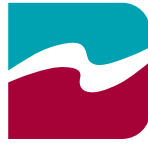


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This announcement is made by Shanghai Da hong Public Utility (Group) Co., Ltd.* (the “Company”, together with its subsidiaries, collectively referred to as the “Group”), under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provision (as defined in the Listing Rules) of Part XIV A of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

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In order to objectivel y, fully and accurately reflect the Company’s financial condition as of December 31, 2024 and its operating performance in 2024, in accordance with the Enterprise Accounting Standard and the selection policy of the Company’s accounting policies, based on the principle of prudence, the Company condensed comprehensive income and impairment loss of assets in each company under the consolidated financial statements and made provision for impairment loss of assets which the enterprise indicates impairment loss has occurred in the off-balance sheet items, and assets that need to be capped are capped. According to the enterprise law, the Company and its subsidiaries (the “

3. *Provision for impairment of debt investment*

The Company make impairment allowances of financial assets accounted for and recognize loss provision based on the expected credit loss. During the period, the amount of debt investments held by the Company at the end of the reporting period is RMB220,445,482.58, and the Company need to make credit impairment loss of RMB-3,695,073.62 on debt investments according to the Company's accounting policies; the amount of the hidden part of the credit impairment loss is RMB101,848,318.71, and the Company need to make credit impairment loss of RMB672,179.58 on debt investments according to the Company's accounting policies; the aggregate impairment provision of RMB-3,022,894.04 is made for debt investments during the period.

4. *Loss on impairment of other debt investments*

The Company make impairment loss for financial assets (debt investments) at fair value through the comprehensive income and recognize loss provision based on the expected credit loss. In the reporting period, the Company need to accrue credit impairment loss of RMB121.31 for the debt investments according to the Company's accounting policies.

5. *Loss on impairment of financing lease receivable and factoring accounts receivable*

According to the provisions of the Enterprise Accounting Standards No. 22 Recognition and Measurement of Financial Instruments, the Company use the "hidden part" impairment model to measure the loss provision expected, recognize the expected credit loss and its change and make impairment provision for financing lease receivable and factoring accounts receivable through combination of individual items and portfolio. Where the evidence has a practical financial asset has increased credit impairment, the Company make impairment provision for the financing lease receivable and factoring accounts receivable based on analysis and judgment of the debtor's financial and operating condition and estimation of management and time of payment collection and best estimate historical loss experience, loss provision period and other adjustment factors. In the reporting period, the Company need to accrue impairment loss of RMB-1,400,132.01 on financing lease receivable and factoring accounts receivable according to the Company's accounting policies.

6. Provision for impairment loss of inventory

The Company measures the closing inventory at the lower of cost and net realizable value (the estimated selling price of inventory minus the cost estimated at the time of completion, estimated selling cost and related taxes), and provision for impairment loss of inventory is made when the cost is higher than the net realizable value.

In the current period, a Subsidiary, Hainan Da hong Ocean Industry Co., Ltd.* (海南大眾海洋產業有限公司) engaged an external valuation agency to assess the net realizable value of the Company's commodity biological aquatic bean alk and dragon fish seedling, indicating that the provision for impairment loss of inventory of RMB53,122.29 needs to be made for the difference of the net realizable value of commodity biological aquatic below the book balance.

() A **8,266,939.86**

In this year, Shanghai Weiming Biochemical Co., Ltd.* (上海衛銘化學股份有限公司), Hainan Da hong Ocean Industry Co., Ltd.* (海南大眾海洋產業有限公司) and Shanghai Da hong Run S ppl Chain Management Co., Ltd.* (上海大眾運行供應鏈管理有限公司), the Subsidiaries, have substantial increased bad debt loss and recognized non-economic, decrease in the long age of accounts receivable from income included in the expense line, and failed collection through a improper method and channel channel, which is resulting in a corresponding balance of accounts receivable in the amount of RMB8,266,939.86, all of which provision for impairment has been made and is not proposed to be written off.

() A **5,729,553.23**

In this year, the Company and its Subsidiaries took a full inspection of fixed assets, construction in progress and other assets. Assets which have found to be abandoned, demolished, obsolete, irreparable or no longer producing economic benefits are capped. In this year, the Subsidiaries Nan ong Da hong Gas Co., Ltd.* (南通大眾燃氣有限公司) and Shanghai Da hong Gas Co., Ltd.* (上海大眾燃氣有限公司) write-off fixed assets such as obsolete pipeline network and equipment with a book value of RMB5,729,553.23, which included the Company's total profit of financial year 2024 by RMB5,729,553.23.

