

Fangda Carbon New Material Co., Ltd. First Quarterly Report 2025

The Board of Directors and all directors of the Company warrant that there are no false records, misleading statements or material omissions in the contents of this announcement and shall be legally responsible for the truthfulness, accuracy and completeness of its contents.

Vital content notes:

- The board of directors, the supervisory board, the directors, the supervisors and the senior management of the Company warrant that the contents of the quarterly report are true, accurate and complete, and that there are no false records, misleading statements or significant omissions, and that they shall bear individual and joint legal liabilities.
- The person in charge of the Company, the person in charge of accounting affairs, and the person in charge of the accounting department (accounting supervisor), guarantee the truthfulness, accuracy and completeness of the financial information in this quarterly report.

Whether the first quarterly financial statements were audited.

☐yes ☒no

Matters on which the auditor issued a non-standard opinion

☐ Applicable ☒ Inapplicable

I. Major financial data

(I) Financial highlights

Unit: Yuan Currency: CNY

Items	First Quarter 2025	First Quarter 2024	Year-on-year growth (%)
Operating revenue	850,331,610.98	1,388,029,229.24	-38.74
Net income attributable to shareholders of the Company	6,941,360.18	171,285,330.47	-95.95
Net income attributable to shareholders of the Company after	38,703,917.70	199,568,219.16	-80.61

deducting non-recurring gains and losses			
Net cash flows from operating activities	-205,043,809.10	-18,590,779.34	Inapplicable
Basic earnings per share (Yuan/share)	0.0018	0.0425	-95.76
Diluted earnings per share (Yuan/share)	0.0018	0.0425	-95.76
Weighted average return on equity (%)	0.04	1.00	Decreased by 0.96%
	End of current reporting period	Prior year end	Year-on-year growth (%)
Total assets	20,390,529,170.44	20,371,965,197.78	0.09
Total equity attributable to shareholders of the Company	16,170,778,719.15	16,170,077,933.65	0.00

Note: Throughout this report, "current reporting period" refers to the three-month period from the beginning of the current quarter to the end of the current quarter.

(II) Items and value of non-recurring gains and losses

Unit: Yuan Currency: CNY

Items	First Quarter 2025	Notes
Gains and losses on disposal of non-current assets, including the elimination of the provision for asset impairment.	-2,106,061.59	
Government grants recognized in profit or loss for the current period, except for government grants that are closely related to the Company's normal business operations, in compliance with national policies and in accordance with defined criteria, and that have a continuous impact on the Company's profit or loss	11,758,956.81	
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and gains and losses arising from the disposal of financial assets and financial liabilities, except for effective hedging business related to the Company's normal operating business	-51,345,492.76	
Capital occupancy fees charged to non-financial enterprises recognized as current		

profit or loss		
Gains and losses on entrusted investment or asset management		
Gains and losses on entrusted external loans		
Losses on assets due to force majeure factors, such as natural disasters		
Reversal of provision for impairment of receivables individually tested for impairment		
Gain arising from the excess of the cost of investment in subsidiaries, associates and joint ventures over the fair value of the investee's identifiable net assets at the time of investment acquisition		
Net profit or loss of subsidiaries for the period from the beginning of the period to the date of consolidation arising from a business combination under the same control		
Gain or loss on exchange of non-monetary assets		
Gains or losses on debt restructuring		
One-time costs incurred by an enterprise because the relevant operating activities are no longer continuing, such as expenses for relocating employees		
One-time impact on current profit or loss due to adjustments in tax, accounting and other laws and regulations		
One-time recognition of share-based payment expenses due to the cancellation or modification of the share incentive plan		
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee compensation payable after the feasible date of entitlement		
Gains or losses arising from changes in the fair value of investment properties subsequently measured using the fair value model		
Gains or losses arising from transactions where the transaction price is significantly less than fair value		
Gains or losses arising from contingencies not related to the Company's normal business operations		
Custodian fee income from entrusted operations		
Non-operating income and expenses other than those listed above	1,902,776.78	
Other items of gains and losses that meet the definition of non-recurring gains and losses		
Less: Income tax effect	-8,814,939.48	

Minority interests impact amount (after tax)	787,676.24	
Total	-31,762,557.52	

Provide an explanation if the Company classifies any non-recurring profits/losses items mentioned in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Their Securities to the Public – Non-recurring Profits/Losses* as a recurring profits/losses item.

☐Applicable ☒Inapplicable

(III) Changes in key accounting data and financial indicators, and reasons therefor

☒Applicable ☐Inapplicable

Items	Percentage change (%)	Main reasons
Operating Income	-38.74	Mainly as a result of lower selling prices of products during the period.
Net profit attributable to shareholders of listed companies	-95.95	Mainly as a result of the decrease in selling prices of products during the period.
Net profit attributable to shareholders of listed companies after extraordinary gains and losses	-80.61	Mainly as a result of the decrease in product sales prices during the period.
Basic earnings per share (yuan/share)	-95.76	Mainly as a result of the decrease in net profit attributable to shareholders of listed companies during the period.
Diluted earnings per share (RMB/share)	-95.76	Mainly as a result of the decrease in net profit attributable to shareholders of listed companies during the period.

II. Shareholders' Profile

(I) Total number of ordinary shareholders, total number of preferred shareholders with restored voting rights, and shareholdings of the top ten shareholders

Unit: share

Total number of ordinary shareholders at the end of current reporting period	209,648	Total number of preferred shareholders with voting rights restored at the end of current reporting period (if any)	Inapplicable
Shareholdings of the top 10 shareholders			

Name of shareholder	Nature of shareholder	Shareholdings	Percentage of shareholdings	Number of shares held under restrictive selling conditions	Pledged, marked or frozen	
					Shareholding status	Number
Liaoning Fangda Group Industrial Co., Ltd.	Domestic non-state legal person	1,524,413,321	37.86	0	Pledged	735,528,590
Agricultural Bank of China Co., Ltd. - CSI 500 Exchange Traded Open-Ended Index Securities Investment Fund	Unknown	36,274,911	0.9	0	None	
Hong Kong Central Clearing Limited	Unknown	24,125,763	0.6	0	None	
Fang Wei	Domestic natural person	18,480,200	0.46	0	None	
Bank of China Co., Ltd. - Harvest New Energy and New Materials Stock Securities Investment Fund	Unknown	12,090,289	0.3	0	None	
Dai De-ming	Unknown	11,000,000	0.27	0	None	
China Pacific Life Insurance Co., Ltd. - Traditional - General Insurance Products	Unknown	8,069,909	0.2	0	None	
Minsheng Bank of China Co., Ltd. - Harvest Power Pioneer Hybrid Securities Investment Fund	Unknown	7,215,985	0.18	0	None	
Kuang Fa-hong	Unknown	6,963,540	0.17	0	None	
Ye Ya-jun	Unknown	6,500,000	0.16	0	None	
Shareholdings of the top 10 shareholders with nonrestrictive selling conditions						
Name of shareholder	Number of shares held in circulation with nonrestrictive selling conditions	Stock type and number				
		Stock type	Number			
Liaoning Fangda Group Industrial Co., Ltd.	1,524,413,321	CNY ordinary stock	1,524,413,321			
Agricultural Bank of China Co.,	36,274,911	CNY ordinary stock	36,274,911			

Ltd. - CSI 500 Exchange-Traded Open-Ended Index Securities Investment Fund			
Hong Kong Central Clearing Limited	24,125,763	CNY ordinary stock	24,125,763
Fang Wei	18,480,200	CNY ordinary stock	18,480,200
Bank of China Co., Ltd. - Harvest New Energy and New Materials Stock-Type Securities Investment Fund	12,090,289	CNY ordinary stock	12,090,289
Dai Deming	11,000,000	CNY ordinary stock	11,000,000
China Pacific Life Insurance Co., Ltd. - Traditional - Ordinary Insurance Products	8,069,909	CNY ordinary stock	8,069,909
Minsheng Bank of China Co., Ltd. - Harvest Power Pioneer Hybrid-Type Securities Investment Fund	7,215,985	CNY ordinary stock	7,215,985
Kuang Fahong	6,963,540	CNY ordinary stock	6,963,540
Ye Yajun	6,500,000	CNY ordinary stock	6,500,000
Description of the above shareholders' affiliation or concerted action	Among the above shareholders, Liaoning Fangda Group Industry Co., Ltd. and Mr. Fang Wei, a natural person shareholder, are acting in concert, and there is no connected relationship with the remaining shareholders. Except for Mr. Fang Wei, a natural person shareholder, the remaining shareholders are not known to be related or acting in concert.		
Description of the participation of the top 10 shareholders and the top 10 unlimited shareholders in financing and bond financing and transferring business (if any)	Shareholder Ye Yajun holds 0 shares through ordinary securities account and 6,500,000 shares through investor credit securities account.		

As at the end of the reporting period, 249,372,465 shares were held in the Company's special securities account for repurchases, representing 6.19% of the total share capital of the Company.

III. Other facts for attention

Other important information about the Company's operations during the current reporting period that should be brought to the attention of investors

☐Applicable ☒Inapplicable

IV. Quarterly financial statements

(I) Type of audit opinion

☐Applicable ☒Inapplicable

(II) Financial report

Consolidated Statement of Balance Sheet

As at 31 March 2025

Prepared by: Fangda Carbon New Material Co., Ltd.

Unit: Yuan Currency: CNY Audit type: unaudited

Items	31 March 2024	31 March 2023
Current assets:		
Cash and cash equivalents	4,996,511,742.01	5,455,024,332.33
Settlements provision		
Loans to banks and other financial institutions		
Financial assets held for trading	861,035,486.14	1,014,860,385.06
Derivative financial assets		
Notes receivable	475,956,571.52	531,308,592.00
Accounts receivable	473,056,916.70	420,588,447.82
Financing receivables	187,926,731.51	126,856,196.64
Prepayments	175,563,548.27	79,772,526.80
Insurance premium receivable		
Due from reinsurers		
Reserve for reinsurance contracts receivable		
Other receivables	122,522,780.65	102,055,634.62
Including: Interest receivable		
Dividends receivable		
Buying back the sale of financial assets		
Inventories	1,522,823,042.87	1,544,825,414.07

Including: data resources		
Contract assets	33,891,482.04	33,891,482.04
Assets classified as held for sale		
Current portion of non-current assets		
Other current assets	19,578,619.54	26,924,359.30
Total current assets	8,868,866,921.25	9,336,107,370.68
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investments	6,879,361,622.89	6,832,955,594.88
Other equity instruments investments		
Other non-current financial assets	498,650,582.58	505,726,485.92
Investment properties		
Fixed assets	2,753,331,026.85	2,676,399,735.93
Construction in progress	384,404,314.86	460,780,242.81
Productive biological assets		
Oil and gas assets		
Right-of-use asset		
Intangible assets	412,418,686.34	415,567,442.93
Including: data resources		
Development expenditures		
Including: data resources		
Goodwill		
Long-term prepaid expense	1,149,258.27	99,999.22
Deferred tax assets	89,519,269.87	89,836,161.95
Other non-current assets	502,827,487.53	54,492,163.46
Total non-current assets	11,521,662,249.19	11,035,857,827.10
Total assets	20,390,529,170.44	20,371,965,197.78

Current liabilities:		
Short-term borrowings	612,167,018.00	540,804,238.65
Borrowing from the central bank		
Deposits and balances from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	207,310,911.08	101,605,855.43
Accounts payable	372,476,744.63	437,370,504.40
Receipts in advance		
Contract liabilities	289,358,001.16	267,581,615.70
Financial assets sold for repurchase		
Deposits from customers and interbank		
Customer brokerage deposits		
Securities underwriting brokerage deposits		
Payroll and employee benefits payable	37,480,496.57	74,815,962.89
Taxes payable	12,104,263.16	27,625,873.84
Other payables	161,192,858.95	177,246,052.95
Including: Interest payable		
Dividend payable	2,139,998.15	2,139,998.15
Fees and commission payable		
Payable reinsurance		
Liabilities classified as held for sale		
Current portion of non-current liabilities	190,000,000.00	630,173,224.58
Other current liabilities	221,425,775.72	220,056,487.75
Total current liabilities	2,103,516,069.27	2,477,279,816.19
Non-current liabilities:		
Insurance reserves		
Long-term borrowings	400,000,000.00	
Bonds payable		
Including: Preference share		

Perpetual debt		
Lease liabilities		
Long-term Payable		
Long-term payroll and employee benefits payable		
Provisions		
Deferred income	267,834,252.45	272,286,532.01
Deferred tax liabilities	54,786,115.69	52,503,739.76
Other non-current liabilities	75,162,761.75	75,836,083.26
Total non-current liabilities	797,783,129.89	400,626,355.03
Total liabilities	2,901,299,199.16	2,877,906,171.22
Equities:		
Paid-up capital	4,025,970,368.00	4,025,970,368.00
Other equity instruments		
Including: Preference share		
Perpetual debt		
Capital reserve	1,980,387,751.44	1,980,387,751.44
Less: treasury shares	1,300,035,900.58	1,300,035,900.58
Other comprehensive income	97,952,635.71	97,953,623.54
Special reserve	14,955,956.31	21,195,543.16
Surplus reserve	1,432,205,992.27	1,432,205,992.27
General reserve		
Retained earnings	9,919,341,916.00	9,912,400,555.82
Total equity attributable to owners of parent	16,170,778,719.15	16,170,077,933.65
Minorities interests	1,318,451,252.13	1,323,981,092.91
Total shareholders' equity	17,489,229,971.28	17,494,059,026.56
Total liabilities and Shareholders' equity	20,390,529,170.44	20,371,965,197.78

The financial statements were signed by the following persons:

Legal Representative: Ma Zhuo Chief Accountant: Zhao Erqin Head of Accounting Department: Tan Hong

Consolidated Income Statement

For the period from 1 January 2025 to 31 March 2025

Prepared by: Fangda Carbon New Material Co., Ltd.

Unit: Yuan Currency: CNY Audit type: unaudited

Items	First Quarter ended 31 March 2025	First Quarter ended 31 March 2024
I. Total revenue	850,331,610.98	1,388,029,229.24
Including: Operating revenue	850,331,610.98	1,388,029,229.24
Interest income		
Net earned premiums		
Net fee and commission revenue		
II. Total operating cost	850,842,943.89	1,150,633,468.68
Including: COGS	738,213,260.14	1,026,697,698.19
Interest expenses		
Fees and commission expenses		
Surrender charge		
Net payments for insurance claims		
Net provision of insurance reserve		
Policyholder dividends		
Reinsurance expenses		
Taxes and surcharges	11,958,764.81	27,512,731.24
Selling expenses	28,770,708.86	31,941,073.77
General and administrative expenses	81,324,224.43	87,706,103.06
R&D expenses	15,712,141.67	21,331,313.34
Financial expenses	-25,136,156.02	-44,555,450.92
Including: Interest expense	6,041,734.91	6,848,860.09
Interest income	29,714,817.42	48,981,895.29
Plus: Other profit	11,758,956.81	11,808,752.01
Investment profit/ (loss)	21,839,514.24	20,380,352.80
Including: gains from investment of associates		

and joint ventures		
Gains from derecognition of financial assets measured at amortized cost		
Exchange gains or losses		
Net exposure hedging gains/ (losses)		
Gain/ (loss) on the changes in fair value	-27,063,354.02	-43,548,457.94
Credit impairment losses	11,070.00	249,007.74
Assets impairment losses		21,920.50
Gain/ (loss) from disposal of assets	-258,896.13	337,182.13
III. Operating profit	5,775,957.99	226,644,517.80
Plus: Non-operating income	2,008,889.83	892,976.20
Less: Non-operating expenses	2,212,174.64	1,357,338.18
IV. EBT	5,572,673.18	226,180,155.82
Less: Income tax expenses	4,161,153.78	51,453,162.39
V. Net income	1,411,519.40	174,726,993.43
(I) Categorized by business continuity		
i. Net profit from continuing operations	6,941,360.18	171,285,330.47
ii. Net profit from discontinuing operations		
(II) Categorized by ownership		
i. Net profit attributable to owners of the parent company	6,941,360.18	171,285,330.47
ii. Net profit attributable to minorities interests	-5,529,840.78	3,441,662.96
VI. Other comprehensive income (net of tax)	-987.83	-1,091.51
(I) Other comprehensive income, net of tax, attributable to owners of the parent	-987.83	-1,091.51
i. Other comprehensive income that cannot be reclassified to profit or loss		
(i) Remeasurement gains or losses of a defined benefit plan		
(ii) Other comprehensive income using the equity method that will not be reclassified to profit or loss		

(iii) Changes in fair value of other equity instrument investments		
(iv) Changes in fair value of enterprise's own credit risk		
ii. Other comprehensive income to be reclassified to profit or loss		
(i) Other comprehensive income that can be reclassified to profit or loss in equity method		
(ii) Changes in fair value of other debt investments		
(iii) Reclassification of financial assets to other comprehensive income		
(iv) Provision for credit impairment of other debt investments		
(v) Cash flow hedge reserve		
(vi) Discounting differences on foreign currency financial statements		
(vii) Others		
(II) Other comprehensive income, net of tax, attributable to non-controlling interests		
VII. Total comprehensive income	1,410,531.57	174,725,901.92
(I) Total comprehensive income attributable to owners of the parent	6,940,372.35	171,284,238.96
(II) Total comprehensive income attributable to non-controlling interests	-5,529,840.78	3,441,662.96
VIII. EPS		
(I) Basic earnings per share (yuan / share)	0.0018	0.0425
(II) Diluted earnings per share (yuan / share)	0.0018	0.0425

Legal Representative: Ma Zhuo

Chief Accountant: Zhao Erqin

Head of Accounting Department: Tan Hong

Consolidated Statement of Cash Flows

For the period from 1 January 2025 to 31 March 2025

Prepared by: Fangda Carbon New Material Co., Ltd.

Unit: Yuan Currency: CNY Audit type: unaudited

Items	First Quarter ended 31 March 2025	First Quarter ended 31 March 2024
I. Cash flows from operating activities		
Cash receipts from the sale of goods and the rendering of services	713,701,036.74	1,034,121,584.91
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in loans from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash premiums received on original insurance contracts		
Net cash received from re-insurance business		
Net increase in deposits and investments from insurers		
Cash received from interest, fees and commission		
Net increase in funds deposit		
Net increase in repurchase business funds		
Net income from securities trading brokerage business		
Tax refunds received	1,213,551.06	3,023,338.65
Cash received relating to other operating activities	76,296,777.13	83,697,722.05
Sub-total of cash inflows	791,211,364.93	1,120,842,645.61
Cash paid for purchase of goods and services	673,284,451.81	719,217,042.97
Net increase in loans and payments on behalf of customers		
Net increase in deposits with central bank and other financial institutions		
Payments for claims for original insurance contracts		

Net increase in funds lent		
Cash paid for interest, fees and commission		
Commissions on insurance policies paid		
Cash paid to and on behalf of employee	193,243,183.15	212,552,223.08
Cash paid for taxes	51,773,740.22	157,345,505.51
Cash paid relating to other operating activities	77,953,798.85	50,318,653.39
Sub-total of cash outflows	996,255,174.03	1,139,433,424.95
Net cash flows from operating activities	-205,043,809.10	-18,590,779.34
II. Cash flows from investing activities		
Cash received from disposal of investments	431,362,464.96	139,094,581.95
Cash received from investment income	117,926.00	669,040.42
Net proceeds from disposal of property, plant and equipment, intangible assets and other long-term assets	556,270.33	3,163.89
Cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows	432,036,661.29	139,766,786.26
Purchase of property, plant and equipment, intangible assets and other non-current assets	18,286,220.09	52,341,150.44
Cash paid for investments	774,011,319.25	103,842,172.86
Net increase in secured loans		
Net cash paid for acquisition of a subsidiary and other operating units		
Cash paid relating to other investing activities		
Sub-total of cash outflows	792,297,539.34	156,183,323.30
Net cash flows from investing activities	-360,260,878.05	-16,416,537.04
III. Cash flows from financing activities		
Cash received from investment		
Including: Cash receipts from capital contributions from non-controlling interests of subsidiaries		

Proceeds from borrowings	1,162,634,725.76	507,747,456.00
Cash receipts relating to other financing activities		
Subtotal of cash inflows	1,162,634,725.76	507,747,456.00
Repayments for debts	1,055,396,893.99	47,591,782.21
Cash payments for distribution of dividends or profit and interest expenses	7,814,151.93	6,247,609.06
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		
Cash payments relating to other financing activities		6,202,741.24
Subtotal of cash outflows	1,063,211,045.92	60,042,132.51
Net cash flows from financing activities	99,423,679.84	447,705,323.49
IV. Impact of exchange rate changes on cash and cash equivalents	3,291,022.28	1,891,664.21
V. Net increase in cash and cash equivalents	-462,589,985.03	414,589,671.32
Plus: Cash and cash equivalents at beginning of the current reporting period	5,394,411,958.13	6,117,187,006.86
VI. Cash and cash equivalents at ending of the current reporting period	4,931,821,973.10	6,531,776,678.18

Legal Representative: Ma Zhuo Chief Accountant: Zhao Erqin Head of Accounting Department: Tan Hong

First-time implementation of new accounting standards or interpretations of standards, etc. from 2024 onwards involves adjustments to the financial statements at the beginning of the year of first-time implementation

☐Applicable ☒Inapplicable

Hereby announced

Board of directors of Fangda Carbon New Material Co., Ltd.

30 April 2025