

Stock Code: 000726, 200726

Stock Name: LTTC, LTTC-B

Announcement No. 2024-022

Bond Code: 127016

Bond Name: LTTC Convertible Bonds

LU THAI TEXTILE CO., LTD.

ANNUAL REPORT 2023 (SUMMARY)

Part I Important Notes

This Summary is based on the full Annual Report of Lu Thai Textile Co., Ltd. (together with its consolidated subsidiaries, the “Company”, except where the context otherwise requires). In order for a full understanding of the Company’s operating results, financial position and future development plans, investors should carefully read the aforesaid full text, which has been disclosed together with this Summary on the media designated by the China Securities Regulatory Commission (the “CSRC”).

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

Independent auditor’s modified opinion:

Applicable Not applicable

Board-approved final cash and/or stock dividend plan for ordinary shareholders for the Reporting Period:

Applicable Not applicable

Bonus issue from capital reserves:

Yes No

The Board has approved a final dividend plan as follows: based on the share capital of 817,431,206 shares (exclusive of repurchased and retired B-shares), a cash dividend of RMB1.30 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves.

Board-approved final cash and/or stock dividend plan for preferred shareholders for the Reporting Period:

Applicable Not applicable

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

Part II Key Corporate Information

1. Stock Profile

Stock name	LTTC, LTTC-B	Stock code	000726, 200726
Stock exchange for stock listing	Shenzhen Stock Exchange		
Previous stock name (if any)	N/A		

Contact information	Board Secretary	Securities Representative
Name	Zhang Keming	Zheng Weiyin and Li Kun
Address	81 Songling East Road, Zichuan District, Zibo City, Shandong Province, P.R.China	81 Songling East Road, Zichuan District, Zibo City, Shandong Province, P.R.China
Fax	0533-5418805	0533-5418805
Tel.	0533-5277008	0533-5285166
Email address	zhangkeming@ltd.com.cn	wyzheng@ltd.com.cn, likun@ltd.com.cn

2. Principal Activities or Products in the Reporting Period

Lu Thai has always adhered to its mission of “creating wealth, contributing to the society, clothing the world and weaving our way to every corner of the globe”, as well as to its values of “people foremost policy, rigorous scientific attitude, client oriented principle and integrity for win-win outcome”. It has gradually become a textile and garment enterprise group with comprehensive and vertical production capacities integrating spinning, bleaching and dyeing, weaving, afterfinish and clothing manufacture. Lu Thai produces and sells middle and high-grade yarn-dyed fabric, dyeing fabric, functional fabric and knitted fabric for shirts, as well as garment. It claimed its fame for its comprehensive management, R&D ability, advanced technology, stable quality and international operations. Moreover, it also attaches great importance to improving the added value of its products, explore the emerging market and renew its service philosophy. Lu Thai has become the world’s largest high-grade yarn dyed fabric producer and a world-class premium shirt provider. It had paved its development pattern featured in going green, low-carbon growth, science and technology and humanism. Over 60% of Lu Thai’s products are exported to over 60 countries and regions. Moreover, the Company has established strategic partnership with renowned brand owners at home and abroad.

3. Key Financial Information

(1) Key Financial Information of the Past Three Years

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

Unit: RMB

	31 December 2023	31 December 2022	Change of 31 December 2023 over 31 December 2022 (%)	31 December 2021
Total assets	13,430,286,222.94	13,351,097,602.03	0.59%	12,987,221,271.63
Equity attributable to the listed company’s shareholders	9,230,806,905.80	9,014,156,872.71	2.40%	7,983,307,400.03
	2023	2022	2023-over-2022 change (%)	2021
Operating revenue	5,961,477,252.98	6,938,342,135.90	-14.08%	5,238,262,348.85
Net profit attributable to the listed company’s shareholders	403,444,254.42	963,864,819.43	-58.14%	347,609,693.30
Net profit attributable to the listed company’s shareholders before exceptional gains and losses	386,135,437.00	795,473,953.21	-51.46%	190,492,580.40
Net cash generated from/used in operating activities	854,864,537.42	1,422,310,774.26	-39.90%	348,137,005.48
Basic earnings per share (RMB/share)	0.47	1.10	-57.27%	0.39

Diluted earnings per share (RMB/share)	0.42	0.95	-55.79%	0.36
Weighted average return on equity (%)	4.40%	11.31%	-6.91%	4.44%

(2) Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	1,378,301,160.57	1,462,190,101.90	1,502,888,352.91	1,618,097,637.60
Net profit attributable to the listed company's shareholders	95,759,162.05	125,888,836.10	113,464,972.86	68,331,283.41
Net profit attributable to the listed company's shareholders before exceptional gains and losses	51,332,367.74	140,477,494.20	110,981,395.05	83,344,180.01
Net cash generated from/used in operating activities	-36,789,172.94	185,399,389.92	12,047,210.33	694,207,110.11

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

Yes No

4. Share Capital and Shareholder Information at the Period-End

(1) Numbers of Ordinary Shareholders and Preferred Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders at the period-end	49,725	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	48,031	Number of preferred shareholders with resumed voting rights at the period-end	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report	0
Top 10 shareholders (exclusive of shares lent in refinancing)							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Restricted shares held	Shares in pledge, marked or frozen		
					Status	Shares	
Zibo Lucheng Textile Investment Co., Ltd.	Domestic non-state-owned legal person	16.25%	140,353,583	0	N/A	0	
Tailun (Thailand) Textile Co., Ltd.	Foreign legal person	13.69%	118,232,400	0	N/A	0	
Central Huijin Assets Management Co., Ltd.	State-owned legal person	2.30%	19,884,100	0	N/A	0	
National Social Security Fund Portfolio 413	Other	1.64%	14,190,051	0	N/A	0	
ICBC Credit Suisse Innovation Power Stock Type Securities Investment Fund	Other	1.38%	11,910,000	0	N/A	0	
ICBC Credit Suisse Selected Balanced Mixed Securities Investment Fund	Other	0.84%	7,230,000	0	N/A	0	
Dongfanghong Zhihua Three-Year Holding Mixed Securities Investment Fund	Other	0.75%	6,451,750	0	N/A	0	
FEDERATED HERMES GLOBAL INVESTMENT FD (CAYMAN) MASTER,	Foreign legal person	0.72%	6,200,183	0	N/A	0	

SPC OBOAFTAO FEDERATED HERMES EMG ASIA EQUITY FD MASTER S.P.						
Dongfanghong Dingyuan 3-Month Fixed Term Open Mixed Initiating Securities Investment Fund	Other	0.61%	5,276,400	0	N/A	0
Dacheng China Securities Asset Management Plan	Other	0.60%	5,144,200	0	N/A	0
Related or acting-in-concert parties among the shareholders above			Zibo Lucheng Textile Investment Co., Ltd. is the largest shareholder and the actual controller of the Company. Tailun (Thailand) Textile Co., Ltd. is the second largest shareholder and the foreign sponsor of the Company. All the other shareholders are holding tradable A-shares or B-shares. And it is unknown whether there is any related party or acting-in-concert party among them.			
Shareholders involved in securities margin trading (if any)			Naught			

Top 10 shareholders involved in refinancing shares lending

Applicable Not applicable

Changes in shares that the top 10 shareholders lend in refinancing compared with the prior period

Applicable Not applicable

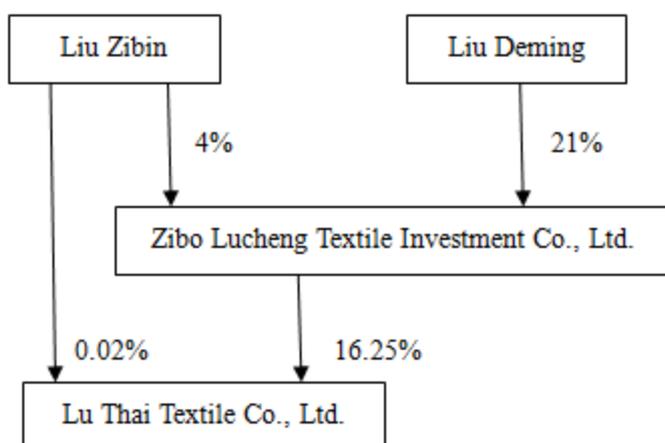
Unit: share

Changes in shares that the top 10 shareholders lend in refinancing compared with the end of the prior period					
Full name of shareholder	Increase/decrease in the Reporting Period	Shares lent in refinancing and not yet returned at the period-end		Shares in the common account and credit account plus shares lent in refinancing and not yet returned at the period-end	
		Total shares	As % of total share capital	Total shares	As % of total share capital
GF Fund-ABC- GF China Securities Asset Management Plan	Decrease	0	0.00%	4,833,300	0.56%
Harvest Fund-ABC- Harvest China Securities Asset Management Plan	Decrease	0	0.00%	3,674,700	0.43%
Yinhua Fund-ABC- Yinhua China Securities Asset Management Plan	Decrease	0	0.00%	4,320,212	0.50%
CCB- ICBC Credit Suisse Selected Balanced Mixed Securities Investment Fund	Increase	0	0.00%	7,230,000	0.84%
CCB- Dongfanghong Zhihua Three-Year Holding Mixed Securities Investment Fund	Increase	0	0.00%	6,451,750	0.75%
Shanghai Pudong Development Bank Co., Ltd.- Dongfanghong Dingyuan 3-Month Fixed Term Open Mixed Initiating Securities Investment Fund	Increase	0	0.00%	5,276,400	0.61%

(2) Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

No preferred shareholders in the Reporting Period.

(3) Ownership and Control Relations between the Actual Controller and the Company**5. Outstanding Bonds at the Date when this Report Was Authorized for Issue**

Applicable Not applicable

(1) Bond Profile

Bond name	Abbr.	Bond code	Date of issue	Maturity	Balance (RMB'0,000)	Coupon rate
Convertible Corporate Bonds of Lu Thai Textile Co., Ltd.	LTTC Convertible Bonds	127016	9 April 2020	8 April 2026	139,984.94	
Redemption and interest payments during the Reporting Period		1. For LTTC Convertible Bonds, the coupon rates are: 0.3% for the first year, 0.6% for the second year, 1.0% for the third year, 1.5% for the fourth year, 1.8% for the fifth year, and 2.0% for the sixth year. 2. On 10 April 2023, the Company paid the interest for the third year according to the par value of the bonds, i.e. interest of RMB10.00 (tax inclusive) for every 10 "LTTC Convertible Bonds" (par value: RMB1,000).				

(2) Latest Follow-up Ratings and Rating Changes of the Bonds

The credit rating of the Company's convertible bonds for the Reporting Period is AA+, which has not changed compared with that of the same period of last year.

(3) Key Financial Information of the Company for the Past Two Years

Unit: RMB'0,000

Item	2023	2022	Change
Debt/asset ratio	28.39%	29.53%	-1.14%
Net profit before exceptional gains and losses	38,613.54	79,547.4	-51.46%
EBITDA/debt ratio	41.97%	66.20%	-24.23%
Interest coverage (times)	5.29	11.25	-52.98%

Part III Significant Events

The Company completed the formalities for cancellation of the 23,935,748 B shares repurchased during the period from 27 July 2022 to 8 May 2023 at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on 25 May 2023. For details, see the Company's Announcement No. 2023-034 disclosed on www.cninfo.com.cn at 26 May 2023.

The Proposal on Repurchase of Domestically Listed Foreign Shares (B-Stock) was approved at the 10th Meeting of the 10th Board of Directors and the First Extraordinary General Meeting of 2023. As such, an amount of no more than RMB200 million would be used to repurchase shares, with a price limit of HKD4.80 per share, within 12 months from the date when the share repurchase plan was approved at the general meeting. For details, see the relevant announcements (No.: 2023-043, 2023-044, 2023-053, 2023-054 and 2023-055) and documents disclosed on 20 June 2023 and 7 July 2023 on www.cninfo.com.cn.

Chairman of the Board: Liu Zibin

Lu Thai Textile Co., Ltd.

12 April 2024