



| | | |
|---|---|----|
| 4 | Б | 2 |
| | | 21 |
| | Б | 22 |
| | | 28 |
| | | 33 |
| | | 38 |
| | | 40 |
| | | 84 |

PRODUCT OUTPUT

Product output is a key indicator of a company's performance, reflecting the volume of goods or services produced. It is often measured in units or value and is closely tied to sales and revenue. High product output can indicate strong demand and efficient production processes, while low output may suggest operational challenges or market saturation. Companies often track product output over time to identify trends and optimize their production strategies.

OPERATING REVENUE AND COST

Operating revenue and cost are fundamental components of a company's financial performance. Operating revenue represents the total income generated from the company's core business operations, while operating cost represents the expenses incurred in the process of producing and selling goods or services. The difference between operating revenue and operating cost is the operating profit, which is a key measure of a company's profitability. Companies often analyze operating revenue and cost to identify areas for cost reduction and revenue growth, and to assess the overall health of their business operations.

Operating revenue and cost are also closely related to product output. Higher product output typically leads to higher operating revenue, while lower operating costs can result in higher operating profit. Companies often use product output as a proxy for operating revenue and cost, and track these metrics together to gain a comprehensive view of their business performance.

Operating revenue and cost are also influenced by various factors, including market conditions, competition, and company strategy. Companies often use financial analysis and reporting to track operating revenue and cost, and to identify trends and opportunities for improvement. By understanding the relationship between product output, operating revenue, and cost, companies can make more informed decisions and optimize their business operations.



GROSS PROFIT AND GROSS PROFIT MARGIN

1. **Definition:** Gross Profit is the amount of money left over after deducting the cost of goods sold (COGS) from the total sales revenue. It represents the profit earned on the sale of goods before accounting for operating expenses.

2. **Formula:**
$$\text{Gross Profit} = \text{Sales Revenue} - \text{Cost of Goods Sold (COGS)}$$

3. **Gross Profit Margin:** This is a percentage that indicates the proportion of sales revenue that is retained as gross profit. It is calculated as follows:
$$\text{Gross Profit Margin} = \left(\frac{\text{Gross Profit}}{\text{Sales Revenue}} \right) \times 100\%$$

4. **Importance:** Gross Profit and Gross Profit Margin are key indicators of a company's operational efficiency and pricing strategy. A higher gross profit margin suggests that the company is able to sell its products at a higher price relative to the cost of production.

5. **Calculation Example:** Suppose a company has sales revenue of \$100,000 and a cost of goods sold of \$60,000. The gross profit would be \$40,000, and the gross profit margin would be 40%.

6. **Factors Affecting Gross Profit:** Several factors can influence a company's gross profit, including the cost of raw materials, labor costs, production efficiency, and the company's pricing strategy.

7. **Comparison:** Gross Profit is a dollar amount, while Gross Profit Margin is a percentage. Both metrics provide valuable insights into a company's profitability, but the margin is often easier to compare across different companies and industries.

8. **Conclusion:** Understanding Gross Profit and Gross Profit Margin is essential for analyzing a company's financial performance and making informed business decisions.

EXPENSES FOR THE PERIOD

| Account | 2014 | 2013 |
|--------------------|------------------|------------------|
| Salaries and wages | 1,234,567 | 1,123,456 |
| Benefits | 123,456 | 112,345 |
| Depreciation | 45,678 | 45,678 |
| Amortization | 34,567 | 34,567 |
| Interest | 23,456 | 23,456 |
| Income tax | 12,345 | 12,345 |
| Other | 11,234 | 11,234 |
| Total | 1,444,633 | 1,362,971 |

ASSETS AND LIABILITIES

| Account | 2014 | 2013 |
|--------------------------------|------------------|------------------|
| Current assets | 1,234,567 | 1,123,456 |
| Property, plant, and equipment | 345,678 | 345,678 |
| Intangible assets | 123,456 | 123,456 |
| Current liabilities | 456,789 | 456,789 |
| Long-term liabilities | 234,567 | 234,567 |
| Equity | 1,000,000 | 1,000,000 |
| Total | 2,000,000 | 2,000,000 |

CAPITAL AND GEARING RATIO

As at 31 March 2014, the Group's capital and gearing ratio was 4.0% (2013: 4.0%). The Group's capital and gearing ratio is calculated as follows:

MONETARY CAPITAL AND CASH FLOWS

As at 31 March 2014, the Group's monetary capital and cash flows were \$4.0 million (2013: \$4.0 million). The Group's monetary capital and cash flows are calculated as follows:

As at 31 March 2014, the Group's monetary capital and cash flows were \$4.0 million (2013: \$4.0 million). The Group's monetary capital and cash flows are calculated as follows:

FUNDING SOURCE AND BORROWING STATUS

The Group's funding source and borrowing status is as follows:

The Group's funding source and borrowing status is as follows:

MAJOR INVESTMENTS HELD, MAJOR ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND THE FUTURE PLAN ON MAJOR INVESTMENTS OR PURCHASE OF CAPITAL ASSETS

There are no major investments held, major acquisition or disposal of subsidiaries and the future plan on major investments or purchase of capital assets.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Company is exposed to fluctuations in exchange rates. The Company has entered into foreign exchange contracts to hedge its exposure to fluctuations in exchange rates.



TAX POLICIES

《高新技術企業認定管理辦法》

《高新技術企業認定管理工作指引》

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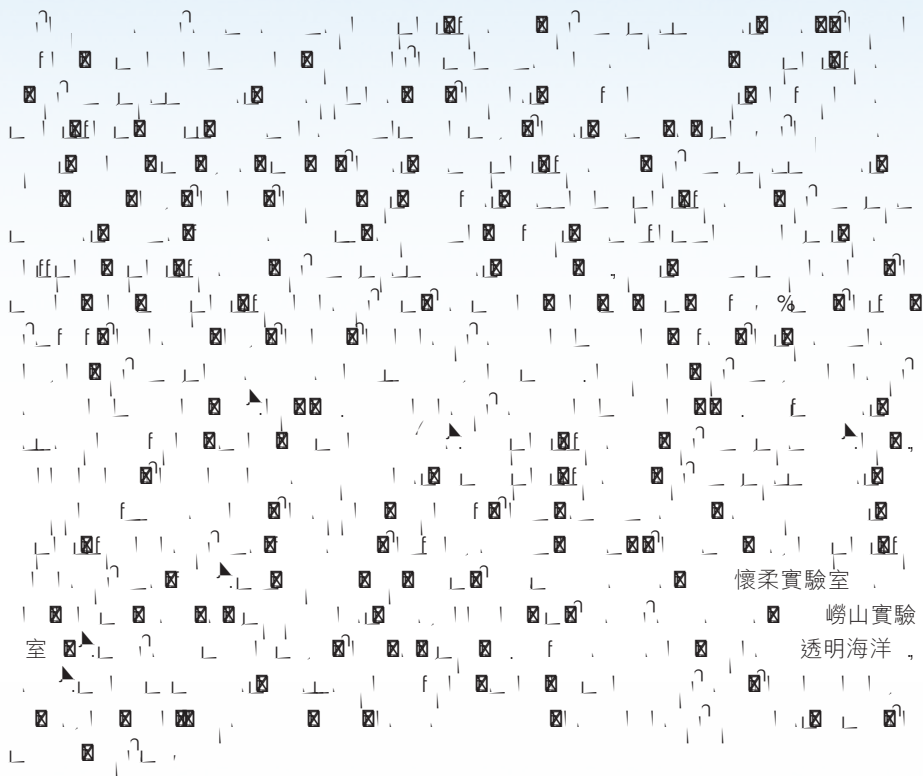
%

《中共中央國務院關於全面振興東北地區等老工業基地的若干意見》

%

財政部稅務總局關於擴大全額退還增值稅留抵稅額政策行業範圍的公告

SCIENTIFIC AND TECHNOLOGICAL INNOVATION



懷柔實驗室

嶗山實驗

透明海洋

4

《中央企業科技創新成果推薦目錄》

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN SHARE CAPITAL

4

COMPLIANCE WITH THE MODEL CODE

4

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

4

CONTINGENT LIABILITIES

4

PLEDGE OF ASSETS

4

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

4



AUDITORS

4

SHAREHOLDERS' MEETING

4

OTHER DISCLOSEABLE INFORMATION

4

DOCUMENTS AVAILABLE FOR INSPECTION

4

REVIEW REPORT

2014年4月

To the Shareholders of Harbin Electric Company Limited:

我们接受贵公司的委托，对贵公司2013年度财务报表进行了审计。贵公司2013年度财务报表包括资产负债表、利润表、现金流量表、所有者权益变动表及财务报表附注。贵公司管理层对财务报表的编制负责。我们按照中国注册会计师审计准则的规定执行了审计程序。审计的范围、时间和重点受贵公司管理层提供的审计范围限制。我们出具的审计报告并不对贵公司财务报表的编制负责，也不对贵公司财务报表的编制提供任何保证。我们出具的审计报告仅供贵公司管理层和股东使用，不得用于其他目的。我们不对贵公司财务报表的编制提供任何保证。我们出具的审计报告仅供贵公司管理层和股东使用，不得用于其他目的。

我们按照中国注册会计师审计准则的规定执行了审计程序。审计的范围、时间和重点受贵公司管理层提供的审计范围限制。我们出具的审计报告并不对贵公司财务报表的编制负责，也不对贵公司财务报表的编制提供任何保证。我们出具的审计报告仅供贵公司管理层和股东使用，不得用于其他目的。我们不对贵公司财务报表的编制提供任何保证。我们出具的审计报告仅供贵公司管理层和股东使用，不得用于其他目的。

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**Da Hua Certified Public Accountants
(Special General Partnership)**

**China Certified Public Accountant:
Wang lifie (Project partner)**

**China Certified Public Accountant:
Zhao tianbo**

2014年4月



CONSOLIDATION BALANCE SHEET

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

| Items | June 30, 2024 | |
|-----------------------------|--------------------------|-------|
| Current assets: | | |
| | 16,336,958,594.63 | |
| | | |
| | 600,000,000.00 | |
| | | 4 .44 |
| | 985,137,753.53 | |
| | 7,045,940,950.53 | 4 4 |
| | 13,452,951.41 | 4 . |
| | 8,229,621,912.93 | .4 |
| | | |
| | 1,404,446,938.08 | |
| | 260,014.64 | 4 4 |
| | 1,462,500,000.00 | |
| | 13,979,785,613.96 | 4 4 |
| | 5,012,097,139.95 | 4 . |
| | | |
| | 134,522,822.16 | .4 |
| | 8,917,804,922.82 | .4 |
| | | |
| | 364,577,203.79 | 4 .4 |
| | 3,097,682,912.24 | 44 . |
| Total current assets | 62,437,909,753.92 | |

CONSOLIDATION BALANCE SHEET (CONTINUED)

| Items | June 30, 2024 | 4 |
|---------------------------------|--------------------------|---------|
| Non-current assets: | | |
| △ | 3,900,000.00 | |
| ☆ | 299,639,400.00 | 4 |
| ☆ | 541,865,096.63 | 4 |
| | 900,402,389.92 | |
| | 683,950,871.16 | |
| | 192,745,413.32 | |
| | 4,848,050,329.03 | 4 4 |
| | 14,429,273,933.63 | 4 |
| | 9,533,568,554.35 | 4 |
| | 47,655,050.25 | 4 4 |
| | 920,770,699.87 | 4 4 |
| | 13,156,552.81 | 4 |
| | 897,999,279.73 | |
| | 154,023,006.52 | |
| | 34,516,403.61 | 4 4 |
| | 3,815,721.07 | 4 4 4 4 |
| | 626,116,054.70 | |
| | 755,261,937.60 | 4 |
| Total non-current assets | 10,876,213,155.97 | |
| Total assets | 73,314,122,909.89 | 4 |

CONSOLIDATION BALANCE SHEET (CONTINUED)

| Items | June 30, 2024 |
|---|--------------------------|
| Equity attributable to parent company | 14,257,828,523.06 |
| Minority interest | 716,723,512.56 |
| Total owner's equity | 14,974,552,035.62 |
| Total liabilities and owner's equity | 73,314,122,909.89 |

The consolidated balance sheet as of June 30, 2024, is derived from the consolidated financial statements of the Company and its subsidiaries, which are prepared in accordance with the accounting principles generally accepted in the United States of America.



CONSOLIDATION INCOME STATEMENTS (CONTINUED)

| Items | Current Period | 2023 | 2022 |
|----------------------------|----------------|----------------|----------------|
| Revenue | 146,477,526.49 | 146,477,526.49 | 146,477,526.49 |
| Cost of sales | 78,377,903.38 | 78,377,903.38 | 78,377,903.38 |
| Operating expenses | 13,189,495.14 | 13,189,495.14 | 13,189,495.14 |
| Operating income | 61,323,866.39 | 61,323,866.39 | 61,323,866.39 |
| Other income | 73,253,275.19 | 73,253,275.19 | 73,253,275.19 |
| Other expenses | 65,674,968.12 | 65,674,968.12 | 65,674,968.12 |
| Income before income taxes | 43,991,352.45 | 43,991,352.45 | 43,991,352.45 |
| Income tax expense | 223,139.23 | 223,139.23 | 223,139.23 |
| Income from operations | 15,629,160.48 | 15,629,160.48 | 15,629,160.48 |
| Other income | -81,952,055.36 | -81,952,055.36 | -81,952,055.36 |
| Income from operations | 2,273,384.10 | 2,273,384.10 | 2,273,384.10 |



CONSOLIDATION INCOME STATEMENTS (CONTINUED)

| Items | Current Period | 2023 | 2022 |
|--|----------------|------|------|
| 3. Operating profits ("-" for loss) | 694,868,031.09 | 4 | 4 |
| Operating profit | 6,202,368.44 | 4 | - |
| Operating loss | 42,982.85 | - | 4 |
| Operating profit | 10,589,071.52 | 4 | - |
| 4. Profit before tax ("-" for loss) | 690,481,328.01 | - | 4 |
| Profit before tax | 149,407,695.17 | - | 4 |
| 5. Net profit ("-" for net loss) | 541,073,632.84 | 4 | 4 |
| Net profit | 522,667,422.32 | - | 4 |
| Net loss | 18,406,210.52 | - | 4 |
| Net profit | 541,073,632.84 | 4 | 4 |
| 6. Other comprehensive income after tax | -17,792,289.24 | - | 4 |
| Other comprehensive income | -17,792,289.24 | - | 4 |
| Other comprehensive loss | -7,880,220.60 | 4 | - |

CONSOLIDATION INCOME STATEMENTS (CONTINUED)

| Items | Current Period | |
|-----------------------|----------------------|----------------------|
| <p>☆ 1. 2024年1-9月</p> | <p>-7,880,220.60</p> | 4 |
| <p>2. 2024年1-9月</p> | | <p>-9,912,068.64</p> |
| <p>3. 2024年1-9月</p> | | |
| <p>4. 2024年1-9月</p> | | |
| <p>5. 2024年1-9月</p> | | |
| <p>6. 2024年1-9月</p> | | |
| <p>7. 2024年1-9月</p> | | |
| <p>8. 2024年1-9月</p> | | |

CONSOLIDATION INCOME STATEMENTS (CONTINUED)

| Items | Current Period | |
|--------------------------------------|-----------------------|---|
| | -11,151,234.83 | 4 |
| | 1,239,166.19 | 4 |
| 7. Total comprehensive income | 523,281,343.60 | |
| | 504,875,133.08 | 4 |
| | 18,406,210.52 | 4 |
| 8. Earnings per share: | | |
| | 0.23 | |
| | 0.23 | |

CONSOLIDATION CASH FLOW STATEMENT

| Items | Current Period | | |
|---|--------------------------|---|---|
| 1. Cash flows from operating activities: | - | | |
| Δ Operating cash flows | 19,520,528,773.72 | 4 | 4 |
| Δ Changes in non-current assets | -207,488,596.15 | | 4 |
| Δ Changes in current assets | | | |
| Δ Changes in liabilities | | | |
| Δ Changes in equity | | | |
| Δ Changes in cash and cash equivalents | 159,132,169.69 | 4 | 4 |
| Δ Changes in cash and cash equivalents | 300,000,000.00 | 4 | |
| Δ Changes in cash and cash equivalents | 183,889,756.82 | | |
| Δ Changes in cash and cash equivalents | 1,083,355,456.58 | | 4 |
| Total cash inflows from operating activities | 21,039,417,560.66 | 4 | 4 |

CONSOLIDATION CASH FLOW STATEMENT (CONTINUED)

| Items | Current Period | |
|--|-------------------------|--|
| 2. Cash flows from investing activities: | - | |
| Purchase of property, plant and equipment | 1,200,000,000.00 | |
| Purchase of intangible assets | 7,812,364.21 | |
| Disposal of property, plant and equipment | 5,767,400.00 | |
| Disposal of intangible assets | 947,537.23 | |
| Total cash inflows from investing activities | 1,214,527,301.44 | |
| Purchase of property, plant and equipment | 582,090,642.83 | |
| Purchase of intangible assets | 634,763,129.56 | |
| Disposal of property, plant and equipment | | |
| Disposal of intangible assets | | |
| Total cash outflows from investing activities | 1,216,853,772.39 | |
| Net cash flows from investing activities | -2,326,470.95 | |

CONSOLIDATION CASH FLOW STATEMENT (CONTINUED)

| Items | Current Period | |
|--|-------------------------|--|
| 3. Cash flows from financing activities: | - | |
| Increase in short-term debt | 530,521,394.92 | |
| Increase in long-term debt | 119,164,845.15 | |
| Total cash inflows from financing activities | 649,686,240.07 | |
| Purchase of property, plant and equipment | 1,226,164,164.53 | |
| Purchase of intangible assets | 83,234,952.43 | |
| Acquisition of subsidiaries | 650,000.00 | |
| Dividend income | 16,311,186.33 | |
| Total cash outflows from financing activities | 1,325,710,303.29 | |
| Net cash flows from financing activities | -676,024,063.22 | |

CONSOLIDATION CASH FLOW STATEMENT (CONTINUED)

| Items | Current Period | |
|---|-------------------|---|
| 4. Effect of foreign exchange rate changes on cash and cash equivalents | -57,414,204.55 | 4 |
| 5. Net increase in cash and cash equivalents | -2,165,912,507.45 | |
| | 17,364,232,108.35 | 4 |
| 6. Ending balance of cash and cash equivalents | 15,198,319,600.90 | 4 |

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

II. SCOPE OF CONSOLIDATED FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. **Accounting Principles** - The financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America.

2. **Revenue Recognition** - Revenue is recognized when the performance obligation is satisfied, which is when control of the goods or services is transferred to the customer. Revenue is recognized net of discounts and allowances. Revenue is recognized when the customer has accepted the goods or services and the amount is fixed or determinable. Revenue is recognized when the customer has paid for the goods or services or when the amount is due and collectible.

3. **Accounts Receivable** - Accounts receivable are recorded at the net realizable value, which is the amount of cash expected to be received from the accounts receivable. An allowance for doubtful accounts is established based on management's estimate of the amount of accounts receivable that will not be collected.

4. **Inventory** - Inventory is recorded at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method. Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method. Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

5. **Property, Plant, and Equipment** - Property, plant, and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the estimated useful life of the asset. Amortization is calculated using the straight-line method over the estimated useful life of the intangible asset.

6. **Goodwill** - Goodwill is recorded at the amount of the purchase price in excess of the fair value of the identifiable intangible assets. Goodwill is tested for impairment annually and more frequently if events or circumstances indicate that an impairment test may be necessary.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

4

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

1. **Revenue Recognition**

Revenue is recognized when the following criteria are met: (1) the amount of revenue and the related costs can be reliably measured; (2) it is probable that the economic benefits associated with the transaction will flow to the entity; and (3) the transaction is a sale of goods or services that are complete and the entity has no further obligations to the customer. Revenue is recognized net of discounts and allowances.

- ① **Cost of Sales**
- ② **Property, Plant, and Equipment**

3. **Goodwill**

Goodwill is the excess of the purchase price over the fair value of the identifiable intangible assets acquired in a business combination. Goodwill is tested for impairment annually and more frequently if events or circumstances indicate that the carrying amount may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

- ①
- ②
- ③
- ④
- ⑤
- ⑥

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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IV. DESCRIPTION OF IMPORTANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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V. DESCRIPTION OF CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES AND CORRECTION OF MAJOR PREVIOUS ERRORS

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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VI. TAXATION (CONTINUED)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS

| Type | 30 June, 2024 | | | | Carrying amount | Bad debt provision | Carrying amount | Bad debt provision | | |
|---------------------|--------------------------|----------------|-------------------------|----------------|--------------------------|-------------------------|-----------------|--------------------|---|---|
| | Carrying Amount | | Bad debt provision | | | | | | % | % |
| | Amount | Percentage (%) | Amount | Percentage (%) | | | | | | |
| Accounts receivable | 1,519,588,405.98 | 13.31 | 899,380,745.56 | 59.19 | 1,519,588,405.98 | 899,380,745.56 | 59.19 | | | |
| Other receivables | 9,898,440,575.86 | 86.69 | 3,472,707,285.75 | 35.08 | 9,898,440,575.86 | 3,472,707,285.75 | 35.08 | | | |
| Total | 11,418,028,981.84 | 100 | 4,372,088,031.31 | 38.29 | 11,418,028,981.84 | 4,372,088,031.31 | 38.29 | | | |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2017 2016

VII. NOTES TO K i 77.5510H0 I7642.52 0 ISQBT/GS1 2n CONSOLIDATED F

| Debtor | Accounts receivable | Bad debt provision | Percentage (%) | Reason |
|--------------|---------------------|--------------------|----------------|--------|
| ... | 4,111 | 4,111 | | ... |
| ... | 4,111 | | | ... |
| ... | | 4,111 | | ... |
| ... | 4,111 | | | ... |
| ... | | 4,111 | | ... |
| Total | 4,111 | 4,111 | | |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Age | 30 June, 2024 | | | | |
|---------------|-------------------------|----------------|-------------------------|------------|------------|
| | Amount | Percentage (%) | Bad debt Provision | | % |
| 0 - 30 days | 4,057,198,097.49 | 8.12 | 329,462,350.50 | 4.4 | 4.4 |
| 31 - 60 days | 2,040,442,550.36 | 25.98 | 530,193,626.24 | 4.4 | 4.4 |
| 61 - 90 days | 980,724,049.39 | 53.52 | 524,879,801.23 | 4.4 | 4.4 |
| 91 - 120 days | 2,820,075,878.62 | 74.05 | 2,088,171,507.78 | 4.4 | 4.4 |
| Total | 9,898,440,575.86 | 35.08 | 3,472,707,285.75 | 4.4 | 4.4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Age | 30 June, 2024 | | |
|------------------|-------------------------|----------------|---------------------|
| | Carrying Amount | | Bad debt provision |
| | Amount | Percentage (%) | |
| 1 month or less | 7,157,652,491.24 | 86.90 | 5,078,421.56 |
| 1 to 3 months | 747,022,108.08 | 9.07 | |
| 3 to 6 months | 230,839,396.16 | 2.80 | |
| 6 months or more | 100,918,956.81 | 1.23 | 1,732,617.80 |
| Total | 8,236,432,952.29 | 100.00 | 6,811,039.36 |

| Items | 30 June, 2024 |
|-------------------|-------------------------|
| Trade receivables | 28,291,339.54 |
| Other receivables | 260,014.64 |
| Prepaid expenses | 1,375,895,583.90 |
| Total | 1,404,446,938.08 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | 30 June, 2024 | |
|---------------|---------------|--|
| 28,291,339.54 | 28,291,339.54 | |
| 28,291,339.54 | 28,291,339.54 | |

| Items | 30 June, 2024 | |
|------------|---------------|-----|
| 260,014.64 | 260,014.64 | 4.4 |
| 260,014.64 | 260,014.64 | 4.4 |
| 260,014.64 | 260,014.64 | 4.4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Type | 30 June, 2023 | | | | 30 June, 2022 | 30 June, 2021 | | |
|---------------------|------------------|----------------|--------------------|----------------|------------------|---------------|--------|------------|
| | Carrying Amount | | Bad debt provision | | | | Amount | Percentage |
| | Amount | Percentage (%) | Amount | Percentage (%) | | | | |
| Accounts receivable | 1,409,261,983.59 | 79.92 | 170,766,988.58 | 12.12 | 1,409,261,983.59 | 79.92 | | |
| Other receivables | 354,031,836.72 | 20.08 | 216,631,247.83 | 61.19 | 354,031,836.72 | 20.08 | | |
| Total | 1,763,293,820.31 | 100.00 | 387,398,236.41 | — | 1,763,293,820.31 | 100.00 | | |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Age | 30 June, 2024 | | | Amount | % | Amount | % |
|-------------------|-----------------------|----------------|-----------------------|------------------|-----------|------------------|-----------|
| | Amount | Percentage (%) | Bad debt Provision | | | | |
| 0-30 days | 104,008,745.22 | 3.40 | 3,541,284.15 | 4,444,444 | 4 | 4,444,444 | 4 |
| 31-60 days | 7,500,093.69 | 8.16 | 611,680.36 | 1,111,111 | 11 | 1,111,111 | 11 |
| 61-90 days | 21,141,835.63 | 48.41 | 10,234,471.30 | 4,444,444 | 44 | 4,444,444 | 44 |
| 91 days and above | 221,381,162.18 | 91.36 | 202,243,812.02 | 4,444,444 | 44 | 4,444,444 | 44 |
| Total | 354,031,836.72 | — | 216,631,247.83 | 4,444,444 | 44 | 4,444,444 | 44 |

As at 30 June 2024, the amount of receivables that are past due but not impaired is R4,444,444 (2023: R4,444,444).

The impairment loss for receivables is R216,631,247.83 (2023: R216,631,247.83) for the year ended 30 June 2024. The impairment loss is recognised in the consolidated income statement as an expense.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | 30 June, 2023 | |
|-------------------|-------------------------|--|
| Trade receivables | 3,445,785,750.26 | |
| Total | 3,445,785,750.26 | |

| Items | 30 June, 2024 | |
|--------------------------|--------------------------|--|
| Trade receivables | 13,632,590,154.60 | |
| Other receivables | 2,451,876,389.38 | |
| Prepaid expenses | 860,378,512.11 | |
| Due from related parties | 1,131,749,862.93 | |
| Total | 18,076,594,919.02 | |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | 30 June, 2024 |
|-------|---------------|
| | |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

2. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

3. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

4. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

5. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

6. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

7. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

8. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

9. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.

10. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements. The Company's financial statements are prepared in accordance with the accounting principles and policies set forth in the consolidated financial statements.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| 1. Financial assets and liabilities | 1,234,567 | 1,123,456 | 1,012,345 | 901,234 | 890,123 |
| 2. Financial instruments | 2,345,678 | 2,234,567 | 2,123,456 | 2,012,345 | 1,901,234 |
| 3. Derivatives | 3,456,789 | 3,345,678 | 3,234,567 | 3,123,456 | 3,012,345 |
| 4. Credit risk | 4,567,890 | 4,456,789 | 4,345,678 | 4,234,567 | 4,123,456 |
| 5. Liquidity risk | 5,678,901 | 5,567,890 | 5,456,789 | 5,345,678 | 5,234,567 |
| 6. Capital risk | 6,789,012 | 6,678,901 | 6,567,890 | 6,456,789 | 6,345,678 |
| 7. Other | 7,890,123 | 7,789,012 | 7,678,901 | 7,567,890 | 7,456,789 |

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| 1. Financial assets and liabilities | 1,234,567 | 1,123,456 | 1,012,345 | 901,234 | 890,123 |
| 2. Financial instruments | 2,345,678 | 2,234,567 | 2,123,456 | 2,012,345 | 1,901,234 |
| 3. Derivatives | 3,456,789 | 3,345,678 | 3,234,567 | 3,123,456 | 3,012,345 |
| 4. Credit risk | 4,567,890 | 4,456,789 | 4,345,678 | 4,234,567 | 4,123,456 |
| 5. Liquidity risk | 5,678,901 | 5,567,890 | 5,456,789 | 5,345,678 | 5,234,567 |
| 6. Capital risk | 6,789,012 | 6,678,901 | 6,567,890 | 6,456,789 | 6,345,678 |
| 7. Other | 7,890,123 | 7,789,012 | 7,678,901 | 7,567,890 | 7,456,789 |

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| 1. Financial assets and liabilities | 1,234,567 | 1,123,456 | 1,012,345 | 901,234 | 890,123 |
| 2. Financial instruments | 2,345,678 | 2,234,567 | 2,123,456 | 2,012,345 | 1,901,234 |
| 3. Derivatives | 3,456,789 | 3,345,678 | 3,234,567 | 3,123,456 | 3,012,345 |
| 4. Credit risk | 4,567,890 | 4,456,789 | 4,345,678 | 4,234,567 | 4,123,456 |
| 5. Liquidity risk | 5,678,901 | 5,567,890 | 5,456,789 | 5,345,678 | 5,234,567 |
| 6. Capital risk | 6,789,012 | 6,678,901 | 6,567,890 | 6,456,789 | 6,345,678 |
| 7. Other | 7,890,123 | 7,789,012 | 7,678,901 | 7,567,890 | 7,456,789 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | January to June in 2023 | |
|-------|----------------------------|---|
| B. 1 | 15,629,160.48 | 4 |
| | 15,629,160.48 | 4 |

| Items | January to June in 2023 | |
|-------|----------------------------|------|
| | -7,373,314.31 | 4 |
| | -74,578,741.05 | 4 |
| | -81,952,055.36 | 4 44 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | Closing book value | Reason |
|--|--------------------|--|
| <p>1. Investment in subsidiaries</p> | 1,138,638,993.73 | <p>1. Investment in subsidiaries</p> |
| <p>2. Investment in associates</p> | 62,607,932.16 | <p>2. Investment in associates</p> |
| <p>3. Investment in joint ventures</p> | 22,271,142.94 | <p>3. Investment in joint ventures</p> |

The closing book value of investment in subsidiaries is 1,138,638,993.73 yuan, which is mainly composed of investment in subsidiaries of 1,138,638,993.73 yuan. The closing book value of investment in associates is 62,607,932.16 yuan, which is mainly composed of investment in associates of 62,607,932.16 yuan. The closing book value of investment in joint ventures is 22,271,142.94 yuan, which is mainly composed of investment in joint ventures of 22,271,142.94 yuan.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4

| Items | January to June in 2023 |
|-------|-------------------------|
| 4 | 541,073,632.84 |
| 4 | 149,407,695.17 |
| 4 | 444,609,527.72 |
| 4 | 23,389,367.52 |
| 4 | 973,996.90 |
| 4 | 78,506,556.78 |
| 4 | 217,179,948.63 |
| 4 | 78,368,104.12 |
| 4 | 6,773,783.30 |
| 4 | 948,909,602.16 |

4

4

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO KEY ITEMS IN CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

| Items | January to June in 2023 | |
|--|----------------------------|---------------------------|
| 1. 2023年1-6月，公司实现营业收入522,667,422.32元，较上年同期增加4,123,123.45元，增幅0.79%。 | 522,667,422.32 | 4,123,123.45 / 0.79% |
| 2. 2023年1-6月，公司实现净利润2,236,276,000.00元，较上年同期增加1,234,567,890.12元，增幅55.65%。 | 2,236,276,000.00 | 1,234,567,890.12 / 55.65% |
| 3. 2023年1-6月，公司经营活动产生的现金流量净额为0.23元。 | 0.23 | |

4. 2023年1-6月，公司研发投入为1,234,567,890.12元，较上年同期增加123,456,789.01元，增幅10.01%。



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

4

| Related party | January to June in 2024 | |
|---------------|----------------------------|-----|
| | | |
| | 1,285,501.20 | |
| | 151,183,524.17 | .44 |
| | 15,307,555.51 | 4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

| Related party | January to June in 2024 | |
|---------------------|-------------------------|--|
| 5,221,547.95 | | |
| 619,170.69 | | |
| 5,840,718.64 | | |

| Related party | January to June in 2024 | |
|----------------------|-------------------------|---|
| 65,804,357.30 | | 4 |
| 65,804,357.30 | | 4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

4

| Related party | January to June in 2024 | |
|---------------|-------------------------|---|
| 1,640,000.00 | 1,640,000.00 | 4 |
| 1,640,000.00 | 1,640,000.00 | 4 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

| Items | January to June in 2024 | |
|-------|----------------------------|-----|
| ... | 9,463,623.98 | ... |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4
4

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

4
4
4

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

VIII. RELATED PARTY AND TRANSACTION (CONTINUED)

| Items | Related party | 30 June, 2023 | |
|-------------------|---------------------|------------------|-----------|
| Trade receivables | Guangdong Zhongyuan | 629,756,550.52 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 204,672,753.03 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 3,255,766,308.88 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 40,632,049.77 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 350,959,989.26 | 4,411,414 |
| Trade receivables | Guangdong Zhongyuan | 6,995,504.60 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 6,832,992.65 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 410,203.03 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 1,000,000.00 | 4,111,414 |
| Trade receivables | Guangdong Zhongyuan | 2,500,000.00 | 4,111,414 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4

IX. SHARE-BASED PAYMENT

X. CONTINGENCIES

| No | Guarantee company | Guaranteed | Method | Category | Anti-guarantee method | A(method)Su gu1.5Td(method)si/Gtion723Ecs1 sCS/PeSCNTw 5 w s/T1B 1q/P/GS1 104.881 Amoma n11.54a8697Tj6.o1for(method)Inceast guin-1.5.2.167d/(method)this year72 3 T053r |
|----|-------------------|------------|--------|----------|-----------------------|---|
| | | | | | | |

INFORMATION ON THE COMPANY

REGISTERED NAME OF THE COMPANY

哈爾濱電氣股份有限公司

ENGLISH NAME OF THE COMPANY

Harbin Electric Company Limited

REGISTERED ADDRESS OF THE COMPANY

哈爾濱市南崗區
東大直街100號
150040
中國
哈爾濱市南崗區
東大直街100號
150040
中國

OFFICE ADDRESS OF THE COMPANY

哈爾濱市南崗區
東大直街100號
150040
中國
哈爾濱市南崗區
東大直街100號
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WEBSITE

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LEGAL REPRESENTATIVE

王國強

AUTHORISED REPRESENTATIVES

王國強
王國強

COMPANY SECRETARY

王國強

JOINT COMPANY SECRETARY

王國強 王國強

AUDITORS

Dahua

Certified Public Accountants LLP

LEGAL ADVISORS

海文
Haiwen Partners

LISTING INFORMATION

香港
The Stock Exchange of Hong Kong Limited

王國強

DEPOSITARY

The Bank of New York

SHARE REGISTER AND TRANSFER OFFICE

Hong Kong Registrars Limited