

Stock code: 000045, 200045 Stock Abbreviation: Shen Textile A, Shen Textile B Announcement No.: 2023-34

Summary of the Semi-Annual Report 2023

I. Important notes

The abstract of this semi-annual report comes from the full text of the report. In order to fully understand the company's operating results, financial situation, and future development plans, investors should carefully read the full text of the report in the designated media of the China Securities Regulatory Commission.

Non-standard auditor's opinion

Applicable Not applicable

The profit distribution plan for ordinary shares or the plan for converting reserve funds into share capital during the reporting period reviewed by the board of directors

Applicable Not applicable

The Company has no plan of cash dividends carried out, bonus issued and capitalizing of common reserves either.

Preliminary plan for profit distribution to the preference shareholders for the reporting period which has been reviewed and approved at the board meeting

Applicable Not applicable

II. Basic information about the company

1. Company profile

Stock abbreviation	Shen Textile A, Shen Textile B	Stock code	000045,200045
Stock exchange for listing	Shenzhen Stock Exchange		
Contact person and contact manner	Board secretary	Securities affairs Representative	
Name	Jiang Peng	Li Zhenyu	
Office Address	6/F, Shenfang Building, No.3 Huaqiang North Road, Futian District, Shenzhen	6/F, Shenfang Building, No.3 Huaqiang North Road, Futian District, Shenzhen	
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2. Major accounting data and financial indicators

May the Company make retroactive adjustment or restatement of the accounting data of the previous years

Yes No

	Reporting period	Same period of last	YoY+/- (%)
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		year	
Operating income (RMB)	1,490,095,669.55	1,445,137,309.09	3.11%
Net profit attributable to the shareholders of the listed company (RMB)	36,307,162.97	42,433,525.10	-14.44%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	27,687,326.61	34,970,975.47	-20.83%
Cash flow generated by business operation, net (RMB)	14,402,973.60	79,438,234.59	-81.87%
Basic earning per share(RMB/Share)	0.0717	0.0838	-14.44%
Diluted gains per share(RMB/Share)(RMB/Share)	0.0717	0.0838	-14.44%
Weighted average ROE(%)	1.27%	1.50%	-0.23%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Total assets (RMB)	5,672,845,637.91	5,617,137,367.90	0.99%
Net assets attributable to shareholder of listed company (RMB)	2,855,413,998.04	2,849,264,555.21	0.22%

3.Number of shareholders and shareholding

单位：股

Total number of common shareholders at the end of the reporting period	27,717	Total number of preferred shareholders that had restored the voting right at the end of the reporting period (if any) (note 8)	0			
top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period - end	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	46.21%	234,069,436	0		
Shenzhen Shenchao Technology Investment Co., Ltd.	State-owned Legal person	3.18%	16,129,032	0		
Sun Huiming	Domestic Nature person	1.26%	6,399,653	0		
Zhangzhou Xiaotian Venture Investment Co., Ltd.	Domestic Non-State-owned Legal person	0.83%	4,188,800	0		
Su Weipeng	Domestic Nature person	0.71%	3,580,000	0	Pledge	2,800,000
Chen Xiaobao	Domestic Nature person	0.60%	3,056,484	0		
Chen Zhaoyao	Domestic Nature person	0.59%	2,990,300	0		
China Construction Bank Co., Ltd—Xinao new energy industry equity securities investment fund	Domestic Non-State-owned Legal person	0.50%	2,513,684	0		
Li Zengmao	Domestic Nature person	0.48%	2,428,297	0		

Peng Xun	Domestic Nature person	0.33%	1,652,800	0		
Explanation on shareholders participating in the margin trading business			Among the top 10 common shareholders, Shenzhen Investment Holdings Co., Ltd. and Shenzhen Shenchao Technology Investment Co., Ltd. do not constitute a concerted party relationship. In addition, the company does not know whether there is an associated relationship among the top 10 ordinary shareholders, and between the top 10 ordinary shareholders and the top 10 shareholders, or whether they are persons taking concerted action defined in Regulations on Disclosure of Information about Shareholding of Shareholders of Listed Company.			
Top 10 shareholders including the special account for repurchase (if any) (see note 10)			None			

4. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

There was no any change of the actual controller of the Company in the reporting period.

5. Number of preference shareholders and shareholdings of top 10 of them

Applicable Not applicable

No preference shareholders in the reporting period

6. The status of bonds remaining on the date of approval of the semiannual report

Applicable Not applicable

III. significant events

1. Issue shares to purchase assets and raise supporting funds

According to the relevant regulations of Shenzhen Stock Exchange, upon the application of the company, the shares of the company were suspended from trading on the morning of December 19, 2022. On December 30, 2022, the company held the nineteenth meeting of the Eighth Board of Directors and the thirteenth meeting of the Eighth Board of Supervisors, and deliberated and passed the Proposal on the "Plan for Shenzhen Textile (Group) Co., Ltd. to Issue Shares, Pay Cash to Purchase Assets and Raise Matching Funds and Related Party Transactions" and Its Summary and other proposals related to this transaction. The company's shares resumed trading on the morning of January 3, 2023. The Company intends to purchase 100% equity of Hengmei Photoelectric Co., Ltd. by issuing shares and paying cash, and at the same time, it plans to raise matching funds from non-public offering of shares to no more than 35 qualified specific targets (hereinafter referred to as "this transaction"). This transaction constitutes a related party transaction and is expected to constitute a major asset restructuring, but it does not constitute a restructuring and listing, nor will it lead to the change of the actual controller of the company. This transaction is conducive to the company's strong alliance in the polarizer industry, rapidly increasing the production scale of polarizers, optimizing the layout of industrial chain and deepening the depth of technical reserves, making the company move towards a new level of high-quality

development. Meanwhile, this major asset restructuring is in line with the relevant development strategies of the country and Shenzhen, and has positive significance for ensuring the security of the national new display supply

Since the disclosure of the transaction plan, the Company and the relevant parties have actively promoted the audit, evaluation, due diligence and other work involved in this transaction. According to the requirements of relevant laws and regulations, the Company shall convene the meeting of the board of directors before June 30, 2023 to consider the draft restructuring report and issue a notice of convening a general meeting of shareholders. Since the validity period of the financial data of the target company of this transaction is about to expire, the intermediary intends to conduct additional audits and supplementary due diligence, and the Company still needs to communicate and negotiate the details of the transaction with the counterparty, there is uncertainty as to whether to adjust the restructuring plan, therefore the Company can not disclose the draft restructuring report plan and issue a notice of convening a general meeting of shareholders before June 30, 2023. After mutual consensus among all parties involved in the transaction, the Company will continue to advance this transaction.

For details, please refer to the Company's Announcement No. 2023-29 on CNINF (<http://www.cninfo.com.cn>).

Presently, the Company is further communicating and negotiating the details of the transaction with the counterparty, and coordinating with various intermediaries to carry out additional audit, assessment and supplementary due diligence of the target company, as well as negotiating with the counterparty to determine the transaction plan and perform the state-owned assets approval procedures. Upon completion of the relevant work, the Company will reconvene the meeting of the Board of Directors to consider matters related to the transaction, and the date of the announcement of the resolution of the Board of Directors will be used as the pricing reference date for the shares to be issued for the transaction.

2. Disposal of assets of the joint venture company Shenzhen Xieli

Shenzhen Xieli Automobile Enterprise Co., Ltd. (hereinafter referred to as "Shenzhen Xieli") is a Sino foreign joint venture established by the company and Hong Kong Xieli Maintenance Company in 1981, with a registered capital of 3.12 million yuan. The company holds 50% of the equity. The company's operating period ended in 2008 and its business license was revoked in 2014. The company's main assets are real estate. In March 2020, Shenzhen Xieli Industrial and Commercial Co., Ltd. has been cancelled, but there are still three properties under its name that need to be resolved through further negotiation between the shareholders of both parties.

On July 26, 2021, the Company filed a complaint with the People's Court of Yantian District, Shenzhen City, Guangdong Province to revoke the approval of cancellation of Shenzhen Xieli Automobile Enterprise Co., Ltd by the Shenzhen Market Supervision and Administration Bureau. In November 2021, the court ruled to revoke the aforementioned approval of cancellation. Hong Kong Xieli Maintenance Company and Shenzhen Market Supervision and Administration Bureau were not satisfied and submitted appeal petitions to the Shenzhen Intermediate People's Court respectively. On June 28, 2022, the Shenzhen Intermediate People's Court ruled in the second instance: revoked the administrative judgment-No. 1883(2021) Yue 0308 Xingchuof the Yantian District People's Court of Shenzhen City, Guangdong Province, and remanded it to the Yantian District People's Court of Shenzhen City, Guangdong Province for a new trial.

After a new trial, the Yantian District People's Court ruled in favor of the Company on December 30, 2022, and revoked the administrative act of Shenzhen Xieli to cancel its registration. The third party in the original trial, Hong Kong Xieli Maintenance Company, was not satisfied and appealed to the Shenzhen Intermediate People's Court on January 10, 2023. Later, as Hong Kong Xieli Maintenance Company failed to pay the case

acceptance fee in advance, the Shenzhen Intermediate People's Court issued the No. 387(2023) Yue 03 Xing Final Administrative Ruling, ruling that the appellant Hong Kong Xieli Maintenance Company in the case withdraws its appeal.

3. Matters on waiving the preemptive right and equity transfer of controlling subsidiaries

The shareholders' meeting of SAPO Photoelectric, the company's holding subsidiary, agreed that Hangzhou Jinhang Equity Investment Fund Partnership (limited partnership) would transfer 40% of its shareholding in SAPO Photoelectric to Hengmei Photoelectric Co., Ltd. For details, see <http://www.cninfo.com.cn> (<http://www.cninfo.com.cn>) Company Announcement No. 2023-01. On January 19, 2023, SAPO Photoelectric obtained the "Registration Notice" issued by the Shenzhen Municipal Market Supervision and Administration Bureau, and the industrial and commercial change registration procedures for this equity transfer have been completed. After this change, the company still holds 60% equity of SAPO Photoelectric, while Hengmei Photoelectric holds 40% equity of SAPO Photoelectric. This equity transfer is conducive to synergizing the advantages of both parties in the polarizer industry, integrating high-quality resources of both parties, further optimizing and strengthening the main polarizer industry, and better enhancing the core competitiveness of listed companies.

4. About the progress of the Company and its holding subsidiaries involved in litigation

In the above-mentioned lawsuits, concerning the dissolution dispute of SAPO Photoelectric and the dispute over shareholders' right to know, the People's Court of Pingshan District of Shenzhen City, Guangdong Province received the plaintiff's application for withdrawal on March 30, 2023, and made a ruling on April 6, 2023. The Company and SAPO Photoelectric have received the Civil Rulings of the above two cases, with the rulings as follows: The plaintiff's withdrawal of the lawsuit is a self-disposition of its right of action, which does not violate the law, does not harm the interests of the state, the collective and others, and it is allowed according to law. For details, please refer to the Company's Announcement No. 2023-19 on CNINF (<http://www.cninfo.com.cn>).

In addition, on May 25, 2023, the People's Court of Pingshan District of Shenzhen City, Guangdong Province rendered a first-instance judgment in the above-mentioned dispute case over the confirmation of the validity of the resolution of SAPO Photoelectric, and the Company and SAPO Photoelectric have received the Civil Judgment of the above-mentioned case, with the judgment is as follows: all claims of the plaintiff Jinhang Fund are dismissed. For details, please refer to the Company's Announcement No. 2023-28 on CNINF (<http://www.cninfo.com.cn>).

The Board of Directors of Shenzhen Textile (Holdings) Co., Ltd.
August 24, 2023