

Stock Code: 002271 Stock Name: Oriental Yuhong Announcement No. 2025–050

BEIJING ORIENTAL YUHONG WATERPROOF TECHNOLOGY CO., LTD.

FIRST QUARTERLY REPORT 2025

Beijing Oriental Yuhong Waterproof Technology Co., Ltd. (hereinafter referred to as the “Company”) and all the members of the Company’s Board of Directors hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions.

Important Notes:

1. The Board of Directors, the Supervisory Committee as well as the directors, supervisors and senior management of the Company hereby guarantee that the contents of this Report are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.

2. The Company’s legal representative, Chief Financial Officer (CFO), and person-in-charge of the Company’s accounting organ (equivalent to accounting manager) hereby guarantee that the financial statements carried in this Report are true, accurate and complete.

3. Indicate whether the financial statements in this Report have been audited by an independent auditor.

☐ Yes ☒ No

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

I Key Financial Information

(I) Key Accounting Data and Financial Indicators

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

☐ Yes ☒ No

	Q1 2025	Q1 2024	YoY change
Operating revenue (RMB)	5,954,973,095.50	7,149,293,164.43	–16.71%
Net profit attributable to the listed company’s shareholders (RMB)	192,365,878.40	347,722,453.72	–44.68%
Net profit attributable to the listed company’s shareholders before exceptional gains and losses (RMB)	171,659,056.81	310,071,715.84	–44.64%
Net cash generated from/used in operating activities (RMB)	–812,784,159.95	–1,889,121,570.11	56.98%
Basic earnings per share (RMB/share)	0.08	0.14	–42.86%
Diluted earnings per share (RMB/share)	0.08	0.14	–42.86%
Weighted average return on equity	0.81%	1.23%	–0.42%
	31 March 2025	31 December 2024	Change
Total assets (RMB)	45,223,777,457.08	44,715,448,811.80	1.14%
Equity attributable to the listed company’s shareholders (RMB)	22,412,268,596.07	24,934,259,584.77	–10.11%

(II) Exceptional Gains and Losses

☒ Applicable ☐ Not applicable

Unit: RMB		
Item	Q1 2025	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	–3,971,085.28	
Government grants recognised in profit or loss (exclusive of those that are closely related to the Company’s normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company’s profit or loss)	34,004,304.21	
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 is related to the Company’s normal business operations)	–2,815,855.44	
Gain or loss on debt restructuring	–828,994.26	
Non-operating income and expense other than the above	2,267,148.23	
Less: Income tax effects	6,244,996.77	
Non-controlling interests effects (net of tax)	1,703,699.10	
Total	20,706,821.59	---

Other items that meet the definition of exceptional gain/loss:

☐ Applicable ☒ Not applicable

No such cases in 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 in the Reporting Period.

(III) Changes in Key Financial Statement Line Items and Explanation of why

☒ Applicable ☐ Not applicable

- The closing balance of receivables financing stood at RMB707,813,335.61, down 52.56% from the opening balance, primarily driven by the endorsed notes and the honoring of due notes.
- The closing balance of prepayments stood at RMB911,143,860.90, up 39.03% from the opening balance, primarily driven by the increased prepayments to suppliers for materials during the period.
- The closing balance of other non-current assets stood at RMB2,900,194,497.68, up 56.98% from the opening balance, primarily driven by the increased prepayments for engineering equipment, investment funds and collateralized properties.
- The closing balance of short-term borrowings stood at RMB7,215,940,595.28, up 56.44% from the opening balance, primarily driven by intensified financing efforts to meet the needs of business development and capital turnover.
- The closing balance of long-term borrowings stood at RMB1,391,535,736.33, up 50.81% from the opening balance, primarily because the Company actively optimized the debt structure and increased the long-term financing efforts based on the strategic development plan.
- The closing balance of inventory shares stood at RMB373,356.19, down 99.63% from the opening balance, primarily because the Company implemented share repurchase and retirement, thereby reducing the number of treasury shares.
- Administrative expense stood at RMB361,521,682.02 during the period, down 34.08% year on year, primarily driven by the decreased employee salaries, consulting fees and travel expenses.
- Finance costs stood at RMB13,092,795.26 during the period, down 57.42% year on year, primarily driven by the increased interest income.
- Other income stood at RMB92,523,417.39 during the period, up 39.42% year on year, primarily driven by the increased government grants received during the period.
- Return on investment stood at RMB–2,157,283.23 during the period, down 711.60% year on year, primarily driven by the decreased returns on the investments in associates and joint ventures during the period.
- Gain on changes in fair value stood at RMB–1,487,566.47 during the period, up 82.04% year on year, primarily driven by the increased fair value of the investments in external assets.
- Asset impairment loss stood at RMB–3,308,170.79 during the period, down 115.40% year on year, primarily driven by the decreased impairment allowances for contract assets during the period.
- Asset disposal income stood at RMB–3,547,263.13 during the period, down 838.24% year on year, primarily driven by the increased asset disposal loss during the period.
- Income tax expense stood at RMB106,623,932.94 during the period, down 32.05% year on year, primarily driven by the decreased taxable income.
- Net profit stood at RMB177,919,580.95 during the period, down 47.92% year on year. This is primarily because the market demand was lower than expected, and the industry competition intensified, resulting in a decrease in operating revenue compared with the same period of last year. This, coupled with the decline in the overall gross profit margin, led to a narrowing of the profit margin.
- Net cash generated from/used in operating activities stood at RMB–812,784,159.95 during the period, up 56.98% year on year, primarily driven by the decreased cash payments for goods and services, payments for and on behalf of employees, and taxes and levies paid during the period.
- Net cash generated from/used in investing activities stood at RMB–630,466,620.94 during the period, down 188.14% year on year, primarily driven by the increased cash payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets as well as for investments during the period.
- Net cash generated from/used in financing activities stood at RMB934,285,313.82 during the period, up 157.01% year on year, primarily driven by the net increase in external financings.

II Shareholder Information

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

		191,603		Number of preference shareholders with resumed voting rights (if any)		0	
Top 10 shareholders (exclusive of shares lent in refinancing)							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge, marked or frozen		
					Status	Shares	
Li Weiguo	Domestic natural person	22.22%	530,802,887	398,102,165	In pledge	421,792,200	
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	14.36%	343,101,855	0	N/A	0	
Xu Limin	Domestic natural person	3.03%	72,269,250	54,201,937	N/A	0	
DCP Management, Ltd. – DCP USD Fund II	Foreign legal person	1.92%	45,969,375	0	N/A	0	
Kuwait Investment Authority	Foreign legal person	1.34%	32,105,065	0	N/A	0	
Industrial and Commercial Bank of China Co., Ltd. – Huatai–Pinhebridge CSI 300 Exchange–Traded Fund	Other	1.34%	31,994,177	0	N/A	0	
National Social Security Fund–Portfolio 403	Other	1.02%	24,281,469	0	N/A	0	
China Construction Bank Corporation – E Fund CSI 300 Initiating Exchange–Traded Fund	Other	0.94%	22,404,853	0	N/A	0	
Xiang Jinning	Domestic natural person	0.93%	22,169,323	16,626,992	In pledge	5,000,000	
Abu Dhabi Investment Authority	Foreign legal person	0.70%	16,737,156	0	N/A	0	
Top 10 unrestricted shareholders (exclusive of shares lent in refinancing and locked shares of senior management)							
Name of shareholder	Unrestricted shares held			Shares by class			
				Class	Shares		
Hong Kong Securities Clearing Company Ltd.				343,101,855	RMB–denominated ordinary share	343,101,855	
Li Weiguo				132,700,722	RMB–denominated ordinary share	132,700,722	
DCP Management, Ltd. – DCP USD Fund II				45,969,375	RMB–denominated ordinary share	45,969,375	
Kuwait Investment Authority				32,105,065	RMB–denominated ordinary share	32,105,065	
Industrial and Commercial Bank of China Co., Ltd. – Huatai–Pinhebridge CSI 300 Exchange–Traded Fund				31,994,177	RMB–denominated ordinary share	31,994,177	
National Social Security Fund–Portfolio 403				24,281,469	RMB–denominated ordinary share	24,281,469	
China Construction Bank Corporation – E Fund CSI 300 Initiating Exchange–Traded Fund				22,404,853	RMB–denominated ordinary share	22,404,853	
Xu Limin				18,067,313	RMB–denominated ordinary share	18,067,313	

Abu Dhabi Investment Authority	16,737,156	RMB–denominated ordinary share	16,737,156
National Social Security Fund– Portfolio 107	16,319,255	RMB–denominated ordinary share	16,319,255
Related or acting-in-concert parties among the shareholders above		It is unknown whether there is any related party or acting-in-concert party as defined in the Measures for the Administration of the Takeover of Listed Companies among the shareholders above.	
Top 10 shareholders involved in securities margin trading (if any)		N/A	

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

(II) Number of Preference Shareholders and Shareholdings of Top 10 of Them

☐ Applicable ☒ Not applicable

III Other Significant Events

☒ Applicable ☐ Not applicable

(I) Share Repurchase

The Proposal on the Share Repurchase Plan was approved at the 24th Meeting of the Eighth Board of Directors on 28 October 2024 and the Second Extraordinary General Meeting of Shareholders in 2024 on 14 November 2024, respectively. As such, the Company was approved to use its own or self-pooled funds to repurchase, by way of centralized bidding, some shares of its domestically listed RMB-denominated ordinary stock (A-stock), which would be retired to reduce the Company’s registered capital. A total amount between RMB500 million (inclusive) and RMB1 billion (inclusive) would be used to repurchase shares at a price not exceeding RMB19.30/share (inclusive) within a period not exceeding 12 months of the approval of the Share Repurchase Plan at the general meeting of shareholders. The Company has opened the special securities account for repurchased shares and disclosed the Share Repurchase Report on 15 November 2023. It will officially implement the Share Repurchase Plan starting from 15 November 2023. On 19 December 2024, the Company implemented its first share repurchase under the said plan. On the same day, the Company signed the “Share Repurchase and Shareholding Increase Loan Contract” with the Beijing Tongzhou Branch of China Construction Bank Corporation (hereinafter referred to as “CCB Beijing Tongzhou Branch”). The Company borrowed RMB500 million from CCB Beijing Tongzhou Branch with a loan term of 36 months to pay the transaction prices and expenses of its share repurchases.

The Company had cumulatively repurchased, by way of centralized bidding and through the special securities account for repurchased shares, 47,615,662 shares, accounting for 1.9544% of the Company’s total share capital, with the highest trading price at RMB13.72/share and the lowest at RMB12.13/share, as well as the total transaction amount being RMB599,909,104 (exclusive of transaction costs). The total amount used in the Share Repurchase Plan had exceeded the lower limit stated in the Share Repurchase Plan, and was below the upper limit. Implementation of the Share Repurchase Plan has been completed during the Reporting Period. The repurchased number of shares, the percentage of the repurchased shares in the Company’s total share capital, the repurchase price, the total amount used, the way of repurchase, and the implementation period for the share repurchase are all in compliance with the Share Repurchase Plan, with no difference between the Share Repurchase Plan approved by the Board of Directors and the general meeting of shareholders and the plan execution. As such, the Company has completed the share repurchased as per the disclosed Share Repurchase Plan. During the Reporting Period, the aforesaid 47,615,662 repurchased shares have been retired.

(II) Implementation of the 2021 Share Option Incentive Plan

The Proposal on the Retirement of Share Options Granted to Certain Awardees But Unexercised under the 2021 Share Option Incentive Plan for Their Ineligibility to Exercise at the 30th Meeting of the Eighth Board of Directors and the 18th Meeting of the Eighth Supervisory Committee on 28 April 2025. According to the Methods for the Administration of Equity Incentives of Listed Companies, the 2021 Share Option Incentive Plan (Draft) of Beijing Oriental Yuhong Waterproof Technology Co., Ltd., etc., due to certain awardees’ resignation from the Company, a total of 1,383,375 share options that had been granted to them but remained unexercised were no longer allowed for exercise, which would be retired by the Company; and, as the Company’s operating results 2024 failed to meet the share option exercise conditions for the fourth exercise period under the 2021 Share Option Incentive Plan, a total of 7,712,250 share options held by awardees in the fourth exercise period under the 2021 Share Option Incentive Plan were no longer allowed for exercise, which would be retired by the Company. To sum up, the Board of Directors, as authorized by the Second Extraordinary General Meeting of Shareholders in 2021, decided that a total of 9,095,625 share options that had been granted to the aforesaid awardees but remained unexercised were no longer allowed for exercise, which would be retired by the Company.

Significant event	Date of disclosure	Website where the relevant announcements are disclosed
Share repurchase	4 January 2025	http://www.cninfo.com.cn
	11 January 2025	http://www.cninfo.com.cn
	18 January 2025	http://www.cninfo.com.cn
	22 March 2025	http://www.cninfo.com.cn
Implementation of the 2021 Share Option Incentive Plan	29 April 2025	http://www.cninfo.com.cn

IV Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by Beijing Oriental Yuhong Waterproof Technology Co., Ltd.

31 March 2025			Unit: RMB
Item	31 March 2025	1 January 2025	
Current assets:			
Monetary assets	6,908,787,754.57	7,259,285,510.48	
Settlement reserve			
Loans to other banks and financial institutions			
Held-for-trading financial assets	537,997,670.00	538,045,270.00	
Derivative financial assets			
Notes receivable	450,481,873.73	511,196,349.49	
Accounts receivable	8,371,126,000.27	7,340,825,504.11	
Receivables financing	707,813,335.61	1,492,024,386.56	
Prepayments	911,143,860.90	655,377,600.56	
Premiums receivable			
Reinsurance receivables			
Receivable reinsurance contract reserve			
Other receivables	1,673,031,132.94	2,201,050,206.68	
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	1,990,768,315.05	1,827,338,699.07	
Including: Data resource			
Contract assets	1,332,135,895.74	1,560,500,658.68	
Assets held for sale			
Current portion of non-current assets			
Other current assets	1,002,217,095.53	957,191,525.79	
Total current assets	23,885,502,934.34	24,342,835,711.42	
Non-current assets:			
Loans and advances to customers			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	83,524,290.07	84,996,902.85	
Investments in other equity instruments	290,287,613.52	287,692,008.66	
Other non-current financial assets	252,427,249.60	253,914,816.07	
Investment property	1,402,484,862.03	1,415,663,023.81	
Fixed assets	10,726,031,875.28	10,879,584,560.56	
Construction in progress	1,394,170,999.18	1,181,281,559.57	
Productive living assets			
Oil and gas assets			
Right-of-use assets	333,643,250.44	333,937,971.19	
Intangible assets	2,244,158,804.89	2,368,597,015.47	
Including: Data resource			
Development costs			
Including: Data resource			
Goodwill	354,429,166.70	354,429,166.70	
Long-term prepaid expense	30,427,213.95	31,674,849.48	
Deferred income tax assets	1,336,494,699.40	1,333,391,202.95	
Other non-current assets	2,900,194,497.68	1,847,450,023.07	
Total non-current assets	21,338,274,522.74	20,372,613,100.38	
Total assets	45,223,777,457.08	44,715,448,811.80	
Current liabilities:			
Short-term borrowings	7,215,940,595.28	4,612,447,890.81	
Borrowings from the central bank			
Loans from other banks and financial institutions			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	20,921,726.81	29,585,928.52	
Accounts payable	2,822,698,024.32	2,639,831,013.70	
Advances from customers			
Contract liabilities	3,490,886,297.77	3,664,133,492.36	
Financial assets sold under repurchase agreements			
Customer deposits and deposits from other banks and financial institutions			
Payables for acting trading of securities			
Payables for underwriting of securities			
Employee benefits payable	99,441,851.50	134,003,073.80	
Taxes and levies payable	526,648,464.90	485,748,581.18	
Other payables	4,177,724,459.42	4,403,294,737.64	
Including: Interest payable			
Dividends payable	388,389,705.81	3,477,300.00	
Fees and commissions payable			
Reinsurance payables			
Liabilities directly associated with assets held for sale			
Current portion of non-current liabilities	1,160,797,845.02	926,846,592.04	
Other current liabilities	408,010,601.29	422,594,661.18	
Total current liabilities	19,923,069,866.31	17,318,485,971.09	
Non-current liabilities:			
Insurance contract reserve			
Long-term borrowings	1,391,535,736.33	922,679,163.56	
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities	295,877,738.38	296,118,285.95	
Long-term payables	51,100,000.00	51,100,000.00	
Long-term employee benefits payable			
Provisions	33,614,441.23	34,516,993.95	
Deferred income	697,306,854.73	703,351,216.92	
Deferred income tax liabilities	74,697,618.86	75,182,415.60	
Other non-current liabilities			
Total non-current liabilities	2,544,132,389.53	2,082,948,075.98	
Total liabilities	22,467,202,255.84	19,401,434,047.07	
Owners' equity:			
Share capital	2,388,699,866.00	2,436,315,528.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	8,162,327,125.84	8,721,359,079.17	
Less: Treasury stock	373,356.19	100,318,299.84	
Other comprehensive income	14,748,133.69	12,883,396.81	
Specific reserve			
Surplus reserves	1,218,157,764.00	1,218,157,764.00	
General reserve			
Retained earnings	10,628,709,062.73	12,645,862,116.63	
Total equity attributable to owners of the Company as the parent	22,412,268,596.07	24,934,259,584.77	
Non-controlling interests	344,306,605.17	379,755,179.96	
Total owners' equity	22,756,575,201.24	25,314,014,764.73	
Total liabilities and owners' equity	45,223,777,457.08	44,715,448,811.80	