in the Reporting Period.

2. Combinations of businesses under common control

The Company had no combinations of businesses under common control in the Reporting Period.

3. Disposal of subsidiaries

No such cases in the Reporting Period.

4. Changes in the scope of consolidation due to other reasons

(1) Subsidiaries established in the current period

No subsidiaries were established in the current period.

(2) Subsidiaries cancelled in the current period

Subsidiary	Registered capital (RMB'0,000)	Shareholding percentage (%)	Liquidation completion time
Chengdu Anren	500.00	51.00	28 April 2024
Wankaida	1,000.00	100.00	22 January 2024
Konka Intelligent Manufacturing	2,000.00	51.00	29 February 2024

(3) Other

On 29 February 2024, the People's Court of Ganjingzi District, Dalian, Liaoning Province issued a civil ruling stipulating that the bankruptcy and liquidation application submitted by the Company's subsidiary Konka Huanjia shall be accepted, and relevant assets were officially handed over to the receiver on 14 March 2024. The control over them has been transferred, and the assets are no longer included in the scope of consolidation.

IX. Interests in other entities

1. Interests in subsidiaries

(1) Composition of the business group

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
1	Konka Ventures	Guangdong, Shenzhen	Guangdong, Shenzhen	Enterprise management consulting, incubation management, housing leasing, etc.	51		Establishment or investment
2	Yantai Konka	Shandong, Yantai	Shandong, Yantai	Other professional consultation and investigation		51	Establishment or investment
3	Konka Enterprise Service	Guizhou, Guiyang	Guizhou, Guiyang	Enterprise management consulting		51	Establishment or investment
4	Yibin Konka Incubator	Sichuan, Yibin	Sichuan, Yibin	Commercial services		51	Establishment or investment
5	Anhui Konka	Anhui, Chuzhou	Anhui, Chuzhou	Manufacturing	78		Establishment or investment
6	Kangzhi Trade	Anhui, Chuzhou	Anhui, Chuzhou	Wholesale		78	Establishment or investment
7	Konka Electronic Materials	Guangdong, Shenzhen	Guangdong, Shenzhen	Other science and technology promotion services	100		Establishment or investment
8	Konka Unifortune	Guangdong, Shenzhen	Guangdong, Shenzhen	Trade and services	51		Establishment or investment
9	Jiali International	China, Hong Kong	China, Hong Kong	Trade and services		51	Establishment or investment
10	Dongguan Konka	Guangdong, Dongguan	Guangdong, Dongguan	Manufacturing	75	25	Establishment or investment
11	Suining Konka Smart	Sichuan, Suining	Sichuan, Suining	Wholesale		100	Establishment or investment
12	Konka Europe	Germany, Frankfurt	Germany, Frankfurt	International trade	100		Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
13	Telecommunication Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Manufacturing	75	25	Establishment or investment
14	Konka Mobility	China, Hong Kong	China, Hong Kong	Commerce		100	Establishment or investment
15	Mobile Interconnection	Guangdong, Shenzhen	Guangdong, Shenzhen	Commerce	100		Establishment or investment
16	Sichuan Konka	Sichuan, Yibin	Sichuan, Yibin	Manufacturing		100	Establishment or investment
17	Yibin Smart	Sichuan, Yibin	Sichuan, Yibin	Manufacturing		100	Establishment or investment
18	Anhui Tongchuang	Anhui, Chuzhou	Anhui, Chuzhou	Manufacturing	100		Establishment or investment
19	Anhui Electrical Appliance	Anhui, Chuzhou	Anhui, Chuzhou	Manufacturing		51	Establishment or investment
20	Frestec Refrigeration	Henan, Xinxiang	Henan, Xinxiang	Manufacturing		51	Establishment or investment
21	Frestec Smart Home	Henan, Xinxiang	Henan, Xinxiang	Manufacturing		51	Establishment or investment
22	Frestec Electrical Appliances	Henan, Xinxiang	Henan, Xinxiang	Manufacturing		51	Establishment or investment
23	Frestec Household Appliances	Henan, Xinxiang	Henan, Xinxiang	Manufacturing		51	Establishment or investment
24	Jiangsu Konka Smart	Jiangsu, Changzhou	Jiangsu, Changzhou	Manufacturing		51	Establishment or investment
25	Kangjiatong	Sichuan, Yibin	Sichuan, Yibin	Trade and services	100		Establishment or investment
26	Pengrun Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Trade and services	51		Establishment or investment
27	Jiixin Technology	China, Hong Kong	China, Hong Kong	Trade and services		51	Establishment or investment
28	Beijing Konka Electronic	Beijing	Beijing	Sale of home appliance	100		Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
29	Tianjin Konka	Tianjin Pilot Free Trade Zone	Tianjin Pilot Free Trade Zone	Service Industry		100	Establishment or investment
30	Konka Circuit	Guangdong, Shenzhen	Guangdong, Shenzhen	Manufacturing	100		Establishment or investment
31	Boluo Precision	Guangdong, Boluo	Guangdong, Boluo	Manufacturing		100	Establishment or investment
32	Boluo Konka	Guangdong, Boluo	Guangdong, Boluo	Manufacturing		100	Establishment or investment
33	Hong Kong Konka	China, Hong Kong	China, Hong Kong	International trade	100		Establishment or investment
34	Hongdin Invest	China, Hong Kong	China, Hong Kong	Investment holding		100	Establishment or investment
35	Chain Kingdom Memory Technologies	China, Hong Kong	China, Hong Kong	International trade		51	Establishment or investment
36	Zhongkang Semiconductor (Shaoxing)	Zhejiang, Shaoxing	Zhejiang, Shaoxing	Trade and services		51	Establishment or investment
37	Hongjet	China, Hong Kong	China, Hong Kong	Trade and services		51	Establishment or investment
38	Hongdin Trading	China, Hong Kong	China, Hong Kong	International trade		100	Establishment or investment
39	Kanghao Technology	Egypt, Cairo	Egypt, Cairo	International trade		67	Establishment or investment
40	Konka North America	America, California	America, California	International trade		100	Establishment or investment
41	Konka Investment	Guangdong, Shenzhen	Guangdong, Shenzhen	Capital market services	100		Establishment or investment
42	Yibin Konka Technology Park	Sichuan, Yibin	Sichuan, Yibin	Industrial park development and operation management		100	Establishment or investment
43	Konka Capital	Guangdong, Shenzhen	Guangdong, Shenzhen	Capital market services		100	Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
44	Konka Suiyong	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services		51	Establishment or investment
45	Shengxing Industrial	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services		51	Establishment or investment
46	Zhitong Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Software and information technology services		51	Establishment or investment
47	Electronics Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Manufacturing	100		Establishment or investment
48	Shenzhen Kangcheng	Guangdong, Shenzhen	Guangdong, Shenzhen	Software and information technology services		100	Establishment or investment
49	Xiaojia Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Retail trade		100	Establishment or investment
50	Haimen Konka	Jiangsu, Nantong	Jiangsu, Nantong	Trade and services		100	Establishment or investment
51	Chengdu Konka Smart	Sichuan, Chengdu	Sichuan, Chengdu	Trade and services		100	Establishment or investment
52	Chengdu Konka Electronic	Sichuan, Chengdu	Sichuan, Chengdu	Manufacturing		100	Establishment or investment
53	XingDa HongYe	Guangdong, Zhongshan	Guangdong, Zhongshan	Manufacturing		51	Establishment or investment
54	Liaoyang Kangshun Smart	Liaoning, Liaoyang	Liaoning, Liaoyang	Wholesale		100	Establishment or investment
55	Liaoyang Kangshun Renewable	Liaoning, Liaoyang	Liaoning, Liaoyang	Comprehensive utilization of renewable resources		100	Establishment or investment
56	Nanjing Konka	Jiangsu, Nanjing	Jiangsu, Nanjing	Wholesale		100	Establishment or investment
57	Shanghai Konka	Shanghai	Shanghai	Real estate	100		Establishment or investment
58	Yantai Kangjin	Shandong, Yantai	Shandong, Yantai	Real estate		62.8	Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
59	Jiangxi Konka	Jiangxi, Jiujiang	Jiangxi, Jiujiang	Manufacturing and processing	51		Establishment or investment
60	Xinfeng Microcrystalline	Jiangxi, Nanchang	Jiangxi, Nanchang	Manufacturing and processing		51	Establishment or investment
61	Shenzhen Nianhua	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services	100		Establishment or investment
62	Shenzhen KONSEMI	Guangdong, Shenzhen	Guangdong, Shenzhen	Semiconductors	100		Establishment or investment
63	Chongqing Konka	Chongqing	Chongqing	Software and information technology services		100	Establishment or investment
64	Konka Eco-Development	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services	51		Establishment or investment
65	Suining Konka Industrial Park	Sichuan, Suining	Sichuan, Suining	Industrial park development and operation management	100		Establishment or investment
66	Konka Ronghe	Zhejiang, Jiaxing	Zhejiang, Jiaxing	Wholesale and retail trade	51		Establishment or investment
67	Suining Electronic Technological Innovation	Sichuan, Suining	Sichuan, Suining	Commercial services	100		Establishment or investment
68	Shenzhen Chuangzhi Electrical Appliances	Guangdong, Shenzhen	Guangdong, Shenzhen	Wholesale	100		Establishment or investment
69	Chongqing Konka Optoelectronic Technology	Chongqing	Chongqing	Research & experiment development	70	5	Establishment or investment
70	Kowin Memory (Shenzhen)	Guangdong, Shenzhen	Guangdong, Shenzhen	Computer, telecommunications and other electronic equipment manufacturing	100		Establishment or investment
71	Konka Xinyun Semiconductor	Jiangsu, Yancheng	Jiangsu, Yancheng	Computer, telecommunications and other electronic equipment manufacturing		100	Establishment or investment
72	Jiangkang (Shanghai) Technology	Shanghai	Shanghai	Research & experiment development	51		Establishment or investment
73	Ningbo Kanghr Electrical	Zhejiang, Ningbo	Zhejiang, Ningbo	Electrical machinery and equipment	60		Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
	Appliance			manufacturing			
74	Suining Jiarun Property	Sichuan, Suining	Sichuan, Suining	Real estate	100		Establishment or investment
75	Yibin Kangrun	Sichuan, Yibin	Sichuan, Yibin	Ecological protection and environmental governance services	67		Establishment or investment
76	Hainan Konka Material Technology	Hainan, Haikou	Hainan, Haikou	Commercial services	100		Establishment or investment
77	Jiangxi High Transparent Substrate	Jiangxi, Jiujiang	Jiangxi, Jiujiang	Manufacturing and processing		51	Establishment or investment
78	Nantong Hongdin	Jiangsu, Nantong	Jiangsu, Nantong	Computer, telecommunications and other electronic equipment manufacturing		100	Establishment or investment
79	Chuzhou Konka	Anhui, Chuzhou	Anhui, Chuzhou	Manufacturing		94.9	Establishment or investment
80	Konka Soft Electronic	Sichuan, Suining	Sichuan, Suining	Manufacturing		97.5	Establishment or investment
81	Konka Hongye Electronics	Sichuan, Suining	Sichuan, Suining	Manufacturing		95.05	Establishment or investment
82	Kowin Memory (Hong Kong)	China, Hong Kong	China, Hong Kong	Wholesale of computers, software and auxiliary equipment		100	Establishment or investment
83	Konka Cross-border (Hebei)	Hebei, Handan	Hebei, Handan	Wholesale	100		Establishment or investment
84	Konka Huazhong	Hunan, Changsha	Hunan, Changsha	Commercial services	100		Establishment or investment
85	Yibin Kangrun Medical	Sichuan, Yibin	Sichuan, Yibin	Ecological protection and environmental governance services		63.65	Establishment or investment
86	Shanxi Konka Intelligent	Shanxi, Xi'an	Shanxi, Xi'an	Manufacture of household cleaning and sanitary electrical appliances		51	Establishment or investment
87	Chongqing Xinyuan Semiconductor	Chongqing	Chongqing	Science and technology promotion and application services		75	Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
88	Anlu Konka	Hubei, Anlu	Hubei, Anlu	Software and information technology services		100	Establishment or investment
89	Kanghong Dongsheng	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services		95.09	Establishment or investment
90	Guizhou Konka New Material Technology	Guizhou, Qiannan Buyi and Miao Autonomous Prefecture	Guizhou, Qiannan Buyi and Miao Autonomous Prefecture	Manufacturing and processing		51	Establishment or investment
91	Guangdong Xinwei	Guangdong, Lvfang	Guangdong, Lvfang	Semiconductors		100	Establishment or investment
92	Guizhou Kangui Material Technology	Guizhou, Qiannan Buyi and Miao Autonomous Prefecture	Guizhou, Qiannan Buyi and Miao Autonomous Prefecture	Manufacturing and processing	70		Establishment or investment
93	Nantong Kanghai	Jiangsu, Nantong	Jiangsu, Nantong	Real estate	51		Establishment or investment
94	Chongqing Kangyiyun	Chongqing	Chongqing	Real estate	80		Establishment or investment
95	Jiangxi Konka High-tech Park	Jiangxi, Shangrao	Jiangxi, Shangrao	Commercial services	100		Establishment or investment
96	Shangrao Konka Electronic Technology Innovation	Jiangxi, Shangrao	Jiangxi, Shangrao	Research & experiment development	100		Establishment or investment
97	Guizhou Konka New Energy	Guizhou, Kaili	Guizhou, Kaili	Manufacture of non-metallic mineral products		98	Establishment or investment
98	Zhejiang Konka Electronic	Zhejiang, Shaoxing	Zhejiang, Shaoxing	Research & experiment development	100		Establishment or investment
99	Zhejiang Konka Technology Industry	Zhejiang, Shaoxing	Zhejiang, Shaoxing	Commercial services	51	49	Establishment or investment
100	Xi'an Konka Intelligent	Shanxi, Xi'an	Shanxi, Xi'an	Wholesale		51	Establishment or investment
101	Xi'an Konka Network	Shanxi, Xi'an	Shanxi, Xi'an	Computer, telecommunications and other		100	Establishment or investment

No.	Subsidiary	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Acquisition method
					Direct	Indirect	
				electronic equipment manufacturing			
102	Xi'an Kanghong Technology Industry	Shanxi, Xi'an	Shanxi, Xi'an	Commercial services	40	60	Establishment or investment
103	Xi'an Konka Intelligent Technology	Shanxi, Xi'an	Shanxi, Xi'an	Retail trade	100		Establishment or investment
104	Anhui Konka Low Carbon	Anhui, Ma'anshan	Anhui, Ma'anshan	Wholesale		55	Establishment or investment
105	Kanghong Xintong	Guangdong, Shenzhen	Guangdong, Shenzhen	Commercial services		95.09049	Establishment or investment
106	Songyang Industry Operation	Zhejiang, Lishui	Zhejiang, Lishui	Software and information technology services		51	Establishment or investment
107	Kangyan Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Computer, telecommunications and other electronic equipment manufacturing		100	Establishment or investment
108	Konka Photovoltaic Technology	Zhejiang, Hangzhou	Zhejiang, Hangzhou	Science and technology promotion and application services		60	Establishment or investment
109	Songyang Konka Intelligent	Zhejiang, Lishui	Zhejiang, Lishui	Wholesale	100		Establishment or investment
110	Konka North China	Tianjin	Tianjin	Electrical machinery and equipment manufacturing	100		Establishment or investment
111	Digital Technology	Guangdong, Shenzhen	Guangdong, Shenzhen	Software and information technology services		100	Establishment or investment

(2) Major non-wholly-owned subsidiaries

Subsidiary	Shareholding of minority shareholders	Profit or loss attributable to minority shareholders in the current period	Dividends declared to be distributed to minority shareholders in the current period	Closing balance of minority shareholders' equities

Anhui Konka Electronic Co., Ltd.	22.00%	1,640,884.45		109,418,450.03
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(3) Key financial data on major non-wholly-owned subsidiaries

Subsidiary	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Anhui Konka Electronic Co., Ltd.	2,971,965,145.27	848,965,358.81	3,820,930,504.08	3,103,220,127.80	166,769,283.06	3,269,989,410.86

(Continued)

Subsidiary	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Anhui Konka Electronic Co., Ltd.	1,603,653,502.77	871,575,618.36	2,475,229,121.13	1,774,223,005.73	159,000,548.27	1,933,223,554.00

(Continued)

Subsidiary	Amount incurred in the current period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Anhui Konka Electronic Co., Ltd.	510,624,823.36	7,458,565.66	7,458,565.66	9,930,838.81

(Continued)

Subsidiary	Amount incurred last period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities

Subsidiary	Amount incurred last period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Anhui Konka Electronic Co., Ltd.	972,416,661.43	-12,062,430.83	-12,062,430.83	6,806,364.98

2. Interests in joint ventures or associated enterprises

(1) Major joint ventures or associated enterprises

Name of the joint venture or associated enterprise	Main place of business	Place of registration	Business nature	Shareholding percentage (%)		Accounting processing method for investment in joint ventures or associated enterprises
				Direct	Indirect	
Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	Zhuhai	Zhuhai	Investment management		49.95	Equity method
Shenzhen Jielunte Technology Co., Ltd.	Shenzhen	Shenzhen	Professional machinery manufacturing		42.79	Equity method

(2) Key financial data on significant associated enterprises

Item	Amount incurred at the end of the period/in the current period	
	Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	Shenzhen Jielunte Technology Co., Ltd.
Current assets	682,532,551.61	276,265,292.05
Non-current assets		375,613,432.02
Total assets	682,532,551.61	651,878,724.07
Current liabilities	10,026,785.45	283,099,134.56
Non-current liabilities		168,822,795.30
Total liabilities	10,026,785.45	451,921,929.86
Equities of minority shareholders		7,252,798.82
Equities attributable to shareholders of the parent company	672,505,766.16	192,703,995.39
Share of net assets calculated based on the shareholding	335,916,630.20	82,458,039.63
Adjustments		
- Goodwill		
- Internal unrealised profit		

Item	Amount incurred at the end of the period/in the current period	
	Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	Shenzhen Jielunte Technology Co., Ltd.
- Others		
Carrying value of equity investments in associated enterprises	335,916,630.20	82,458,039.63
Fair values of equity investments of joint ventures with quoted prices		
Operating income		165,625,501.64
Finance costs	-34,467.40	1,873,337.25
Income tax expense		4,233,127.86
Net profit	34,467.40	-18,219,902.67
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	34,467.40	-18,219,902.67
Dividends received from associated enterprises in the current year		

(Continued)

Item	Amount incurred at the beginning of the period/in last period	
	Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	Shenzhen Jielunte Technology Co., Ltd.
Current assets	686,882,241.74	274,817,240.18
Non-current assets		338,361,205.79
Total assets	686,882,241.74	613,178,445.97
Current liabilities	10,026,785.45	261,433,145.90
Non-current liabilities		133,388,974.62
Total liabilities	10,026,785.45	394,822,120.52
Equities of minority shareholders		9,322,847.51
Equities attributable to shareholders of the parent company	676,855,456.29	209,033,477.94
Share of net assets calculated based on the shareholding	338,089,300.42	94,917,575.00

Item	Amount incurred at the beginning of the period/in last period	
	Dongfang Jiakang No.1 (Zhuhai) Private Equity Investment Fund (LP)	Shenzhen Jielunte Technology Co., Ltd.
Adjustments		
- Goodwill		
- Internal unrealised profit		
- Others		
Carrying value of equity investments in associated enterprises	338,089,300.42	94,917,575.00
Fair values of equity investments of joint ventures with quoted prices		
Operating income		168,815,683.51
Finance costs	-284,133.17	1,539,262.28
Income tax expense		2,245,248.55
Net profit	25,641,054.77	-13,237,135.87
Net profit from discontinued operations		
Other comprehensive income		
Total comprehensive income	25,641,054.77	-13,237,135.87
Dividends received from associated enterprises in the current year		

(3) Combined financial data on insignificant joint ventures and associated enterprises

Item	Amount incurred at the end of the period/in the current period	Amount incurred at the beginning of the period/in last period
Associated enterprise		
Total carrying value of investment	5,075,226,991.71	5,133,476,987.87
The total of following items according to the shareholding proportions		
Net profit	-31,243,007.66	-37,153,622.36
Other comprehensive income	-83,919.23	
Total comprehensive income	-31,326,926.89	-37,153,622.36

X. Government grants

1. Liability items involving government subsidies

Account title	Opening balance	Subsidies increased in the current period	Amount recognised as non-operating income in the current period	Amount transferred to other incomes in the current period	Other changes in the current period	Closing balance	Related to assets/income
Deferred revenue	425,135,237.90	15,638,700.00		18,082,830.68	14,000,000.00	408,691,107.22	Related to assets/income

2. Government subsidies recognised as profit and loss of the Reporting Period

Account title	Amount incurred in the current period	Amount incurred last period
Other income	56,768,387.57	137,917,215.41

XI. Risks Related to Financial Instruments

The Group's main financial instruments include borrowings, accounts receivable, accounts payable, trading financial assets and liabilities, etc. Please refer to Note VI for detailed descriptions of various financial instruments. The risks related to these financial instruments and the risk management policies adopted by the Group to mitigate these risks are described below. The management of the Group manages and monitors these risk exposures to ensure that these risks are controlled within a limited scope.

1. Management objectives and policies for various risks

The Group's objective in engaging in the risk management is to achieve the proper balance between the risks and benefits, minimize the negative impact of these risks on the Company's operating results, and maximize the profits of shareholders and other equity investors. Based on the risk management goal, the basic strategy of the Company's risk management is determining and analyzing the various risks faced by the Company, setting up the bottom line of risk and conducting appropriate risk management, and timely supervising various risks in a reliable way and controlling the risk within the range of limit.

(1) Market risk

1) Exchange rate risk

Foreign exchange risk refers to the risks that may lead to losses due to fluctuation in exchange rate. The foreign exchange risk borne by the Group is related to USD. Except the procurement and sales in USD of the Company's subsidiaries Hong Kong Konka, Hongdin Trading, Chain Kingdom Memory Technologies, Hongjet and Jiali, the Group's other primary business activities are settled in RMB. The currency risk arising from the assets and liabilities of such balance in USD may affect the Group's operating results. As of 30 June 2024, the Group's assets and liabilities were mainly the balance in RMB except for the assets or liabilities of a balance in USD as listed below.

Item	Closing balance	Opening balance
Monetary assets	66,195,513.58	91,184,116.43
Accounts receivable	83,486,351.12	85,032,871.75
Other accounts receivable	108,427,213.73	110,836,591.33

Item	Closing balance	Opening balance
Other payables	4,820,283.44	3,453,133.32
Accounts payable	33,913,641.95	4,828,295.25

The Group pays close attention to the impact of exchange rate changes on the Group's foreign exchange risk, and requires major companies in the Group that purchase and sell in foreign currency to pay attention to the changes in foreign currency assets and liabilities, manage the Group's foreign currency net asset exposure in a unified way, implement single currency settlement, and reduce the scale of foreign currency assets and liabilities, so as to reduce foreign exchange risk exposure.

2) Interest rate risk

The Group bears interest rate risk due to interest rate changes of interest-bearing financial assets and liabilities. The Group's interest bearing financial assets are mainly bank deposits, of which the majority of the variable interest rates are short-term in nature, while the interest bearing financial liabilities are mainly bank borrowings and corporate bonds. The Group's long-term bank borrowings and corporate bonds are at fixed interest rates. The risk of cash flow changes of financial instruments caused by interest rate changes is mainly related to short-term bank borrowings with floating interest rates. The Group's policy is to maintain the floating interest rates of such borrowings to eliminate the fair value risk of interest rate changes. As of 30 June 2024, the balance of such short-term borrowings was RMB6,510,087,630.95.

(2) Credit risk

As of 30 June 2024, the maximum credit risk exposure that may cause financial losses to the Group mainly came from losses generated from the Group's financial assets due to failure of the other party to a contract to perform its obligations and the financial guarantee undertaken by the Group, including:

The carrying amount of financial assets recognised in the consolidated balance sheet; for financial instruments measured at fair value, the book value reflects their risk exposure, but not the maximum risk exposure, and the maximum risk exposure will change with the change of future fair value.

In order to reduce credit risk, the Group has set up a group to determine the credit limit, conduct credit approval, and implement other monitoring procedures to ensure that necessary measures are taken to recover overdue claims. In addition, the Group reviews the recovery of each single receivable on each balance sheet date to ensure that sufficient provision for bad debts is made for the unrecoverable amount. Therefore, the Group's management believes that the Group's credit risk has been greatly reduced.

The Group's working capital is deposited in banks with a high credit rating, so the credit risk of working capital is low.

The Group has adopted necessary policies to ensure that all customers have good credit records. Except for the top five customers in terms of the amount of accounts receivable, the Group has no other major credit concentration risks. For the financial assets of the Group that have been individually impaired, please refer to 4. Accounts receivable and 7. Other receivables in Note VI.

(3) Liquidity risk

Liquidity risk refers to the risk that the Group is unable to fulfill its financial obligations on the due date. The Group manages liquidity risk in the method of ensuring that there is sufficient liquidity to fulfill debt obligations without causing unacceptable loss or damage to the Group's reputation. In order to mitigate the liquidity risk, the Group's management has carried out a detailed inspection on the liquidity of the Group, including the maturity of accounts payable and other payables, bank credit line and bond financing. The conclusion is that the Group has sufficient funds to meet the needs of the Group's short-term debts and capital expenditure.

The analysis of the financial assets and financial liabilities held by the Group based on the

maturity period of the undiscounted remaining contractual obligations is as follows:

Amount as of 30 June 2024:

Item	Within one year	One to two years	Two to five years	Over five years	Total
Financial assets					
Monetary assets	5,514,370,579.43				5,514,370,579.43
Held-for-trading financial assets	294,937,209.31				294,937,209.31
Notes receivable	301,987,637.11				301,987,637.11
Accounts receivable	1,361,996,890.11	294,570,006.54	156,534,862.43	43,859,681.15	1,856,961,440.23
Other accounts receivable	80,785,644.43	64,298,860.97	684,427,848.89	16,280.00	829,528,634.29
Other current assets	2,361,815,002.60				2,361,815,002.60
Financial liabilities					
Short-term loans	6,510,087,630.95				6,510,087,630.95
Notes payable	981,928,381.95				981,928,381.95
Accounts payable	2,320,012,296.29	390,501,476.73	217,357,907.56	12,680,080.14	2,940,551,760.72
Other payables	1,034,749,812.17	489,694,436.35	168,672,631.73	69,249,298.97	1,762,366,179.22
Payroll payable	198,487,964.48				198,487,964.48
Non-current liabilities due within one year	3,600,939,407.57				3,600,939,407.57
Long-term loans		4,232,479,248.20	1,961,154,263.34	1,012,154,826.09	7,205,788,337.63
Bonds payable		2,468,093,333.41	2,328,815,379.42		4,796,908,712.83
Long-term payables		3,734,931.39	1,222,415.19		4,957,346.58

2. Sensitivity analysis

The Group adopts sensitivity analysis technology to analyze the possible impact of reasonable and possible changes of risk variables on current profits/losses or shareholders' equity. As any risk variable rarely changes in isolation, and the correlation between variables will have a significant effect on the final impact amount of the change of a risk variable, the following content is based on the assumption that the change of each variable is independent.

(1) Sensitivity analysis of foreign exchange risk

Assumption for the sensitivity of foreign exchange risk: All net investment hedging and cash flow hedging of overseas operations are highly effective.

On the basis of the above assumption, under the condition that other variables remain unchanged, the impact of reasonable changes in the exchange rate on current profits/losses and equity after tax is as follows:

Item	Exchange rate fluctuations	H1 2024		H1 2023	
		Impact on net profit	Impact on shareholders' equity	Impact on net profit	Impact on shareholders' equity
USD	Appreciation of 1% against RMB	13,258,840.79	8,898,925.74	22,249,707.57	17,750,467.03
USD	Depreciation of 1% against RMB	-13,258,840.79	-8,898,925.74	-22,249,707.57	-17,750,467.03

(2) Sensitivity analysis of interest rate risk

Sensitivity analysis of interest rate risk is based on the following assumptions:

Changes in market interest rates affect the interest income or expense of financial instruments with variable interest rates;

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

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

On the basis of the above assumptions and under the condition that other variables remain unchanged, the impact of reasonable changes in the interest rate on current profits/losses and equity after tax is as follows:

Item	Interest rate fluctuations	H1 2024		H1 2023	
		Impact on net profit	Impact on shareholders' equity	Impact on net profit	Impact on shareholders' equity
Borrowings at floating interest rates	Up 0.5%	-24,626,858.36	-23,932,778.41	-25,773,357.94	-24,732,737.56
Borrowings at floating interest rates	Down 0.5%	24,626,858.36	23,932,778.41	25,773,357.94	24,732,737.56

XII. Disclosure of Fair Value

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

Item	Closing fair value			
	Level-1 fair value measurement	Level-2 fair value measurement	Level-3 fair value measurement	Total
I. Continuous fair value measurement				
(I) Held-for-trading financial assets			294,937,209.31	294,937,209.31
1. Financial assets measured at fair value through profit and loss for the Reporting Period			294,937,209.31	294,937,209.31
(II) Accounts receivable financing		203,279,738.30		203,279,738.30
(III) Other debt investments				
(IV) Other equity instruments investments			23,841,337.16	23,841,337.16
(V) Investment properties				
(VI) Other non-current financial assets			1,985,908,473.73	1,985,908,473.73
Total assets continuously measured at fair value		203,279,738.30	2,304,687,020.20	2,507,966,758.50
Total liabilities continuously measured at fair value				
II. Non-continuous fair value measurement				
Total assets not continuously measured at fair value				
Total liabilities not continuously measured at fair value				

2. Basis for determining the market price of continuous and non-continuous level-1 fair value measurement projects

The first level of the input is an unadjusted quoted price in an active market for the same assets and liabilities available on the measurement date.

3. Qualitative and quantitative data on valuation techniques and important parameters adopted for continuous and non-continuous level-2 fair value measurement projects

The Level 2 fair value measurement of input value at Level 2 is the input value observable directly or indirectly of relevant assets or liabilities exclusive of input value at Level 1.

4. Qualitative and quantitative data on valuation techniques and important parameters adopted for continuous and non-continuous level-3 fair value measurement projects

The third level of the input is the unobservable input of related assets and liabilities.

XIII. Related Party and Related Party Transactions

1. Related party relationship

(1) Parent company of the Company

Name of the parent company	Place of registration	Business nature	Registered capital	Shareholding percentage of the parent company in the Company (%)	Voting right percentage of the parent company in the Company (%)
OCT Group	Shenzhen	Tourism, real estate, electronics industry	RMB12 billion	29.999997	29.999997

The ultimate controller of the Company is State-owned Assets Supervisor Commission of the State Council.

(2) Subsidiaries of the Company

Please refer to note IX-1. (1) Subsidiaries for the information of subsidiaries.

(3) Joint ventures and associated enterprises of the Company

Please refer to Note IX-2. (1) Significant joint ventures and associated enterprises for details of significant joint ventures or associated enterprises of the Company.

Information on other joint ventures or associated enterprises having connected transactions with the Company in the current period, or forming balance due to connected transactions made in previous period:

Name	Relationship with the Company
Anhui Kaikai Shijie E-commerce Co., Ltd.	Associated enterprise
Anhui Kangfu New Energy Co., Ltd.	Associated enterprise
Anhui Kangta Supply Chain Management Co., Ltd.	Associated enterprise
Chuzhou Kangxin Health Industry Development Co., Ltd.	Associated enterprise
Chutian Dragon Co., Ltd.	Associated enterprise
Orient Excellent (Zhuhai) Asset Management Co., Ltd.	Associated enterprise
Dongguan Kangjia New Materials Technology Co., Ltd.	Associated enterprise
Dongguan Konka Smart Electronic Technology Co., Ltd.	Associated enterprise
Dongguan Guankang Yuhong Investment Co., Ltd.	Associated enterprise
Feidi Technology (Shenzhen) Co., Ltd.	Associated enterprise
Guangdong Kangyuan Semiconductor Co., Ltd.	Associated enterprise
Hefei KONSEMI Storage Technology Co., Ltd.	Associated enterprise
Henan Kangfei Intelligent Electric Appliance Co., Ltd.	Associated enterprise
Kangkong Venture Capital (Shenzhen) Co., Ltd.	Associated enterprise
Nantong Kangjian Technology Industrial Park Operations and Management Co., Ltd.	Associated enterprise
Puchuang Jiakang Technology Co, Ltd.	Associated enterprise
Shandong Kangfei Intelligent Electrical Appliances Co., Ltd.	Associated enterprise
Shenzhen Aimjiakang Technology Co., Ltd.	Associated enterprise
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.	Associated enterprise
Shenzhen Kangpeng Digital Technology Co., Ltd.	Associated enterprise

Name	Relationship with the Company
Shenzhen KONKA E-display Co., Ltd.	Associated enterprise
Zhejiang Kangying Semiconductor Technology Co., Ltd. (formerly: Shenzhen Kangying Semiconductor Technology Co., Ltd.)	Associated enterprise
Shenzhen Morsemi Semiconductor Technology Co., Ltd.	Associated enterprise
Shenzhen Kangjia Jiapin Intelligent Electrical Apparatus Technology Co., Ltd.	Associated enterprise
Shenzhen Kangxi Technology Innovation Development Co., Ltd.	Associated enterprise
Shenzhen RF-Llink Technology Co., Ltd.	Associated enterprise
Shenzhen Yaode Technology Co., Ltd.	Associated enterprise
Shenzhen Zhongkang Beidou Technology Co., Ltd.	Associated enterprise
Sichuan Chengrui Real Estate Co., Ltd.	Associated enterprise
KK Smartech Limited	Associated enterprise
Yantai Kangyun Industrial Development Co., Ltd.	Associated enterprise
Yancheng Kangyan Information Industry Investment Partnership (Limited Partnership)	Associated enterprise
Yibin Kanghui Electronic Information Industry Equity Investment Partnership (Limited Partnership)	Associated enterprise
E3info (Hainan) Technology Co., Ltd.	Associated enterprise
Shandong Econ Technology Co., Ltd.	Associated enterprise
Chongqing Kangjian Photoelectric Technology Co., Ltd.	Associated enterprise
Chongqing Kangxin Equity Investment Fund Limited Partnership (Limited Partnership)	Associated enterprise
Chongqing Kangyiqing Technology Co., Ltd.	Associated enterprise

Name	Relationship with the Company
Sichuan Hongxincheng Real Estate Development Co., Ltd.	Associated enterprise
Wuhan Kangtang Information Technology Co., Ltd.	Associated enterprise
Foshan Zhujiang Media Creative Park Cultural Development Co., Ltd.	Associated enterprise
Panxu Intelligence Co., Ltd.	Associated enterprise

(4) Other related parties

Names of other related parties	Relationship with the Company
HOHOELECTRICAL&FURNITURECO.,LIMITED	Minority shareholder of subsidiary
Beijing Xuri Shengxing Technology Co., Ltd.	Minority shareholder of subsidiary
Chuzhou Hanshang Electric Appliance Co., Ltd.	Minority shareholder of subsidiary
Korea Electric Group Co., Ltd.	Minority shareholder of subsidiary
Hu Zehong	Minority shareholder of subsidiary
Shenzhen New Journey Energy Conservation and Environmental Protection Service Co., Ltd.	Minority shareholder of subsidiary
Central Enterprises Poverty Alleviation (Jiangxi) Industrial Fund Partnership (L.P.)	Minority shareholder of subsidiary
Chongqing Liangshan Industrial Investment Co., Ltd.	Minority shareholder of subsidiary
Zhu Xinming	Minority shareholder of subsidiary
AUJET INDUSTRY LIMITED	Minority shareholder of subsidiary
Chuzhou State-owned Assets Management Co., Ltd.	Minority shareholder of subsidiary
Shenzhen Unifortune Supply Chain Management Co., Ltd.	Minority shareholder of subsidiary
Guizhou Huajinrun Technology Co. Ltd.	Minority shareholder of subsidiary

Names of other related parties	Relationship with the Company
Shenzhen Henglongtong Technology Co., Ltd.	Minority shareholder of subsidiary
Suiyong Rongxin Asset Management Co., Ltd.	Minority shareholder of subsidiary
Shenzhen Qianhai Datang Technology Co., Ltd.	Minority shareholder of subsidiary
Wu Guoren	Minority shareholder of subsidiary
Xiao Yongsong	Minority shareholder of subsidiary
Hu Zehong	Minority shareholder of subsidiary
Jiangsu Korea Electric Group Co., Ltd.	Minority shareholder of subsidiary
Jiangxi Meiji Enterprise Co., Ltd.	The company controlled by the minority shareholders of the subsidiary
Jiangxi Xinxin Real Estate Co., Ltd.	The company controlled by the minority shareholders of the subsidiary
Dai Rongxing	Close family members of minority shareholders of the subsidiary
Zhejiang Donghong Asset Management Co., Ltd.	Subsidiary of associated enterprise
AMobile Intelligent Corp. Ltd.	Subsidiary of associated enterprise
Yantai Kangyue Investment Co., Ltd.	Subsidiary of associated enterprise
Chongqing Lanlv Moma Real Estate Development Co., Ltd.	Subsidiary of associated enterprise
Anhui Jiasen Precision Technology Co., Ltd.	Subsidiary of associated enterprise
Chuzhou Jielunte Mould Plastic Co., Ltd.	Subsidiary of associated enterprise
Guangdong Jielunte Technology Co., Ltd.	Subsidiary of associated enterprise
Kunshan Jielunte Mould Plastic Co., Ltd.	Subsidiary of associated enterprise
Dongguan Kangjie Plastic Mould Co., Ltd.	Subsidiary of associated enterprise

Names of other related parties	Relationship with the Company
Dongguan Jielunte Plastic Mould Technology Co., Ltd.	Subsidiary of associated enterprise
Dongguan Xutongda Mould Plastic Co., Ltd.	Subsidiary of associated enterprise
Shenzhen Kangying Storage Technology Co., Ltd.	Subsidiary of associated enterprise
Shenzhen E-Display Commercial Display Service Co., Ltd.	Subsidiary of associated enterprise
Konka E-Display (Hong Kong) Co., Ltd.	Subsidiary of associated enterprise
Guangdong KONKA E-display Co., Ltd.	Subsidiary of associated enterprise
Shanghai Jiyi Environmental Technology Co., Ltd.	Subsidiary of associated enterprise

2. Related-party transactions

(1) Related party transactions involving the purchase and sale of goods and the supply and acceptance of services

1) Purchasing goods/receiving services

Related party	Related party transaction	Amount incurred in the current period	Amount incurred last period
Chuzhou Hanshang Electric Appliance Co., Ltd.	Purchase of goods	114,880,089.88	186,735,395.72
Puchuang Jiakang Technology Co, Ltd.	Purchase of goods	37,713,014.15	82,483,825.77
OCT Group Co., Ltd. and its subsidiaries and associates	Purchase of goods and services	26,734,696.17	19,556,218.59
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries	Purchase of goods	20,726,583.10	17,989,178.13
Korea Electric Group Co., Ltd. and its subsidiaries	Purchase of goods	12,003,676.60	13,962,407.67
Shenzhen KONKA E-display Co., Ltd. and its subsidiaries	Purchase of goods	4,407,128.66	10,289,325.37
Dongguan Kangjia New Materials Technology Co., Ltd..	Purchase of goods	3,423,338.73	7,656,559.11

Related party	Related party transaction	Amount incurred in the current period	Amount incurred last period
Dongguan Konka Smart Electronic Technology Co., Ltd.	Purchase of goods and services	828,076.33	5,303,236.99
HOHOELECTRICAL&FURNITURECO.,LIMITED	Purchase of goods	26,341.27	5,279,694.58
Anhui Kaikai Shijie E-commerce Co., Ltd. and its subsidiaries	Purchase of goods		14,519,171.29
KK Smartech Limited	Purchase of goods		7,026,770.10
Zhejiang Kangying Semiconductor Technology Co., Ltd. and its subsidiaries (formerly: Shenzhen Kangying Semiconductor Technology Co., Ltd.) and its subsidiaries	Purchase of goods		4,317,763.40
Subtotal of other related parties	Purchase of goods and services	23,017,795.17	6,384,913.67

(2) Information of sales of goods and provision of labour service

Related party	Related party transaction	Amount incurred in the current period	Amount incurred last period
Chuzhou Hanshang Electric Appliance Co., Ltd.	Sales of goods and provision of labour service	182,689,651.25	87,808,617.20
OCT Group Co., Ltd. and its subsidiaries and associates	Sales of goods and provision of labour service	37,055,797.37	31,848,071.22
Korea Electric Group Co., Ltd. and its subsidiaries	Sales of goods and provision of labour service	34,500,419.06	61,575,942.67
Shenzhen KONKA E-display Co., Ltd. and its subsidiaries	Sales of goods and provision of labour service	32,568,363.60	9,771,563.23
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries and associates	Sales of goods and provision of labour service	10,781,688.86	31,298,689.17
Dongguan Konka Smart Electronic Technology Co., Ltd.	Sales of goods and provision of labour service	3,647,313.53	5,049,897.52
Zhejiang Kangying Semiconductor Technology Co., Ltd. and its subsidiaries (formerly: Shenzhen Kangying Semiconductor Technology Co., Ltd.) and its subsidiaries	Sales of goods and provision of labour service	2,427,251.90	5,789,685.32
Shenzhen Aimijiang Technology Co., Ltd.	Sales of goods	633,048.19	1,453,563.03

Related party	Related party transaction	Amount incurred in the current period	Amount incurred last period
Hefei KONSEMI Storage Technology Co., Ltd.	Sales of goods and provision of labour service	19,420.70	8,004,252.90
E3info (Hainan) Technology Co., Ltd. and its subsidiaries	Sales of goods and provision of labour service	1,714.00	9,168,670.42
Subtotal of other related parties	Sales of goods and provision of labour service	5,085,298.73	51,872,181.94

(3) Related party leases

Lease situation

Lessor	Lessee	Type of leased assets	Lease fee recognised in the current period	Lease fee recognised last period
OCT Group Co. Ltd. and its subsidiaries	Konka Ventures Development (Shenzhen) Co., Ltd.	Commercial residences and office buildings	16,202,959.98	14,099,760.00
Dongguan Guankang Yuhong Investment Co., Ltd.	Dongguan Konka Electronic Co., Ltd.	Factory	6,841,431.94	22,799,157.95
OCT Group Co. Ltd. and its subsidiaries	Konka Group Co., Ltd.	Commercial residences and office buildings		351,831.90

(4) Related party guarantees

1) The Company was guarantor

Secured party	Contracted guarantee amount (RMB'0,000)	Actual guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Boluo Precision	4,000.00	1,800.00	CNY	15 January 2024	14 January 2025	No
Boluo Precision	4,500.00	2,773.86	CNY	25 August 2023	25 August 2026	No
Boluo Precision	2,000.00	1,215.07	CNY	29 January 2024	29 January 2025	No
Konka Circuit	10,000.00	3,735.16	CNY	19 July 2023	31 January 2027	No
Konka Circuit	5,000.00	889.04	CNY	22 December 2023	22 December 2024	No

Secured party	Contracted guarantee amount (RMB'0,000)	Actual guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Anhui Tongchuang	10,000.00	7,840.00	CNY	19 October 2023	31 December 2024	No
Anhui Tongchuang	5,000.00	4,980.00	CNY	20 June 2024	29 May 2025	No
Anhui Tongchuang	3,000.00	2,900.00	CNY	20 November 2023	19 May 2025	No
Anhui Tongchuang	5,000.00	980.00	CNY	20 May 2024	6 December 2024	No
Konka Xinyun Semiconductor	6,000.00	2,800.00	CNY	26 May 2024	21 March 2026	No
Konka Xinyun Semiconductor	8,277.66	4,281.25	CNY	12 July 2021	11 July 2022	No
Chongqing Konka	38,000.00	13,730.92	CNY	13 December 2022	13 December 2037	No
Electronics Technology	8,500.00	3,222.64	CNY	2 April 2024	22 March 2025	No
Electronics Technology	50,000.00	50,000.00	CNY	26 September 2023	11 August 2024	No
Dongguan Konka	80,000.00	33,091.04	CNY	23 June 2021	7 May 2031	No
Telecommunication Technology	7,500.00	1,761.23	CNY	23 July 2023	23 July 2024	No
Sichuan Konka	4,000.00	2,800.00	CNY	23 May 2023	26 April 2026	No
Mobile Interconnection	7,000.00	1,870.12	CNY	10 November 2023	10 November 2024	No
Yibin Smart	980.00	980.00	CNY	27 March 2024	19 March 2025	No
Xi'an Kanghong Technology Industry	30,000.00	8,145.16	CNY	26 May 2023	31 December 2032	No
Konka Hongye Electronics	19,010.00	5,079.56	CNY	24 January 2024	7 November 2038	No
Konka Soft Electronic	975.00	34.55	CNY	19 December 2022	19 December 2023	No
Ningbo Kanghr Electrical	6,000.00	1,881.83	CNY	2 March 2023	27 July 2024	No

Secured party	Contracted guarantee amount (RMB'0,000)	Actual guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Appliance						
Ningbo Kanghr Electrical Appliance	6,000.00	3,000.00	CNY	13 July 2023	12 July 2024	No
Frestec Smart Home	10,200.00	2,652.00	CNY	30 January 2024	30 January 2027	No
Jiangxi Konka	6,000.00	1,400.00	CNY	15 August 2023	14 August 2024	No
Yibin Kangrun	10,000.00	10,000.00	CNY	13 November 2020	31 December 2024	No
Anhui Konka	5,500.00	4,820.76	CNY	31 August 2023	31 August 2024	No
Anhui Konka	18,000.00	5,560.67	CNY	22 September 2023	21 September 2024	No
Anhui Konka	10,215.95	8,021.11	CNY	10 August 2021	15 July 2031	No
Anhui Konka	7,000.00	4,000.00	CNY	29 October 2021	26 October 2026	No
Anhui Konka	7,000.00	4,000.00	CNY	24 October 2022	26 October 2026	No
Anhui Konka	7,000.00	6,000.00	CNY	19 September 2022	18 September 2023	No
Anhui Konka	5,000.00	4,843.82	CNY	25 June 2023	24 June 2028	No
Shandong Econ Technology Co., Ltd.	1,623.89		CNY	30 September 2022	29 September 2024	No
Shandong Econ Technology Co., Ltd.	2,748.12	177.92	CNY	23 November 2022	23 May 2024	No
Shandong Econ Technology Co., Ltd.	1,498.97	1,498.97	CNY	22 May 2023	21 May 2024	No
Shandong Econ Technology Co., Ltd.	4,996.58	4,388.00	CNY	5 July 2023	21 May 2024	No
Shandong Econ Technology Co., Ltd.	2,498.29	2,435.11	CNY	19 July 2023	18 July 2024	No

Secured party	Contracted guarantee amount (RMB'0,000)	Actual guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Shandong Econ Technology Co., Ltd.	999.32	847.42	CNY	28 August 2023	11 June 2024	No
Shandong Econ Technology Co., Ltd.	1,374.06	1,374.06	CNY	29 December 2023	28 December 2024	No
Shandong Econ Technology Co., Ltd.	2,498.29	2,192.05	CNY	28 December 2023	27 December 2024	No
Shandong Econ Technology Co., Ltd.	124.91	124.91	CNY	6 February 2024	5 February 2025	No
Shandong Econ Technology Co., Ltd.	4,489.43	3,641.50	CNY	1 March 2024	14 December 2024	No
Shandong Econ Technology Co., Ltd.	499.66	499.66	CNY	30 April 2024	23 April 2025	No
OCT Group	60,000.00	60,000.00	CNY	8 September 2022	8 September 2025	No
OCT Group	60,000.00	60,000.00	CNY	18 October 2022	18 October 2025	No
OCT Group	150,000.00	150,000.00	CNY	29 January 2024	29 January 2027	No
OCT Group	80,000.00	80,000.00	CNY	18 March 2024	18 March 2027	No
OCT Group	50,000.00	50,000.00	CNY	22 September 2023	22 September 2026	No
OCT Group	50,000.00	48,500.00	CNY	13 December 2023	13 December 2026	No
OCT Group	50,000.00	50,000.00	CNY	26 March 2024	26 March 2027	No
OCT Group	60,000.00	60,000.00	CNY	25 June 2024	25 June 2026	No

2) As the secured party

Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
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Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Konka Circuit	8,200.00	CNY	5 February 2024	4 February 2025	No
Suining Konka Industrial Park	32,800.00	CNY	5 February 2024	4 February 2025	No
OCT Group	80,000.00	CNY	9 July 2021	9 July 2024	No
OCT Group	60,000.00	CNY	8 September 2022	8 September 2025	No
OCT Group	60,000.00	CNY	18 October 2022	18 October 2025	No
OCT Group	120,000.00	CNY	14 July 2022	14 July 2025	No
OCT Group	49,250.00	CNY	23 August 2022	22 August 2025	No
OCT Group	23,000.00	CNY	22 December 2022	22 December 2025	No
OCT Group	56,000.00	CNY	18 January 2023	18 January 2026	No
OCT Group	50,000.00	CNY	22 September 2023	22 September 2026	No
OCT Group	48,500.00	CNY	13 December 2023	20 December 2026	No
OCT Group	50,000.00	CNY	26 March 2024	26 March 2027	No
OCT Group	60,000.00	CNY	25 June 2024	25 June 2026	No
OCT Group	150,000.00	CNY	29 January 2024	29 January 2027	No
OCT Group	80,000.00	CNY	18 March 2024	18 March 2027	No
Jiangxi Xinxixin Real Estate Co., Ltd.	686.00	CNY	15 August 2023	14 August 2024	No
Shandong Econ Technology Co., Ltd.	3,300.00	CNY	13 November 2020	31 December 2024	No
Chuzhou State-owned Assets Management Co., Ltd.	1,060.57	CNY	31 August 2023	31 August 2024	No
Chuzhou State-owned Assets Management Co., Ltd.	1,223.35	CNY	22 September 2023	21 September 2024	No
Chuzhou State-owned Assets	1,764.64	CNY	10 August 2021	15 July 2031	No

Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Management Co., Ltd.					
Chuzhou State-owned Assets Management Co., Ltd.	880.00	CNY	29 October 2021	26 October 2026	No
Chuzhou State-owned Assets Management Co., Ltd.	880.00	CNY	24 October 2022	26 October 2026	No
Chuzhou State-owned Assets Management Co., Ltd.	1,320.00	CNY	19 September 2022	18 September 2023	No
Chuzhou State-owned Assets Management Co., Ltd.	1,065.64	CNY	25 June 2023	24 June 2028	No
Wu Guoren	875.00	USD	31 December 2019	31 December 2024	No
Wu Guoren	2,425.00	USD	31 December 2019	31 December 2024	No
Xiao Yongsong	840.00	USD	31 December 2019	31 December 2024	No
Xiao Yongsong	2,328.00	USD	31 December 2019	31 December 2024	No
Shenzhen Unifortune Supply Chain Management Co., Ltd.	1,391.60	USD	21 June 2021	31 December 2022	No
Shenzhen Unifortune Supply Chain Management Co., Ltd.	867.30	USD	21 June 2021	31 December 2022	No
Guizhou Huajinrun Technology Co. Ltd.	381.15	USD	1 January 2022	31 December 2025	No
Guizhou Huajinrun Technology Co. Ltd.	157.50	USD	1 January 2022	31 December 2025	No
Shenzhen Henglongtong Technology Co., Ltd.	241.40	USD	1 January 2022	31 December 2025	No
Shenzhen Henglongtong Technology Co., Ltd.	99.75	USD	1 January 2022	31 December 2025	No
AUJET INDUSTRY LIMITED	3,227.63	USD	10 November 2021	31 December 2023	No

Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
AUJET INDUSTRY LIMITED	89.18	USD	10 November 2021	31 December 2023	No
AUJET INDUSTRY LIMITED	1,029.00	USD	20 July 2020	31 December 2023	No
Zhu Xinming	12,446.00	CNY	15 October 2022	14 October 2023	No
Zhu Xinming	3,399.49	CNY	1 January 2023	31 December 2023	No
Zhu Xinming	13,249.19	CNY	19 February 2023	18 February 2024	No
Zhu Xinming	6,860.00	CNY	1 March 2023	28 February 2024	No
Zhu Xinming	2,330.54	CNY	9 March 2023	8 March 2024	No
Zhu Xinming	2,156.00	CNY	1 April 2023	30 September 2023	No
Zhu Xinming	443.45	CNY	13 January 2023	31 December 2023	No
Zhu Xinming	44.05	CNY	30 March 2023	31 December 2023	No
Zhu Xinming	443.45	CNY	14 April 2023	31 December 2023	No
Zhu Xinming	44.05	CNY	30 June 2023	31 December 2023	No
Zhu Xinming	443.45	CNY	14 July 2023	31 December 2023	No
Zhu Xinming	44.05	CNY	11 October 2023	31 December 2023	No
Zhu Xinming	149.45	CNY	13 October 2023	31 December 2023	No
Zhu Xinming	44.05	CNY	29 December 2023	31 December 2023	No
Zhu Xinming	490.00	CNY	28 February 2023	27 February 2024	No
Zhu Xinming	5,109.05	CNY	1 January 2023	31 December 2023	No
Zhu Xinming	252.63	CNY	13 January 2023	31 December 2023	No
Zhu Xinming	101.77	CNY	13 January 2023	31 December 2023	No

Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Zhu Xinming	203.63	CNY	14 April 2023	31 December 2023	No
Zhu Xinming	1,862.90	CNY	1 January 2023	31 December 2023	No
Zhu Xinming	223.85	CNY	17 February 2023	31 December 2023	No
Zhu Xinming	93.12	CNY	8 March 2023	31 December 2023	No
Zhu Xinming	101.35	CNY	19 May 2023	31 December 2023	No
Zhu Xinming	93.12	CNY	8 June 2023	31 December 2023	No
Zhu Xinming	93.12	CNY	8 September 2023	31 December 2023	No
Zhu Xinming	62.25	CNY	7 December 2023	31 December 2023	No
Jiangxi Konka	13,431.31	CNY	15 June 2023	8 March 2027	No
Jiangxi High Transparent Substrate	38,045.57	CNY	15 June 2023	19 March 2027	No
Jiangxi High Transparent Substrate	258.80	CNY	28 April 2024	6 March 2030	No
Xinfeng Microcrystalline	34,475.18	CNY	15 June 2023	31 December 2025	No
Hu Zehong, Liang Ruiling, Dai Yaojin	2,205.00	CNY	1 July 2018	31 December 2025	No
Hu Zehong, Liang Ruiling, Dai Yaojin	4,899.02	CNY	1 July 2018	31 December 2025	No
XingDa HongYe	6,591.25	CNY	1 January 2022	31 December 2026	No
XingDa HongYe	5,366.40	CNY	1 January 2022	31 December 2026	No
XingDa HongYe	3,124.68	CNY	1 January 2022	31 December 2026	No
Suiyong Rongxin Asset Management Co., Ltd.	2,450.00	CNY	1 January 2018	30 June 2024	No
Suiyong Rongxin Asset Management Co., Ltd.	2,842.00	CNY	1 January 2018	31 December 2024	No
Shenzhen Henglongtong Technology Co., Ltd., Guizhou Huajinrun	735.00	CNY	1 January 2022	31 December 2025	No

Guarantor	Guarantee amount (RMB'0,000)	Currency	Start date of guarantee	Expiry date of guarantee	Whether the guarantee is completed
Technology Co. Ltd., Huaying Gaokede Electronics Technology Co., Ltd., Huaying Gaokelong Electronics Technology Co., Ltd., Shenzhen Baili Yongxing Technology Co., Ltd.					
Shenzhen Henglongtong Technology Co., Ltd., Guizhou Huajinrun Technology Co. Ltd., Huaying Gaokede Electronics Technology Co., Ltd., Huaying Gaokelong Electronics Technology Co., Ltd., Shenzhen Baili Yongxing Technology Co., Ltd.	488.37	CNY	1 January 2022	31 December 2025	No
Shenzhen Henglongtong Technology Co., Ltd., Guizhou Huajinrun Technology Co. Ltd., Huaying Gaokede Electronics Technology Co., Ltd., Huaying Gaokelong Electronics Technology Co., Ltd., Shenzhen Baili Yongxing Technology Co., Ltd.	552.72	CNY	1 January 2022	31 December 2025	No
Chuzhou Hanshang Electric Appliance Co., Ltd.	4,533.96	CNY	20 May 2021	19 May 2024	No
Shenzhen Qianhai Datang Technology Co., Ltd.	441.00	CNY	17 November 2023	16 November 2026	No
Konka Ventures	1,322.54	CNY	15 December 2021	5 November 2022	No

(5) Loans from/to related parties

Related party	Amount (RMB'0,000)	Currency	Start date	Maturity
Borrowing:				
OCT Group	81,091.00	CNY	10 January 2022	9 January 2025
OCT Group	50,000.00	CNY	19 May 2022	18 May 2025

Related party	Amount (RMB'0,000)	Currency	Start date	Maturity
OCT Group	70,000.00	CNY	26 May 2022	25 May 2025
Chuzhou Hanshang Electric Appliance Co., Ltd.	12,862.50	CNY	1 January 2024	31 December 2024
Chuzhou Hanshang Electric Appliance Co., Ltd.	2,450.00	CNY	2 August 2023	2 August 2024
Chuzhou Hanshang Electric Appliance Co., Ltd.	980.00	CNY	14 February 2024	13 February 2025
Shandong Econ Technology Co., Ltd.	1,914.00	CNY	20 March 2024	19 March 2025
Kangkong Venture Capital (Shenzhen) Co., Ltd.	245.00	CNY	21 July 2022	18 July 2024
Beijing Xuri Shengxing Technology Co., Ltd.	228.67	CNY	5 December 2022	30 November 2024
Total	219,771.17			
Lending:				
Dongguan Guankang Yuhong Investment Co., Ltd.	19,600.00	CNY	25 September 2023	24 September 2024
Chuzhou Kangxin Health Industry Development Co., Ltd.	38,974.77	CNY	22 December 2023	21 December 2024
Chuzhou Kangxin Health Industry Development Co., Ltd.	562.97	CNY	22 December 2023	21 December 2024
Sichuan Chengrui Real Estate Co., Ltd.	14,724.50	CNY	21 January 2022	15 April 2025
Yantai Kangyue Investment Co., Ltd.	12,852.70	CNY	16 December 2020	5 November 2022
Yantai Kangyun Industrial Development Co., Ltd.	22,600.00	CNY	31 March 2024	31 March 2025
Chongqing Lanlv Moma Real Estate Development Co., Ltd.	18,843.00	CNY	25 November 2020	24 November 2023

Related party	Amount (RMB'0,000)	Currency	Start date	Maturity
Sichuan Hongxincheng Real Estate Development Co., Ltd.	19,879.55	CNY	15 September 2022	27 February 2025
Shandong Econ Technology Co., Ltd.	18,315.11	CNY	1 January 2024	20 December 2024
Shandong Econ Technology Co., Ltd.	4,996.58	CNY	21 December 2023	20 December 2024
Total	171,349.18			

(6) Asset transfer and debt restructuring of related parties

Related party	Related party transaction	Amount incurred in the current period	Amount incurred last period
OCT Group Co., Ltd. and its subsidiaries and associates	Transfer of patents, software copyrights and trademarks		
Total			

(7) Remuneration for key management personnel

Project	The current period (RMB'0,000)	Last period (RMB'0,000)
Total remuneration	316.25	549.95

3. Balance of amount receivable and payable by related parties

(1) Receivables

Related party	Closing balance		Opening balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable:				
Shenzhen Yaode Technology Co., Ltd. and its subsidiaries	146,468,551.71	146,468,551.71	145,562,210.29	145,562,210.29
HOHOELECTRICAL&FURNITURECO.,LIMITED	124,921,878.75	65,316,911.35	124,378,346.69	51,863,807.49

Related party	Closing balance		Opening balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
OCT Group Co., Ltd. and its subsidiaries and associates	95,069,787.49	15,682,476.73	100,590,722.52	15,162,359.88
Chuzhou Hanshang Electric Appliance Co., Ltd.	84,328,956.54	909,014.49	38,536,165.52	786,137.78
Anhui Kaikai Shijie E-commerce Co., Ltd. and its subsidiaries	46,725,631.12	3,055,744.43	60,994,542.80	1,879,460.35
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.	39,230,506.73	39,222,383.06	39,226,376.64	39,214,097.96
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries and associates	10,934,260.72	223,058.92	8,538,236.25	173,326.20
Shenzhen Konda E-display Co., Ltd. and its subsidiaries	4,566,869.61	414,217.51	2,038,868.80	130,671.94
Subtotal of other related parties	19,774,344.27	4,702,381.95	36,068,461.04	4,978,006.25
Total	572,020,786.94	275,994,740.15	555,933,930.56	259,750,078.15
Financing accounts receivable/Notes receivable:				
Korea Electric Group Co., Ltd. and its subsidiaries			10,000,000.00	
Chuzhou Hanshang Electric Appliance Co., Ltd.			10,000,000.00	
Total			20,000,000.00	
Dividends receivable				
Wuhan Tianyuan Environmental Protection Co., Ltd.	10,465,200.00			

Related party	Closing balance		Opening balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Chutian Dragon Co., Ltd.	4,240,444.62			
Shenzhen Jielunte Technology Co., Ltd.			941,482.38	
Total	14,705,644.62		941,482.38	
Other receivables:				
Yantai Kangyue Investment Co., Ltd.	175,910,620.67	18,682,100.00		
Dai Rongxing	87,692,767.03	87,692,767.03	86,150,945.74	86,150,945.74
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.	39,888,921.64	39,888,921.64	39,888,921.64	39,888,921.64
OCT Group Co., Ltd. and its subsidiaries and associates	30,343,358.95	20,542,421.70	31,185,288.31	20,608,710.48
Dongguan Guankang Yuhong Investment Co., Ltd.	22,000,000.00	660,000.00	22,000,000.00	660,000.00
HOHOELECTRICAL&FURNITURECO.,LIMITED	2,500,687.22	1,622,445.87	2,485,213.19	1,612,406.32
Hu Zehong	977,294.24	94,287.93	1,395,042.29	135,057.89
Jiangxi Meiji Enterprise Co., Ltd.			93,512,640.31	93,512,640.31
Huanjia Group Co., Ltd.			25,083,675.53	24,582,002.02
Subtotal of other related parties	225,666.72	6,726.05	145,049.83	2,993.94
Total	359,539,316.47	169,189,670.22	301,846,776.84	267,153,678.34
Pre payments:				
Puchuang Jiakang Technology Co, Ltd.	10,596,705.00			
OCT Group Co., Ltd. and its subsidiaries and associates	75,511.22		238,185.12	

Related party	Closing balance		Opening balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries			7,764.63	
Subtotal of other related parties	187,017.99			
Total	10,859,234.21		245,949.75	
Other current assets:				
Chuzhou Kangxin Health Industry Development Co., Ltd.	412,246,840.52		396,256,021.05	
Yantai Kangyun Industrial Development Co., Ltd.	265,592,911.14		256,452,466.70	
Chongqing Lanlv Moma Real Estate Development Co., Ltd.	243,451,559.91		235,830,613.25	
Sichuan Hongxinchen Real Estate Development Co., Ltd.	236,192,420.65		228,799,064.74	
Shandong Econ Technology Co., Ltd. and its subsidiaries	234,271,017.20		233,116,949.03	
Dongguan Guankang Yuhong Investment Co., Ltd.	223,229,933.65		224,838,028.99	
Sichuan Chengrui Real Estate Co., Ltd.	174,432,231.04		168,476,988.84	
Yantai Kangyue Investment Co., Ltd.			170,712,417.56	18,682,100.00
Total	1,789,416,914.11		1,914,482,550.16	18,682,100.00

(2) Payables

Related party	Book balance at the end of the period	Book balance at the beginning of the period
Accounts payable:		
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries and associates	31,049,279.87	33,987,442.17
OCT Group Co., Ltd. and its subsidiaries and associates	27,725,955.80	28,693,864.79
Chuzhou Hanshang Electric Appliance Co., Ltd.	24,759,143.98	43,592,692.34
Shenzhen Konda E-display Co., Ltd. and its subsidiaries	14,723,403.30	10,343,033.76
HOHOELECTRICAL&FURNITURECO.,LIMITED	6,635,707.92	10,195,877.56
Korea Electric Group Co., Ltd. and its subsidiaries	6,562,139.19	4,374,416.65
Anhui Kaikai Shijie E-commerce Co., Ltd. and its subsidiaries	4,326,148.17	4,614,860.81
Panxu Intelligence Co., Ltd. and its subsidiaries	2,092,771.45	3,558,734.12
Dongguan Konka Smart Electronic Technology Co., Ltd.	485,152.86	288,114.11
Subtotal of other related parties	51,590,105.78	62,595,100.98
Total	169,949,808.32	202,244,137.29
Notes payable:		
Dongguan Kangjia New Materials Technology Co., Ltd.	5,208,249.77	4,352,821.66
Korea Electric Group Co., Ltd. and its subsidiaries	2,948,260.34	4,709,353.26
Shenzhen Jielunte Technology Co., Ltd. and its subsidiaries	2,687,124.58	916,829.48
Panxu Intelligence Co., Ltd. and its subsidiaries		1,962,738.39
Total	10,843,634.69	11,941,742.79
Contractual liabilities/other current liabilities:		
OCT Group Co., Ltd. and its subsidiaries and associates	42,855,945.24	43,675,417.58
Shenzhen Konda E-display Co., Ltd. and its subsidiaries	8,184,562.22	28,903,907.67
Shandong Kangfei Intelligent Electrical Appliances Co., Ltd.	187,981.82	246,708.55
Shenzhen Aimijiakang Technology Co., Ltd.	2,191.50	1,030,654.81
Subtotal of other related parties	5,086,921.84	1,412,447.04
Total	56,317,602.62	75,269,135.65

Related party	Book balance at the end of the period	Book balance at the beginning of the period
Other payables:		
Chuzhou Hanshang Electric Appliance Co., Ltd.	206,345,489.22	195,705,860.89
Shandong Econ Technology Co., Ltd. and its subsidiaries	19,369,484.27	42,146,282.34
OCT Group Co., Ltd. and its subsidiaries and associates	15,996,696.01	23,291,255.06
Central Enterprises in poverty-stricken areas (Jiangxi) Industrial Investment Funds Partnership (L.P.)	12,000,000.00	9,600,000.00
Beijing Xuri Shengxing Technology Co., Ltd.	2,605,409.66	2,536,047.85
Konka Ventures Development (Shenzhen) Co., Ltd.	2,486,649.34	2,523,500.05
Chongqing Kangjian Optoelectronics Technology Co., Ltd.	500,000.00	
Dongguan Kangjia New Materials Technology Co., Ltd.	410,526.24	410,526.24
E3info (Hainan) Technology Co., Ltd. and its subsidiaries and associated enterprises	10,328.48	63,099.88
Subtotal of other related parties	18,282,012.76	11,052,687.80
Total	278,006,595.98	287,329,260.11

4. Related party commitments

The Group did not have any related party commitments.

5. Others

The Group did not have any related party matters.

XIV. Commitments and Contingencies

1. Significant commitments

(1) Capital commitments

Item	Closing balance	Opening balance
Contract signed but hasn't been recognised in financial statements		
Commitment on construction and purchase of	32,718,400.00	

long-lived assets		
Large amount contract	248,842,082.25	295,615,545.67
Foreign investment commitments		
Total	281,560,482.25	295,615,545.67

(2) Other commitments

As of 30 June 2024, there were no other significant commitments for the Company to disclose.

2. Contingencies

The Group's material contingencies requiring disclosure are set out below:

(1) Before the Company acquired Jiangxi Konka, Jiangxi Konka and its subsidiaries Xinfeng Microcrystalline and Jiangxi High Transparent Substrate (formerly known as Nano-Crystallised Glass) provided joint and several liability guarantee for the loans from Nanchang Rural Commercial Bank Co., Ltd. to Jiangxi Xinxin Jian'an Engineering, Jiangxi Zhongyi Decorative Material and Jiangxi Shanshi Science and Technology, related parties of former controlling shareholders of Jiangxi Konka, and Nanchang Rural Commercial Bank Co., Ltd. then transferred the claims to China Great Wall AMC Jiangxi Branch. For the failure of Jiangxi Xinxin Jian'an Engineering, Jiangxi Zhongyi Decorative Material and Jiangxi Shanshi Science and Technology to repay the borrowings on time, China Great Wall AMC Jiangxi Branch filed a lawsuit requesting Jiangxi Xinxin Jian'an Engineering, Jiangxi Zhongyi Decorative Material and Jiangxi Shanshi Science and Technology to repay the loan principal amounting to RMB300 million and the liquidated damage and interest arising from it and guarantors Jiangxi Konka, Jiangxi High Transparent Substrate and Xinfeng Microcrystalline to bear joint and several liability for such debts.

On 31 October 2019, the Higher People's Court of Jiangxi Province ruled in the first instance that Jiangxi Xinxin Jian'an Engineering, Jiangxi Zhongyi Decorative Material, Jiangxi Shanshi Technology should repay to China Great Wall AMC Jiangxi Branch the loan principal of RMB300 million and the interest and liquidated damage arising from it within 10 days from the effective date of the judgment, and Jiangxi Konka New Material, Zhu Xinming, Leng Sumin, Nano-Crystallised Glass, Xinfeng Microcrystalline should bear joint and several liability for all debts recognised in this judgment. The defendants appealed against the verdict of the first instance and the Supreme People's Court accepted the appeal. On 24 March 2021, the Supreme People's Court made the following ruling: I. Civil Judgment (2018) G.M.CH. No. 110 made by the Higher People's Court of Jiangxi Province is abrogated; II. This case is remanded to the Higher People's Court of Jiangxi Province for retrial. As of the date of issuance of this report, the first instance of the retrial was decided, an appeal had been filed, and the second instance of the retrial is in progress.

The actual controller of Jiangxi Konka New Materials, Zhu Xinming, and his spouse, Leng Sumin, Jiangxi Xinxin Real Estate Co., Ltd., Zhu Zilong, Zhu Qingming and Zeng Xiaohong, as guarantors, provided a total of approximately RMB143 million of real estate mortgage guarantee to Great Wall AMC for the above loans. Zhu Xinming and Leng Sumin also provided joint liability guarantees. In order to avoid the adverse impact of this case on the Company, the Company has agreed in the acquisition agreement of Jiangxi Konka, Xinfeng Microcrystalline and nanometre microcrystalline that all contingent debts incurred by Jiangxi Konka by the

original shareholders of Konka new material in the form of joint and several liability. Jiangxi Xinzixin Real Estate Co., Ltd. has held a total of approximately RMB243 million of real estate assets as the case of the anti-guarantee mortgage to Konka group and went through the mortgage registration procedures. As of the date of this report, the case is still on trial and the above commercial acceptance bill has not been honoured.

(2) As for the dispute of the Company with Luo Zotong, Luo Jingxia, Luo Zongyin, Luo Zongwu and Shenzhen Yaode Technology Co., Ltd. on share repurchase, since the other party did not actively perform the repurchase obligation, the Company filed a lawsuit with the People's Court of Nanshan District, Shenzhen. The amount of the subject matter involved in the lawsuit is RMB249 million. On 22 November 2021, the Company applied to the People's Court of Nanshan District, Shenzhen, for property preservation. On 11 January 2023, the People's Court of Nanshan District, Shenzhen, rendered a verdict of the first instance, ruling that Luo Zotong, Luo Jingxia, Luo Zongyin and Luo Zongwu pay the repurchase amount of RMB172 million plus the sum of interest calculated at 12% per annum from 6 April 2017 to the date of payment of the equity repurchase by the defendant Luo Zotong, Luo Jingxia, Luo Zongyin and Luo Zongwu. As of the date of issuance of this report, the case was executed in progress.

(3) As the acceptor failed to pay the commercial acceptance bills held by the Company upon maturity, the Company, as the plaintiff, requested debtors Hongtu Sanpower Technology Co., Ltd., Jiangsu Hongtu High Technology Co., Ltd., Sanpower Group Co., Ltd., Nanjing Jiongjiong Electronic Technology Co., Ltd. and Shenzhen Qianhai Benniu Agricultural Technology Co., Ltd. to RMB200 million bear joint and several liability for the bills and the overdue interest. In July 2019, the company filed a lawsuit with the court, and the court has preserved the defendant's corresponding property. As of the date of issuance of this report, the case was closed.

(4) The amount of the subject matter involved in the dispute between the Company and Wuhan Jialian Agricultural Technology Development Co., Ltd., Peng Chaojun, He Jiaguo, He Jiayi, Liang Xiangzhou, Xu Yizheng, He Fan, Pang Huasheng, Song Liangming, and Liang Xiangmei over the right of recourse for bills is RMB200 million and the corresponding interest. In September 2020, the Company filed a lawsuit with the Wuhan Intermediate People's Court, and the court ordered the defendant to pay Konka Group the principal amount of the note of RMB200 million and relevant overdue interest. The defendant applied for retrial during the execution of the case. As of the date of issuance of this report, the case was in retrial.

(5) The amount of the subject matter involved in the dispute between the Company's subsidiary Konka Unifortune and Shenzhen Yaode Technology Co., Ltd., Dongsheng Xinluo Technology (Shenzhen) Co., Ltd., Shenzhen Hongyao Dingsheng Investment Management Co., Ltd., Shenzhen Xiangrui Yingtong Investment Management Co., Ltd., Luo Jingxia, Luo Zongwu, Luo Zongyin, Luo Zotong and Luo Saiyin over contracts is RMB155 million. On 8 September 2022, the court issued a judgment in favour of the Company's subsidiary. As of the date of issuance of this report, the case was executed in progress.

(6) As the acceptor failed to pay the commercial bills held by the Company upon maturity, the Company, as the plaintiff, filed a lawsuit with the court on the matured bills amounting to RMB300 million, requesting the bill acceptor Shanghai Huaxin and prior parties involved to bear joint and several liability for the bills and liquidated damage and interest. As of the date of issuance of this report, the case was executed in progress.

(7) The amount of the subject matter involved in the dispute between the Company's subsidiaries Frestec Refrigeration, Anhui Konka, Konka Material and Anhui Tongchuang (plaintiff) and Shantou Meisen Technology Co., Ltd., Shenzhen Meisenyuan Plastic Electronics Co., Ltd., Lin Yuanqin, Huang Ruirong, Jiangsu Huadong Hardware Zone Co., Ltd., Chuangfu Commerce & Trade Plaza Real Estate Development (Huizhou) Co., Ltd. and

Puning Junlong Trade Co., Ltd. (defendants) over contracts is RMB380 million. As of the date of issuance of this report, the portion of the case, related to Xinfei and Meisen, was in trial, while the rest case was executed in progress.

(8) The amount of the subject matter involved in the dispute between the Company's subsidiary Dongguan Konka (plaintiff) and Dongguan Gaoneng Polymer Materials Co., Ltd., Wang Dong, Shenzhen Xinlian Xingyao Trading Co., Ltd., Shenzhen Jinchuan Qianchao Network Technology Co., Ltd., Puning Junlong Trading Co., Ltd. and Huang Zhihao (defendants) over sales and purchase contracts is RMB90 million. In December 2020 the Company filed a lawsuit with the court and obtained a judgment in its favour in June 2023. As of the date of issuance of this report, the case was executed in progress.

(9) As the acceptor failed to pay the commercial bills held by the Company upon maturity, the Company, as the plaintiff, filed a lawsuit with the court on the matured bills amounting to RMB78 million, requesting the court to order Hefei Huajun Trading Co., Ltd. and Wuhan Jialian Agricultural Technology Development Co., Ltd. to pay the Company the bills and the interest for default, and applied for property preservation. As of the date of issuance of this report, the case was executed in progress.

(10) The amount of the subject matter involved in the dispute between the Company's subsidiary Konka Electronic Materials (formerly known as Konka Factoring) (the plaintiff) and Tahoe Group Co., Ltd., Fuzhou Taijia Enterprise Co., Ltd. and Xiamen Lianchuang Micro-electronics Co., Ltd. (the defendants) over the right of recourse for bills is RMB50 million and the corresponding interest. On 1 September 1 2021, the Intermediate People's Court of Xiamen Municipality, Fujian Province, ordered the defendants to pay the plaintiff e-commercial acceptance bills of RMB50 million and the corresponding interest. As of the date of issuance of this report, the case was executed in progress.

(11) The amount of the subject matter involved in the dispute between the Company (plaintiff) and China Energy Electric Fuel Co., Ltd., China Energy (Shanghai) Enterprise Co., Ltd., Shanghai Nengping Enterprise Co., Ltd. and Shenzhen Qianhai Baoying Commercial Factoring Co., Ltd. (defendants) over the right of recourse for bills is RMB50 million and the corresponding interest. In September 2018, the company filed a lawsuit with the Shenzhen Intermediate People's Court, and the court has preserved the defendant's corresponding property. As of the date of issuance of this report, the case was executed in progress.

(12) The amount of the subject matter involved in the dispute between the Company's subsidiary Anhui Konka (plaintiff) and Makena Electronic (Hong Kong) (defendant) over the sales and purchase contract is RMB5,440,200. On 7 December 2021, Anhui Konka filed arbitration with the Shenzhen Court of International Arbitration. On 14 October 2022, the compulsory enforcement was filed. As of the date of issuance of this report, the case was executed in progress.

(13) The amount of the subject matter involved in the dispute between the Company's subsidiary Anhui Konka (plaintiff) and Shanghai Likai Logistics Co., Ltd. Shenzhen Branch and Shanghai Likai Logistics Co., Ltd. (defendants) over freight forwarding contracts in maritime and open sea waters is RMB38 million. On 26 April 2021, Konka applied to Shanghai Maritime Court for compulsory execution. On 7 June 2021, the court accepted the case. As of the date of issuance of this report, the case was executed in progress.

(14) The amount of the subject matter involved in the dispute between the Company's subsidiary Pengrun Technology (plaintiff) and Guangan Ou Qi Shi Electronic Technology Co., Ltd., Guan Hongshao, Huaying Gaokede Electronic Technology Co., Ltd., Huaying Gaokelong Electronic Technology Co., Ltd., Guizhou Jiaguida Technology Co., Ltd., Sichuan Hongrongyuan Real Estate Co., Ltd., Du Xinyu, Linbolong and Wang

Shisheng (defendants) over trust contract is RMB167 million. The case has been applied for property preservation measures. As of the date of issuance of this report, the case was executed in progress.

(15) The amount of the subject matter involved in the dispute between the Company (plaintiff) and Yantai Kangyue Investment Co., Ltd. (defendant) over borrowing contract is RMB160 million. The Company has applied to the Shenzhen Intermediate People's Court for property preservation. As of the date of issuance of this report, the case was executed in progress.

(16) The amount of the subject matter involved in the dispute between the Company's subsidiary Jiabin Technology Co., Limited (plaintiff) and Tripod Electronics Technology (HongKong) Limited, Chen Wenhuan and Chen Baohong (defendants) over a sales and purchase contract of international goods is RMB51 million. As of the date of issuance of this report, the case was under trial.

(17) In the case of contract dispute between the Company (plaintiff), Zhu Xinming, Leng Sumin, Gongqingcheng BRIC Investment Management Partnership (limited partnership) and Gongqingcheng Xinrui Investment Management Partnership (Limited partnership) (defendant), due to the failure of the other party to pay performance compensation as agreed, the Company filed an arbitration with the Shenzhen International Arbitration Court in June 2023. The amount of the subject matter involved in the lawsuit is RMB939,044,100. As of the date of issuance of this report, the case was under trial.

(18) In the case of contract dispute between the Company's subsidiaries, Konka Lifeng (Plaintiff) and Shenzhen Junxing Communication Technology Co., Ltd., Gu Mei Electronics (Hong Kong) Technology Co., Ltd., Shenzhen Hongxing Fengda Industrial Development Co., Ltd., Shenzhen Junxing Junye Electronics Co., Ltd., Zeng Jiankai, Zhang Zhenyu, Haiying Technology Group (Hong Kong) Co., Ltd., Zhang Lixia, Anhui Baolin Industry Co., Ltd., Zeng Qingpeng, Zhong Yuhua (Defendant), the subject matter of the lawsuit is RMB262,711,100. As of the date of issue of this report, the case was under trial.

(19) Shenzhen Nianhua (plaintiff), a subsidiary of the Company, filed an arbitration with the Shenzhen International Arbitration Court in March 2023 in a share repurchase dispute with Fang Xianglong and Jiang Yan (defendant), due to the other party's failure to repurchase the share and pay the repurchase price as agreed. The subject matter of the lawsuit is RMB151,605,500. As of the date of issue of this report, the case was under implementation.

(20) The amount of the subject matter involved in the dispute between the Company's subsidiary Sichuan Konka (plaintiff) and Shenzhen Junxing Communication Technology Co., Ltd., Shenzhen Hongxing Fengda Industrial Development Co., Ltd., Shenzhen Junxing Junye Electronics Co., Ltd., Liuyang Huichuan Heyuan Villa Co., Ltd., Zeng Jiankai, Zhong Yuhua (defendant) over a sales and purchase contract is RMB51.72 million. As of the date of issuance of this report, the case was under implementation.

(21) The Company (plaintiff) filed a lawsuit with the Nanshan District People's Court of Shenzhen in May 2023 concerning the equity transfer contract dispute with Longrui Haoteng Technology Development Co., Ltd., Beijing Beida Blue Bird Security System Engineering Technology Co., Ltd., and Beijing Jingrui Haoteng Technology Development Co., Ltd. (Defendant) due to the failure of the other party to pay the balance of the equity transfer as agreed. The subject matter involved amounted to RMB45.4076 million. As of the date of issue of this report, the case was under implementation.

(22) The amount of the subject matter involved in the dispute between Shenzhen Oriental Venture Capital Investment Co., Ltd. (plaintiff) and the Company (defendant) over a contract is RMB750 million. As of the date

of issuance of this report, the case was under trial.

(23) The amount of the subject matter involved in the dispute between Sichuan Shuwu Guangrun logistics Co., Ltd. (plaintiff) and the Company's subsidiary Dongguan Konka (defendants) over a sales and purchase contract is RMB122,834,600. As of the date of issuance of this report, the case was under trial.

XV. Subsequent Events after the Balance Sheet Date

1. Important non-adjusting matters

The Group had no significant non-adjusting matters to disclose as of the date of this financial report.

2. Sales return

As of the date of this financial report, the Group had no material sales returns.

3. Notes to other subsequent events after the balance sheet date

Except for the above disclosure of matters after the balance sheet date, the Group did not have any other significant events after the balance sheet date.

XVI. Other Key Matters

As Konka Huanjia, a subsidiary of the Company, was unable to repay its debts as they matured and its assets were insufficient to repay all of its debts, the Company filed an application with the People's Court of Ganjizi District, Dalian City, Liaoning Province (the "Dalian Ganjingzi District Court") for the bankruptcy and liquidation of Konka Huanjia on 28 February 2024. On 29 February 2024, the Dalian Ganjingzi District Court decided in accordance with the law to accept the Company's application. On 14 March 2024, the Dalian Ganjingzi District Court appointed Shanghai SGLA (Dalian) Law Firm to act as the administrator (hereinafter referred to as the "Administrator") of the bankruptcy and liquidation case of Kangjia Huanjia. On 15 March 2024, the Administrator took over the relevant information and physical objects of Konka Huanjia. The Company no longer exercises control over Konka Huanjia since 15 March 2024.

Apart from the above matters, the Group had no other significant transactions and events that had an impact on investors' decision-making that needed to be disclosed.

XVII. Notes to the Main Items of the Financial Statements of the Parent Company

1. Accounts receivable

(1) Accounts receivable listed by aging portfolio

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within one year (inclusive)	1,576,900,729.92	1,206,382,965.89
One to two years	1,224,353,927.73	1,471,518,725.52

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Two to three years	280,813,815.55	116,480,162.93
Three to four years	61,088,778.22	58,805,217.49
Four to five years	13,205,337.48	122,821,401.69
Over five years	825,400,530.17	806,589,292.93
Total	3,981,763,119.07	3,782,597,766.45

(2) Accounts receivable listed by withdrawal methods for bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Accounts receivable of expected credit losses withdrawn individually	752,374,855.73	18.90	708,515,174.55	94.17	43,859,681.18
Accounts receivable of expected credit losses withdrawn by portfolio					
Of which: Aging portfolio	322,883,164.84	8.10	166,335,392.46	51.52	156,547,772.38
Grouping of related parties	2,906,505,098.50	73.00			2,906,505,098.50
Subtotal of portfolio	3,229,388,263.34	81.10	166,335,392.46	5.15	3,063,052,870.88
Total	3,981,763,119.07	100.00	874,850,567.01	21.97	3,106,912,552.06

(Continued)

Category	Opening balance		
	Book balance	Provision for bad debts	Carrying value

	Amount	Proportion (%)	Amount	Provision percentage (%)	
Accounts receivable of expected credit losses withdrawn individually	752,763,517.97	19.90	708,873,222.27	94.17	43,890,295.70
Accounts receivable of expected credit losses withdrawn by portfolio					
Of which: Aging portfolio	355,972,586.88	9.41	166,216,118.67	46.69	189,756,468.21
Grouping of related parties	2,673,861,661.60	70.69			2,673,861,661.60
Subtotal of portfolio	3,029,834,248.48	80.10	166,216,118.67	5.49	2,863,618,129.81
Total	3,782,597,766.45	100.00	875,089,340.94	23.13	2,907,508,425.51

1) Provision set aside for bad debts of accounts receivable by single item

Name	Closing balance			
	Book balance	Provision for bad debts	Provision percentage (%)	Reasons for the provision
Shanghai Huaxin International Group Co., Ltd.	298,855,950.30	292,878,831.29	98.00	Expected to be difficult to recover
Hongtu Sanbao High-tech Technology Co., Ltd.	200,000,000.00	180,000,000.00	90.00	Expected to be difficult to recover
Zhongfu Tiangong Construction Group Co., Ltd.	71,289,096.65	53,466,822.49	75.00	Expected to be difficult to recover
CCCC First Harbor Engineering Company Ltd.	55,438,105.00	55,438,105.00	100.00	Not expected to be recoverable
China Energy Power Fuel Co., Ltd.	49,993,564.16	49,993,564.16	100.00	Not expected to be recoverable
Shenzhen Kanghongxing Intelligent	36,900,685.94	36,900,685.94	100.00	Not expected to be

Name	Closing balance			Reasons for the provision
	Book balance	Provision for bad debts	Provision percentage (%)	
Technology Co., Ltd.				recoverable
Others	39,897,453.68	39,837,165.67	99.85	Expected to be difficult to recover
Total	752,374,855.73	708,515,174.55	94.17	

2) Provision for bad debts for accounts receivable made as per portfolio

① In the portfolio, accounts receivable of provision for expected credit loss made by aging

Aging	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Within one year	112,395,876.40	2,292,875.89	2.04
One to two years	5,187.00	519.74	10.02
Two to three years	59,706,366.00	13,547,374.44	22.69
Three to four years	800,435.79	519,322.74	64.88
Four to five years	171,776.01	171,776.01	100.00
Over five years	149,803,523.64	149,803,523.64	100.00
Total	322,883,164.84	166,335,392.46	51.52

② In the portfolio, accounts receivable of provision for expected credit loss made by other methods

Aging	Closing balance		
	Book balance	Provision for bad debts	Provision percentage (%)
Grouping of related parties	2,906,505,098.50		
Total	2,906,505,098.50		

(3) Provision for bad debts of accounts receivable set aside, recovered or reclassified in the current period

Category	Opening balance	Change in the current period	
		Provision	Recovery or reclassification
Provision for bad debts of accounts receivable	875,089,340.94	301,481.02	540,254.95
Total	875,089,340.94	301,481.02	540,254.95

(Continued)

Category	Change in the current period		Closing balance
	Charge-off or write-off	Decrease for other reasons	
Provision for bad debts of accounts receivable			874,850,567.01
Total			874,850,567.01

There were no provisions for bad debts with significant amounts to be recovered or classified in the Reporting Period.

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

There were no accounts receivable actually written off in the current period.

(5) Top five accounts receivable and contract assets in the closing balance categorised by debtors

The total amount of accounts receivable with top five closing balance categorised by debtors in the current period was RMB3,055,758,056.02, accounting for 76.74% of the total closing balance of accounts receivable. The total closing balance of provision for bad debts correspondingly set aside was RMB472,878,831.29.

2. Other accounts receivable

Item	Closing balance	Opening balance
Interest receivable	7,098,359.12	6,325,400.49
Dividends receivable	410,736,627.52	395,209,709.13

Item	Closing balance	Opening balance
Other receivables	7,584,889,286.80	7,560,988,861.81
Total	8,002,724,273.44	7,962,523,971.43

2.1 Interest receivable

Item	Closing balance	Opening balance
Interest on term deposits	7,098,359.12	6,325,400.49
Total	7,098,359.12	6,325,400.49

2.2 Dividends receivable

Item	Closing balance	Opening balance
Hong Kong Konka	116,030,982.90	115,209,709.13
Suining Konka Industrial Park	280,000,000.00	280,000,000.00
Chutian Dragon Co., Ltd.	4,240,444.62	
Wuhan Tianyuan Environmental Protection Co., Ltd.	10,465,200.00	
Total	410,736,627.52	395,209,709.13

2.3 Other receivables

(1) Classified by account nature

Nature of fund	Book balance at the end of the period	Book balance at the beginning of the period
Intercourse funds among subsidiaries	7,397,162,611.22	9,069,786,800.21
Energy-saving subsidies receivable	141,549,150.00	141,549,150.00
Intercourse funds with other related parties	2,024,073,267.21	235,267,733.09
Deposit, security deposit, deposit	11,713,898.17	12,721,943.88
Others	20,112,856.02	99,060,310.98

Nature of fund	Book balance at the end of the period	Book balance at the beginning of the period
Total	9,594,611,782.62	9,558,385,938.16

(2) Other receivables listed by aging

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within one year (inclusive)	2,451,928,731.79	5,210,348,063.16
One to two years	2,602,382,126.67	2,145,922,239.93
Two to three years	2,236,964,599.17	198,105,811.44
Three to four years	425,321,765.69	439,082,181.54
Four to five years	322,010,578.45	1,004,762,554.22
Over five years	1,556,003,980.85	560,165,087.87
Total	9,594,611,782.62	9,558,385,938.16

(3) Classified presentation of other receivables by provisioning methods of bad debts

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Other receivables of expected credit losses set aside by single item	2,115,468,102.06	22.05	1,958,223,301.39	92.57	157,244,800.67
Other receivables of provision for bad debts set aside by credit risk characteristic					

Category	Closing balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
portfolio:					
Aging portfolio	69,725,271.20	0.73	47,479,729.45	68.10	22,245,541.75
Low-risk portfolio	12,255,798.14	0.13	4,019,464.98	32.80	8,236,333.16
Grouping of related parties	7,397,162,611.22	77.09			7,397,162,611.22
Subtotal of portfolio	7,479,143,680.56	77.95	51,499,194.43	0.69	7,427,644,486.13
Total	9,594,611,782.62	100.00	2,009,722,495.82	20.95	7,584,889,286.80

(Continued)

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
Other receivables of expected credit losses set aside by single item	2,110,298,248.95	22.08	1,958,251,651.39	92.80	152,046,597.56
Other receivables of provision for bad debts set aside by credit risk characteristic portfolio:					
Aging portfolio	84,338,231.39	0.88	32,163,233.75	38.14	52,174,997.64
Low-risk	16,543,239.09	0.17	6,982,191.21	42.21	9,561,047.88

Category	Opening balance				Carrying value
	Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Provision percentage (%)	
portfolio					
Grouping of related parties	7,347,206,218.73	76.87			7,347,206,218.73
Subtotal of portfolio	7,448,087,689.21	77.92	39,145,424.96	0.53	7,408,942,264.25
Total	9,558,385,938.16	100.00	1,997,397,076.35	20.90	7,560,988,861.81

1) Provision set aside for bad debts of other receivables by the general expected credit loss model

Provision for bad debts	Phase I	Phase II	Phase III	Total
	Expected credit loss for the next 12 months	Expected credit loss during the whole outstanding maturity (without credit impairment)	Expected credit loss during the whole outstanding maturity (with credit impairment)	
Balance as of 1 January 2024	841,697.01	38,303,727.95	1,958,251,651.39	1,997,397,076.35
Balance as of 1 January 2024 in the current year	-294,559.25	294,559.25		
-- Transferred to Phase II	-294,559.25	294,559.25		
-- Transferred to Phase III				
-- Reclassified under Phase II				
-- Reclassified under Phase I				
Provision in the current period		12,698,964.19		12,698,964.19
Recovery in the current period	345,203.80		28,350.00	373,553.80

Charge-off in the current period				
Write-off in the current period				
Other changes		9.08		9.08
Balance as at 30 June 2024	201,933.96	51,297,260.47	1,958,223,301.39	2,009,722,495.82

Note: The first stage is that credit risk has not increased significantly since initial recognition. For other receivables with an aging portfolio and a low-risk portfolio within one year, the loss provision is measured according to the expected credit losses in the next 12 months.

The second stage is that credit risk has increased significantly since initial recognition but credit impairment has not yet occurred. For other receivables with an aging portfolio and a low-risk portfolio that exceed one year, the loss provision is measured based on the expected credit losses for the entire duration.

The third stage is the credit impairment after initial confirmation. For other receivables of credit impairment that have occurred, the loss provision is measured according to the credit losses that have occurred throughout the duration.

(4) Provision for bad debts of other receivables set aside, recovered or reclassified in the current period

The amount of provision for bad debts in the current period was RMB12,325,410.39.

(5) Other receivables actually written off in the current period

There were no other receivables actually written off in the current period.

(6) Other receivables with top five year-end balances categorised by debtors

The total amount of other receivables with top five closing balance categorised by debtors in the current period was RMB6,558,102,802.54, accounting for 68.35% of the total closing balance of other receivables. The total closing balance of provision for bad debts correspondingly set aside was RMB1,744,736,434.49.

3. Long-term equity investment

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Investment in subsidiaries	7,068,025,423.98	689,680,000.00	6,378,345,423.98	7,156,825,933.98	781,480,000.00	6,375,345,933.98

Investment in associated enterprises and joint ventures	2,347,583,606.04	393,554,900.04	1,954,028,706.00	2,279,596,484.20	301,754,900.04	1,977,841,584.16
Total	9,415,609,030.02	1,083,234,900.04	8,332,374,129.98	9,436,422,418.18	1,083,234,900.04	8,353,187,518.14

(1) Investment in subsidiaries

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
Konka Ventures	2,550,000.00			2,550,000.00		
Anhui Konka	122,780,937.98			122,780,937.98		
Konka Electronic Materials	300,000,000.00			300,000,000.00		
Konka Unifortune	15,300,000.00			15,300,000.00		
Wankaid	10,000,000.00		10,000,000.00			

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
Dongguan Konka	274,783,988.91			274,783,988.91		
Konka Europe	3,637,470.00			3,637,470.00		
Telecommunication Technology	360,000,000.00			360,000,000.00		
Mobile Interconnection	100,000,000.00			100,000,000.00		
Anhui Tongchuang	779,702,612.22			779,702,612.22		
Kangjiatong	30,749,800.00			30,749,800.00		
Pengrun Technology	25,500,000.00			25,500,000.00		
Beijing Konka Electronic	200,000,000.00			200,000,000.00		

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
Konka Circuit	437,050,000.00	13,000,000.00		450,050,000.00		
Hong Kong Konka	781,828.61			781,828.61		
Konka Investment	500,000,000.00			500,000,000.00		
Electronics Technology	1,000,000,000.00			1,000,000,000.00		
Shanghai Konka	40,000,000.00			40,000,000.00		
Jiangxi Konka						689,680,000.00
Shenzhen Nianhua	30,000,000.00			30,000,000.00		
Shenzhen KONSEMI	100,000,000.00			100,000,000.00		
Konka Eco-Dev	50,000.00			50,000.00		

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
elopment						
Suining Konka Industrial Park	200,000,000.00			200,000,000.00		
Konka Ronghe	5,100,000.00			5,100,000.00		
Suining Electronic Technological Innovation	200,000,000.00			200,000,000.00		
Shenzhen Chuangzhi Electrical Appliances	10,000,000.00			10,000,000.00		
Chongqing Konka Optoelectronic Technol	933,333,333.33			933,333,333.33		

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
ogy						
Kowin Memory (Shenzhen)	192,520,000.00			192,520,000.00		
Ningbo Kanghr Electrical Appliance	90,000,000.00			90,000,000.00		
Konka Intelligent Manufacturing	510.00		510.00			
Suining Jiarun Property	10,000,000.00			10,000,000.00		
Yibin Kangrun	67,000,000.00			67,000,000.00		
Hainan Konka Material Technology	9,205,452.93			9,205,452.93		
Konka	50,000,000.00			50,000,000.00		

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
Cross-border (Hebei)						
Konka Huazhong	30,000,000.00			30,000,000.00		
Guizhou Kanggui Material Technology	28,000,000.00			28,000,000.00		
Nantong Kanghai	15,300,000.00			15,300,000.00		
Jiangxi Konka High-tech Park	50,000,000.00			50,000,000.00		
Shangrao Konka Electronic Technology Innovation	30,000,000.00			30,000,000.00		
Xi'an Kanghong	12,000,000.00			12,000,000.00		

Investee	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment provision set aside in the current period	Closing balance of the provision for impairment
Technology Industry						
Xi'an Konka Intelligent Technology	50,000,000.00			50,000,000.00		
Songyang Konka Intelligent	30,000,000.00			30,000,000.00		
Konka North China	30,000,000.00			30,000,000.00		
Total	6,375,345,933.98	13,000,000.00	10,000,510.00	6,378,345,423.98		689,680,000.00

(2) Investment in associated enterprises and joint ventures

Investee	Balance as at the end of last period	Changes in the current period			
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Anhui Kaikai Shijie E-commerce Co., Ltd.	17,493,847.46			-5,828,645.96	

Investee	Balance as at the end of last period	Changes in the current period			
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Kunshan Kangsheng Investment Development Co., Ltd.	112,914,774.51			-3,336,356.30	
Shanxi Silk Road Cloud Intelligent Tech Co., Ltd.	5,187,588.48			-669,600.90	
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.					
Shenzhen Zhongkang Beidou Technology Co., Ltd.					
Shenzhen Kangjia Jiapin Intelligent Electrical Apparatus Technology Co., Ltd.	7,090,590.47			-480,528.54	
Shenzhen Yaode Technology Co., Ltd.					
Wuhan Tianyuan Environmental Protection Co., Ltd.	512,729,351.11			17,245,673.07	
Shenzhen KONKA E-display Co., Ltd.	15,355,334.74			1,799,918.18	
Chuzhou Konka Technology Industry Development Co., Ltd.					
Chuzhou Kangjin Health Industrial Development Co., Ltd.	136,166,304.62			-3,469,664.26	
Nantong Kangjian Technology Industrial Park Operations and Management Co., Ltd.	5,625,680.96				
Shenzhen Kangyue Enterprise Co.,					

Investee	Balance as at the end of last period	Changes in the current period			
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Ltd.					
Dongguan Guankang Yuhong Investment Co., Ltd.					
Chongqing Yuanlv Benpao Real Estate Co., Ltd.					
Chuzhou Kangxin Health Industry Development Co., Ltd.	8,277,052.29			-1,100,714.21	
E3info (Hainan) Technology Co., Ltd.	8,574,609.73				
Shenzhen Kangpeng Digital Technology Co., Ltd.	1,770,021.01			-345,320.82	
Yantai Kangyun Industrial Development Co., Ltd.					
Shandong Econ Technology Co., Ltd.	928,660,408.13				
Dongguan Kangjia New Materials Technology Co., Ltd.	3,856,971.32			2,886.15	
Chongqing E2info Technology Co., Ltd.	185,922,140.28			6,320,936.88	
Sichuan Chengrui Real Estate Co., Ltd.					
Wuhan Kangtang Information Technology Co., Ltd.	25,757,222.60			-848,227.42	
Sichuan Hongxinchen Real Estate Development Co., Ltd.	2,459,686.45				

Investee	Balance as at the end of last period	Changes in the current period			
		Increase in the investment	Decrease in the investment	Profit or loss of investment recognised by the equity method	Changes in other comprehensive income
Konka Huanjia Environmental Technology Co., Ltd.					
Total	1,977,841,584.16			9,290,355.87	

(Continued)

Investee	Changes in the current period				Closing balance	Ending balance of depreciation reserve
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others	(Carrying value)	
Anhui Kaikai Shijie E-commerce Co., Ltd.					11,665,201.50	
Kunshan Kangsheng Investment Development Co., Ltd.		7,350,000.00			102,228,418.21	
Shanxi Silk Road Cloud Intelligent Tech Co., Ltd.					4,517,987.58	
Shenzhen Kanghongxing Intelligent Technology Co., Ltd.						5,158,909.06
Shenzhen Zhongkang Beidou Technology Co., Ltd.						
Shenzhen Kangjia Jiapin Intelligent Electrical Apparatus Technology Co., Ltd.					6,610,061.93	
Shenzhen Yaode Technology Co., Ltd.						214,559,469.35

Investee	Changes in the current period				Closing balance	Ending balance of depreciation reserve
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others	(Carrying value)	
Wuhan Tianyuan Environmental Protection Co., Ltd.	-11,288,034.03	10,465,200.00			508,221,790.15	
Shenzhen KONKA E-display Co., Ltd.					17,155,252.92	
Chuzhou Konka Technology Industry Development Co., Ltd.						
Chuzhou Kangjin Health Industrial Development Co., Ltd.					132,696,640.36	
Nantong Kangjian Technology Industrial Park Operations and Management Co., Ltd.					5,625,680.96	
Shenzhen Kangyue Enterprise Co., Ltd.						230,011.61
Dongguan Guankang Yuhong Investment Co., Ltd.						
Chongqing Yuanlv Benpao Real Estate Co., Ltd.						
Chuzhou Kangxin Health Industry Development Co., Ltd.					7,176,338.08	
E3info (Hainan) Technology Co., Ltd.		4,000,000.00			4,574,609.73	
Shenzhen Kangpeng Digital					1,424,700.19	

Investee	Changes in the current period				Closing balance	Ending balance of depreciation reserve
	Changes in other equities	Cash dividends or profits declared to be distributed	Provision set aside for impairment	Others	(Carrying value)	
Technology Co., Ltd.						
Yantai Kangyun Industrial Development Co., Ltd.						
Shandong Econ Technology Co., Ltd.					928,660,408.13	81,806,510.02
Dongguan Kangjia New Materials Technology Co., Ltd.					3,859,857.47	
Chongqing E2info Technology Co., Ltd.					192,243,077.16	
Sichuan Chengrui Real Estate Co., Ltd.						
Wuhan Kangtang Information Technology Co., Ltd.					24,908,995.18	
Sichuan Hongxinchen Real Estate Development Co., Ltd.					2,459,686.45	
Konka Huanjia Environmental Technology Co., Ltd.						91,800,000.00
Total	-11,288,034.03	21,815,200.00			1,954,028,706.00	393,554,900.04

4. Operating revenue and cost of sales

(1) Operating income and operating costs

Item	Amount incurred in the current period		Amount incurred last period	
	Income	Cost	Income	Cost
Principal business	840,712,402.51	880,759,443.78	588,736,212.10	651,086,329.20

Item	Amount incurred in the current period		Amount incurred last period	
Other business	74,623,388.01	29,020,937.18	82,606,260.87	31,456,950.98
Total	915,335,790.52	909,780,380.96	671,342,472.97	682,543,280.18

(2) Information in relation to the trade price apportioned to the residual contract performance obligation

The amount of revenue corresponding to performance obligations that have been contracted but have not yet been fulfilled or completed at the end of the period is RMB2,522,999.28, of which RMB2,522,999.28 is expected to be recognised as revenue in 2024.

5. Investment income

Item	Amount incurred in the current period	Amount incurred last period
Returns on long-term equity investments calculated by the equity method	9,290,355.87	-17,573,675.23
Return on investment arising from the disposal of long-term equity investments	16,490,883.27	182,495,426.59
Conversion of long-term equity investments accounted for by the equity method to financial assets		574,780,174.75
Investment income from disposal of financial assets at fair value through profit or loss	11,456.91	-3,794,910.98
Interest income from debt investments during the holding period	2,140,000.00	3,622,191.78
Return on investment in the financial assets held for trading during the holding period	4,240,444.62	9,383,976.00
Others	-152,872.14	500,000.00
Total	32,020,268.53	749,413,182.91

XVIII. Supplementary Materials to the Financial Statements

1. Items and amounts of non-recurring profit or loss in the current period

Item	Amount of current period	Notes
Profit or losses on disposal of non-current assets (including the portion offset for provisions for asset impairment)	837,373.68	
Government subsidies included in profit and loss of the current period (except for government subsidies that are closely related to the Company's normal business operation, comply with national policies and are enjoyed in accordance with defined criteria, and have a continuing impact on the Company's profit or loss)	55,171,603.63	
Profit or losses from changes in fair value of financial assets and liabilities held by non-financial corporations and profit or losses from the disposal of financial assets and liabilities, except for effective hedging operations related to the Company's normal business operations	-165,919,193.12	
Dispossession surcharge to non-financial institutions included in the current profit and loss		
Gain/Loss on entrusting others with investments or asset management		
Gain/loss on entrustment loans	63,154,861.04	
Losses on assets resulted from force majeure factors such as natural disasters		
Reclassification of impairment loss allowances of receivables separately tested for impairment		
Profits arising from business combination when the combined cost is less than the recognised fair value of net assets of the merged company		
Current net profit or loss of subsidiaries acquired in business combination under the same control from period-beginning to combination date		
Profit/Loss on non-monetary asset swap		
Profit/Loss on debt restructuring		
One-time costs incurred by an enterprise as a result of the discontinuation of		

Item	Amount of current period	Notes
a related operating activity, such as expenses for relocating employees		
One-time impact on profit or loss for the current period due to adjustments in tax, accounting and other laws and regulations		
One-time recognition of share-based payment expense due to cancellation and modification of equity incentive plans		
Cash-settled share-based payments, profit or losses arising from changes in the fair value of employee compensation payable after the date of exercisability		
Gain/loss on change in fair value of investment property of which the follow-up measurement is carried out adopting fair value method		
Income from transactions at significantly unfair prices		
Profit and losses arising from contingencies unrelated to the normal operation of the Company's business		
Custodian fees earned from entrusted operation		
Non-operating income and expenses other than those listed above	11,832,131.66	
Other profit and loss items in line with the definition of non-recurring gains and losses	30,000,710.67	
Subtotal	-4,922,512.44	
Less: Income tax effect	-29,890,840.20	
Effect of minority shareholders' equities (after tax)	9,471,559.59	
Total	15,496,768.17	—

(1) Specific information on other profit and loss items that meet the definition of non recurring gains and losses:

Item	Amount	Reasons
Reversal of excess losses recognized in	31,971,388.49	In March 2024, one of the Company's holding

Item	Amount	Reasons
previous periods		subsidiaries in Dalian entered into bankruptcy and liquidation proceedings pursuant to a court decision, and has been taken over by a court-appointed bankruptcy and liquidation administrator to take over the relevant information and physical objects, and the Company no longer controls this company, and therefore it has reversed the excess losses recognized in previous periods.
Derecognition of revenue for financial assets measured at amortized costs	-1,970,677.82	Derecognition of revenue for notes receivable

(2) The Company recognises items that are not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public--Non-recurring Profit or Loss (Revised in 2023) as non-recurring profit or loss items, and those involving significant amounts as well as the non-recurring profit or loss items listed as recurring profit or loss items

Item	Amount	Reasons
Software tax refund	1,596,783.94	Government subsidies which are closely related to the normal business of the company and which are in accordance with national policies and certain standard quota or quantitative amount

2. Return on net assets and earnings per share

Profit for the Reporting Period	Weighted average Weighted average return on net assets (%)	EPS (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company as the Parent	-21.33	-0.4517	-0.4517
Net profit attributable to ordinary shareholders of the Company as the Parent before exceptional gains and losses	-21.64	-0.4581	-0.4581

3. Accounting Data Differences under PRC GAAP and Those under IFRSs

(1) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with International Accounting Standards and Chinese Accounting Standards

Applicable Not applicable

(2) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with Domestic Accounting Standards and Chinese Accounting Standards

Applicable Not applicable

(3) Explain Reasons for the Differences between Accounting Data Under Domestic and Overseas Accounting Standards; for Any Adjustment Made to the Difference Existing in the Data Audited by the Foreign Auditing Agent, Such Foreign Auditing Agent's Name Shall Be Clearly Stated.

Applicable Not applicable