

Stock code: 000570, 200570

Stock name: Changchai, Changchai B

Announcement Number: 2025-018

## **CHANGCHAI COMPANY, LIMITED**

### **2025 First Quarter Report**

The company and all members of the board of directors guarantee that the information disclosed is true, accurate, and complete, without false records, misleading statements, or significant omissions.

#### **Important Notes:**

1.The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Changchai Company, Limited (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Quarter Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

2.The Company’s legal representative and General Manager, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Quarter Report are factual, accurate and complete.

3.Has the first quarter report been audited

Yes  No

## I. Key Financial Information

### 1. Major Accounting Data and Financial Indicators

Whether the Company Needs to Retrospectively Adjust or Restate Prior Years' Accounting Data

Yes  No

	January to March 2025	January to March 2024	Increase or decrease in this reporting period compared to the same period last year (%)
Operating revenue (RMB)	897,763,657.72	836,479,520.73	7.33%
Net profit attributable to the listed company's shareholders (RMB)	43,720,636.95	32,382,777.70	35.01%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	40,468,902.21	39,340,826.68	2.87%
Net cash generated from/used in operating activities (RMB)	-14,769,195.97	-16,877,796.78	—
Basic earnings per share (RMB/share)	0.0620	0.0459	35.08%
Diluted earnings per share (RMB/share)	0.0620	0.0459	35.08%
Weighted average return on equity (%)	1.29%	0.95%	0.34%
	31 March 2025	31 December 2024	Change of 31 March 2025 over 31 December 2024 (%)
Total assets (RMB)	5,567,073,520.36	5,381,900,903.82	3.44%
Equity attributable to the listed company's shareholders (RMB)	3,393,990,334.42	3,362,683,464.32	0.93%

### 2. Exceptional Gains and Losses

Applicable  Not applicable

Unit: RMB

Item	Amount for the current reporting period	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	159,478.53	
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	2,712,751.12	
Profit and loss from entrusting others to invest or manage assets	1,280,302.33	
Non-operating income and expense other than the above	8,482.40	
Less: Income tax effects	909,095.44	

Non-controlling interests effects (net of tax)	184.20	
Total	3,251,734.74	--

Particulars about other items that meet the definition of exceptional gain/loss:

Applicable  Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable  Not applicable

No such cases for the Reporting Period.

### 3. The situation and reasons for changes in major accounting data and financial indicators

Applicable  Not Applicable

#### (1) Consolidated balance sheet items

Items	Ending balance (RMB)	Beginning balance (RMB)	Year-over-Year Increase/Decrease	Reason for change
Trading Financial Assets	452,186,981.77	303,667,459.65	48.91%	Mainly due to an increase in the company's purchase of financial products during the reporting period.
Accounts Receivable	1,050,201,157.01	444,254,240.02	136.40%	The main reason is that most of the company's multi cylinder engine customers are main engine supporting units with relatively long payment terms. At the same time, due to the upgrade of product emissions, the company increased its market expansion efforts and moderately extended credit during the reporting period, resulting in a significant increase in accounts receivable.
Accounts Receivable Financing	119,118,440.25	223,261,002.76	-46.65%	Mainly due to discounting some bank acceptance bills with higher credit ratings during the reporting period.
Other Receivables	3,544,611.26	9,847,441.82	-64.00%	Mainly due to receiving dividends from Jiangsu Bank for the first half of 2024 during the reporting period.
Other Current Assets	21,819,188.44	54,605,021.67	-60.04%	Mainly due to a decrease in the amount of value-added tax credits retained during the reporting period.
Short-term Borrowings	163,670,551.71	94,471,787.41	73.25%	Mainly due to the discounting of bank acceptance bills with lower credit ratings by the company during the reporting period.

Employee Benefits Payable	18,073,811.95	48,792,254.98	-62.96%	Mainly due to the payment of a portion of the previously accrued wages and bonuses during the reporting period.
Taxes Payable	26,788,401.75	4,214,324.70	535.65%	The main reason for the increase in sales revenue and net profit during the reporting period is the corresponding increase in value-added tax and corporate income tax payable by the company.

## (2) Consolidated income statement items

Items	Reporting Period (RMB)	Same period of last year (RMB)	Year-over-Year Increase/Decrease	Reason for change
Taxes and Surtaxes	6,359,256.55	4,683,468.33	35.78%	Mainly due to the year-on-year increase in urban maintenance and construction tax and education surcharge during the reporting period.
Finance Costs	-2,222,413.95	-3,640,059.02	—	Due to a year-on-year decrease in exchange gains and interest income during the reporting period.
Other Income	7,809,990.08	205,752.64	3695.82%	Due to the advanced manufacturing value-added tax deduction the company enjoyed during the reporting period.
Investment Income	1,200,239.83	523,222.06	129.39%	Due to a year-on-year increase in the interest income from trading financial assets during the reporting period.
Gain on Changes in Fair Value	2,712,751.12	-13,802,251.45	—	The increase in fair value of the stocks of Jiangsu Liance Electromechanical Technology Co., Ltd. and Kailong High tech Co., Ltd. held by Changzhou Horizon Investment Co., Ltd., a wholly-owned subsidiary of the company during the reporting period.
Asset Impairment Loss	-114,253.77	-57,832.48	—	Mainly due to the year-on-year increase in provision for impairment of assets such as inventory during the reporting period.
Asset Disposal Income	159,478.53	421,678.54	-62.18%	Mainly due to a year-on-year decrease in the disposal of fixed assets during the reporting period.
Non-operating Income	19,310.77	370,474.42	-94.79%	Mainly due to receiving equipment compensation from the insurance company in the previous period, while there were no such incidents during the reporting period.
Non-operating	10,828.37	103,614.09	-89.55%	Mainly due to the year-on-year

Expense				decrease in scrap losses during the reporting period.
Net profit attributable to shareholders of the parent company	43,720,636.95	32,382,777.70	35.01%	Mainly due to the year-on-year increase in the company's operating revenue during the reporting period. The company's other income from advanced manufacturing value-added tax deduction has increased year-on-year. The increase in fair value gains from trading financial assets held by the wholly-owned subsidiary Changzhou Horizon Investment Co., Ltd.
Changes in fair value of other equity instrument investments	-13,734,300.00	24,066,900.00	—	Due to the decrease in fair value of the stocks held by the company in Beiqi Foton Motor Co., Ltd. and Jiangsu Bank Co., Ltd. during the reporting period.
Net amount after tax of other comprehensive income attributable to the parent company	-13,734,300.00	24,066,900.00	—	Same as above.
Total comprehensive income attributable to the owners of the parent company	29,986,336.95	56,449,677.70	-46.88%	Mainly due to the decrease in fair value of the stocks held by the company in Beiqi Foton Motor Co., Ltd. and Jiangsu Bank Co., Ltd. during the reporting period.
Total comprehensive income	31,886,460.45	58,115,570.84	-45.13%	Same as above.

## (3) Consolidated cash flow statement items

Items	Reporting Period (RMB)	Same period of last year (RMB)	Year-over-Year Increase/Decrease	Reason for change
Refunds of taxes	28,359,296.44	6,692,216.64	323.77%	Due to the year-on-year increase in export tax rebates during the reporting period.
Subtotal of cash inflows from investing activities	252,005,553.47	102,834,238.96	145.06%	Due to the year-on-year increase in financial products due during the reporting period.
Subtotal of cash outflows from investing activities	390,369,438.13	290,701,450.75	34.29%	Mainly due to the year-on-year increase in the company's purchase of financial products during the reporting period.

## II. Shareholder Information

### 1. Table of Ordinary Shareholders and Shareholders with Restored Voting Rights of Preferred Shares, and Shareholding Details of the Top 10 Shareholders

Unit: share

Number of ordinary shareholders	53,790	Number of preferred shareholders with resumed voting rights	0			
Shareholding situation of the top 10 shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Number of shares with limited selling conditions held	Restricted shares held	
					Status	Shares
Changzhou Investment Group Co., Ltd.	State-owned legal person	32.26%	227,663,417.00	0.00	N/A	0.00
Bank of China Limited-Huashang Selection Return Hybrid Securities Investment Fund	Others	0.58%	4,103,000.00			
Chen Jian	Domestic natural person	0.51%	3,609,800.00			
Bank of China Limited-Huashang Vision Value Hybrid Securities Investment Fund	Others	0.47%	3,343,700.00			
KGI ASIA LIMITED	Overseas legal entity	0.44%	3,100,195.00			
Industrial and Commercial Bank of China Limited-Huashang LeXiang Internet Flexible Allocation Hybrid Securities Investment Fund	Others	0.26%	1,853,900.00			
Zhang Yunzhen	Domestic natural person	0.26%	1,850,000.00			
China Minsheng Bank Co., Ltd.- Jinyuan Shun'an Yuanqi Flexible Allocation Hybrid Securities Investment Fund	Others	0.24%	1,700,000.00			
Li Suinan	Domestic natural person	0.23%	1,600,300.00			
Zhang Wenbing	Domestic natural person	0.22%	1,556,700.00			
Top 10 unrestricted shareholders (Excluding shares lent through refinancing and executive lock up shares)						
Name of shareholder	Unrestricted shares held at the period-end	Shares by type				
		Type	Shares			
Changzhou Investment Group Co., Ltd.	227,663,417.00	RMB-denominated ordinary share	227,663,417.00			

Bank of China Limited-Huashang Selection Return Hybrid Securities Investment Fund	4,103,000.00	RMB-denominated ordinary share	4,103,000.00
Chen Jian	3,609,800.00	RMB-denominated ordinary share	3,609,800.00
Bank of China Limited-Huashang Vision Value Hybrid Securities Investment Fund	3,343,700.00	RMB-denominated ordinary share	3,343,700.00
KGI ASIA LIMITED	3,100,195.00	Domestically listed foreign share	3,100,195.00
Industrial and Commercial Bank of China Limited-Huashang LeXiang Internet Flexible Allocation Hybrid Securities Investment Fund	1,853,900.00	RMB-denominated ordinary share	1,853,900.00
Zhang Yunzhen	1,850,000.00	RMB-denominated ordinary share	1,850,000.00
China Minsheng Bank Co., Ltd.- Jinyuan Shun'an Yuanqi Flexible Allocation Hybrid Securities Investment Fund	1,700,000.00	RMB-denominated ordinary share	1,700,000.00
Li Suinan	1,600,300.00	Domestically listed foreign share	1,600,300.00
Zhang Wenbing	1,556,700.00	RMB-denominated ordinary share	1,556,700.00
Explanation of the shareholder relationship or concerted action mentioned above	It is unknown whether there is among the top 10 public shareholders and the top 10 unrestricted public shareholders any related parties or acting-in-concert parties as defined in the Administrative Measures for Information Regarding Shareholding Alteration.		
Explanation on the participation of the top 10 shareholders in margin trading and securities lending business	Shareholder Chen Jian holds 3,609,800 shares of the company's stock through a credit account.		

5% or greater shareholders, top 10 shareholders and Top 10 unrestricted shareholders involved in refinancing shares lending

Applicable  Not applicable

Changes in top 10 shareholders and top 10 unrestricted shareholders due to refinancing shares lending/return compared with the prior period

Applicable  Not applicable

## 2. Table of Total Number of Preferred Shareholders and Shareholding Status of the Top 10 Preferred Shareholders in the Company

Applicable  Not Applicable

## III. Other important matters

Applicable  Not Applicable

### **1. Changchai Robin's Merger with Horizon Agricultural Equipment**

On November 22, 2024, the company held the fifth extraordinary meeting of the board of directors for 2024, and approved the proposal on the merger of Changzhou Changchai Horizon Agricultural Equipment Co., Ltd. and Changzhou Fuji Changchai Robin Gasoline Engine Co., Ltd. The board of directors agreed that the wholly-owned subsidiary Changzhou Fuji Changchai Robin Gasoline Engine Co., Ltd. (referred to as "Changchai Robin") would inherit all assets, liabilities, business and other rights and obligations of the wholly-owned subsidiary Changzhou Changchai Horizon Agricultural Equipment Co., Ltd. (referred to as " Horizon Agricultural Equipment") through overall absorption and merger. After the merger is completed, Changchai Robin will continue to operate normally, and the independent legal entity qualification of Horizon Agricultural Equipment will be cancelled. In February 2025, the company received a registration notice (Registration Notice No. [2025] 02270081) issued by the Government Service Management Office of Changzhou High tech Industrial Development Zone (Xinbei District), stating that the independent legal person qualification of Horizon Agricultural Equipment has been cancelled, and the merger of two wholly-owned subsidiaries has been completed.

### **2. Part of the company's properties will be subject to expropriation**

On February 26, 2025, the company received a notice from the People's Government of Zhonglou District, Changzhou City, regarding the announcement of the "Compensation Plan for House Expropriation of the West Hengjie Station Project of Changzhou Urban Rail Transit Line 5" and soliciting opinions. Due to public interest requirements, the People's Government of Zhonglou District, Changzhou City plans to expropriate houses within the scope of the West Hengjie Station project of Changzhou Urban Rail Transit Line 5. The specific compensation amount for expropriation shall be subject to the officially signed expropriation compensation agreement. The company will closely follow up on the progress of expropriation and promptly fulfill relevant review procedures and information disclosure obligations.

### **3. The company's foundry building will be subject to expropriation**

On March 6, 2025, the company received the "Decision on the Expropriation of Houses on State owned Land by the People's Government of Xinbei District, Changzhou City" (Chang Xinzheng [2025] No. 1) issued by the People's Government of Xinbei District, Changzhou City. Due to the need for public interest in the renovation of the old city area, the People's Government of Xinbei District, Changzhou City has decided to expropriate the houses within the scope of the Sanjing Street Company Foundry and surrounding plots of the old city renovation project (Phase I). The scope of expropriation is the company's original casting base, which has been transferred to its wholly-owned subsidiary Jiangsu Changchai Machinery Co., Ltd. in 2023 and is currently idle. It is expected to have no significant impact on the company's production and operation. The specific compensation amount for expropriation shall be subject to the officially signed expropriation compensation agreement. The company will closely follow up on the progress of expropriation and promptly fulfill relevant review procedures and information disclosure obligations.



## IV. Quarterly financial statements

### 1. Financial statements

(1) Consolidated Balance Sheet

Prepared by Changchai Company, Limited

31 March 2025

Unit: RMB

Item	31 March 2025	1 January 2025
Current assets:		
Monetary assets	904,372,752.39	1,063,700,492.59
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	452,186,981.77	303,667,459.65
Derivative financial assets		
Notes receivable	317,487,893.93	318,814,017.13
Accounts receivable	1,050,201,157.01	444,254,240.02
Accounts receivable financing	119,118,440.25	223,261,002.76
Prepayments	15,810,601.22	12,725,958.70
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	3,544,611.26	9,847,441.82
Including: Interest receivable		
Dividends receivable	0.00	7,165,080.00
Financial assets purchased under resale agreements		
Inventories	585,937,743.19	819,201,998.42
Including: Data resources		
Contract assets		
Assets held for sale		
Current portion of non-current assets		
Other current assets	21,819,188.44	54,605,021.67
Total current assets	3,470,479,369.46	3,250,077,632.76
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables		
Long-term equity investments		
Investments in other equity instruments	924,962,058.72	941,120,058.72

Other non-current financial assets	377,869,217.49	377,869,217.49
Investment property	37,216,666.16	37,740,844.55
Fixed assets	595,830,246.06	615,414,505.40
Construction in progress	4,013,873.92	3,376,866.69
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	141,310,178.88	142,805,785.86
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill		
Long-term prepaid expense	2,696,741.64	2,664,557.06
Deferred income tax assets	8,322,070.73	6,458,337.99
Other non-current assets	4,373,097.30	4,373,097.30
Total non-current assets	2,096,594,150.90	2,131,823,271.06
Total assets	5,567,073,520.36	5,381,900,903.82
Current liabilities:		
Short-term borrowings	163,670,551.71	94,471,787.41
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	590,808,897.15	491,643,629.88
Accounts payable	677,779,181.40	690,733,575.75
Advances from customers	30,187,811.09	30,183,376.84
Contract liabilities	22,787,974.03	31,640,879.59
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	18,073,811.95	48,792,254.98
Taxes payable	26,788,401.75	4,214,324.70
Other payables	134,263,815.89	117,736,961.52
Including: Interest payable		
Dividends payable	3,891,433.83	3,891,433.83
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities		

Other current liabilities	181,760,880.51	175,064,677.93
Total current liabilities	1,846,121,325.48	1,684,481,468.60
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions	65,100,005.40	73,002,860.52
Deferred income	28,533,734.65	29,386,167.02
Deferred income tax liabilities	152,721,526.75	154,449,852.33
Other non-current liabilities		
Total non-current liabilities	246,355,266.80	256,838,879.87
Total liabilities	2,092,476,592.28	1,941,320,348.47
Shareholders' equity:		
Share capital	705,692,507.00	705,692,507.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	640,509,675.84	640,509,675.84
Less: Treasury stock		
Other comprehensive income	629,333,249.91	643,067,549.91
Specific reserve	23,279,599.50	21,959,066.35
Surplus reserves	367,826,665.27	367,826,665.27
General reserve		
Retained earnings	1,027,348,636.90	983,627,999.95
Total equity attributable to Shareholders of the Company as the parent	3,393,990,334.42	3,362,683,464.32
Non-controlling interests	80,606,593.66	77,897,091.03
Total shareholders' equity	3,474,596,928.08	3,440,580,555.35
Total liabilities and shareholders' equity	5,567,073,520.36	5,381,900,903.82

Legal representative: Xie Guozhong

General Manager: Xie Guozhong

Head of the accounting department: Jiang He

## (2) Consolidated Income Statement

Unit: RMB

Item	Reporting Period	Same period of last year
1. Revenue	897,763,657.72	836,479,520.73
Including: Operating revenue	897,763,657.72	836,479,520.73
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	843,950,937.37	772,816,412.40
Including: Cost of sales	776,384,250.77	706,740,557.17
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	6,359,256.55	4,683,468.33
Selling expense	15,767,989.90	18,697,626.53
Administrative expense	27,220,091.42	26,053,081.45
R&D expense	20,441,762.68	20,281,737.94
Finance costs	-2,222,413.95	-3,640,059.02
Including: Interest expense	455,046.24	587,604.70
Interest income	2,727,723.37	3,080,070.64
Add: Other income	7,809,990.08	205,752.64
Return on investment (“-” for loss)	1,200,239.83	523,222.06
Including: Share of profit or loss of joint ventures and associates		
Income from the derecognition of financial assets at amortized cost (“-” for loss)	-80,062.50	
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on changes in fair value (“-” for loss)	2,712,751.12	-13,802,251.45
Credit impairment loss (“-” for loss)	-13,424,884.92	-11,899,204.76
Asset impairment loss (“-” for loss)	-114,253.77	-57,832.48
Asset disposal income (“-” for loss)	159,478.53	421,678.54
3. Operating profit (“-” for loss)	52,156,041.22	39,054,472.88
Add: Non-operating income	19,310.77	370,474.42
Less: Non-operating expense	10,828.37	103,614.09
4. Profit before tax (“-” for loss)	52,164,523.62	39,321,333.21

Less: Income tax expense	6,543,763.17	5,272,662.37
5. Net profit (“-” for net loss)	45,620,760.45	34,048,670.84
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)		
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By shareholders’ equity		
5.2.1 Net profit attributable to shareholders of the Company as the parent	43,720,636.95	32,382,777.70
5.2.2 Net profit attributable to non-controlling interests	1,900,123.50	1,665,893.14
6. Other comprehensive income, net of tax	-13,734,300.00	24,066,900.00
Attributable to shareholders of the Company as the parent	-13,734,300.00	24,066,900.00
6.1 Items that will not be reclassified to profit or loss	-13,734,300.00	24,066,900.00
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	-13,734,300.00	24,066,900.00
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		
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
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		
6.2.7 Other		
Attributable to non-controlling interests		
7. Total comprehensive income	31,886,460.45	58,115,570.84
Attributable to shareholders of the Company as the parent	29,986,336.95	56,449,677.70
Attributable to non-controlling interests	1,900,123.50	1,665,893.14
8. Earnings per share		
8.1 Basic earnings per share	0.0620	0.0459
8.2 Diluted earnings per share	0.0620	0.0459

Legal representative: Xie Guozhong

General Manager: Xie Guozhong

Head of the accounting department: Jiang He

## (3) Consolidated Cash Flow Statement

Unit: RMB

Item	Reporting Period	Same period of last year
<b>1. Cash flows from operating activities:</b>		
Proceeds from sale of commodities and rendering of services	427,572,047.13	456,415,221.66
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	28,359,296.44	6,692,216.64
Cash generated from other operating activities	5,897,742.08	6,180,466.59
Subtotal of cash generated from operating activities	461,829,085.65	469,287,904.89
Payments for commodities and services	334,259,771.58	340,923,732.36
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	97,237,586.48	91,776,376.54
Taxes paid	9,032,647.15	10,294,557.87
Cash used in other operating activities	36,068,276.41	43,171,034.90
Subtotal of cash used in operating activities	476,598,281.62	486,165,701.67
Net cash generated from/used in operating activities	-14,769,195.97	-16,877,796.78
<b>2. Cash flows from investing activities:</b>		
Proceeds from disinvestment	243,368,229.00	101,700,000.00
Return on investment	8,445,382.33	711,860.42
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	191,942.14	422,378.54
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	252,005,553.47	102,834,238.96
Payments for the acquisition of fixed assets, intangible assets	1,194,438.13	8,657,126.75

and other long-lived assets		
Payments for investments	389,175,000.00	282,044,324.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	390,369,438.13	290,701,450.75
Net cash generated from/used in investing activities	-138,363,884.66	-187,867,211.79
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings raised		
Cash generated from other financing activities		
Subtotal of cash generated from financing activities		
Repayment of borrowings		
Interest and dividends paid		
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		
Subtotal of cash used in financing activities		
Net cash generated from/used in financing activities		
4. Effect of foreign exchange rates changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-153,133,080.63	-204,745,008.57
Add: Cash and cash equivalents, beginning of the period	892,681,884.84	971,629,523.46
6. Cash and cash equivalents, end of the period	739,548,804.21	766,884,514.89

Legal representative: Xie Guozhong

General Manager: Xie Guozhong

Head of the accounting department: Jiang He

## 2. Initial application of new accounting standards effective from 2025 and adjustments to the status of relevant items in the financial statements as of the beginning of the current year

Applicable  Not Applicable

## 3. Audit Report

Has the first quarter report been audited

Yes  No

The company's first quarter report has not been audited.

The Board of Directors  
Changchai Company, Limited  
30 April 2025