

KraussMaffei Co., Ltd

Announcement on receiving government subsidies

The board of directors and all directors of the company guarantee that there are no false records, misleading statements or major omissions in the contents of this announcement, and bear individual and joint liabilities for the authenticity, accuracy and integrity of the contents.

1、 Basic information of receiving subsidies

From August 27, 2020 to January 26, 2021, KraussMaffei Co., Ltd. (hereinafter referred to as "the Company") and its subsidiaries received a total of RMB 17.4896 million of government subsidies, which are related to income. The details are as follows:

NO.	The Company and wholly owned Subsidiaries	project	Receive subsidies time	Subsidy amount (RMB 0000)	Asset / income related	Funding unit
1	Fujian Tianhua Intelligent Equipment Co., Ltd	Special reward for one enterprise and one policy	2020.9.27	1012.76	Revenue related	Shaxian Finance Bureau
2	Fujian Tianhua Intelligent Equipment Co., Ltd	One time employment service award for production enterprises in urgent need of prevention and control	2020.11.30	64.2	Revenue related	Shaxian personnel public service center
3	Nanjing Tianhua Chemical	Reward for stable post	2020.9.22	5.01	Revenue related	Nanjing social insurance

	Engineering Co., Ltd					management center
4	Nanjing Tianhua Chemical Engineering Co., Ltd	The inclusive subsidy fund project of technology and equipment investment in the city's industrial enterprises	2021.1.20	433.7	Revenue related	Nanjing Jiangning District Finance Bureau
5	Nanjing Tianhua Chemical Engineering Co., Ltd	Reward for technical equipment investment	2020.11.26	49.1	Revenue related	Nanjing Jiangning District Finance Bureau
6	Nanjing Tianhua Chemical Engineering Co., Ltd	Subsidies for small and micro enterprises	2020.12.22	22.48	Revenue related	Nanjing social security management center
7	Nanjing Tianhua Chemical Engineering Co., Ltd	Training subsidy	2020.12.28	12.7	Revenue related	Nanjing vocational and technical training guidance center
8	Nanjing Tianhua Chemical Engineering Co., Ltd	Social security subsidies for small and micro enterprises	2020.12.22	5.6	Revenue related	Nanjing Jiangning District Finance Bureau
9	Tianhua research and Design Institute of chemical	Insurance subsidy for major technical equipment	2020.9.11	23	Revenue related	Gansu Branch of the state treasury

	machinery and Automation Co., Ltd					
10	Tianhua research and Design Institute of chemical machinery and Automation Co., Ltd	Enterprise technology innovation demonstration project	2020.11.27	30	Revenue related	Lanzhou science and technology Bureau
11	Tianhua research and Design Institute of chemical machinery and Automation Co., Ltd	Funds for transformation and diffusion of scientific and technological achievements	2020.9.24	5	Revenue related	Lanzhou Xigu District Finance Bureau
12	Tianhua research and Design Institute of chemical machinery and Automation Co., Ltd	Funds for transformation and diffusion of scientific and technological achievements	2020.9.24	70	Revenue related	Lanzhou Finance Bureau
13	Nanjing Sanfang Chemical Equipment Supervision Co., Ltd	Subsidies for replacing training with work	2020.12.31	6.7	Revenue related	Nanjing vocational and technical training guidance center
14	Others (subsidy below RMB 50K)			8.71	Revenue related	

Total	1748.96
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2、Types of subsidies and its impact on listed companies

According to the relevant provisions of the *Accounting Standards for Business Enterprises No. 16 - Government Subsidies*, the above-mentioned RMB 17.4896 million of government subsidies are income related government subsidies, of which RMB 13.3526 million in 2020 will be included in the profits and losses of 2020; RMB 4.337 million yuan in 2021 will affect the Company's profit and loss of 2021, which shall be subject to the result confirmed by the annual audit of the audit institution. Please pay attention to the investment risk.

It is hereby announced.

Board of directors of KraussMaffei Co., Ltd

27 January 2021