



FOSHAN ELECTRICAL AND LIGHTING CO., LTD.

ANNUAL REPORT 2024

April 2025

ANNUAL REPORT 2024

Part I Important Notes, Table of Contents and Definitions

The Board of Directors, the Supervisory Committee as well as the directors, supervisors and senior management of Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

Wan Shan, the Company’s legal representative, Tang Qionglan, the Company’s Chief Financial Officer (CFO), and Li Yizhi, the person-in-charge of the Company’s accounting organ (equivalent to accounting manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

All the Company’s directors have attended the Board of Directors meeting for the review of this Report and its summary.

The future plans and other forward-looking statements, as well as the cautionary statements mentioned in this Report shall not be considered as virtual promises of the Company to investors. And investors are kindly reminded to be well aware of possible risks.

The Company has described in detail in this Report the risk of macro-economic fluctuations and intensified market competition, the risk of rising raw material prices, the risk of exchange rate fluctuations, the risk of the recoverability of accounts receivable. Please refer to the section headed “Potential risks facing the Company and countermeasures” in Item XI of Part III of this Report.

The profit distribution plan approved by the Board of Directors is as follows: Based on the total share capital of 1,535,778,230 shares at the time of disclosure of the Company's 2024 Annual Report, a cash dividend of RMB1.2 (including tax) will be distributed for every ten shares to all shareholders, with no bonus shares (including tax) to be issued and no capitalisation of reserves into share capital. If the total number of shares eligible for the profit distribution changes due to share repurchases, equity incentive grants, etc., the Company will adjust the total dividend amount accordingly in accordance with the principle of maintaining the distribution ratio per share unchanged.

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.

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Documents Available for Reference

Investors and interested parties can get access to the following materials in the Board of Directors's Office (Strategic Investment Department) in the Company's office building:

1. The financial statements signed and stamped by the Company's legal representative, Chief Financial Officer, and the person-in-charge of the Company's accounting organ.
2. The original copy of the Independent Auditor's Report signed and stamped by the certified public accountants and stamped by the CPA firm.
3. The originals of all the Company's announcements and documents disclosed to the public during the Reporting Period on the media designated by the China Securities Regulatory Commission (CSRC) for information disclosure.

Definitions

Term	Refers	Definition
The “Company”, “listed company”, “FSL” or “we”	Refers	Foshan Electrical and Lighting Co., Ltd.
Rising Holdings Group	Refers	Guangdong Rising Holdings Group Co., Ltd.
Electronics Group	Refers	Guangdong Electronics Information Industry Group Ltd.
Hong Kong Rising Investment	Refers	Rising Investment Development Limited
Hongkong Wah Shing	Refers	Hongkong Wah Shing Holding Company Limited
Rising Capital	Refers	Guangdong Rising Capital Investment Co., Ltd. (formerly known as “Guangdong Rising Finance Holding Co., Ltd. (GD Rising Finance))
Shenzhen Rising Investment	Refers	Shenzhen Rising Investment Development Co., Ltd.
NationStar Optoelectronics	Refers	Foshan NationStar Optoelectronics Co., Ltd.
NationStar Semiconductor	Refers	Foshan NationStar Semiconductor Technology Co., Ltd.
Sigma	Refers	Foshan Sigma Venture Capital Co., Ltd.
Liaowang Auto Lamp	Refers	Nanning Liaowang Auto Lamp Co., Ltd.
Fozhao Huaguang	Refers	Fozhao Huaguang (Maoming) Technology Co., Ltd.
Hule Electrical Equipment	Refers	Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.
Beijing Airtrust	Refers	Beijing Airtrust Technology Co., Ltd.
Fenghua Semiconductor	Refers	Guangdong Fenghua Semiconductor Technology Co., Ltd. (formerly known as “Guangdong Yuejing High-tech Co., Ltd.”)
CSRC	Refers	China Securities Regulatory Commission
SZSE	Refers	Shenzhen Stock Exchange
General meeting	Refers	General meeting of Foshan Electrical and Lighting Co., Ltd.
Board of Directors	Refers	The Board of Directors of Foshan Electrical and Lighting Co., Ltd.
Supervisory Committee	Refers	The Supervisory Committee of Foshan Electrical and Lighting Co., Ltd.
RMB, RMB’0,000, RMB’00,000,000	Refers	Expressed in the Chinese currency of Renminbi, expressed in tens of thousands of Renminbi, expressed in hundreds of millions of Renminbi

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	FSL, FSL-B	Stock code	000541/200541
Stock exchange for listing	Shenzhen Stock Exchange		
Company name in Chinese	佛山电器照明股份有限公司		
Abbr.	佛山照明		
Company name in English (if any)	Foshan Electrical and Lighting Co.,Ltd		
Abbr. (if any)	FSL		
Legal representative	Wan Shan		
Registered address	No. 64, Fenjiang North Road, Chancheng District, Foshan City, Guangdong Province, P.R.China		
Zip code	528000		
Changes of registered address	N/A		
Office address	No. 8, Zhihui Road, Chancheng District, Foshan City, Guangdong Province, P.R.China		
Zip code	528051		
Company website	www.chinafsl.com		
Email address	gzfsligh@pub.foshan.gd.cn		

II Contact Information

	Secretary of the Board of Directors	Securities Representative
Name	Huang Zhenhuan	Huang Yufen
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III Media for Information Disclosure and Place where this Report Is Lodged

Stock exchange website where this Report is disclosed	http://www.cninfo.com.cn
Media and website where this Report is disclosed	<i>Securities Daily</i> , http://www.zqrb.cn
Place where this Report is lodged	Board of Directors Office, FSL Office Building, 8 Zhihui Road, Chancheng District, Foshan City, Guangdong Province, P.R.China (Strategic Investment Department)

IV Change to Company Registered Information

Unified social credit code	91440000190352575W
Change to principal activity of the Company since going public (if any)	Unchanged
Every change of controlling shareholder since incorporation (if any)	In April 2006, the State-owned Assets Supervision and Administration Commission (SASAC) of Foshan Municipal People's Government, the former controlling shareholder of the Company, transferred 13.47% of shares it held in the Company to OSRAM Prosperity Holding Company Limited (later renamed as "OSRAM Holding Company Limited"), and at the same time, SASAC of Foshan Municipal People's Government transferred 10.50% of shares it held in the

	<p>Company to Prosperity Lamps & Components Limited. Upon completion of such transfer, the biggest shareholder of the Company was OSRAM Prosperity Holding Company Limited, and the Company had no any controlling shareholder or actual controller. In December 2015, OSRAM of Germany transferred 100% equity it held in OSRAM Holding Company Limited (OSRAM Holding Company Limited held 13.47% of shares of the Company, being the biggest shareholder of the Company and later renamed as “Hongkong Wah Shing Holding Company Limited”) to Electronics Group. In addition, Electronics Group and its parties acting in concert (Rising Capital, Shenzhen Rising Investment and Hong Kong Rising Investment), held 23.144% of the shares of the Company through increasing their shareholding of the Company. Electronics Group and its parties acting in concert became the controlling shareholder of the Company and Electronics Group is a wholly-owned subsidiary of Rising Holdings Group. In December 2021, wholly-owned subsidiaries of Rising Holdings Group, Rising Capital and Shenzhen Rising Investment transferred 5.94% of shares they held in the Company to Rising Holdings Group through transfer by agreement for no compensation. Therefore, Rising Holdings Group and its parties acting in concert held 30% of shares in the Company. In February 2022, the Company repurchased and retired certain shares, and Rising Holdings Group and its parties acting in concert held 30.82% of shares in the Company. In November 2023, the Company carried out a private placement of 186,783,583 shares of A-share stock to specific parties, of which Rising Holdings Group subscribed for 46,695,895 shares. Rising Holdings Group and its parties acting in concert held 30.12% of shares in the Company. From 3 June 2024 to 8 November 2024, Electronics Group and Hong Kong Wah Shing increased their shareholdings in the Company by 18,342,550 shares, accounting for 1.18% of the Company’s total share capital. As of 31 December 2024, Rising Holdings Group and its parties acting in concert held 31.30% of shares in the Company. On 10 January 2025, the Company’s share repurchase and cancellation were completed, and the Rising Holdings Group and its parties acting in concert held 31.57% of shares in the Company. As of the disclosure date of this Report, due to the increased shareholding by Electronics Group, Rising Holdings Group and its parties acting in concert held 31.75% of shares in the Company.</p>
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V Other Information

The independent audit firm hired by the Company:

Name	WUYIGE Certified Public Accountants LLP
Office address	Room 2206, 22/F, 1 Zhichun Road, Haidian District, Beijing
Accountants writing signatures	He Xiaojuan, and Wang Xiaohan

The independent sponsor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

☒Applicable ☐ Not applicable

Name of sponsor	Office address	Name of representative	Period of supervision
Guotai Haitong Securities Co., Ltd(formerly known as Guotai Junan Securities Co., Ltd.)	618 Shangcheng Road, China (Shanghai) Pilot Free Trade Zone	Xu Zhenyu and Yang Haoyue	From 4 December 2023 to 31 December 2024

The independent financial advisor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

☐Applicable ☒Not applicable

VI Key Financial Information

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

☐Yes ☒No

	2024	2023	2024-over-2023 change (%)	2022
Operating revenue (RMB)	9,048,237,647.14	9,057,292,003.90	-0.10%	8,759,965,275.96
Net profit attributable to the listed company's shareholders (RMB)	446,184,021.97	290,357,652.22	53.67%	230,320,570.67
Net profit attributable to the list company's shareholders before non-recurring gains and losses (RMB)	97,753,307.23	274,838,768.63	-64.43%	222,164,265.49
Net cash cash flows from operating activities (RMB)	598,115,335.88	1,174,389,978.98	-49.07%	1,064,888,320.69
Basic earnings per share (EPS)-basic	0.2905	0.2128	36.51%	0.1707
EPS-diluted	0.2881	0.2108	36.67%	0.1691
Weighted average return on equity (ROE) (%)	6.94%	5.51%	1.43%	4.13%
	31 December 2024	31 December 2023	Change of 31 December 2024 over 31 December 2023 (%)	31 December 2022
Total assets (RMB)	17, 159, 763, 456. 64	16, 934, 439, 915. 02	1. 33%	15, 288, 917, 918. 86
Equity attributable to the listed company's shareholders (RMB)	6, 574, 304, 305. 27	6, 285, 442, 808. 19	4. 60%	5, 173, 011, 348. 74

Indicate by tick mark whether the lower of the net profit attributable to the listed company's

shareholders before and after non-recurring gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

☐ Yes ☒ No

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

☐ Yes ☒ No

VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Differences of Net Profit and Net Assets Disclosed in Financial Reports Prepared under CAS and IAS

☐ Applicable ☒ Not applicable

No difference for the Reporting Period.

2. Differences of Net Profit and Net Assets Disclosed in Financial Reports Prepared under CAS and Foreign Accounting Standards

☐ Applicable ☒ Not applicable

No difference for the Reporting Period.

VIII Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	2, 517, 243, 351. 93	2, 267, 302, 415. 49	2, 102, 727, 793. 40	2, 160, 964, 086. 32
Net profit attributable to the listed company's shareholders	83, 714, 220. 74	108, 514, 961. 64	58, 693, 073. 41	195, 261, 766. 18
Net profit attributable to the listed company's shareholders after deducting non-recurring gains and losses	76, 725, 491. 16	102, 117, 421. 61	38, 987, 283. 45	-120, 076, 888. 99
Net cash flows from operating activities	77, 337, 687. 93	307, 255, 356. 68	186, 540, 571. 94	26,981,719.33

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or interim reports.

☐ Yes ☒ No

IX Exceptional Gains and Losses

☒ Applicable ☐ Not applicable

Unit: RMB

Item	2024	2023	2022	Note
Gain or losses on disposal of non-current assets (including the portion offset for provisions for asset impairment)	374, 276, 636. 74	11, 286, 004. 48	-8, 216, 871. 49	
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)	51, 867, 148. 37	52, 146, 676. 20	67, 165, 060. 76	
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)	3, 881, 370. 83	-10, 070, 899. 66	-19, 057, 137. 27	
Capital occupation charges on non-financial enterprises that are recorded into current profit or loss	665, 872. 11	224, 271. 91	339, 583. 00	
Reverse of provision for impairment of accounts receivable individually conducting impairment test	16, 742, 832. 57	573, 448. 92	1, 203, 963. 23	
Profits arising from business combination when the combined cost is less than the recognised fair value of net assets of the merged company	2, 131, 597. 43			
Current profit or loss on subsidiaries obtained in business combinations involving enterprises under common control from the period-beginning to combination dates, net			22, 504, 245. 08	
Gain or loss on debt restructuring	-368, 531. 60			
Other non-operating income and expenses other than the above	11, 943, 647. 79	4, 424, 223. 10	10, 557, 819. 17	
Less: Income tax effects	65, 001, 245. 07	5, 440, 558. 97	4, 192, 386. 71	
Non-controlling interests effects (after-tax)	47, 708, 614. 43	37, 624, 282. 39	62, 147, 970. 59	
Total	348, 430, 714. 74	15, 518, 883. 59	8, 156, 305. 18	--

Others that meets the definition of non-recurring gains and losses:

☐Applicable ☒Not applicable

There are no other profit and loss items in line with the definition of non-recurring gains and losses in the Company.

Explain the reasons if the Company classifies any non-recurring gains and losses item mentioned in the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Exceptional Gain/Loss Items* as a recurrent gain/loss item:

☐Applicable ☒Not applicable

The Company involves no circumstances where the non-recurring gains and losses listed in the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities*

to the Public - Exceptional Gain/Loss Items are defined as recurring gains and losses.

Part III Management Discussion and Analysis

I Industry Overview for the Reporting Period

In 2024, the global economy exhibited a complex and volatile landscape, with an overall slowdown in development trends. On the one hand, the domestic economy is undergoing a critical phase of structural adjustment and transformation, with a continuous shift between traditional and emerging growth drivers. The challenges and difficulties facing development have increased. On the other hand, although the total export volume of lighting products has remained generally stable, prices have declined, leading to heightened operational pressures for enterprises. Leading enterprises are continuously consolidating their market advantages by leveraging strengths in channels, branding, technology, scale, and capital. In contrast, small and medium-sized enterprises lacking core competitiveness such as brand recognition and technological capability are gradually being marginalized. At the same time, with the integration of 5G, the Internet of Things, and AI with lighting technologies, leading enterprises in the industry are actively adjusting their product structures and market strategies. They are accelerating the transformation from providing single products to offering integrated solutions for smart cities, smart homes, healthy lighting, and green lighting. These companies are expanding into new niche markets, making breakthroughs in high value-added areas, and creating new growth opportunities for the industry.

Benefiting from the rapid development of the automotive industry, market demand for vehicle lighting has continued to grow. According to statistics from the China Association of Automobile Manufacturers, in 2024, China's automobile production and sales reached 31.282 million units and 31.436 million units respectively, representing year-on-year increases of 3.7% and 4.5%. The new energy vehicle industry achieved ongoing rapid growth. Statistically, the output and sales of new energy vehicles for 2024 reached 12.888 million and 12.866 million, up by 34.4% and 35.5% year on year, respectively. Additionally, the market share of new energy vehicles rose to 40.9%. With the significant growth in sales of new energy vehicles, the rise of domestic automotive brands, and the improvement of research and development capabilities and flexible service capabilities of enterprises along the entire industry chain, Chinese auto parts enterprises have gradually been incorporated by vehicle companies into their supply chain systems. This has contributed to the continuously accelerated replacement with domestic products and given more opportunities to Chinese automotive light enterprises. At the same time, with the advancement of automotive intelligence technologies, vehicle lighting is also evolving toward greater electronic integration, intelligence, and diversification, creating new development opportunities for the industry. The penetration rates of ADB headlights, DLP headlights, interactive taillights, and multi-colour ambient lighting are steadily increasing, driving up the overall value of vehicle lighting and enabling lighting enterprises to maintain their growth momentum.

In 2024, the LED packaging industry advanced amid both challenges and opportunities. On the one hand, intensified industry competition resulted in revenue growth without a corresponding increase in profits. On the other hand, intensified market competition and technological advancement have created new opportunities for market development, accelerating the industry's transformation toward diversification and intelligence. Industry players are enhancing their overall competitiveness and seeking new growth drivers by adjusting their product portfolios and actively expanding into high value-added and high-growth-potential niche segments, such as automotive LEDs, Mini-LED backlighting, and agricultural lighting. At the same time, in response to shifting global market demand—particularly the rapid rise of demand in emerging markets—industry enterprises are actively expanding into overseas markets to increase their market share.

II Principal Operations of the Company in the Reporting Period

(I) Principal operations

The Company has been committed to the R&D, production and sale of high-quality and energy-efficient lighting products in order to provide integrated lighting solutions for customers. Since 2021, the Company has successively acquired and held control of Liaowang Auto Lamp, NationStar Optoelectronics, and Hule Electrical Equipment. The Company's main business currently includes the research and development, production, and sales of general lighting and electrical products, automotive lighting, LED packaging products, and more.

The general lighting and electrical product business of the Company mainly covers LED light sources, LED luminaires, traditional lighting products and comprehensive lighting solutions for home lighting, commercial lighting, industrial lighting, municipal road lighting and landscape lighting. Over recent years, the Company has been exploring new fields, including smart lighting, healthy lighting, marine lighting, aviation lighting, and animal and plant lighting.

Electrical products mainly include switches, sockets, smart control panels, and smart door locks.

Based on its own automotive light sources and modules, the Company, relying on its majority-owned subsidiary Liaowang Auto Lamp, has expanded the automotive lighting business into the automotive light assembly sector, involving basically all the lights that an automobile requires, such as headlights, rear light combos, fog lights, backup lights, interior lights, and license plate lights. The main clients of Liaowang Auto Lamp include SAIC-GM-Wuling Automobile, Chongqing Changan Automobile, SERES, IM, Bestune, SAIC Maxus Automotive, and other whole-automobile manufacturers. And medium- and high-end products take up an increasing percentage of its total sales of automotive lights.

The Company conducts LED packaging business mainly by relying on its majority-owned subsidiary NationStar Optoelectronics (stock code: 002449). The primary products include LED epitaxial wafers and chips, LED packaging and component products, integrated circuit packaging products, and third generation compound semiconductor packaging products, which are widely used for consumer electronics, home appliances, computers, communications, display and lighting products, general lighting, automotive lighting, sterilization and purification, plant lighting, and other fields.

(II) Business models

1. Procurement model

The Company's procurement department should ensure that the procured materials and products meet the prescribed requirements and that procurement activities are under control. Besides, it should consider the needs of each department and the reasonable stock quantity before carrying out any procurement, and determine suppliers by means of bidding, price negotiation, and price comparison. There should be several backup suppliers of each principal raw material to ensure fair procurement price, timely material supply, and reliable quality.

2. Production model

For routine products, the production plan for the next month is prepared based on the analysis of the sales of each month and changes in the future market demand and the safe stock benchmark. Each production department produces products as planned so as to control the stock and meet the sales demand. For customized products, the make-to-order strategy is implemented to effectively control the stock quantity of raw materials, reduce the funds that are tied up, and improve the Company's operational efficiency.

3. Sales model

The Company's general lighting business adopts a dual sales model in the domestic market, combining distributor-based distribution and direct supply for engineering projects.. The Company primarily sells in household, commerce, and e-commerce sale channels. For foreign sales, the Company adopts the models of OEM and independent brands. The sale of products of independent brands abroad is carried out mainly via agencies.

In the automotive lighting business, in the factory-installed market, the model of supplying automotive light products directly to OEMs is mainly adopted; in the aftermarket, products are mainly sold by agencies.

In the LED packaging business, the direct sale model is mainly adopted, in which products are sold through direct communication with clients.

(III) Main driving forces for growth

The Company is committed to the overall development strategy of “new-type basic platform and large-scale new tracks” continuously enhancing innovation-driven efforts, optimising industrial layouts, promoting changes in marketing models, advancing management improvements, and vigorously exploring segmented market fields. Since 2021, the Company has successively acquired Liaowang Auto Lamp, NationStar Optoelectronics, and Hule Electrical Equipment, significantly enhancing its competitiveness in the automotive lighting and marine lighting sectors. At the same time, the integration of upstream and downstream resources along the LED industry chain has provided solid support for the Company's rapid expansion.

With the evolution of the industrial competition model, consumers are getting increasingly concerned with product quality and brand. As a result, lighting companies with insufficient competitiveness will be gradually elbowed out of the market while enterprises with core competitiveness will have more market opportunities. Capitalising on advantages in technology, brand, channels, and scale, the Company continuously launches high-tech-content new products through sustained R&D investment and technology innovation, advancing the technological upgrade and quality improvement of main products. Simultaneously, the Company is intensifying market exploration efforts, optimising industrial layouts, increasing production automation and digital management levels, effectively controlling procurement costs, and improving production efficiency. These initiatives have enabled the Company to secure a favorable position amid increasing market concentration, further strengthening its market competitiveness.

III Core Competitiveness Analysis

The Company has been dedicated to the R&D, manufacturing and sale of lighting products since its establishment. Through continuous investment in R&D and innovation, branding, channel development, as well as vertical integration of the industrial chain, the core competitiveness of the Company has been further strengthened, which is mainly reflected in the following aspects:

R&D technical advantage

As a National High-Tech Enterprise, a National Intellectual Property Demonstration Enterprise, a Guangdong Manufacturing Champion Demonstration Enterprise, one of the Top 100 Innovative Enterprises in Guangdong Province, and one of the Top 100 Manufacturing Enterprises in Guangdong Province, the Company possesses outstanding innovation capabilities and technological strength. The Company's testing center is accredited by the China National Accreditation Service for Conformity Assessment (CNAS), enabling it to provide authoritative certification for product quality. In addition, the Company and its subsidiaries have established 31 research and development platforms, including

the “Guangdong Provincial Enterprise Technology Centre,” “Guangdong Provincial Doctoral Workstation,” “Guangdong Provincial Science and Technology Expert Workstation,” “Postdoctoral Research Station (Branch Station),” “Guangdong Provincial Engineering Technology Research and Development Centre for Electric Light Sources,” and the “Guangdong Provincial Industrial Design Centre.” The Company has undertaken several key scientific and technological projects, including the National Key R&D Program “Marine Agriculture and Freshwater Fisheries Technology Innovation” and Hainan Province “Land-Sea-Air” Technology Special Project. The Company has received numerous honors, including the First Prize for Scientific and Technological Progress in China’s Machinery Industry, the Second Prize of the China Invention and Entrepreneurship Achievement Award, the Third Prize for Scientific and Technological Progress from the China National Light Industry Council, the Gold Award at the National Age-friendly Design Competition, and the Taiwan Golden Pin Design Award. Barriers with independent intellectual property have been established in numerous fields such as optics, spectroscopy, electronics, IoT, and AI. The Company and its subsidiaries have cumulatively obtained over 2,600 authorized valid patents and led or participated in formulating more than 250 standards at international, national, and industry levels. By actively integrating internal and external resources, the Company has collaborated in-depth with renowned universities and research institutes such as Tsinghua University, Fudan University, Hong Kong University of Science and Technology, Wuhan University, Dalian Ocean University, the Chinese Academy of Sciences’ Institute of Deep-sea Science and Engineering, and the Ji Hua Laboratory in industry-university-research partnerships. This has led to significant technological breakthroughs and technological achievement transformations, spurring innovations in frontier technology fields, establishing efficient R&D talent development channels, and providing firm support for maintaining the Company’s technological leadership and ongoing product innovation. Liaowang Auto Lamp boasts a provincial enterprise technology centre, a provincial R&D centre, and a Guangxi automotive lighting parts engineering technology research centre; and established the Automotive Lighting Research Institute and multiple R&D centres. In recent years, Liaowang Auto Lamp has increased R&D Investment, accelerated investment in various lens modules and interactive signal lamp technologies, and continuously enhanced its R&D strength. NationStar Optoelectronics has created 14 research platforms at or above provincial and ministerial level, including the Postdoctoral Research Station, and the National- and local-joint Engineering Laboratory for Semiconductor Lighting Materials and Components. It has undertaken over 30 national research projects such as the national “863” programme and the key national R&D programme, in addition to more than 100 provincial and ministerial research projects. Besides, it has won multiple honors such as “National Intellectual Property Demonstration Enterprise”, “China Patent Gold Award”, “National Science and Technology Progress Award (first/second prize)”, as well as “GG Golden Globe Award”. Moreover, it has constantly made breakthroughs and surmounted technological challenges in emerging areas such as Mini/Micro LED, third-generation semiconductor SiC power devices and GaN devices, smart health sensors, automotive components, and new optoelectronic components.

Brand advantage

As a national brand with 67 years of deep cultivation in the lighting industry, the Company was recognised in 2024 by the Ministry of Commerce and four other ministries as a “China Time-honored Brand” and was selected as one of the “Top Ten Cases of Innovation for China Time-honored Brands” by the Ministry of Commerce. The Company’s brand influence and value have continued to grow, having been listed among the “Top 500 Most Valuable Chinese Brands” for 19 consecutive years. In 2024, with a brand value of RMB39,382 million, the Company rose to second place in the industry and made its debut on the “Asia’s 500 Most Influential Brands” list. By aligning improvements in corporate development positioning, product design, and user experience, the Company has reshaped its corporate value system and refined its “Technology-FSL” brand strategy, successfully completing the launch of a renewed and upgraded brand image. Centring on a new brand image of “youth,

technology, fashion,” the Company implemented a multidimensional communication strategy. Offline efforts included illuminating the Canton Tower, sponsoring the “Pearl River Cruise,” university industrial design competitions, and major traditional cultural events such as Crossing the Tongji Bridge, as well as launching the “Millions Renewal Action” and participating in international automotive lighting exhibitions and other professional events at home and abroad. Online, the Company released creative promotional videos such as Couples Watching Lights, and leveraged official and new media platforms—including Xinhua News Agency and South-plus—to share compelling “FSL stories” behind major national projects such as the Shenzhen–Zhongshan Link, the Huangmaohai Sea-Crossing Passage, and Harbin Ice —Snow World. These efforts have accelerated the transformation of FSL from an industry brand into a mainstream consumer brand, breathing new life into this time-honored enterprise. The brand “FSL” has become one of the most influential and popular industrial brands in China, and the powerful brand influence has played a key role in driving the sustained growth of the Company’s sales. Liaowang Auto Lamp strictly abides by the national industry standards when producing automotive lights of the “Liaowang” brand. It has been hailed as a high-quality supplier of related automobile enterprises several times. NationStar Optoelectronics actively participates in various important industry exhibitions and forums, and has earned high recognition both within and outside the industry through its profound professional background and active engagement. As a result, it has received honors such as “Brand Power” and “Top Ten LED Packaging Brands,” continually enhancing its professional image, brand awareness, and reputation.

Channel advantage

The Company has been sticking to the market strategy of deeply cultivating and refining channels. Over years of development and experience, the Company has been equipped with four major sales channels in domestic market (household, commerce, and e-commerce channels), forming a marketing network covering the whole country; in foreign market, the Company has made active steps to develop international market business, sold products to more than 120 countries and regions in North America, Europe, Southeast Asia, Africa and Oceania, and kept improving overseas sales channel. By virtue of its powerful and comprehensive sales channels, the Company has enabled its products to enter market rapidly, substantially enhancing its market development abilities and competitiveness. Liaowang Auto Lamp is a major manufacturer in the Chinese automotive light industry. It has accumulated stable whole-automobile manufacturing clients and has been developing customers of medium- and high-end and new energy vehicle makers. Its client entities are increasingly diverse. NationStar Optoelectronics has an excellent client structure. It has established a long-term cooperative relationship with industry-leading display manufacturers and internationally famous home appliance enterprises, has successfully showcased its products in many large events and high-end venues at home and abroad, and is widely recognized by end clients and the market. Hule Electrical Equipment is one of the major manufacturers in the ship lighting industry in China, and has established long-term cooperative relationships with large domestic shipbuilding enterprises. The quality and satisfaction of its products are widely recognised by the market.

Scale advantage

As one of the enterprises to first step into the industry of producing and selling lighting products, the Company forms a capability of mass manufacturing by years of experience accumulation. After years of continuous investment, the Company has greatly improved its production automation level. The large-scale and centralized production brings obvious economic benefits to the Company, which not only shows in manufacture cost of products, but also shows in aspects such as raw material procurement and price negotiation. Liaowang Auto Lamp has production bases in Liuzhou, Chongqing, Qingdao, Suzhou, and Indonesia, with the capacity to produce over five million sets of auto lamps annually. NationStar Optoelectronics began engaging in LED packaging in 1976. It is

included in the first batch of enterprises that have produced LED products and the first Chinese enterprise to go public with LED packaging as its principal business. Besides, it is one of the largest LED manufacturing enterprise in China. Hule Electrical Equipment is an important domestic manufacturer of ship lighting fixtures, having been deeply rooted in the industry for many years. It is one of the leading companies in the domestic ship lighting fixture industry.

Advantage of a vertical and integrated LED industrial chain

The Company achieved full coverage of the LED industry chain by holding equity in NationStar Optoelectronics, including upstream LED chips manufacturing, midstream LED packaging, and downstream LED application products. This optimisation of the industry chain further enhances the Company's competitiveness and influence in the industry.

IV Analysis of Principal Operations

1. Overview

In 2024, guided by its long-term development strategy and annual operational goals, the Company adopted the business policy of “strengthening foundations, promoting transformation, preventing risks, and reaching new heights.” It advanced with a dual-engine approach comprising the implementation of the “Climbing Plan” for business operations and the “Industrial Leap Plan” for developing new quality productive forces. The Company remained committed to winning five key battles: market expansion, cost reduction and efficiency improvement, asset revitalisation, risk prevention and control, and investment and acquisition. Despite external challenges, the Company forged ahead with resilience, achieving steady improvement in overall operations characterised by enhanced stability, progress, and quality. In 2024, the Company achieved operating revenue of RMB 9.048 billion, maintaining a stable revenue scale. Net profit attributable to shareholders of the listed company reached RMB 446 million, representing a year-on-year increase of 53.67%.

During the Reporting Period, the Company carried out the following key initiatives:

(1) Market expansion was refined, achieving multiple breakthroughs across business segments.

First, through channel optimisation efforts, the Company launched specialised market expansion campaigns such as the “Spring Thunder” initiative. It also implemented a new retail strategy via the Douyin local lifestyle platform, and formed a “Special Task Force” to support distributors in expanding sales networks and strengthening terminal presence, thereby enhancing their operational capabilities. Second, the Company launched an initiative to enhance its engineering business. It was newly registered as a supplier with 47 leading real estate developers and large-scale chain enterprises, and added 30 design companies to its client database. The Company won bids for multiple lighting procurement projects each exceeding RMB1 million and successfully completed lighting projects for two national key infrastructure initiatives—the Shenzhen–Zhongshan Link and the Huangmaohai Sea-Crossing Passage—significantly boosting its engineering business performance and brand influence. Third, the Company carried out an e-commerce channel upgrade initiative. It launched a series of livestream sales promotions such as the “CEO Price Drop” campaign, creating popular online products through content innovation and product optimisation. As a result, e-commerce business revenue increased by 35.70% year-on-year. Fourth, the Company launched an overseas expansion initiative. It entered seven previously untapped national markets, developed 46 new overseas clients, and won the bid for the lighting project of Cambodia's national airport, marking a breakthrough in overseas engineering projects. Fifth, the Company implemented a key business breakthrough initiative. In the vehicle lighting segment, it developed nine new clients among mid- to high-end automakers, launched 15 new vehicle model projects, and secured 22 new LED vehicle lighting module projects. Additionally, it obtained designation for a controller project, marking a

breakthrough in the automotive electronics field. Revenue from the vehicle lighting business grew by 15.13% year-on-year. In the marine lighting segment, the Company successfully delivered lighting systems for the Fishery Machine No.1 and Sea Tower No.1 Marine Ranch Projects. It also completed a comprehensive upgrade of the deep-sea lighting system for China's manned submersible "Jiaolong," enhancing its underwater detection range and precision target search capabilities. In the packaging device segment, automotive LED products entered the supply chains of high-selling new energy vehicles. Intelligent sensing devices became part of the supplier network for internationally renowned brands. Revenue from Mini LED backlight modules doubled year-on-year, and significant progress was made in the market promotion of ultra-thin display modules.

(2) Innovation-driven capability was enhanced and transformation of scientific and technological achievements was accelerated.

First, the Company upgraded its R&D system and strengthened its R&D platforms. In line with the positioning of "external resource integration and internal empowerment synergy," the former R&D Department was upgraded to the Lighting Research Institute, establishing a three-tiered technical framework encompassing products, platforms, and technologies. The Company also unveiled the New Quality Productive Forces Research Center and added three new municipal-level R&D platforms, including the Foshan Key Laboratory for Marine Optical Core Technologies. As of the end of the Reporting Period, the Company had a total of five CNAS Certified laboratory, 31 R&D platforms, and ten specialized, refined, distinctive, innovative enterprises. Second, the Company strengthened its market orientation to develop innovative products. The Company planned product series targeting age-friendly, healthy, and smart living needs, launching innovations such as an age-friendly smart home system, its first medical device—the Eye Accommodation Training Lamp—along with the Shadow-Soft Low-Position Desk Lamp and an HD High-Pixel Projection Interactive Module. It also carried out iterative upgrades of popular products including panel lights, downlights, and floodlights. Third, the Company built a reserve of platform technologies and advanced its patent and standards strategy. Focusing on 11 technological areas—including new materials, intelligent sensing, optical spectroscopy, and offline voice technology—the Company advanced core capabilities through independent innovation and strengthened collaboration with universities and research institutes. These efforts resulted in the output of 40 core technologies and a series of breakthroughs in fields such as human-vehicle interaction and automotive electronics. Over the year, the Company was granted 487 patents and released 15 standards at various levels. It led the formulation of the *Technical Specification for Photocatalytic Air-Purification Lighting Products*, filling a gap in the industry, and participated in drafting China's first group standard for vehicle light information interaction system. Two corporate standards received the "Leader" certification. The RS2727MWAT high-definition display device was named "Influential Product of the Year" by the Aurora Awards. In addition, the jointly developed project *Key Technologies for Photothermal Coupling Design and Packaging of Micro-Architecture Semiconductor Light-Emitting Devices* received the First Prize of Guangdong Science and Technology Progress Award.

(3) Investment and M&A drove momentum and industrial layout was optimised.

The Company continued to optimise the industrial layout through investment and acquisitions, with a focus on enhancing the quality of development of the listed company. We have made breakthroughs in sports lighting by investing in the establishment of Huaguang Company and an industrial base, focusing on and prioritising the development of our sports lighting business. In the automotive lighting sector, we have strengthened the industrial chain by investing in the construction of the Liaowang Auto Lighting production base in Suzhou, expanding production capacity, accelerating business development with original equipment manufacturers in the Yangtze River Delta, and upgrading our product portfolio toward the mid-to-high-end market. In the marine lighting segment,

we extended the value chain by successfully acquiring Hule Electrical Equipment, a ship lighting company, further solidifying and strengthening our marine lighting business. In the airport runway lighting sector, we addressed gaps in the value chain by partnering with a subsidiary of Guangdong Airport Group to increase capital and acquire a controlling stake in Beijing Hangxin. Leveraging the combined strengths of the three shareholders in capital, market, and technology, we are cultivating a new growth driver in airport runway lighting.

(4) Internal potential was unlocked and quality was enhanced through multi-pronged efforts to drive efficiency gains.

We adopted a dual approach of increasing revenue and reducing expenditures, targeting key areas to implement “subtraction” strategies for cost reduction, while tapping into potential growth points to apply “addition” strategies for quality and efficiency enhancement. First, we pursued cost reduction and efficiency enhancement to the greatest extent. We introduced, for the first time, a “project manager” accountability system and established 15 dedicated cost-reduction task forces, covering all departments, business units, and subsidiaries. These task forces developed comprehensive cost-cutting measures across R&D, procurement, production, processes, and management, deeply tapping into potential across the entire workforce and value chain. Second, we enhanced efficiency through digital and intelligent transformation. We advanced the development of financial shared services, a centralised marketing platform, warehouse management systems, and human resources information platforms, streamlining and optimising both online and offline processes. We also upgraded and transformed production lines at our manufacturing bases in Gaoming, Chongqing, and Liuzhou, achieving an increase in production efficiency of over 10%. Third, we revitalised assets to enhance efficiency. We made every effort to complete the acquisition, listing, and successful transfer of the southern parcel of the Fenjiang North Road site. We also formulated tailored revitalisation plans for each idle property and factory building, thereby increasing the Company’s revenue.

2. Revenue and Cost Analysis

(1) Operating Revenue Composition

Unit: RMB

	2024		2023		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	9, 048, 237, 647. 14	100%	9, 057, 292, 003. 90	100%	-0. 10%
By operating division					
Lighting products and luminaries	5, 498, 230, 129. 51	60. 77%	5, 372, 636, 104. 73	59. 32%	2. 34%
Electronic component manufacturing	2, 709, 267, 008. 01	29. 94%	2, 720, 580, 207. 91	30. 04%	-0. 42%
Export trade and other	840, 740, 509. 62	9. 29%	964, 075, 691. 26	10. 64%	— 12. 79%
By product category					
General lighting products	3, 226, 311, 712. 83	35. 66%	3, 329, 722, 911. 78	36. 76%	-3. 11%
LED packaging and component products	2, 467, 584, 592. 15	27. 27%	2, 497, 194, 527. 32	27. 57%	-1. 19%
Vehicle lamp products	2, 107, 363, 678. 88	23. 29%	1, 830, 397, 791. 01	20. 21%	15. 13%
Trade and other	1, 246, 977, 663. 28	13. 78%	1, 399, 976, 773. 79	15. 46%	—

	2024		2023		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
products					10.93%
By operating segment					
Domestic	7,069,352,913.60	78.13%	7,028,294,952.48	77.60%	0.58%
Overseas	1,978,884,733.54	21.87%	2,028,997,051.42	22.40%	-2.47%
By sales model					
Distribution	3,235,221,661.38	35.76%	3,428,904,093.13	37.86%	-5.65%
Other	5,813,015,985.76	64.24%	5,628,387,910.77	62.14%	3.28%

(2) Operating Division, Product Category, Operating Segment and Distribution Model Contributing over 10% of Operating Revenue or Operating Profit

☒Applicable ☐ Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Lighting products and luminaries	5,498,230,129.51	4,264,055,887.73	22.45%	2.34%	2.39%	-0.03%
Electronic component manufacturing	2,709,267,008.01	2,334,427,988.29	13.84%	-0.42%	0.85%	-1.08%
Export trade and other	840,740,509.62	769,067,025.47	8.53%	-	-	0.99%
By product category						
General lighting products	3,226,311,712.83	2,395,182,567.26	25.76%	-3.11%	-4.04%	0.73%
LED packaging and component products	2,467,584,592.15	2,056,558,519.16	16.66%	-1.19%	0.63%	-1.50%
Vehicle lamp products	2,107,363,678.88	1,749,368,441.56	16.99%	15.13%	15.49%	-0.26%
Trade and other products	1,246,977,663.28	1,166,441,373.51	6.46%	-	-	0.47%
By operating segment						
Domestic	7,069,352,913.60	5,688,104,522.61	19.54%	0.58%	1.46%	-0.69%
Overseas	1,978,884,733.54	1,679,446,378.88	15.13%	-2.47%	-4.80%	2.08%
By sales model						
Distribution	3,235,221,661.38	2,398,022,891.26	25.88%	-5.65%	-6.47%	0.66%
Other	5,813,015,985.76	4,969,528,010.23	14.51%	3.28%	3.39%	-0.09%

Core business data of the prior year restated according to the changed statistical caliber for the Reporting Period:

☐Applicable ☒Not applicable

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

☒Yes ☐ No

Operating division	Item	Unit	2024	2023	Change (%)
Lighting products and luminaries	Unit sales	Piece	713, 224, 733	714, 617, 415	-0.19%
	Output	Piece	718, 889, 546	721, 393, 924	-0.35%
	Inventory	Piece	121, 400, 783	115, 735, 970	4.89%
Electronic component manufacturing	Unit sales	0,000 pieces	15, 692, 588	18, 219, 061	-13.87%
	Output	0,000 pieces	15, 693, 050	18, 815, 038	-16.59%
	Inventory	0,000 pieces	3, 505, 239	3, 504, 777	0.01%

Any over 30% YoY movements in the data above and why:

☐Applicable ☒Not applicable

(4) Execution Progress of Major Signed Sales and Purchase Contracts in the Reporting Period

☐Applicable ☒Not applicable

(5) Breakdown of Cost of Sales

By operating division and product category

Operating division	Item	2024		2023		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
Lighting products and luminaries	Raw materials	3, 438, 364, 079.35	46.67%	3, 316, 446, 132.22	44.99%	3.68%
Lighting products and luminaries	Labor cost	428, 258, 110.88	5.81%	468, 703, 890.32	6.36%	-8.63%
Lighting products and luminaries	Depreciation and other	397, 433, 697.50	5.39%	379, 493, 981.91	5.15%	4.73%
Electronic component manufacturing	Raw materials	1, 654, 069, 012.61	22.45%	1, 600, 633, 606.20	21.72%	3.34%
Electronic component manufacturing	Labor cost	157, 574, 627.02	2.14%	147, 593, 047.13	2.00%	6.76%
Electronic component manufacturing	Manufacturing costs	522, 784, 348.66	7.10%	566, 483, 112.02	7.69%	-7.71%
Trade	Other	592, 011, 916.96	8.04%	685, 583, 656.16	9.30%	-13.65%
Other operations	Other	177, 055, 108.51	2.40%	205, 805, 258.67	2.79%	-13.97%
Total		7, 367, 550, 901.49	100.00%	7, 370, 742, 684.63	100.00%	-0.04%

Unit: RMB

Unit: RMB

Product category	Item	2024		2023		Change (%)
		Amount	As % of total cost of sales (%)	Amount	As % of total cost of sales (%)	
General lighting products	Raw materials	1, 928, 152, 601. 20	26. 17%	1, 990, 393, 132. 24	27. 00%	-3. 13%
General lighting products	Labor cost	263, 720, 327. 80	3. 58%	288, 182, 082. 50	3. 91%	-8. 49%
General lighting products	Depreciation and other	203, 309, 638. 26	2. 76%	217, 552, 399. 74	2. 95%	-6. 55%
General lighting products	Subtotal	2, 395, 182, 567. 26	32. 51%	2, 496, 127, 614. 48	33. 87%	-4. 04%
Vehicle lamp products	Raw materials	1, 403, 947, 879. 47	19. 06%	1, 189, 156, 564. 20	16. 13%	18. 06%
Vehicle lamp products	Labor cost	158, 140, 979. 51	2. 15%	172, 159, 579. 91	2. 34%	-8. 14%
Vehicle lamp products	Depreciation and other	187, 279, 582. 58	2. 54%	153, 397, 384. 38	2. 08%	22. 09%
Vehicle lamp products	Subtotal	1, 749, 368, 441. 56	23. 75%	1, 514, 713, 528. 49	20. 55%	15. 49%
LED packaging and component products	Raw materials	1, 504, 607, 255. 48	20. 42%	1, 460, 582, 341. 01	19. 82%	3. 01%
LED packaging and component products	Labor cost	129, 901, 398. 23	1. 76%	122, 206, 881. 33	1. 66%	6. 30%
LED packaging and component products	Depreciation and other	422, 049, 865. 45	5. 73%	460, 990, 948. 10	6. 25%	-8. 45%
LED packaging and component products	Subtotal	2, 056, 558, 519. 16	27. 91%	2, 043, 780, 170. 44	27. 73%	0. 63%
Trade and other products	Raw materials	847, 737, 272. 77	11. 51%	962, 531, 357. 13	13. 06%	-11. 93%
Trade and other products	Labor cost	34, 070, 032. 36	0. 46%	33, 748, 393. 71	0. 46%	0. 95%
Trade and other products	Depreciation and other	107, 578, 959. 87	1. 46%	114, 036, 361. 71	1. 55%	-5. 66%

Product category	Item	2024		2023		Change (%)
		Amount	As % of total cost of sales (%)	Amount	As % of total cost of sales (%)	
Trade and other products	Subtotal	989,386,265.00	13.43%	1,110,316,112.55	15.06%	10.89%
Other operations	Other	177,055,108.51	2.40%	205,805,258.67	2.79%	13.97%

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

☒ Yes ☐ No

For details, see “IX Changes to the Consolidation Scope” in “Part X Financial Statements” of this Report.

(7) Major Changes to the Business Scope or Product or Service Range in the Reporting Period

☐ Applicable ☒ Not applicable

(8) Major Customers and Suppliers

Major customers:

Total sales to top five customers (RMB)	2,123,894,526.75
Total sales to top five customers as % of total sales of the Reporting Period (%)	23.47%
Total sales to related parties among top five customers as % of total sales of the Reporting Period (%)	0.00%

Information about top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As % of total sales revenue (%)
1	No. 1	587,650,326.48	6.49%
2	No. 2	519,907,004.99	5.75%
3	No. 3	406,512,491.87	4.49%
4	No. 4	355,474,909.33	3.93%
5	No. 5	254,349,794.08	2.81%
Total	--	2,123,894,526.75	23.47%

Other information about major customers:

☒ Applicable ☐ Not applicable

None of the top five customers is a related party of the Company.

Major suppliers:

Total purchases from top five suppliers (RMB)	622,645,839.60
Total purchases from top five suppliers as % of total purchases of the Reporting Period (%)	10.06%
Total purchases from related parties among top five suppliers as % of total purchases of the Reporting Period (%)	0.00%

Information about top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As % of total purchases (%)
1	No. 1	214, 518, 024. 12	3. 47%
2	No. 2	112, 857, 486. 25	1. 82%
3	No. 3	107, 393, 512. 31	1. 74%
4	No. 4	95, 568, 469. 93	1. 54%
5	No. 5	92, 308, 346. 99	1. 49%
Total	--	622, 645, 839. 60	10. 06%

Other information about major suppliers:

☒Applicable ☐ Not applicable

None of the top five suppliers is a related party of the Company.

3. Expense

Unit: RMB

	2024	2023	Change (%)	Main reason for any significant change
Selling expense	349, 356, 200. 73	315, 111, 171. 93	10. 87%	
Administrative expense	484, 757, 347. 38	430, 544, 371. 96	12. 59%	
Finance costs	-55,499,247.20	-32,498,749.52	-70.77%	This was primarily due to exchange rate fluctuations during the Reporting Period.
R&D expense	548, 670, 366. 07	483, 579, 093. 81	13. 46%	

4. R&D Investments

☒Applicable ☐ Not applicable

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Development of a New Anti-Glare, Eye-Friendly, High Color Rendering Index, Angle-Adjustable LED Downlight	This project aims to develop a new type of anti-glare, eye-friendly, high color rendering index, angle-adjustable LED downlight. By using high color rendering COB light sources to simulate the effect of natural sunlight, the product effectively reduces eye irritation and enhances visual comfort.	Trial production	By overcoming key technologies in multi-optical combination design, we plan to develop a lighting product that integrates high color rendering, anti-glare performance, and flexible adjustability, providing users with a more comfortable, environmentally friendly, and healthy lighting environment.	The project will improve product quality and market share.
Development of a Self-Organising Network-Based Lighting System Integrated with the Internet of Things and Its Application in	By integrating modern information technology, automation control technology, and energy-saving technology, this project aims to develop a new type of smart lighting system that supports the construction of a green, smart, and sustainable society	In progress	It is planned to reducing energy consumption and carbon emissions while improving the management efficiency of the lighting system and enhancing the user experience.	The project will expand our smart lighting product line and further developing the smart lighting market.

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Smart Lighting Fixtures				
Development of an Intelligent and Efficient Solar Streetlight Driver Power Supply	The existing solar streetlights generally exhibit low conversion efficiency when photovoltaic panels charge internal storage batteries. To achieve a certain level of illuminance and lighting duration, larger photovoltaic panels and storage batteries are required, which increases material costs. In response to this situation, this project focuses on the development of an intelligent and efficient driver power supply for solar streetlights.	Trial production	We aim to develop a highly efficient control system that meets the requirements of reliability, energy efficiency, and performance for solar-powered road lighting. By integrating sensors and connecting the lighting control system to the Internet of Things, the solution enables demand-based lighting and enhances the efficiency of streetlight operation and maintenance.	The project will enhance the Company's market competitiveness in solar-powered road lighting.
Development of a Slim Tri-Proof Light Based on Sealed Waterproof Design	This project aims to develop a slim tri-proof light based on a sealed waterproof design to meet the growing market demand for improved form, performance, and reliability in tri-proof lighting solutions.	Trial production	We aim to achieve comprehensive upgrades in waterproof rating, lighting efficiency, and service life.	The project will expand market share in industrial, transportation, and other sectors, and enhancing overall market competitiveness.
Study on the Structure of Full-Ocean-Depth Pressure-Resistant Lighting Fixtures	This project aims to address common key technical issues faced during the industrialisation and deployment of marine lighting and related technological equipment. It focuses on developing underwater lighting fixtures tailored to different water depths and application scenarios, meeting custom requirements.	Trial production	Underwater lighting fixtures designed for different depths can achieve high cost-effectiveness and reliability. Since the pressure resistance varies with depth, different design solutions are employed for each specific depth.	The project will provide customised solutions to enhance the Company's market competitiveness in marine lighting.
Development and Demonstration of LED Lighting Technology and Specialised Fixtures for Sea Cucumber Farming	This project aims to carry out the research and demonstration of LED lighting technology and specialized fixtures for sea cucumber farming. It focuses on studying key lighting parameters such as optimal spectrum and lighting cycles for the growth stages of sea cucumber seedlings and juvenile sea cucumbers, with a particular emphasis on the Liaoning sea cucumber species. The goal is to optimise lighting conditions to improve the efficiency and quality of sea cucumber farming.	In progress	The project focuses on researching the optimal spectrum, lighting cycles, and other lighting parameters for the growth of sea cucumber seedlings and juvenile sea cucumbers (with Liaoning sea cucumber as the representative species). It also aims to develop corresponding lighting fixtures to promote increased production and income in sea cucumber farming and facilitate the widespread application of the technology.	The project will enhance the Company's market competitiveness in aquaculture lighting.
Development of	This project focuses on research	In progress	This project aims to provide	The project will

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Deep-Sea Lighting Fixtures and Their Semi-Automated Manufacturing Process	into the water-sealing and corrosion-resistant technology for deep-sea lighting products. It aims to break through the technical barriers of deep-sea pressure-resistant packaging and environmental reliability, developing reliable, easy-to-maintain deep-sea lighting products with high brightness, uniform illumination, and a high color rendering index.		a series of lighting products for deep-sea exploration equipment, accelerating the domestic development and application of deep-sea lighting products.	enhance the Company's technological strength in deep-sea lighting and increasing market share.
Development of an Efficient Artificial Light Microalgae (Fungi) Intelligent Cultivation System	This project aims to develop an efficient artificial light microalgae (fungi) intelligent cultivation system through the development of high-efficiency lighting fixtures, high light energy utilisation in the microalgae (fungi) cultivation process, and intelligent cultivation in photobioreactors.	In progress	By using artificial light sources and intelligent control, the project aims to achieve high conversion efficiency from electricity to light, and from light to algae (+fungi), providing support for industrial-scale promotion.	The project will enhance the Company's technological strength in aquaculture lighting, and increasing revenue and profits.
Directed Aggregation and Intelligent Equipment Technology for Deep-Sea Fishery Resources	This project undertakes the research and development task of the sub-topic "Development and Application of High-Efficiency Fish Luring Lights and Control Systems for Deep-Sea Fisheries in the South China Sea," as part of the national key R&D programme. It also collaborates in the integration and application demonstration of new deep-sea fishery resource capture technologies in the South China Sea.	In progress	This project aims to develop fish aggregation lamps for aquatic environments to support industrialisation.	The project will enhance the Company's technological strength in fish aggregation lighting to support industrialisation.
Innovative Projection Series Lighting Fixtures	The project aims to conduct research and development of new technologies in the field of interactive lighting, with a focus on building technical reserves for high-definition colour projection and achieving scalable mass production.	In progress	It is planned to achieve mass production of the product and complete verification of production stability.	The project will enhance the Company's market competitiveness, support the Company in seizing first-mover advantages, and drive business growth.
Digital Interactive Lighting System II	The project aims to upgrade and iterate interactive display technology, transitioning from white light to red light display, thereby expanding application scenarios and usage scope.	In progress	It is planned to enhance the luminous performance, with a particular focus on improving emission precision, brightness, and colour saturation.	The project will enhance the Company's market competitiveness, support the Company in seizing first-mover

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
				advantages, and drive business growth.
Innovative Aerial Virtual Imaging System	This project aims to develop an innovative aerial virtual imaging system, focusing on cutting-edge technological breakthroughs in the field of interactive display, and to develop core imaging optics products to secure a leading position in the industry.	In progress	It is planned to develop core products in imaging optics to ensure a leading technological position.	The project will create a new category of product orders for the Company, thereby expanding our business operations.
Research and Industrialisation of MDL Intelligent Interactive Display Technology	This project aims to carry out research and industrialisation of MDL intelligent interactive display technology, with a focus on continuous innovation and breakthroughs in interactive display technologies. It will enhance product performance and market competitiveness through a phased approach to technology research and development and iterative mass production.	In progress	It is planned to maintain annual upgrades of MDL technology and achieve year-on-year application in mass production.	The project will drive continuous innovation to consolidate the Company's leading position, increase market share, and promote business growth and sustainable development.
Concealed Smart Lighting System	This project aims to develop a concealed smart lighting system in response to the increasingly intense competition and product homogenisation in the automotive lighting market.	In progress	It is planned to develop in-house capabilities for the optical-mechanical-electrical-thermal system of the technology.	The project will enhance the Company's market competitiveness and drive business growth.
Research on Intelligent Control Technology for LED Lighting and Its Application in Smart Home Lighting Fixtures	This project aims to align with the market trend of LED luminaires shifting from replacing energy-saving lamps to more refined and intelligent solutions. It focuses on research into intelligent control technology for LED luminaires and its application in smart home lighting fixtures, addressing the core trend of LED luminaires evolving from a single-function light source to an intelligent and integrated system.	Trial production	Through the integration of intelligent modules, lighting fixtures can be networked and their functions customised, enabling seamless incorporation into smart home systems and thereby achieving personalised, customised, and systematised lighting solutions.	The project will support the Company in capturing market share and enhancing brand influence.
The Research on Full-colour and Integrated Packaging of Micro-LED Display with High Brightness and Contrast	With the advantages of high efficiency, energy conservation, active luminescence and ultra-high resolution, Micro-LED stands out from an array of novel display technologies and has become a focus in novel technology competitions. This project aims to satisfy the major demand for large-screen 4K/8K UHD display from national	Trial production	This project aims to satisfy the major demand for large-screen 4K/8K UHD display from national policies and social development. In combination with the main development trend of full-colour Micro-LED display at home and abroad, we will overcome the core technology bottleneck of the	The project is of vital importance in terms of promoting the localization of China's LED display industry chain.

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
	policies and social development. In combination with the main development trend of full-colour Micro-LED display at home and abroad, we will overcome the core technology bottleneck of the industry such as full-colour packaging technology, and develop high-brightness and high-contrast Micro-LED display devices and modules that meet the market demand for better interactivity and display performance.		industry such as full-colour packaging technology, and develop high-brightness and high-contrast Micro-LED display devices and modules that meet the market demand for better interactivity and display performance. By doing so, the development of upstream and downstream industries of the industry chain will be boosted, and China's dominant position in display applications will be further consolidated.	
The Research on the Key Technology of 4K/8K Full-color Micro-LED Displays with Ultra High Definition (UHD)	The core technology of UHD display represented by Micro/Mini-LED devices is still monopolised by Samsung of South Korea, Apple of the US, Sony of Japan and other international giants. Manufacturers in the province need to pay high royalties to engage in the business, which seriously constrains the strategic transformation of the LED industry in Guangdong Province. Therefore, to vigorously develop the UHD video display industry, the key solutions are to break through the bottleneck of Micro/Mini-LED device technology and motivate the transformation and upgrading of UHD display in the LED industry, so as to secure the internationally advanced technology status of the province's LED display.	Trial production	In this project, we will develop high performance Mini/Micro-LED display devices and display modules by researching technical problems such as high density IMD Mini/Micro-LED integrated packaging technology, high compatibility pixel cutout manufacturing technology of Mini/Micro-LED display devices, and mass transfer technology of Micro-LED chips. Related technology will be developed to remove the blockade of international giants, fill the gap of local high-end applications, and achieve the efficient and rapid 4K/8K development for the HD display.	The Company's dominant position in display applications will be consolidated.
LED Technology for Efficient Cultivation in Modern Agriculture and Its Demonstrative Application	Agriculture is the core of the farming industry and the cornerstone of national food security. The cultivation of high-value crops serves as an important industrial foundation for rural revitalization. LED plant lighting is a new technology that has emerged with the development of modern agricultural production methods and semiconductor lighting technology. It has been recognised domestically and internationally as an important	Trial production	This project aims to develop an LED technology system for efficient cultivation in modern agriculture through research on efficient LED epitaxial regulation for modern agricultural cultivation, design and fabrication processes of high light efficiency LED chips, as well as design and packaging processes of high light efficiency LED devices. The goal is to	Plant Lighting: The project will support the demonstration application of the Company's plant lighting products in high-value crops. Ultraviolet Products: The project will support the demonstration application of the Company's deep ultraviolet products

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
	direction for the emerging high-tech industry in agriculture. However, the development of LED plant lighting technology in our country started relatively late, and there is a gap in technological level compared to leading international companies. To meet the industrial demand to improve light efficiency and reduce energy consumption in LED plant lighting, as well as the physiological requirements of high light efficiency during crop breeding processes, an LED technology system for efficient cultivation in modern agriculture will be developed to promote the industrial application of LED technology in crop breeding and the efficient production of high-value crops, thereby driving the high-quality development of smart agriculture.		provide chip and device support for the manufacturing of specialised LED luminary systems dedicated to efficient cultivation in modern agriculture, promoting the advancement of LED plant lighting technology in our country to reach an international leading level.	in the field of public disinfection and hygiene.
The Development and Application Demonstration of Deep Ultraviolet LED Modules and Equipment for Public Health and Other Fields	Deep ultraviolet LED is a preferred alternative to traditional mercury lamps for disinfection and sterilization due to its efficient virus and bacteria-killing abilities, as well as its safety, environmental friendliness, and free of secondary pollution. With the improvement of deep ultraviolet LED performance, there is great potential for implementing deep ultraviolet LED applications in pathogen inactivation in public health and logistics sectors. This project aims to promote the integration between the public health safety sector and the deep ultraviolet LED industry by conducting research on high-security and intelligent deep ultraviolet LED disinfection equipment and system solutions for the public health domain. It strives to drive the large-scale application of purification and disinfection in the public health and logistics sectors in China, contributing to the safeguarding of national public health security.	Trial production	This project aims to develop a low thermal resistance and highly reliable universal deep ultraviolet (UV) LED light source for pathogen disinfection, addressing the technological and market demands of deep UV LED virus inactivation. It integrates intelligent identification and driving control technologies tailored to specific application scenarios. The project also involves the application of pathogen disinfection equipment in the field of public health, driving the upgrading and development of industries related to public disinfection. Its goal is to effectively prevent, control, and eliminate the hazards of sudden public health emergencies, ensuring the physical well-being and safety of the public.	This project will drive the upgrading and development of industries related to public disinfection using deep ultraviolet technology.

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Research and Application of Key Technologies for Indoor Fine-Pitch LED Display Devices for Next-Generation Displays	As LED technology continues to advance and the miniaturisation of LED sizes further develops, it brings new vitality to the display industry, with emerging display technologies such as small-pitch LED displays, Mini LED displays, and Micro LED displays taking the stage one after another. Based on the new opportunities created by 5G+4K/8K ultra-high-definition display platform for indoor small-pitch display application scenarios, this project carries out the research on key technologies of indoor fine-pitch LED display devices, seizes the technological heights in the field of new displays, forms a demonstration of new displays, establishes a strong technological barrier, and consolidates the core competitiveness of enterprises.	Trial production	This project leverages its technological advantages in display packaging to further break through the performance limitations of LED display devices and optimise the packaging processes of display modules to improve their utilisation. It aims to promote the application and adoption of fine-pitch display devices in high-definition display terminal products, seize the technological high ground in the field of new display technologies, establish strong technical barriers within the industry, and consolidate the core competitiveness of the enterprise.	The project will increase product market share and consolidate core competitiveness
Research and Application of Intelligent Display Module for Home Appliances	Display module is one of the most widely used areas of LED applications, and the use of LED display modules has been further expanded in various household appliances such as air conditioners, refrigerators, water heaters, and washing machines. By venturing into the smart home and home appliance market, this project aims to provide customers with comprehensive, efficient, and customized smart design solutions. This not only injects new vitality into the smart home appliance market but also helps drive the healthy and high-quality development of the smart home appliance industry. Furthermore, it creates stable economic benefits for the enterprise.	Trial production	This project focuses on leveraging the advantages of LED display modules in home appliances, medical devices, toys, gaming consoles, and other applications. Through research on intelligent display modules, including Bluetooth communication, voice broadcasting, touch control, and high-definition colour display, the aim is to further expand user scenarios, improve the functionality of display modules, and make the interaction between display modules and external modules more intelligent and integrated. These efforts will promote the healthy and high-quality development of the smart home appliance industry.	The project will improve product quality and market share.
Development and Application of Key Technologies for High-	The improving consumption level of residents, the robust consumer electronics market, and the increasing demand from consumers for enhanced	Trial production	This project aims to promote the development of high-performance consumer electronic component manufacturing towards	The project will improve product quality and market share.

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Performance Consumer Optoelectronic Devices	performance in their products have strongly driven the upgrading of high-performance consumer electronics. However, the packaging technology for high-performance consumer electronic components has long been dominated by developed countries such as the United States, Japan, and Germany. Therefore, it is urgent to achieve breakthroughs in major technologies for high-performance consumer electronics LED devices, break the foreign companies' monopoly on high-performance consumer electronics, promote the domestic substitution of high-performance consumer electronic components, and drive innovation and upgrading throughout the LED technology industry chain.		higher precision and sophistication by tackling the industry's forefront technologies, including improving the spatial colour uniformity of LED devices through packaging processes, developing new chip-level packaging structures for high-performance consumer electronics LED devices, and reducing the voiding rate. Furthermore, it seeks to further facilitate the domestic substitution of high-performance consumer electronic components.	
Research on Key Technologies for High-Quality LED Healthy Lighting	With the advancement of semiconductor lighting technology, increasing attention has been paid to the impact of light on human health. The demand for LED light sources is shifting from a focus on luminous efficacy to an emphasis on light quality and human-centric lighting. As an emerging field, healthy lighting is the result of integrating semiconductor lighting technology with advanced user demands. It is becoming a new growth driver for the development of China's lighting industry, with applications already covering areas such as disinfection and sterilisation, medical and healthcare, educational wellbeing, agricultural health, and residential wellness. The project aims to develop products featuring relatively stable spectral output, high colour rendering index, and controllable mass production costs, offering promising market prospects in the field of high-quality healthy lighting.	Trial production	This project focuses on high-quality LED healthy lighting applications, aiming to develop packaging processes with a high phosphor-to-glue ratio for healthy lighting devices, and to realise the development of high light-quality multi-wavelength blue light healthy lighting products. The implementation of this project will further strengthen our strategic presence in the emerging field of healthy lighting, facilitate the development of high-quality healthy lighting technologies and products, and contribute to increased revenue and profitability for the Company..	The project will improve product quality and market share.
Research and	Driven by the rapid growth of the	At the stage	This project focuses on the	The project will

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Application of Key Packaging Technologies for High-Power Ceramic LEDs for Automotive Use	new energy vehicle market, demand for automotive LEDs continues to rise. As automobiles advance towards electrification and intelligentisation, a range of innovative automotive LED products have emerged, including megapixel-level DLP headlights and projection-based augmented reality head-up displays (AR-HUD). High-power ceramic LEDs offer advantages such as high brightness, long lifespan, and low thermal resistance, making them the preferred light source for products such as megapixel-level DLP headlights and projection-based augmented reality head-up displays (AR-HUD). This project aims to accelerate breakthroughs in key packaging technologies for high-power ceramic LEDs for automotive applications, develop new products with both market value and industrial security significance, and continuously strengthen the Company's leading position in the LED packaging industry.	of research and development	research of multiple key technologies related to high-power ceramic LEDs for automotive applications, with the goal of developing high-power ceramic LEDs featuring low thermal resistance, high brightness, and long lifespan. The implementation of this project will continuously enhance the quality of high-power ceramic LED products for automotive applications, further enrich the Company's automotive LED product portfolio, and support the domestic substitution of high-power ceramic LEDs in China as well as the high-quality development of the new energy vehicle industry.	improve product quality and market share.
Epitaxial Growth and Chip Fabrication Techniques for High-Performance Deep Ultraviolet LED with flip-flop structures	This project aims to promote the development of the LED industry in the Pearl River Delta region by collaborating with countries along the Belt and Road. Through the introduction of advanced international technologies, the project aims to provide Guangdong Province with independent intellectual property rights and high-performance deep ultraviolet LED fabrication technologies. By doing so, we will catch up with the international counterparts, or even lead them in this industry.	Trial production	This project develops epitaxial growth and chip preparation technologies for high-performance deep-ultraviolet LEDs with flip-flop structures, and optimises key processes to obtain high-quality and high A1-component AlGaIn materials, high-performance deep-ultraviolet LED epitaxial structures, and realise the development of deep-ultraviolet LED chips.	The project will improve product quality and market share.
TO-247 Package Product Development Project	With the strong market demand for high-power power supplies, charging stations, and distributed photovoltaic inverters, the market scale of silicon carbide products continues to expand. Therefore, it is essential to intensify the research and development of	Trial production	This project aims to address technical challenges such as lead frame design, wire bonding processes, and mould compatibility through the research and development of TO-247 package products, thereby	The project will improve product quality and market share.

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
	silicon carbide discrete devices to establish a solid foundation for the Company to penetrate the mid- to high-end semiconductor device market, while enhancing product competitiveness and increasing market share.		achieving high performance and high reliability.	

Details about R&D personnel:

	2024	2023	Change (%)
Number of R&D personnel	2,045	1,735	17.87%
R&D personnel as % of total employees	16.76%	14.17%	2.59%
Educational background			
Bachelor's degree	1,176	962	22.25%
Master's degree	155	104	49.04%
Doctoral degree and above	13	15	-13.33%
Junior college and below	701	654	7.19%
Age structure			
Below 30	763	621	22.87%
30~40	792	747	6.02%
Over 40	490	367	33.51%

Details about R&D investments:

	2024	2023	Change (%)
R&D investments (RMB)	590, 807, 947. 33	534, 561, 947. 29	10. 52%
R&D investments as % of operating revenue	6. 53%	5. 90%	0. 63%
Capitalised R&D investments (RMB)	0. 00	0. 00	0. 00%
Capitalised R&D investments as % of total R&D investments	0. 00%	0. 00%	0. 00%

Reason for any significant change to the composition of R&D personnel and impact:

☒Applicable ☐ Not applicable

Driven by strategic planning and business expansion needs, the Company actively recruits highly skilled and well-educated external talents, injecting continuous innovation momentum and professional expertise. As a result, the proportion of R&D personnel holding bachelor's and master's degrees has increased significantly.

Reasons for any significant YoY change in the percentage of R&D investments in operating revenue:

☐Applicable ☒Not applicable

Reason for any sharp variation in the percentage of capitalized R&D investments and rationale:

☐Applicable ☒Not applicable

Other notes: The R&D investment calculated according to the *Administration Measures for Identification of High-tech Enterprises* and other relevant regulations includes the R&D input included in operating costs and R&D expenditures expensed in accordance with accounting standards. In 2024, the Company's R&D Investment amounted to RMB590,807,900, accounting for 6.53% of

its operating revenue. Among this, the revenue generated from the external sales of products produced during pilot and trial production stages was included in main business revenue, with the corresponding expenditure of RMB42,137,600 recorded under main business cost.

5. Cash Flows

Unit: RMB

Item	2024	2023	Change (%)
Subtotal of cash generated from operating activities	8,884,435,924.99	8,513,648,453.74	4.36%
Subtotal of cash used in operating activities	8,286,320,589.11	7,339,258,474.76	12.90%
Net cash flows from operating activities	598,115,335.88	1,174,389,978.98	-49.07%
Subtotal of cash generated from investing activities	1,059,888,697.14	423,342,286.04	150.36%
Subtotal of cash used in investing activities	1,775,272,864.22	1,130,862,869.12	56.98%
Net cash flows from investing activities	-715,384,167.08	-707,520,583.08	-1.11%
Subtotal of cash generated from financing activities	445,145,960.64	1,404,603,429.35	-68.31%
Subtotal of cash used in financing activities	768,748,792.52	721,157,492.22	6.60%
Net cash flows from financing activities	-323,602,831.88	683,445,937.13	-147.35%
Net increase in cash and cash equivalents	-416,870,923.47	1,155,281,636.62	-136.08%

Explanation of why any of the data above varies significantly:

☒Applicable ☐ Not applicable

(1) Net cash flow from operating activities decreased by 49.07% year-on-year, primarily due to an increase in cash payments for raw material purchases during the Reporting Period.

(2) Net cash flows from investing activities decreased by 1.11% year-on-year, mainly attributable to the increase in purchases of large-denomination certificates of deposit and the payment for equity acquisition of Hule Electrical Equipment, a non-wholly owned subsidiary not under common control.

(3) Net cash flow from financing activities decreased by 147.35% year-on-year, primarily due to the receipt of capital raised from equity financing in the previous year.

(4) Net increase in cash and cash equivalents decreased by 136.08% year-on-year, mainly as a result of the decline in net cash flow from financing activities.

Explanation of why net cash generated from/used in operating activities varies significantly from net profit for the Reporting Period:

☐Applicable ☒Not applicable

V Analysis of Non-Core Businesses

☒Applicable ☐ Not applicable

Unit: RMB

	Amount	As % of profit before tax	Main source/reason	Recurrent or not
Return on investment	65,850,578.68	10.96%	Dividend income from other equity investments held during the period, and interest income from other debt investments	Yes
Gain/loss on fair value	-713,704.94	-0.12%	Gain/loss on fair value changes of financial instruments	Yes

changes				
Asset impairments	-207,929,562.68	-34.60%	Primarily due to the provision for goodwill impairment and inventory write-downs during the Reporting Period.	Yes
Non-operating income	18,436,172.78	3.07%	Primarily attributable to the receipt of mediation funds and the negative impact on goodwill resulting from the merger of enterprises not under the same control in the current period.	Not
Non-operating expense	4,576,737.83	0.76%	Primarily attributable to the payment of compensation during the Reporting Period.	Not
Other income	111,434,984.12	18.54%	Receipt of continuing government grants	Not
Credit impairment loss	-29,684,596.41	-4.94%	Allowances for doubtful accounts receivable and other receivables	Yes
Asset disposal income	374,492,447.01	62.32%	Gains or losses on the disposal of non-current assets	Not

VI Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	31 December 2024		1 January 2024		Change in percentage (%)	Main reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	3,209,127,437.31	18.70%	3,596,049,654.55	21.24%	-2.54%	Purchase of large-denomination certificates in the current period
Accounts receivable	2,125,667,291.96	12.39%	2,093,499,280.40	12.36%	0.03%	
Contract assets	1,690,021.95	0.01%	4,252,013.94	0.03%	-0.02%	
Inventories	2,025,499,361.38	11.80%	1,971,171,641.14	11.64%	0.16%	
Investment property	793,487,046.02	4.62%	163,636,347.41	0.97%	3.65%	Primarily due to the transfer of an increase in assets intended for lease during the Reporting Period.
Long-term equity investments	180,300,594.89	1.05%	179,188,555.15	1.06%	-0.01%	
Fixed assets	3,646,594,206.04	21.25%	3,453,214,586.47	20.39%	0.86%	
Construction in progress	263,601,705.89	1.54%	1,174,533,505.11	6.94%	-5.40%	Primarily due to an increase in the transfer of construction-in-progress to fixed assets during the Reporting Period.
Right-of-use assets	22,342,999.34	0.13%	8,812,320.64	0.05%	0.08%	
Short-term	307,141,147.	1.79%	220,019,877.	1.30%	0.49%	

	31 December 2024		1 January 2024		Change in percentage (%)	Main reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
borrowings	49		73			
Contract liabilities	119,506,301.48	0.70%	235,335,693.28	1.39%	-0.69%	
Long-term borrowings	222,581,930.54	1.30%	253,093,421.29	1.49%	-0.19%	
Lease liabilities	15,023,993.11	0.09%	4,310,967.92	0.03%	0.06%	
Notes receivable	997,281,070.21	5.81%	1,057,352,267.60	6.24%	-0.43%	
Accounts receivable financing	352,694,866.89	2.06%	443,201,960.02	2.62%	-0.56%	
Investments in other debt obligations	1,140,022,863.72	6.64%	454,822,905.25	2.69%	3.95%	Primarily due to an increase in the amount of large-denomination certificates of deposit purchased during the Reporting Period.
Investments in other equity instruments	726,663,613.42	4.23%	699,762,746.35	4.13%	0.10%	
Intangible assets	388,587,348.99	2.26%	434,549,913.99	2.57%	-0.31%	
Notes payable	1,930,784,817.62	11.25%	2,271,174,787.69	13.41%	-2.16%	Primarily due to a decrease in the payment of procurement costs via bills during the Reporting Period.
Accounts payable	2,781,965,096.70	16.21%	2,875,980,206.64	16.98%	-0.77%	
Other payables	495,717,050.97	2.89%	362,491,923.01	2.14%	0.75%	
Other current liabilities	377,156,212.40	2.20%	95,008,427.01	0.56%	1.64%	Primarily due to an increase in endorsed but not yet matured notes receivable during the Reporting Period.

Indicate by tick mark whether overseas assets account for a high proportion of total assets.

☐Applicable ☒Not applicable

2. Assets and Liabilities at Fair Value

☒Applicable ☐ Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes charged to equity	Impairment allowance for the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
1. Held-for-trading financial assets (exclusive of derivative financial assets)	152,529,775.41	-438,454.94			450,000,000.00	560,000,000.00	1,558,500.00	43,649,820.47
3. Other debt investments	454,822,905.25				727,000,000.00	70,000,000.00	28,199,958.47	1,140,022,863.72
4. Investments in other equity instruments	699,762,746.35	27,896,892.07	451,108,977.66			996,025.00		726,663,613.42
5. Receivables financing	443,201,960.02					90,507,093.13		352,694,866.89
Subtotal of financial assets	1,750,317,387.03	27,458,437.13	451,108,977.66		1,177,000,000.00	721,503,118.13	29,758,458.47	2,263,031,164.50
Total of the above	1,750,317,387.03	27,458,437.13	451,108,977.66		1,177,000,000.00	721,503,118.13	29,758,458.47	2,263,031,164.50
Financial liabilities	0.00	275,250.00						275,250.00

Details about other changes:

(1) Other changes in trading financial assets (excluding derivative financial assets) refer to the trading financial assets that occurred in Hule Electrical Equipment before Hainan Technology acquired Hule Electrical Equipment in the current period.

(2) The purchased amount in the Reporting Period of other debt investments referred to the cash management (large-denomination certificates) by the Company with its own temporarily idle funds and idle raised funds, which was classified as financial assets at fair value through other comprehensive income. During the Reporting Period, large-denomination certificates of deposit amounting to RMB727 million were purchased, with sales totalling RMB70 million. The cumulative fair value changes was RMB0.00, and other changes included cumulative interest income of RMB28,199,958.47.

Significant changes to the measurement attributes of the major assets in the Reporting Period:

☐Yes ☒No

3. Restricted Asset Rights as at the End of the Reporting Period

Unit: RMB

Item	Ending carrying amount	Reason for restriction
Monetary assets	512,340,403.99	Note deposits, bond deposits, pre-sale of properties, etc.
Notes receivable	951,909,082.20	Pledge of note pool, notes receivable endorsed or discounted but not matured

Accounts receivable financing	25,328,943.24	Pledge of note pool,
Fixed assets	211,977,100.96	As mortgage and guarantee for related party, see XVI (3) “Others” in Part X.
Intangible assets	10,341,686.87	
Investments in other debt obligations	103,309,041.10	Frozen large-denomination certificates of deposit (Note: This large-denomination certificate of deposit was unfrozen in March 2025.)
Other non-current assets	2,931.37	Frozen funds
Total	1,815,209,189.73	—

VII Investments Made

1. Total Investment Amount

☒Applicable ☐ Not applicable

Investment amount in the Reporting Period (RMB)	Investment amount in the same period of last year (RMB)	Change (%)
386,039,888.94	173, 881, 228. 98	122.01%

2. Major Equity Investments Made in the Reporting Period

☒Applicable ☐ Not applicable

Unit: RMB

Name of investee corporation	Principal activity	Way of investment	Amount invested	Shareholding percentage (%)	Funding resources	Partners	Investment period	Type of wealth management product	Progress as at the balance sheet date	Predicted return	Gains and losses on investments for the Current Period	Whether involved in any legal actions	Date of disclosure (if any)	Disclosure index (if any)
Liaowang Auto Lamp (Suzhou) Co., Ltd.	Manufacture of automotive parts and accessories; sales of lighting products; research and development of automotive components.	Newly established	25,000,000.00	53.79%	Self-funded	None	Long-term	N/A	Business registration has been completed during the Reporting Period.	0.00	-47,494.26	Not	28 September 2024	Announcement on Investment and Establishment of Wholly-owned Subsidiaries by Holding Subsidiaries and Investment in Automotive Lamp Production and Construction Projects on http://www.cninfo.com.cn , with Announcement No.: 2024-056
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Lighting fixtures for ships, navigation signal fixtures, explosion-proof fixtures, etc.	Acquisition	113,665,723.00	66.00%	Equity fund	None	Long-term	Not applicable	Completed equity transfer registration during the Reporting Period	0.00	3,787,057.54	Not	Not applicable	Not applicable

Total	--	--	138,665,723.00	--	--	--	--	--	--	0.00	3,739,563.28	--	--	--
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3. Major Non-Equity Investments Ongoing in the Reporting Period

☒Applicable ☐ Not applicable

Unit: RMB

Project name	Way of investment	Fixed asset investment or not	Industry of the investment project	Input in the Reporting Period	Cumulative input as of the period-end	Funding sources	Project progress	Predicted return	Cumulative return as of the period-end	Reason for failure to reach the planned progress and predicted return	Date of disclosure (if any)	Disclosure index (if any)
The production ramp-up project for new-generation LED packaging devices and chips	Other	Yes	LED packaging	5,568,000.00	899,877,146.45	Self-financing	98.52%			N/A	10 January 2019	Announcement on Investment in the Production Ramp-up Project for New-generation LED Packaging Devices and Chips on http://www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)
The Jili Industrial Park project (not including land purchase)	Other	Yes	LED packaging	104,924,552.84	641,795,369.04	Self-financing	37.43%			N/A	7 August 2020	Announcement on Investment in the Construction of NationStar Optoelectronics' Jili Industrial Park Project on http://www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)
Total	--	--	--	110,492,552.84	1,541,672,515.49	--	--			--	--	--

4. Financial Investments

(1) Securities Investments

☒Applicable ☐ Not applicable

Unit: RMB

Security type	Security code	Security name	Initial investment cost	Measurement method	Beginning carrying value	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in Reporting Period	Ending carrying amount	Accounting title	Funding resources
Domestic/Overseas listed stock	002074	Gotion High-tech Co., Ltd.	83,014,485.13	Fair value method	368,376,506.50	-4,797,461.48	280,564,559.89			1,713,379.10	363,579,045.02	Investments in other equity instruments	Self-funded
Domestic	601187	Xiamen	152,957,	Fair	290,	32,694,	170,54			26,384,	323,502,0	Investment	Self-

Security type	Security code	Security name	Initial investment cost	Measurement method	Beginning carrying value	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in Reporting Period	Ending carrying amount	Accounting title	Funding resources
y/Overseas listed stock		Bank Co.,Ltd.	606.83	value method	807,671.05	353.55	4,417.77			916.90	24.60	ts in other equity instruments	funded
Other	None	Foshan branch of Guangdong Development Bank	500,000.00	Fair value method	500,000.00						500,000.00	Investments in other equity instruments	Self-funded
Domesticall y/Overseas listed stock	601777	Qianli Technology	1,176,008.74	Fair value method	901,522.76	1,024,915.54				1,024,915.54	1,926,438.30	Held-for-trading financial assets	Other
Domesticall y/Overseas listed stock	000980	ZOTYE Automobile	423,448.92	Fair value method	77,775.02	-15,398.41				-15,398.41	62,376.61	Held-for-trading financial assets	Other
Trust product	None	Hangzhou Industrial & Commercial Trust Co., Ltd.	1,500,000.00	Fair value method		-14,550.00		1,558,500.00		-14,550.00	1,543,950.00	Held-for-trading financial assets	Self-funded
Total			239,571,549.62	--	660,663,475.33	28,891,859.20	451,108,977.66	1,558,500.00	0.00	29,093,263.13	691,113,834.53	--	--

Note: The holding of Hangzhou Industrial & Commercial Trust Co., Ltd. during the Reporting Period resulted from the acquisition of Hule Electrical Equipment by Hainan Technology.

(2) Investments in Derivative Financial Instruments

☒Applicable ☐ Not applicable

1) Derivative Investments for Hedging Purposes in the Reporting Period

☒Applicable ☐ Not applicable

Unit: USD'0,000

Type of derivative	Initial investment amount	Beginning amount	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Ending amount	Ending investment amount as % of the Company's ending equity
General forward	1,800	0	0	0	1,800	1,800	0	0.00%
General forward	650	0	-3.83	0	650	0	650	0.46%
Total	2,450	0	-3.83	0	2,450	1,800	650	0.46%
Major changes in accounting policies	Not							

and specific accounting principles adopted for hedges in the Reporting Period compared to the last reporting period	
Actual gain/loss in the Reporting Period	During the Reporting Period, the actual profit and loss amounted to USD-61,400.
Effectiveness of hedging	The Company carries out foreign exchange hedging business appropriately according to specific situations, which can effectively reduce the foreign exchange market risk, lock in industrial profit of export business and avoid exchange rate risk.
Funding source	Self-funded
Analysis of risks and control measures associated with derivative investments held in Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>Risk analysis of the forward foreign exchange settlement: 1. Market risk: Given the unpredictability of economic changes at home and abroad, the foreign exchange hedging business faces market risk, to some extent. 2. Foreign currency risk: When the foreign currency trend greatly deviates from the Company's judgment of such trend, the expenses after locking the exchange rate might exceed that before doing so, resulting in losses to the Company. 3. Internal control risk: Imperfect internal control policies probably triggers risks to the foreign exchange hedging business, as it is highly professional and complex. 4. Trading default risk: If the counterparty of foreign exchange hedging defaults by failing to pay hedging earnings to the Company as agreed, the actual exchange loss of the Company will not be offset. 5. Collection forecast risk: Marketing departments forecast collection based on the actual and expected orders of customers. In practice, customers may adjust such orders. As a result, the Company's collection forecast will not be accurate, leading to delivery risks.</p> <p>Adopted risk control measures: 1. The Company will strengthen the research and analysis of the exchange rate. When the exchange rate fluctuates greatly, it will adjust the business strategy in a timely manner to stabilize the export business and avoid exchange losses to the utmost. 2. The Company has established the <i>Management System for Foreign Exchange Hedging</i> and majority-owned subsidiary NationStar Optoelectronics has also formulated the <i>Management System for Forward Forex Settlement and Sale and Forex Option Transactions</i>, clearly defining the operating principles, approval authority, responsible department and responsible person, internal operation procedures, information isolation measures, internal risk reporting system, risk management procedures, and information disclosure related to the foreign exchange hedging business. 3. In order to prevent any delay in the foreign exchange hedging, the Company will strengthen the management of accounts receivable, actively collect receivables, and avoid any overdue receivables. In the meantime, the Company plans to increase the export purchases and purchase corresponding credit insurance so as to reduce the risk of default and customer default. 4. The Company's foreign exchange hedges must be strictly based on the Company's foreign exchange earnings prediction. Besides, the Company shall strictly control the scale of its foreign exchange hedges, and manage all risks that the Company may face within a controllable range. 5. The internal audit department of the Company shall check the actual signing and execution situation of all trading contracts on a regular or irregular basis.</p>
Changes in market prices or fair value of derivative investments in Reporting Period (fair value analysis should include measurement method and related assumptions and parameters)	The Company carries out recognition and measurement in accordance with the <i>Accounting Standard for Business Enterprises No. 22—Recognition and Measurement of Financial Instruments</i> , the <i>Accounting Standard for Business Enterprises No. 24—Hedges</i> , the <i>Accounting Standard for Business Enterprises No. 37—Presentation of Financial Instrument</i> and other applicable regulations. Fair value is arrived at based on the price provided by pricing service providers such as banks or the price obtained. Fair value measurement and recognition are carried out on a monthly basis. Fair value changes of forward exchange settlement contracts entered into by the Company are mainly attributable to difference arising from exchange rate fluctuations.
Legal matters involved (if applicable)	N/A
Disclosure date of announcement on Board of Directors's approving derivative investment (if any)	1 August 2023, 30 April 2024

2) Derivative Investments for Speculative Purposes in the Reporting Period

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

5. Use of Raised Funds

☑Applicable ☐ Not applicable

(1) General Information about Use of Raised Funds

☑Applicable ☐ Not applicable

Unit: RMB'0,000

Year of raising	Way of raising	Securities listing date	Total amount raised	Net amount of funds raised (1)	used in the current period	Cumulative total amount of raised funds used (2)	Usage ratio of raised funds at the end of the Reporting Period (3) = (2) / (1)	Re-purposed amount in the Reporting Period	Cumulative re-purposed amount	Cumulative re-purposed amount as % of total amount raised	Unused amount	Purpose and whereabouts of the unused amount	Amount being idle for more than two years
2023	Issuance of shares to specific objects	4 December 2023	109,455.18	108,841.55	11,330.95	20,128.48	18.49%	0	0	0	89,269.7	The balance of temporarily idle proceeds used by the Company for cash management amounted to RMB599 million, while the remaining proceeds were deposited in designated accounts for raised funds.	0
Total	--	--	109,455.18	108,841.55	11,330.95	20,128.48	18.49%	0	0	0	89,269.7	--	0

Description of the use of raised funds

In November 2023, the Company raised RMB1,094,551,800 through a share issuance to specific investors. After deducting issuance expenses such as underwriting fees, sponsorship fees, audit fees, and legal fees totalling RMB6,136,300, the actual net proceeds amounted to RMB1,088,415,500. As at 31 December 2024, the Company had cumulatively utilised RMB201,284,800 of the raised funds, accounting for 18.49% of the net proceeds.

(2) Promised Use of Raised Funds

☑Applicable ☐ Not applicable

Unit: RMB'0,000

Financing project name	Securities listing date	Promised project funded with raised funds and investment with over-raised funds	Project nature	Re-purposed or partially re-purposed or not	Total promised investment amount with raised funds	Adjusted total amount of the investment (1)	Input in the Reporting Period	Accumulative investment amount at the end of the Reporting Period (2)	Investment progress as at the period-end (3)=(2)/(1)	Time when the project is ready for its intended use	Returns derived in the Reporting Period	Accumulative benefits recorded as at the end of Reporting Period	Meeting the expected returns or not	Significant change to project feasibility or not
Promised projects														
2023 Issuance of Shares to Specific Targets	4 December 2023	FSL's automation and digitalisation project	Production and construction	Not	36,464.27	35,850.64	3,241.67	3,535.32	9.86%	November 2026	N/A	N/A	N/A	Not
2023 Issuance of Shares to Specific Targets	4 December 2023	FSLHainan Industrial Park I	Production and construction	Not	25,252.91	25,252.91	3,160.92	10,525.5	41.68%	May 2025	N/A	N/A	N/A	Yes
2023	4	The smart	Production	Not	9,179.	9,179.	29.6	95.77	1.04%	May	N/A	N/A	N/A	Yes

Issuance of Shares to Specific Targets	December 2023	street lights project	on and construction		52	52	3			2025				
2023 Issuance of Shares to Specific Targets	4 December 2023	The vehicle light module production project	Production and construction	Not	24,008.8	24,008.8	2,516.86	2,667.39	11.11%	May 2027 (Note 1)	N/A	N/A	N/A	Not
2023 Issuance of Shares to Specific Targets	4 December 2023	The R&D centre construction project	Research and development project	Not	14,549.68	14,549.68	2,381.87	3,304.5	22.71%	November 2027 (Note 1)	N/A	N/A	N/A	Not
Subtotal of promised projects				--	109,455.18	108,841.55	11,330.95	20,128.48	--	--	N/A	N/A	--	--
Use of over-raised funds														
There were no over raised funds.														
Total				--	109,455.18	108,841.55	11,330.95	20,128.48	--	--	N/A	N/A	--	--

Explain the circumstances and reasons for failing to achieve the planned progress and expected returns by item (including the reason for selecting “N/A” for “Meeting the expected returns or not”)	<p>1. FSL’s Automation and Digitalisation Project: This project aims to procure advanced automated production equipment and supporting facilities, and to implement a digital and intelligent transformation to establish an intelligent manufacturing system. It was originally scheduled to reach its intended usable state by November 2026. However, due to the combined impact of a slowdown in domestic macroeconomic growth, overseas tariff barriers, and declining costs of related hardware and software, the investment progress of the project has fallen short of expectations.</p> <p>2. R&D Centre Construction Project: On 18 June 2024, the Company held the 57th meeting of the 9th Board of Directors and the 29th meeting of the 9th Supervisory Committee, reviewing and passing the <i>Proposal on Extending the R&D Centre Construction Project Time</i>. According to the construction status and implementation progress of the raised funds investment project, and in light of the demand for products in the downstream market, the relevant R&D projects planned for the Company’s R&D centre are currently progressing steadily and the purchase of relevant R&D equipment and R&D-related software is under way in succession. However, as some experimental equipment needs to be customised and the R&D equipment is characterised by small batches and multiple varieties, not all equipment has been procured, installed or commissioned adequately. In view of the above reasons, the Company agreed to extend the construction period of the raised funds investment project “R&D centre construction project” by two years, that is, to extend the time for the raised funds investment project to reach the intended status of use to May 2026.</p> <p>On 23 April 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, during which the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i> was reviewed and approved. Due to adjustments made to certain R&D topics and supporting equipment during the implementation of the “R&D Centre Construction Project,” the Company intends to extend the investment period of the project by one and a half years to ensure smooth project advancement and the achievement of R&D objectives. Accordingly, the planned date for the project to reach its intended usable state will be postponed to November 2027.</p> <p>3. Automotive Lighting Module Production Project: On 23 April 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, during which the <i>Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects</i> was reviewed and approved. Throughout the implementation of the Automotive Lighting Module Production Project, the Company has prioritised project quality and long-term profitability, laying a solid foundation and proceeding with investment in a phased manner. However, due to the stringent certification requirements for entry into the automotive lighting supply chain system and the long lead time for the deployment of high-end customised equipment, the current investment progress has fallen behind schedule. Therefore, the Company proposes to extend the investment period of the project by two years, postponing the date for it to reach its intended usable state to May 2027.</p> <p>(For details on the delay in the planned progress of the “FSL’s Hainan Industrial Park Phase I” and the “Smart Streetlight Construction Project,” please refer to the section “Particulars about significant change to project feasibility” in this table.)</p>													
Particulars about significant change to project feasibility	<p>1.FSL’s Hainan Industrial Park Phase I Project: On 23 April 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, during which the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i> was reviewed and approved. Due to various factors, including the fact that China’s marine industry is still in its early stages of development, the Company’s existing production capacity is sufficient to meet the current and near-future demand of the marine lighting market. Therefore, the Company intends to terminate the implementation of this project (for further details, please refer to the Announcement on the Change and Termination of Certain Fundraising Investment Projects disclosed on the same day on www.cninfo.com.cn).</p>													

	2. Smart streetlight construction project: On 23 April 2025, the Company convened the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Board of Supervisors, at which the Proposal on the Change and Termination of Certain Funded Projects was reviewed and approved. Due to a slowdown in investment by local governments in municipal infrastructure in recent years, the market demand for new infrastructure projects such as smart streetlights has grown at a rate below expectations, resulting in insufficient project orders. Therefore, the Company proposes to terminate the implementation of the "Smart Streetlight Construction Project" (For further details, please refer to the Announcement on the Change and Termination of Certain Funded Projects disclosed on the same day on cninfo.com.cn).
Amount, purpose and use progress of over-raised funds	N/A
Change of implementation location of raised funds investment projects	N/A
Adjustments to the way of implementation of raised funds investment projects	Applicable
	Occurred during the Reporting Period.
Adjustments to the way of implementation of raised funds investment projects	On 18 June 2024, the Company held the 57th meeting of the 9th Board of Directors and the 29th meeting of the 9th Supervisory Committee, reviewing and passing the <i>Proposal on Adding Implementation Entities and Special Accounts for Raised Funds to Some Raised Funds Investment Projects</i> and agreed to add FSL Chanchang Lighting Co., Ltd. (hereinafter referred to as "Chanchang Company"), a wholly-owned subsidiary of the Company, as one of the implementation entities for the raised funds investment project "FSL's automation and digitalisation project". In consequence, the implementation entities of the raised funds investment project changed from the Company to the Company and Chanchang Company. The adjustment did not involve any change to the amount or purpose of the raised funds.
	Applicable
Advance investments in promised projects funded with raised funds and subsequent swaps	On 16 January 2024, the Company held the 51st meeting of the 9th Board of Directors and the 25th meeting of the 9th Supervisory Committee, reviewing and passing the <i>Proposal on Using Raised Funds to Replace Self-raised Funds for Pre-invested Capital Projects and Paid Issuance Expenses</i> and agreed based on the actual situation of the Company to use the raised funds to replace self-raised funds of RMB87,975,313.46 used for pre-invested capital projects. Specifically, self-raised funds of RMB2,603,975.16 for paid issuance expenses would be replaced. By January 2024, the Company had completed the swap of all the self-pooled funds.
Use of idle raised funds for temporarily supplementing the working capital	N/A
Surplus amount of raised funds upon project implementation and the reasons	N/A
Purpose and whereabouts of unused raised funds	As at 31 December 2024, the total amount of unutilised proceeds was RMB892,697,000, of which RMB293,697,000 was held as bank deposits in designated accounts for raised funds, and RMB599 million was invested in cash management using temporarily idle proceeds, which had not yet matured or been redeemed. The raised funds unused by the Company would be put into use according to the subsequent progress of the raised funds investment projects.
Problems or other issues arising in the use and disclosure of raised funds	1. On 16 January 2024, the Company held the 51st meeting of the 9th Board of Directors and the 25th meeting of the 9th Supervisory Committee, reviewing and passing the <i>Proposal on Using Raised Funds to Provide Subsidiaries with Loans for Implementing Raised Funds Investment Projects</i> . Given that the implementation of the raised funds investment project "FSL Hainan Industrial Park I" is organised by Fozhao (Hainan) Technology Co., Ltd. (hereinafter referred to as "Hainan Technology"), a wholly-owned subsidiary of the Company, to guarantee the successful implementation of the raised funds investment project, the Board of Directors agreed that the Company might use raised funds to provide an interest-free loan for Hainan Technology, with the total loan amount not exceeding RMB252,529,100 and a loan term of three years. 2. On 23 April 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, during which the <i>Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects</i> was reviewed and approved. In light of the rapid development of information technology and the Company's actual business needs, and in order to enhance the efficiency of fund utilisation, the Company plans to adjust the internal investment structure for equipment upgrades under the "FSL's automation and digitalisation project," and to add a new project implementation site at "Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict,

Chancheng District, Foshan City.”

3. On 23 April 2025, the Company convened the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Board of Supervisors, at which the Proposal on the Change and Termination of Certain Funded Projects was reviewed and approved. It was agreed that the Company would make the following adjustments to the “R&D Centre Construction Project”: first, change certain research topics and equipment investment items; second, adjust the internal investment structure of the project; third, extend the project investment period by one and a half years; fourth, add two new implementation sites.

4. The *Proposal on the Change and Termination of Certain Funded Projects*, reviewed and approved at the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Board of Supervisors convened by the Company on 23 April 2025, is still subject to review by the General Meeting of Shareholders.

Note 1: The date on which the project is expected to reach its intended usable state reflects the postponed timeline as approved by the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee.

(3) Re-purposed Raised Funds

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

VIII Sale of Major Assets and Equity Investments

1. Sale of Major Assets

☒Applicable ☐ Not applicable

Counterparty	Asset(s) to be sold	Date of sale	Trade Price (RMB10,000)	Net profit contributed by the asset to the listed company from the beginning of the period to the date of sale (RMB10,000)	Impact of the sale on the Company (Note 3)	Proportion of net profit contributed by the asset sale to the total net profit of the listed company	Principles for determining the sale price of the asset	If it is a related-party transaction	Relationship with the counterparty (applicable in the case of related party transactions)	Whether the ownership of the assets involved has been fully transferred	Whether all the associated rights and obligations have been fully transferred	Whether the project has been implemented as planned and on schedule. If it has not been implemented as planned, the reasons and the measures taken by the Company should be explained	Disclosure date	Disclosure index
Foshan Chancheng District Land Reserve Centre	South Area Plot of North Fenjiang Road, Chancheng District, Foshan City	4 November 2024	39,377.91	29,868.11	The Company has placed the North Fenjiang Road plot under a reserved account, which will help activate assets, improve asset profitability, and provide financial support	57.06%	Market price	Not	N/A	Yes	Not	Yes	26 February 2024	Announcement Title: Progress Report on the Company's Asset Disposal and Public Listing of Land for Sale Disclosure Website: http://www.cninfo.com.cn

Counterparty	Asset(s) to be sold	Date of sale	Trade Price (RMB10,000)	Net profit contributed by the asset to the listed company from the beginning of the period to the date of sale (RMB10,000)	Impact of the sale on the Company (Note 3)	Proportion of net profit contributed by the asset sale to the total net profit of the listed company	Principles for determining the sale price of the asset	If it is a related-party transaction	Relationship with the counterparty (applicable in the case of related party transactions)	Whether the ownership of the assets involved has been fully transferred	Whether all the associated rights and obligations have been fully transferred	Whether the project has been implemented as planned and on schedule. If it has not been implemented as planned, the reasons and the measures taken by the Company should be explained	Disclosure date	Disclosure index
					for the future development of the Company's main business.									

2. Sale of Major Equity Investments

☐Applicable ☒Not applicable

IX Major Subsidiaries

☒Applicable ☐ Not applicable

Major fully/majority-owned subsidiaries and those minority-owned subsidiaries with an over 10% effect on the Company's net profit:

Unit: RMB

Name	Relationship with the Company	Principal activity	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Foshan NationStar Optoelectronics Co., Ltd.	Subsidiary	Manufacturing	618,477,169.00	6,249,279,269.11	3,824,161,649.55	3,472,860,317.19	36,414,753.20	54,375,532.37
Nanning Liaowang Auto Lamp Co., Ltd.	Subsidiary	Manufacturing	35,055,700.00	2,815,260,927.69	1,048,414,948.22	1,822,839,421.05	62,909,490.78	63,038,037.39
FSL Zhida Electric Technology Co., Ltd. (FSL Zhida)	Subsidiary	Manufacturing	38,150,000.00	163,616,843.39	87,928,448.71	183,425,777.41	7,451,600.18	6,603,492.25
FSL Chanchang Lighting Co., Ltd.	Subsidiary	Manufacturing	72,782,944.00	1,218,529,132.47	377,252,722.96	1,086,416,550.97	75,013,679.52	66,164,628.67

Subsidiaries obtained or disposed in the Reporting Period:

☒Applicable ☐ Not applicable

Name	How the subsidiary was obtained or disposed of in the Reporting Period	Impact on overall operations and performance
Liaowang Auto Lamp (Suzhou) Co., Ltd.	Newly established	No significant impact on the Company's production and performance.
Fozhao Huaguang (Maoming) Technology Co., Ltd.	Newly established	No significant impact on the Company's production and performance.
Gaozhou NationStar Lighting Technology Co., Ltd.	Newly established	No significant impact on the Company's production and performance.
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Acquired	No significant impact on the Company's production and performance.
Shanghai Lelaite Electrical Equipment Co., Ltd.	Acquired	No significant impact on the Company's production and performance.

Information about major majority- and minority-owned subsidiaries:

—In a major asset restructuring in February 2022, the Company acquired a 21.32% interest in Foshan NationStar Optoelectronics Co., Ltd. (NationStar) from Rising Holdings and its acting-in-concert party. Upon the conclusion of the transaction, the Company eventually holds a 21.48% interest in NationStar, and NationStar has become a majority-owned subsidiary of the Company. The Company has included NationStar in its consolidated financial statements since Q1 2022.

—Nanning Liaowang Auto Lamp Co., Ltd. signed an equity agreement with its existing shareholders in July 2021, and acquired Liaowang Auto Lamp through equity acquisition and capital increase and share expansion. Upon the conclusion of the transaction, the Company eventually holds a 53.79% interest in Liaowang Auto Lamp, and Liaowang Auto Lamp has become a majority-owned subsidiary of the Company. The Company has included Nanning Liaowang in its consolidated financial statements from the date when the Company obtained actual control of it.

—FSL Zhida Electric Technology Co., Ltd. (FSL Zhida) was incorporated by the Company, Foshan Zhibida Enterprise Management Co., Ltd. and Dongguan Baida Semiconductor Material Co., Ltd. on a joint investment basis. FSL Zhida obtained its business license on 21 October 2016. FSL Zhida changed its registered capital on the basis of paid-in-capital on 16 January 2023. Upon the completion of the change, the Company holds a stake of 66.84% in it. The Company has included FSL Zhida in its consolidated financial statements since the date of FSL Zhida's incorporation.

—FSL Chanchang Lighting Co., Ltd. (renamed on 19 June 2018 from “Foshan Chanchang Electric Appliances (Gaoming) Co., Ltd.”), which is a Sino-foreign joint venture invested and established by the Company and Prosperity Lamps & Components Limited, had obtained license for business corporation on 23 August 2005 through approval by Foreign Trade and Economic Cooperation Bureau of Gaoming District, Foshan with document “MWMYZ [2005] No. 79”. The Company holds 70% equities of the said company; therefore the said subsidiary was included into the scope of the consolidated financial statements since the date of foundation. On 23 August 2016, the Company and Prosperity Lamps & Components Limited signed the equity transfer agreement. The Company purchased 30% equity of Foshan Chanchang Electric Appliances (Gaoming) Co., Ltd. held by Prosperity Lamps and Components Ltd. After the purchasing, the Company held 100% equity of FSL Chanchang Lighting Co., Ltd.

X Structured Bodies Controlled by the Company

☐Applicable ☒Not applicable

XI Prospects**i. The Company's development strategies**

The Company is committed to implementing the development strategy of “new-type basic platform and large-scale new tracks.” It will continue to focus on technology and services as the core, emphasising brand and value. The Company is closely aligned with upgrading to “mid-to-high-end intelligent manufacturing,” transforming towards “providing products and overall solutions,” and making strides towards “intelligent, healthy, and green human-centric lighting.” At the same time, the Company is making efforts on the application front, continuously expanding into the Internet of Things (IoT) ecosystem and niche markets. It is committed to developing new application scenarios and products, consistently enhancing the Company's core competitiveness, and accelerating the next phase of development.

ii. Operational plan for 2025

1. Make market expansion the fundamental task of the Company's development, and comprehensively enhance its market outreach capabilities.

Firstly, the Company will strengthen and solidify the foundation of the business. Through a series of strategies such as “grid management + supplier capability upgrading + competitive product planning for application scenarios + deep distribution,” the Company is determined to promote channel penetration and enhance control over the terminal market. It will accelerate the establishment and improvement of an integrated project operation mechanism covering “R&D, production, sales, supply, and service,” and speed up the expansion of major clients and large projects such as “large-scale industrial and real estate” sectors. The Company will also focus on driving the implementation and transformation of group procurement and reserve projects. At the same time, it will consolidate its export business, intensify efforts in the “Go Global Initiative,” and accelerate expansion into emerging markets such as Southeast Asia, the Middle East, and BRICS countries, driving the growth of its overseas business. The automotive lighting business seizes the development window of the automotive market, adapting to the trends of electrification, networking, and intelligence. It accelerates its transformation towards new energy and mid-to-high-end segments, aiming to achieve more scenario applications and business expansion in high-end areas such as automotive lighting controllers and intelligent human-vehicle interaction. Secondly, the Company will focus on making the new track businesses more specialised and practical. The Company integrates resources in marine lighting, leveraging internal synergy advantages to seize the boom cycle of the shipbuilding industry. It is fully committed to expanding into the military vessel market, inland waterway vessel lighting, and deep-sea vessel lighting businesses, while focusing on cultivating and promoting fishing and aquaculture lighting products and integrated solutions. For road lighting, sports lighting, and aviation lighting, the Company remains resolute in pursuing a specialised, refined, distinctive, and innovative approach. It focuses on breakthroughs in core markets, core businesses, core products, core technologies, and core talents. By developing professional products and delivering benchmark projects, the Company aims to drive business breakthroughs and growth.

2. Make innovation-driven development a fundamental requirement for the Company, and comprehensively enhance product competitiveness.

The Company will adhere to technological self-reliance, lead with the “Technological Fozhao” brand strategy, and build new competitive advantages. Firstly, focusing on “new quality” to strengthen innovation, the Company positions the New Quality Productive Forces Research Center as the

forefront of advancing high-quality development. It will strengthen research in foundational, urgent, cutting-edge, and disruptive technologies, focusing on building three major areas of excellence: technology, industry, and talent. The Company will concentrate on cultivating and developing high-quality R&D talent, deeply integrating “industry, academia, and research,” and continuously empowering and driving high-quality development. Secondly, the Company will “strengthen innovation based on light.” By leveraging the research institute and automotive lighting research institute to deeply integrate innovative resources, the Company will develop its “light code” technology. It will optimise the three-tier R&D system of “production generation, R&D generation, and reserve generation,” intensify efforts in technological innovation and product iteration, and launch a series of products and intelligent solutions, including smart control and elderly care solutions. Thirdly, the Company emphasises innovation in new tracks. Focusing on the future direction of industrial development, the Company will strategically consider new businesses such as marine lighting, smart lighting, and healthy lighting. It will target the recruitment of urgently needed innovative and scarce talent for R&D, particularly those with expertise in cutting-edge technologies who can lead major scientific research projects, along with top-tier scientific leaders and teams. Fourthly, the Company will integrate resources to strengthen innovation. The Company will deepen industry-university-research cooperation with research institutes and universities, enhance collaboration on industrial product R&D with corporate research institutions, and reserve a batch of original technologies. It aims to achieve more breakthroughs from “zero to one” and “one to N,” using technological innovation to forge a “new engine” for the Company’s high-quality development.

3. Make operational improvement the fundamental source of the Company’s development, and comprehensively enhance value creation capability.

Firstly, the Company will establish a solid foundation for operational excellence. Through unified deployment, systematic methods, mechanism building, capability development, and solidifying results, the Company will make incremental and continuous improvements in its operations. This will drive more flexible manufacturing, smoother logistics, faster delivery, superior quality, more automated equipment, and more refined planning. Secondly, the Company will improve operational efficiency. We will accelerate the establishment of a flexible and efficient integrated operation mechanism covering R&D, production, and sales. By utilising digital big data systems and tools, the Company will comprehensively optimise business processes based on the principles of scientific accuracy, compliance, coordination, and unification, enhancing business flow efficiency and the ability to respond quickly to the market. Thirdly, the Company will reduce operational costs. We will vigorously promote generalisation, platformisation, modularisation, structuring, and standardisation to comprehensively reduce costs in R&D design, procurement, manufacturing, and marketing. The Company will also work to reduce channel inventory, raw material and finished product inventory, and supply chain inventory. With the annual budget as a constraint, it will strengthen rigid cost control and dynamic adjustments. Fourthly, the Company will enhance operational efficiency. We will make asset revitalisation one of the key tasks for the year, fully driving the land reserve of the central area of North Fenjiang Road and the revitalisation of idle properties and factory buildings, to improve asset profitability.

(III) Potential risks facing the Company and countermeasures

1. Risks of macro economic fluctuations and fiercer market competition

Currently, the global macroeconomic environment faces multiple uncertainties. Domestic macroeconomic growth is slowing, while international trade protectionism is rising, with frequent occurrences of tariff barriers and technical trade measures. These factors may have an adverse impact on the development of the lighting industry. The lighting industry has especially entered a stage of

competition within the existing market, with market growth slowing down and intensified competition. As a result, the profitability of companies may continue to face pressure.

Countermeasures: The Company will adhere to the set strategies, spend greater effort in developing new products, constantly refine the business portfolio, and actively explore segment markets such as smart lighting, healthy lighting, marine lighting, animal and plant lighting. It will also accelerate the introduction of new manufacturing processes, technologies and products to the market for new competitive edges. At the same time, by optimizing marketing network and strengthening the business focus and expansion on domestic and foreign major customers, the Company will improve service quality, strengthen internal management, and increase core competitive capacity constantly.

2. Risk of raw material price fluctuations

The main raw materials of the Company and its subsidiaries include chips, lamp beads, electronic components, aluminum substrates, plastic parts, metal materials, etc., and the price fluctuations of main raw materials will have an impact on the Company's production costs. If the price of raw materials continues to rise in the future, it may adversely affect the Company's production and operation.

Countermeasures: The Company will pay attention to market dynamics, collect information, analyze and pre-judge supply of main raw materials and price trends, so as to make excellent sourcing plans. By enhancing negotiation, refining suppliers, perfecting supply chain management, and promoting alternative materials, the Company is able to decrease procurement costs.

3. Risk of exchange rate fluctuations

Overseas sales, which are mainly settled in USD, account for over 20% of the Company's total sales. If RMB experiences significant appreciation, the price competitiveness of overseas sales could be undermined and exchange losses may increase, which will produce adverse impacts on the Company's net profit.

Countermeasures: By keeping abreast of and analyzing exchange rate policies and fluctuation trend of settlement currencies in time, intensifying settlement currency management, and carrying out foreign exchange hedging business when the timing is right, the Company can relatively lock in exchange rates and minimize the risks brought by exchange rate fluctuations.

4. Risk associated with the recoverability of accounts receivable

Receivables grow along with the Company's business. Customers who fail to repay loans timely or become insolvent, due to changes in macroeconomic trends, market environments, and their business, will place the Company at the risk of non-performing receivables.

Countermeasures: In order to reduce the receivable collection risk, the Company can constantly optimize the receivable risk management system, categorise customers for better management, regularly assess customers' credit profiles, and enhance customer risk assessment. Meanwhile, it can reinforce contract approval and management, double its effort to collect receivables, and incorporate the collection of receivables into the performance assessment system for business departments.

XII Communications with the Investment Community such as Researches, Inquiries and Interviews

☒Applicable ☐ Not applicable

Date	Place	Way of communication	Type of visitor	Visitor	Main discussions and materials provided	Index to communication information
5 January 2024	The Company	One-on-one meeting	Institution	GF Securities, Guolian Fund, <u>C&S Paper</u>	See Investor Relations Activities Log Sheet No. 2024-01	http://www.cninfo.com.cn
26 January 2024	The Company	One-on-one meeting	Institutions, individuals	Foshan Listed Companies Association, Sanshui District Enterprise Promotion for Listing Association, CITIC Securities, and 44 other individual and institutional investors.	See Investor Relations Activities Log Sheet No. 2024-02	http://www.cninfo.com.cn
7 May 2024	Comein Finance Online Conference	Through an online platform	Institution	CICC, CITIC Securities, Guotai Junan Securities, and 15 other institutional investors.	See Investor Relations Activities Log Sheet No. 2024-03	http://www.cninfo.com.cn
16 May 2024	The Company	One-on-one meeting	Institution	Zhongxin Rongchuang, Wanhe Guodu Venture Capital, Dongxing Securities, and eight other institutional investors.	See Investor Relations Activities Log Sheet No. 2024-04	http://www.cninfo.com.cn
20 May 2024	www.quanjing.com	Through an online platform	Other	A wide range of investors who participate remotely over the Internet.	See Investor Relations Activities Log Sheet No. 2024-05	http://www.cninfo.com.cn
23 May 2024	The Company	One-on-one meeting	Institution	Barclays, AMBIENTA SGR SPA, LH NR UK (MANAGEMENT) LLP, J.P. Morgan Asset Management, Qatar Investment Authority.	See Investor Relations Activities Log Sheet No. 2024-06	http://www.cninfo.com.cn
27 June 2024	The Company	One-on-one meeting	Institution	Foshan Listed Companies Association, Zhuhai Dinghua Equity Investment, Guangdong Baolong Private Equity Fund, and 12 other institutional investors.	See Investor Relations Activities Log Sheet No. 2024-07	http://www.cninfo.com.cn
5 November 2024	SZSE Listing Hall, "Panorama Roadshow World" website.	Other	Other	The State-owned Assets Supervision and Administration Commission of Guangdong Province, SZSE, Listed Companies Association of Guangdong, Guangdong Rising Holdings Group, along with over 200 institutional investors and media representatives, participated, with the entire event also being live-streamed on www.quanjing.com .	See Investor Relations Activities Log Sheet No. 2024-08	http://www.cninfo.com.cn

XIII Formulation and Implementation of the Market Value management System and Valuation Promotion Plan

Has the Company established a market value management system?

☐Yes ☒No

Has the Company disclosed a valuation improvement plan?

☐Yes ☒No

XIV Implementation of the “Quality and Earnings Dual Improvement” Action Plan

Indicate whether the Company has disclosed the “Quality and Earnings Dual Improvement” Action Plan.

☐Yes ☒No

Part IV Corporate Governance

I General Information of Corporate Governance

During the Reporting Period, in strict accordance with relevant requirements of *Company Law*, *Securities Law*, *Code of Corporate Governance of Listed Companies in China* and *Rules of Stock Listing of Shenzhen Stock Exchange* as well as other relevant laws, rules and regulations, the Company continuously perfected the corporate governance structure and set up an effective corporate governance system. At present, the Company has set up governance structure of responsible Shareholders' General Meeting, the Board of Directors, the Supervisory Committee and managers, who performed right of decision-making, execution and supervision respectively according to their duties; besides, the Company set up special committees of the Board of Directors and system for independent directors. The Company strengthened information disclosure of principal shareholders and persons acting-in-concert, forbidden shareholders of the Company to misapply their rights. The Company separated from the principal shareholder in personnel, assets, business, financial affairs and organizational, and was absolutely impendent. The Company timely revised and perfected various systems in accordance with the latest issued laws & rules and relevant regulations of CSRC and SZSE. And the corporate governance is basically in line with the requirements of relevant laws, regulations and regulatory documents.

Indicate by tick market whether there is any material incompliance with the applicable laws, regulations, or rules issued by the CSRC governing the governance of listed companies.

☐ Yes ☒ No

No such cases in the Reporting Period.

II The Company's Independence from Its Controlling Shareholder and Actual Controller in Asset, Personnel, Financial Affairs, Organization and Business

The Company is completely separated from its controlling shareholder and actual controller in aspects such as business, personnel, assets, institutions and finance and possesses independent and complete business and self-dependent operating ability.

1. As for the business, the Company is independent of its controlling shareholder and actual controller and their subordinate enterprises and owns the independent business departments and management system as well as possesses of impendent and entire business and self-dependent operating ability.

2. As for the personnel, the Company formulates the independent management system such as the labor, personnel and the salary, possesses the independent personnel department and the operating management team. The Senior Executives of the Company are serving at the Company in full time and receiving the salary from the Company.

3. As for the assets, the assets of the Company are independent and entire with clear ownership, and possesses the independent production system, BOP system and the supporting facilities, as well as possesses the legal ownership of the land, factories, equipments related to the production and operating and the assets such as the trademark, patent and the non-patent technology, and possesses the entire control and govern power of all the assets of the Company without any behavior such as the controlling shareholder or the actual controller occupies the assets of the Company.

4. As for the institutions, the Company set up the independent and entire organizations and institutions, and the construction as well as the operating of the corporate governance institutions is executed strictly executed according to the *Articles of Association*, and the production and operating as well as

the offices are entirely independent from the controlling shareholder and the actual controller with any situation of working under one roof with the controlling shareholder or the actual controller.

5. As for the finance, the Company set up the independent finance department and builds up the independent and normative accounting and financial control system according to the requirements of the ASBE, set up the independent bank account and pays the taxes legally and independently and the Company could make the financial decisions independently without any situation of the controlling shareholder or the actual controller intervenes the capital usage of the Company.

III Horizontal Competition

☐Applicable ☒Not applicable

IV Annual and Special General Meetings Convened during the Reporting Period

1. General Meeting Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Convened date	Disclosure date	Resolutions of the meeting
The 1st Extraordinary General Meeting of 2024	Extraordinary General Meeting	41.42%	26 February 2024	27 February 2024	Resolutions of the 1st Extraordinary General Meeting of 2024
The 2023 Annual General Meeting	Annual General Meeting	41.16%	14 May 2024	15 May 2024	Resolutions of the 2023 Annual General Meeting
The 2nd Extraordinary General Meeting of 2024	Extraordinary General Meeting	42.43%	10 October 2024	11 October 2024	Resolutions of the 2nd Extraordinary General Meeting of 2024
The 3rd Extraordinary General Meeting of 2024	Extraordinary General Meeting	42.49%	16 December 2024	17 December 2024	Resolutions of the 3rd Extraordinary General Meeting of 2024

2. Special General Meetings Convened at the Request of Preferred Shareholders with Resumed Voting Rights

☐Applicable ☒Not applicable

V Directors, Supervisors and Senior Management

1. General Information

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)	Reason for share changes
Wan Shan	Male	55	Chairman of the Board	Incumbent	26 February 2024		0	0	0	0	0	
Zhuang Jianyi	Male	73	Vice Chairman of the Board	Incumbent	25 December 2015		11,903,509	0	0	0	11,903,509	
Zhang Xuequan	Male	47	Director	Incumbent	26 February 2024		73,052	0	0	0	73,052	
			General Manager	Incumbent	21 December 2023							

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)	Reason for share changes
Chen Mingjie	Male	41	Director	Incumbent	26 February 2024		0	0	0	0	0	
Hu Fengcai	Male	59	Director	Incumbent	30 June 2022		0	0	0	0	0	
Li Zehua	Male	39	Director	Incumbent	14 May 2024		0	0	0	0	0	
Li Xiyuan	Male	64	Independent Director	Incumbent	13 September 2021		0	0	0	0	0	
Zhang Renshou	Male	59	Independent Director	Incumbent	13 September 2021		0	0	0	0	0	
Dou Linping	Male	65	Independent Director	Incumbent	24 August 2020		0	0	0	0	0	
Chen Xinjie	Male	51	Chairman of the Supervisory Committee	Incumbent	14 May 2024		0	0	0	0	0	
Xi Lijia	Female	36	Supervisor	Incumbent	16 December 2024		0	0	0	0	0	
Zhuang Junjie	Male	39	Supervisor	Incumbent	25 December 2015		0	0	0	0	0	
Zhang Xiubo	Male	50	Supervisor	Incumbent	10 October 2024		0	0	0	0	0	
Su Houxu	Male	33	Supervisor	Incumbent	10 October 2024		0	0	0	0	0	
Zhang Yong	Male	50	Executive Deputy General Manager	Incumbent	5 February 2024		77,596	0	0	0	77,596	
Chen Yu	Male	52	Deputy General Manager	Incumbent	13 May 2014		66,066	0	0	0	66,066	
Zeng Xiaojing	Female	46	Deputy General Manager	Incumbent	14 May 2024		0	0	0	0	0	
Wang Ye	Male	48	Deputy General Manager	Incumbent	30 August 2024		5,600	0	0	0	5,600	
Tang Qionglan	Female	54	Chief Financial Officer	Incumbent	26 January 2016		75,940	0	0	0	75,940	
Huang Zhenhuan	Male	37	Secretary of the Board of Directors	Incumbent	19 May 2021		0	0	0	0	0	
Wu Shenghui	Male	54	Chairman of the Board	Former	7 May 2020	23 February 2024	0	0	0	0	0	
Huang Zhiyong	Male	55	Deputy General Manager	Former	25 December 2015	5 February 2024	0	0	0	0	0	
Li Jingwei	Male	48	Chairman of the Supervisory Committee	Former	18 January 2022	17 April 2024	0	0	0	0	0	
Li Yizhi	Male	37	Supervisor	Former	24 August	29	0	0	0	0	0	

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)	Reason for share changes
					2020	November 2024						
Ye Zhenghong	Male	51	Supervisor	Former	27 May 2010	10 October 2024	77,561	0	0	0	77,561	
Lin Qing	Male	55	Supervisor	Former	20 September 2016	10 October 2024	22,583	0	0	0	22,583	
Wei Bin	Male	55	Deputy General Manager	Former	28 September 2009	19 January 2024	105,226	0	0	0	105,226	
Total	--	--	--	--	--	--	12,407,133	0	0	0	12,407,133	--

Indicate by tick mark whether any director, supervisor or senior management resigned during the Reporting Period.

☒ Yes ☐ No

In February 2024, Mr. Wu Shenghui resigned as Chairman of the Board and Director and from the relevant special committees of the Company due to reassignment.

In February 2024, Mr. Huang Zhiyong resigned as Director and from the relevant special committees of the Company due to reassignment.

In April 2024, Mr. Li Jingwei resigned from his position as a supervisor and chairman of the Supervisory Committee of the Company due to a job transfer.

In November 2024, Mr. Li Yizhi resigned from his position as a supervisor of the Company due to a job transfer.

In October 2024, Mr. Ye Zhenghong and Mr. Lin Qing ceased to serve as supervisors of the Company due to the expiration of their term in the 9th Supervisory Committee and the subsequent reshuffle.

In January 2024, Mr. Wei Bin resigned as Deputy General Manager of the Company due to reassignment.

Change of directors, supervisors and senior management:

☒ Applicable ☐ Not applicable

Name	Office title	Type of change	Date of change	Reason for change
Wu Shenghui	Chairman of the Board	Former	23 February 2024	Job transfer
Huang Zhiyong	Director	Former	5 February 2024	Job transfer
Li Jingwei	Chairman of the Supervisory Committee	Former	17 April 2024	Job transfer
Li Yizhi	Supervisor	Former	29 November 2024	Job transfer
Ye Zhenghong	Supervisor	Former	10 October 2024	Board change
Lin Qing	Supervisor	Former	10 October 2024	Board change
Wei Bin	Deputy General Manager	Former	19 January 2024	Job transfer
Wan Shan	Chairman of the Board	Elected	26 February 2024	Job transfer
Zhang Xuequan	Director	Elected	26 February 2024	Job transfer
Zhang Xuequan	General Manager	Appointed	21 December 2023	Job transfer
Chen Mingjie	Director	Elected	26 February 2024	Job transfer
Li Zehua	Director	Elected	14 May 2024	Job transfer
Chen Xinjie	Chairman of the	Elected	14 May 2024	Job transfer

	Supervisory Committee			
Xi Lijia	Supervisor	Elected	16 December 2024	Job transfer
Zhang Xiubo	Supervisor	Elected	10 October 2024	Board change
Su Houxu	Supervisor	Elected	10 October 2024	Board change
Zhang Yong	Executive Deputy General Manager	Appointed	5 February 2024	Job transfer
Zeng Xiaojing	Deputy General Manager	Appointed	14 May 2024	Job transfer
Wang Ye	Deputy General Manager	Appointed	30 August 2024	Job transfer

2. Biographical Information

Professional backgrounds, major work experience and current duties in the Company of the incumbent directors, supervisors and senior management:

(I) Work experience of the directors

Mr. Wan Shan: Born in October 1969, a member of the Communist Party of China, MBA of College of Public Management of Sun Yat-Sen University. He was the Deputy Director Clerk of the Lecturers' Brigade in the Propaganda Department of the Guangdong Provincial Party Committee. He also worked as a team member in the "Ten Hundred Thousand Million" Work Team stationed in Yongdong Village, Rongcheng District, Jieyang City. Additionally, Wan Shan held the position of Deputy Director in the Research and Teaching Office of the Lecturers' Brigade in the Publicity Department of CPC Guangdong Provincial Committee. He further served as the Deputy Director of the Office in the Publicity Department of CPC Guangdong Provincial Committee, the Director of the Office of the Publicity Department of CPC Guangdong Provincial Committee, Deputy Director in the State-owned Cultural Assets Supervision and Administration Office of the People's Government. Furthermore, he has worked as the Assistant to the General Manager and Secretary of Board of Directors, as well as the Office Director at Guangdong Rising Assets Management Co., Ltd. He was also the Deputy Secretary of the Party Committee, Director, and Chairman of the Labor Union in Foshan NationStar Optoelectronics Co., Ltd, as well as the Director of Party-Masses Department of Guangdong Rising Holdings Group Co., Ltd. (now renamed as Guangdong Rising Holdings Group Co., Ltd.). He has served as Secretary of Party Committee in the Company since January 2024; and as the Chairman of the Board of the Company since February 2024.

Mr. Zhuang Jianyi: Born in 1951, with a bachelor's degree and MBA. Currently the chairman of Prosperity Lamps & Components Limited, and a director of Thinkon Semiconductor Jinzhou Corp., he has been engaged in the lighting industry for nearly fifty years. From 1995 to 2010, he acted as the Directors, the Vice Chairman of the Board and the Chairman of the Board of the Company. And he has been serving as the Vice Chairman of the Board of the Company since December 2015.

Mr. Zhang Xuequan: Born in December 1977, a member of the Communist Party of China, MBA of Lingnan College of Sun Yat-Sen University. He joined the Company in 1996. He worked in the former Iodine-tungsten Lamp Workshop from October to December 1996; worked in the Technology Department and then the Quality Control Department from January 1997 to August 2002; acted as the Workshop Manager of Lamp Workshop from September 2002 to May 2008; acted as the Department Director of the Business Management Department of the Company from June 2008 to August 2016. He concurrently acted as the Office Director and the Head of the Investment Department from February 2016 to December 2018. He was the Party Branch Secretary for the Administrative Office of the Company from July 2010 to June 2017, and a member of the party committee of the Company since July 2015. He was a supervisor of the Company from May 2013 to August 2016, a Deputy General Manager of the Company from August 2016 to March 2020, an Executive Deputy General Manager of the Company from March 2020 to December 2023. He has been serving as the Deputy Secretary of the CPC Committee and General Manager of the Company

since December 2023 and a Director of the Company since February 2024. He has also served as a director of FSL Zhida Electric Technology Co., Ltd. (FSL Zhida), chairman and general manager of Foshan Taimei Times Lamp Co., Ltd., executive director of Foshan Kelian New Energy Technology Co., Ltd., director of Nanning Liaowang Auto Lamp Co., Ltd., and a director of Foshan NationStar Optoelectronics Co., Ltd.

Mr. Chen Mingjie: Male, born in September 1983, a member of the Communist Party of China. He graduated with a Master's degree in Business Administration from the School of Business at Renmin University of China. He served as the Deputy Supervisor of the Political and Cultural Department at Guangdong People's Broadcasting Station; the Secretary of the Party Committee Office, Senior Supervisor, Deputy Director, then the Director, and Youth League Committee Secretary of the Party and Mass Personnel Department at Guangdong Provincial Guangsheng Asset Management Co., Ltd. (now renamed as Guangdong Provincial Guangsheng Holdings Group Co., Ltd.). He has been the Deputy Secretary of the Party Committee and Chairman of the Labor Union in the Company since August 2023; as the Director of the Company since February 2024.

Mr. Hu Fengcai: Born in September 1965, member of the Communist Party of China, graduated from the Party School of the Guangdong Provincial Committee of CPC, majoring in Modern Economic Management. He is a senior accountant. He has held positions such as Deputy Manager of the Finance Department and Deputy Manager and Manager of the Financial Audit Department of Guangdong Metallurgical Industry Corporation of Guangdong Metallurgical Industry Corporation; member of the Party Committee and Deputy General Manager of Guangdong Guangye Metallurgical Limited Corporation; Independent Director of SGIS Songshan Co., Ltd.; director, member of the Party Committee, and Deputy General Manager of Guangdong Rising Metallurgical Co., Ltd.; Chairman of the Third Working Group of the Supervisory Committee, and Deputy Director of the Operation Management Department at Guangdong Rising Assets Management Co., Ltd. (now renamed Guangdong Rising Holdings Group Co., Ltd.); Deputy Director of the Operation Management Department of Guangdong Rising Holdings Group Co., Ltd.; Director of Foshan NationStar Optoelectronics Co., Ltd.; and Guangdong Fenghua Advanced Technology Holding Co., Ltd.; he is currently a dedicated director dispatched by Guangdong Rising Holdings Group Co., Ltd. to listed companies and a director of Guangdong Rising Mining Group Co., Ltd. He has been a Director of the Company since June 2022.

Mr. Li Zehua: Male, born in October 1985, a member of the Communist Party of China. He holds a Master's degree in Law and has obtained the legal professional qualification certificate and the secretary of Board of Directors qualification certificate for listed companies. He has served as Deputy Director and Director of the Office, Director of the Party-Masses Department, Director of the Human Resources Department, Director of the Securities and Legal Affairs Department, Director of the Investment Management Department, Secretary of Li Zehua: Male, born in October 1985, a member of the Communist Party of China. He holds a Master's degree in Law and has obtained the legal professional qualification certificate and the secretary of Board of Directors qualification certificate for listed companies., and Chief Legal Counsel at Dongjiang Environmental Company Limited. He is currently a Party Committee Member and Deputy General Manager of Guangdong Electronics Information Industry Group Ltd., as well as the Chairman of Shenzhen Yuebao Electronic Technology Co., Ltd. He has been a Director of the Company since May 2024.

Mr. Li Xiyuan: Born in March 1961, member of the Communist Party of China, no permanent residence abroad, postdoctoral degree, professor-level senior engineer. He has previously served as Deputy Director of the Construction Management Office of the Northern Section of Beijing-Zhuhai Expressway in Guangdong Province, Deputy Director of the Infrastructure Management Department at Guangdong Provincial Communication Group Co., Ltd., General Manager of Guangdong Gaintop

Highway Engineering Construction Group Co., Ltd., General Manager and Chairman of Guangdong Provincial Expressway Development Co., Ltd., Chairman of Guangdong Road and Bridge Construction Development Co., Ltd., and Director of Guangdong Construction Engineering Group Co., Ltd., Guangdong Province Navigation Group Co., Ltd., Guangdong Nanyue Group Co., Ltd., and Guangdong Provincial Railway Construction Investment Group Co., Ltd. He is currently an external director of Guangzhou Port Group Co., Ltd., Guangzhou High-tech Industry Group Co., Ltd., and Zhongshan Cuiheng Group Co., Ltd., as well as an independent director of Shenzhen Tegen Group Co., Ltd. and Dongguan Development (Holdings) Co., Ltd. He has been an Independent Director of the Company since September 2021.

Mr. Zhang Renshou: Born in May 1965, Ph.D., professor, postdoctoral co-supervisor, doctoral supervisor, no permanent residence abroad, doctoral degree. Former assistant lecturer, lecturer, and associate professor at the Guangzhou Foreign Language Training Centre of the Ministry of Petroleum Industry; editor at the Development Research Centre of People's Government of Guangdong Province; currently a professor in the Accounting Department of the School of Management at Guangzhou University; a special researcher at the Consultancy Office of the People's Government of Guangdong Province; and an independent director at Jiangmen Rural Commercial Bank Limited. (non-listed company), Guangdong Provincial Expressway Development Co., Ltd., and Thinkon Semiconductor Jinzhou Corp.. He also serves as: Member of the Expert Group of the Budget Committee of Guangzhou Municipal People's Congress, Member of the Expert Group of the Economic Committee of Guangzhou Municipal People's Congress, Member of the 8th Committee of Guangdong Social Sciences Association, Member of the Academic Committee of Research Center for Guangdong Local Public Finance, Professional Advisory Committee Member of Guangdong Statistics Bureau, Member of the Academic Committee of Guangdong Coastal Economic Belt Development Research Center, President of Guangdong South China Economic Development Research Association, Major Administrative Decision Demonstration Expert and Innovation and Entrepreneurship Development Expert of Shaoguan Municipal People's Government of Guangdong Province, and Special Researcher of Guangzhou Taxation Bureau of State Taxation Administration of the People's Republic of China. He has been an Independent Director of the Company since September 2021.

Mr. Dou Linping: Male, born in August 1959, with no right of permanent residence in a foreign country, holds a Bachelor's degree, and is a Senior Engineer. Previously, he has served as Deputy Chief of the Design Section of Beijing Luminaries Factory, Director of the Office of Design Standards and then Vice Director of Beijing Luminaries Research Institution, Deputy Secretary-General and Managing Director of China Association of Lighting Industry, and Managing Director and Secretary-General of China Illuminating Engineering Society. At present, he serves as Vice Director-General of China Solid State Lighting Alliance, Director of the Urban, Cultural and Tourism Lighting Professional Committee of CSA, and Independent Director of Hengdian Group TOSPO Lighting Co., Ltd. and Beijing New Space Technology Co., Ltd. He has been an Independent Director of the Company since August 2020.

2. Work experience of the supervisors

Mr. Chen Xinjie: Male, born in November 1973, a member of the Communist Party of China, with a university degree. He has previously served as Quartermaster Sergeant and Deputy Platoon Leader of the Huadu City Squad, Guangzhou Detachment, Guangdong Provincial Corps of the Chinese People's Armed Police Force, Platoon Leader of the 10th Squad and 7th Squad, Guangzhou Detachment, Head of the Training Section of the Command Headquarters, Deputy Chief of Staff, and Chief of Staff of the Guangzhou Detachment; Commander of the Zhanjiang Detachment, Guangdong Provincial Corps of the Chinese People's Armed Police Force; Colonel Commander of the Zhanjiang

Detachment, Guangdong Provincial Corps of the Chinese People's Armed Police Force; Deputy Director of the Petition and Stability Maintenance Department and Director of the People's Armed Forces Department at Guangdong Rising Holdings Group Co., Ltd.; and Deputy Director of the Party-Masses Department (including the CPC Publicity Department, Corporate Culture Department, Union Office, and People's Armed Forces Department) and Director of the People's Armed Forces Department at Guangdong Rising Holdings Group Co., Ltd. Since April 2024, he has served as a member of the Company's Party Committee and the Secretary of Committee for Discipline Inspection. Since May 2024, he has also served as the Chairman of the Company's Supervisory Committee.

Ms. Xi Lijia: Female, born in December 1988, a member of the Communist Party of China. She holds a Master's degree in National Economics from Nanjing University and has obtained qualifications as a Certified Public Accountant, legal professional, and intermediate-level accounting professional. She has previously served as a Senior Auditor in the Audit and Assurance Department at Deloitte Huayong Certified Public Accountants (Special General Partnership), Guangzhou Branch, as well as in the Operations Management position in the Urban Comprehensive Development Division and the Audit position in the Risk Control Department at CCCC Urban Investment Holding Limited. Since July 2024, she has been serving as a Senior Supervisor in the Audit Department at Guangdong Rising Holdings Group Co., Ltd. He has been a Supervisor of the Company since December 2024.

Mr. Zhuang Junjie: Male, born in September 1985, a permanent resident of Hong Kong, with a Bachelor's degree. He previously served as a Software Consultant Manager at Accenture and is currently serving as the Director and General Manager of Prosperity Lamps & Components Limited. He has been a Supervisor of the Company since December 2015.

Mr. Zhang Xiubo: Male, born in November 1974, a member of the Communist Party of China, with a university degree, and an engineer. He joined the company in 1996. From February 2007 to September 2020, he served as Assistant to the Director of the Zhongdeng Workshop, Director of the Zhongdeng Workshop, Director of the Single-end Lamp Workshop, Director of the Halogen Lamps Workshop, and Director of the PCB Workshop. From September 2020 to May 2021, he served as the Director of the Procurement Department. From May 2021 to May 2024, he served as the Director of the Bidding Centre. From April 2024 to June 2024, he served as the Director of the Bidding Centre, Party Secretary and General Manager of Gaoming Company, Executive Director of FSL Chanchang Lighting Co., Ltd., and Chairman of Foshan Taimei Times Lamp Co., Ltd. Since June 2024, he has served as the Party Secretary and General Manager of Gaoming Company, Executive Director of FSL Chanchang Lighting Co., Ltd., and Chairman of Foshan Taimei Times Lamp Co., Ltd. Since October 2024, he has also served as the Assistant General Manager of the Company. He has been a Supervisor of the Company since October 2024.

Mr. Su Houxu: Male, born in July 1991, a member of the Communist Party of China, with a university degree. He previously served as a Project Specialist, Deputy Manager, Manager, and Deputy Director of the Project Development Department at Guangdong Zhonglv (Linzi) Tourism and Culture Investment Co., Ltd. He joined the Company in 2020 and served as the Deputy Director of the Party-Masses Department (Party Committee Office, Union Office) from September 2020 to April 2022 (in charge of work). From April 2022 to October 2022, he served as the Deputy Director of the Party-Masses Department (Union Office) (in charge of work). From October 2022 to November 2024, he served as the Director of the Party-Masses Department (Union Office) and Party Branch Secretary of the Party-Masses Department, while also serving as the Vice Chairman of the Company's Trade Union and Secretary of the Youth League Committee. Since November 2024, he has served as the Director of the Party-Masses and Human Resources Department, while also serving as the

Secretary of the Company's Youth League Committee. He has been a Supervisor of the Company since October 2024.

3. Work experience of the senior management staff

Mr. Zhang Xuequan: Male, born in December 1977, a member of the Communist Party of China, MBA of Lingnan College of Sun Yat-Sen University. He joined the Company in 1996. He worked in the former Iodine-tungsten Lamp Workshop from October to December 1996; worked in the Technology Department and then the Quality Control Department from January 1997 to August 2002; acted as the Workshop Manager of Lamp Workshop from September 2002 to May 2008; acted as the Department Director of the Business Management Department of the Company from June 2008 to August 2016. He concurrently acted as the Office Director and the Head of the Investment Department from February 2016 to December 2018. He was the Party Branch Secretary for the Administrative Office of the Company from July 2010 to June 2017, and a member of the party committee of the Company since July 2015. He was a supervisor of the Company from May 2013 to August 2016, a Deputy General Manager of the Company from August 2016 to March 2020, an Executive Deputy General Manager of the Company from March 2020 to December 2023. He has been serving as the Deputy Secretary of the CPC Committee and General Manager of the Company since December 2023 and a Director of the Company since February 2024. He has also served as a director of FSL Zhida Electric Technology Co., Ltd. (FSL Zhida), chairman and general manager of Foshan Taimei Times Lamp Co., Ltd., executive director of Foshan Kelian New Energy Technology Co., Ltd., director of Nanning Liaowang Auto Lamp Co., Ltd., and a director of Foshan NationStar Optoelectronics Co., Ltd.

Mr. Zhang Yong: Male, born in June 1974, a member of the Communist Party of China and a senior engineer with a bachelor degree. He joined in the Company in July 1997. and successively acted as Deputy Director and Director of Lamp Filament Appliance Workshop from October 1999 to June 2008; acted as Factory Director of Gaoming Fluorescent Lamps Factory and Factory Director of Gaoming Branch Factory from July 2008 to December 2008; respectively acted as Department Director of Product Department, OEM Department, Mechanical Dynamics Department and Infrastructure Department from January 2009 to December 2012; acted as General Manager Assistant from March 2013 to August 2016. He was a supervisor and the Chairman of the Supervisory Committee of the Company from September 2013 to August 2016; served as the chairman of the Labor Union of the Company from September 2013 to May 2019; acted as the Deputy Party Secretary from July 2015 to 27 December 2021; and was a Deputy General Manager of the Company from August 2016 to January 2024. And he has been an Executive Deputy General Manager of the Company since February 2024. Appointed as a director of Foshan NationStar Optoelectronics Co., Ltd. starting from October 2024.

Mr. Chen Yu: Male, born in December 1972, a member of the Communist Party of China and an engineer with a bachelor's degree. He entered the Company in 1994. And acted as workshop manager of parabolic reflector, coating film, energy-saving lamps, factory director of the branch factory of Gaoming and workshop manager of general bulbs from January 1997 to December 2012, acted as Director of Production Department, OEM Department and Mechanical Served as the head of the Production Department, OEM Department, and Mechanical Power Department from January 2013 to August 2013. From September 2013 to May 2014, served as the head of the Production Department and OEM Department. He has been the Deputy General Manager of the Company since May 2014. Since Starting from August 2021, he has also served as the Chairman of Nanning Liaowang Auto Lamp Co., Ltd.

Ms. Zeng Xiaojing: Female, born in October 1978, a member of the Communist Party of China, with a university degree, and a certified accountant. She has previously served as the Deputy Head of the

Finance Section at Guangdong Petroleum Enterprise Group Yunfu City Company; Deputy Director of the Finance and Asset Department and Head of Financial Computerisation Management at Sinopec Guangdong Yunfu Petroleum Branch; Chief Accountant and Deputy Director of the Finance Department at Guangdong Yunfu Salt Industry General Company; Head of the Finance Section and Manager of the Finance Management Department at Guangdong Yunfu Salt Industry Group Co., Ltd.; Deputy General Manager (Deputy Director), Executive Director, Legal Representative, and Party Branch Secretary at Guangdong Yunfu Salt Industry Group Co., Ltd. (Yunfu Salt Industry Bureau); and Deputy General Manager, Executive Director (Legal Representative), General Manager, and Party Committee Secretary at Guangdong Zhaoqing Salt Industry Group Co., Ltd. He has been the Deputy General Manager of the Company since May 2024.

Mr. Wang Ye: Male, born in January 1977, with a postgraduate degree and an Executive MBA (EMBA) from China Europe International Business School (CEIBS). He has previously served as Senior Director of the South China Regional Headquarters at Orient Overseas Logistics (China) Ltd., Senior Manager at the Supply Chain Headquarters of Danone (China) Food and Beverage Co., Ltd., Deputy General Manager of Logistics Management Headquarters at Qingdao Beer Co., Ltd., Head of the Supply Chain Centre, Vice President, and General Manager of the E-commerce Division at Oppl Lighting Co., Ltd. He has been the Deputy General Manager of the Company since September 2024.

Ms. Tang Qionglan: Female, born in March 1970, a member of the Communist Party of China, with a bachelor's degree, and a Certified Public Accountant (CPA) in China. She has previously served as an Audit Project Manager at BDO China Guangdong Shu Lun Pan Certified Public Accountants LLP, Foshan Branch, Deputy Head and Head of the Finance Department at Foshan NationStar Optoelectronics Co., Ltd., as well as Chief Financial Officer, Deputy General Manager, and Financial Manager. She has served as the Chief Financial Officer of the Company since January 2016. Concurrently, she has also served as a director of Xiamen Bank Co., Ltd. since September 2016.

Mr. Huang Zhenhuan: Male, born in December 1987, he holds a master's degree in finance, is a financial economist, and has obtained the qualification certificate of Secretary of the Board of Directors issued by SZSE. He used to be the sponsor of Assets Department, Assistant General Manager of Investment Department and General Manager of Finance Department of Guangzhou Guangyong State-owned Asset Sales Co., Ltd., General Manager of Guangzhou Guangyong Equity Investment Fund Management Co., Ltd., General Manager of Corporate Finance Department III (Industry Center) of Minsheng Bank Guangzhou Branch, Investment Director of Guangdong Rising Finance Holding Co., Ltd. (GD Rising Finance), and Senior Director of Capital Operation Department of Guangdong Rising Holdings Group Co., Ltd. He has served as Secretary of the Board of Directors of the Company since May 2021.

Offices held concurrently in shareholding entities:

☒ Applicable ☐ Not applicable

Name	Shareholding entity	Office held in the shareholding entity	Start of tenure	End of tenure	Remuneration or allowance from the shareholding entity
Hu Fengcai	Guangdong Rising Holdings Group Co., Ltd.	Full-time director accredited to the listed company by capital operation department			Yes
Li Zehua	Guangdong Electronics Information	Member of the Party committee, deputy general			Yes

Name	Shareholding entity	Office held in the shareholding entity	Start of tenure	End of tenure	Remuneration or allowance from the shareholding entity
	Industry Group Ltd.	manager			
Xi Lijia	Guangdong Rising Holdings Group Co., Ltd.	Senior manager of the Audit Department			Yes
Zhuang Jianyi	Prosperity Lamps & Components Limited	Chairman of the Board			Yes
Zhuang Junjie	Prosperity Lamps & Components Limited	Director and GM			Yes

Offices held concurrently in other entities:

☒Applicable ☐ Not applicable

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
Zhuang Jianyi	Thinkon Semiconductor Jinzhou Corp.	Director			Not
Hu Fengcai	Guangdong Rising Mining Group Co., Ltd.	Director			Yes
Li Xiyuan	Guangzhou Port Group Co., Ltd.	Director			Yes
Li Xiyuan	Dongguan Development (Holdings) Co., Ltd.	Independent Director			Yes
Li Xiyuan	Shenzhen Tagen Group Co., Ltd.	Independent Director			Yes
Zhang Renshou	Guangzhou University	Accounting Professor			Yes
Zhang Renshou	Jiangmen Rural Commercial Bank Company Limited	Independent Director			Yes
Zhang Renshou	Guangdong Provincial Expressway Development Co., Ltd.	Independent Director			Yes
Zhang Renshou	Thinkon Semiconductor Jinzhou Corp.	Independent Director			Yes
Dou Linping	China Solid State Lighting Alliance	Vice Chairman			Not
Dou Linping	Hengdian Group Tospo Lighting Co., Ltd.	Independent Director			Yes
Dou Linping	Beijing New Space Technology	Independent Director			Yes

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
	Co., Ltd.				
Tang Qionglan	Xiamen Bank Co.,Ltd.	Director			Not

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who left in the Reporting Period:

☐Applicable ☒Not applicable

3. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management:

The Remuneration & Appraisal Committee under the Board of Directors decided the 2023 remunerations for the leadership in accordance with the *Measures for Managing the Remuneration of the Leadership Team Members*, the particulars on completing current main financial indexes & operating goals, as well as the fulfillment of job responsibilities by them, before submitting the remuneration plan to the Board of Directors for approval.

Remuneration of directors, supervisors and senior management for the Reporting Period

Unit: RMB'0,000

Name	Gender	Age	Office title	Incumbent/ Former	Total before-tax remuneration from the Company	Any remuneration from related party
Wan Shan	Male	55	Chairman of the Board	Incumbent	82.88	Not
Zhuang Jianyi	Male	73	Vice Chairman of the Board	Incumbent	0	Yes
Zhang Xuequan	Male	47	Director	Incumbent	264.13	Not
Chen Mingjie	Male	41	Director	Incumbent	141.27	Not
Hu Fengcai	Male	59	Director	Incumbent	0	Yes
Li Zehua	Male	39	Director	Incumbent	0	Yes
Li Xiyuan	Male	64	Independent Director	Incumbent	18	Yes
Zhang Renshou	Male	59	Independent Director	Incumbent	18	Not
Dou Linping	Male	65	Independent Director	Incumbent	18	Not
Chen Xinjie	Male	51	Chairman of the Supervisory Committee	Incumbent	60.48	Not
Xi Lijia	Female	36	Supervisor	Incumbent	0	Yes
Zhuang Junjie	Male	39	Supervisor	Incumbent	0	Yes
Zhang Xiubo	Male	50	Supervisor	Incumbent	50.59	Not
Su Houxu	Male	33	Supervisor	Incumbent	43.25	Not
Zhang Yong	Male	50	Executive Deputy General Manager	Incumbent	253.47	Not
Chen Yu	Male	52	Deputy General Manager	Incumbent	244.81	Not
Zeng Xiaojing	Female	46	Deputy General Manager	Incumbent	52.44	Not
Wang Ye	Male	48	Deputy General Manager	Incumbent	62.01	Not

Name	Gender	Age	Office title	Incumbent/ Former	Total before- tax remuneration from the Company	Any remuneration from related party
Tang Qionglan	Female	54	Chief Financial Officer	Incumbent	253.51	Not
Huang Zhenhuan	Male	37	Secretary of the Board of Directors	Incumbent	76.83	Not
Wu Shenghui	Male	54	Chairman of the Board	Former	205.58	Yes
Huang Zhiyong	Male	55	Deputy General Manager	Former	0	Yes
Li Jingwei	Male	48	Chairman of the Supervisory Committee	Former	200.4	Yes
Li Yizhi	Male	37	Supervisor	Former	3.31	Yes
Ye Zhenghong	Male	51	Supervisor	Former	56.78	Not
Lin Qing	Male	55	Supervisor	Former	42.74	Not
Wei Bin	Male	55	Deputy General Manager	Former	150.67	Not
Total	--	--	--	--	2,299.15	--

Other information:

☒Applicable ☐ Not applicable

Due to the failure to complete the leadership's 2024 annual salary assessment during the Reporting Period, the pre-tax remuneration received by the Company's directors, supervisors, and senior management for the year 2024 includes the performance-based salary from 2023 that was not paid, as well as the vested incentive salary for the period from 2020 to 2023. It does not include the performance-based salary for 2024 that has not yet been assessed and settled.

Due to the the failure to complete the leadership team' s 2024.

VI Performance of Duty by Directors in the Reporting Period

1. Board of Directors Meetings Convened during the Reporting Period

Meeting	Convened date	Disclosure date	Resolutions of the meeting
The 51st Meeting of the 9th Board of Directors	16 January 2024	17 January 2024	Announcement on Resolutions of the 51st Meeting of the 9th Board of Directors
The 52nd Meeting of the 9th Board of Directors	5 February 2024	6 February 2024	Announcement on Resolutions of the 52nd Meeting of the 9th Board of Directors
The 53rd Meeting of the 9th Board of Directors	26 February 2024	27 February 2024	Announcement on Resolutions of the 53rd Meeting of the 9th Board of Directors
The 54th Meeting of the 9th Board of Directors	17 April 2024	19 April 2024	Announcement on Resolutions of the 54th Meeting of the 9th Board of Directors
The 55th Meeting of the 9th Board of Directors	29 April 2024	30 April 2024	Announcement on Resolutions of the 55th Meeting of the 9th Board of Directors
The 56th Meeting of the 9th Board of Directors	14 May 2024	15 May 2024	Announcement on Resolutions of the 56th Meeting of the 9th Board of Directors
The 57th Meeting of the 9th Board of Directors	18 June 2024	20 June 2024	Announcement on Resolutions of the 57th Meeting of the 9th Board of Directors
The 58th Meeting of the 9th Board of Directors	30 August 2024	31 August 2024	Announcement on Resolutions of the 58th Meeting of the 9th Board of Directors
The 59th Meeting of the 9th Board of Directors	27 September 2024	28 September 2024	Announcement on Resolutions of the 59th Meeting of the 9th Board of Directors
1st Meeting of the 10th	10 October 2024	11 October 2024	Resolution of the First Meeting of the 10th

Meeting	Convened date	Disclosure date	Resolutions of the meeting
Board of Directors			Board of Directors
2nd Meeting of the 10th Board of Directors	28 October 2024	29 October 2024	Resolution of the Second Meeting of the 10th Board of Directors
3rd Meeting of the 10th Board of Directors	29 November 2024	30 November 2024	Resolution of the Third Meeting of the 10th Board of Directors
4th Meeting of the 10th Board of Directors	16 December 2024	17 December 2024	Resolutions of the 4th Meeting of the 10th Board of Directors

2. Directors' Attendance at the Board of Directors and Shareholders' Meeting

Directors' attendance at the Board of Directors and Shareholders' Meeting							
Director	Number of attendance in Board of Directors required during the Reporting Period	Number of on-site attendance in Board of Directors	Number of telecommunication-based attendance in Board of Directors	Number of attendance in Board of Directors by proxy	Number of absence from Board of Directors	Whether or not attending Board of Directors in person for two consecutive times	General meetings attended
Wan Shan	11	6	5	0	0	Not	3
Zhuang Jianyi	13	3	10	0	0	Not	4
Zhang Xuequan	11	6	5	0	0	Not	3
Chen Mingjie	11	3	8	0	0	Not	3
Hu Fengcai	13	5	8	0	0	Not	4
Li Zehua	8	3	5	0	0	Not	2
Li Xiyuan	13	4	9	0	0	Not	4
Zhang Renshou	13	4	9	0	0	Not	4
Dou Linping	13	6	7	0	0	Not	4

Explanation for not attending two consecutive Board of Directors meetings in person:

Not applicable.

3. Objections Raised by Directors on Matters of the Company

Indicate by tick mark whether any directors raised any objections on any matter of the Company.

☐ Yes ☒ No

No such cases in the Reporting Period.

4. Other Information about the Performance of Duty by Directors

Indicate by tick mark whether any suggestions from directors were adopted by the Company.

☒ Yes ☐ No

Suggestions from directors adopted or not adopted by the Company:

During the Reporting Period, the directors of the Company worked to fulfill their functions and duties, actively attended Board of Directors meetings and Shareholders' General Meetings, offered advices and suggestions and performed their rights, functions, duties, and obligations as defined in the *Company Law*, the *Securities Law* and the *Articles of Association*. They fulfilled their role as a

director, upheld the legitimate rights and interests of the Company and its shareholders, promoted further improvement in corporate governance and effectively facilitated regulatory compliance of the Company's operation. During the Reporting Period, the directors of the Company actively performed their functions and duties, made full use of their professional knowledge, worked diligently to fulfill their duties and offered many invaluable advices and suggestions on the Company's management decision-making and major matters based on their in-depth understanding of the Company's operations. They played their due role in improving the Company's supervision mechanism, promoting improvement in the Company's risk control capacity and upholding the legitimate rights and interests of the Company and its shareholders.

VII Performance of Duty by Specialized Committees under the Board of Directors in the Reporting Period

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
The Strategy Committee of the 9th Board of Directors	Wan Shan, Zhuang Jianyi, Zhang Xuequan, Chen Mingjie, Li Xiyuan	2	17 April 2024	Review: 1. Proposal on <i>FSL's 14th Five-Year Development Strategy Plan (Revised)</i>	Approved		
	Wan Shan, Zhuang Jianyi, Zhang Xuequan, Chen Mingjie, Li Xiyuan		24 September 2024	Review: 1. Proposal on the Investment by a Controlling Subsidiary to Establish a Wholly-owned Subsidiary and Invest in the Automotive Lighting Production Construction Project.	Approved		
The Nomination Committee of the 9th Board of Directors	Li Xiyuan, Zhang Renshou, and Dou Linping	6	31 January 2024	Review: 1. Proposal on the Nomination of Candidates for Non-independent Directors; 2. Proposal on the Nomination of the Company's Executive Deputy General Manager.	Approved		
	Li Xiyuan, Zhang Renshou, and Dou Linping		26 February 2024	Review: 1. Proposal on the Nomination of the Chairman of the 9th Board of Directors.	Approved		
	Zhang		10 April	Review: 1.	Approved		

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
	Xuequan, Chen Mingjie, Li Xiyuan, Zhang Renshou, Dou Linping		2024	Proposal on the Nomination of Non-independent Directors for the 9th Board of Directors			
	Zhang Xuequan, Chen Mingjie, Li Xiyuan, Zhang Renshou, Dou Linping		10 May 2024	Review: 1. Proposal on the Nomination of the Company's Deputy General Manager.	Approved		
	Zhang Xuequan, Chen Mingjie, Li Xiyuan, Zhang Renshou, Dou Linping		22 August 2024	Review: 1. Proposal on the Nomination of Candidates for Non-independent Directors of the 10th Board of Directors; 2. Proposal on the Nomination of Candidates for Independent Directors of the 10th Board of Directors; 3. Proposal on the Nomination of Candidates for Chairman and Vice Chairman of the 10th Board of Directors; 4. Proposal on the Nomination of Senior Management Personnel of the Company.	Approved		
	Zhang Xuequan, Chen Mingjie, Li Xiyuan, Zhang Renshou, Dou Linping		30 August 2024	Review: 1. Proposal on the Nomination of the Company's Deputy General Manager.	Approved		

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
The Audit and Risk Management Committee of the 9th Board of Directors	Zhang Renshou, Hu Fengcai, Huang Zhiyong, Li Xiyuan, and Dou Linping,	4	4 February 2024	Review: 1. Proposal on the Company's 2023 Annual Financial Report and Audit Arrangements.	Approved		
	Zhang Renshou, Hu Fengcai, Li Xiyuan, Dou Linping		10 April 2024	Review: 1. Report on the 2023 financial audit and internal control audit situation; 2. 2023 annual financial settlement report; 3. 2024 annual financial budget report; 4. Proposal on the provision for asset impairment and write-off of assets; 5. Special report on the storage and use of raised funds in 2023; 6. Report on the Board of Directors' Audit and Risk Management Committee's supervision of the accounting firm's duties; 7. Evaluation report on the performance of the accounting firm; 8. 2023 annual internal control evaluation report; 9. 2023 work report and 2024 work plan of the Audit Department; 10. 2023 compliance and risk work report.	Approved		
	Zhang Renshou,		26 April 2024	Review: 1. Report on the First-	Approved		

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
	Hu Fengcai, Li Xiyuan, Dou Linping			quarter Results of 2024; 2. Proposal on Conducting Foreign Exchange Hedging Business; 3. Feasibility Analysis Report on Conducting Foreign Exchange Hedging Business; 4. Special Report on the Storage and Actual Use of Raised Funds in the Q1 2024; 5. Audit Work Summary for the Q1 2024.			
	Zhang Renshou, Hu Fengcai, Li Zehua, Li Xiyuan, Dou Linping			Review: 1. 2024 Half-Year Report and Summary; 2. Proposal on the Provision for Impairment for the First Half of 2024; 3. Proposal on Changes in Accounting Policies; 4. Special Report on the Storage and Actual Use of Raised Funds in the First Half of 2024; 5. Audit Department's Work Summary for the First Half of 2024; 6. Proposal on the Appointment of the Company's Chief Financial Officer.			
The Audit, Compliance, and Risk Management Committee of the 10th Board of Directors	Zhang Renshou, Hu Fengcai, Li Zehua, Li Xiyuan, Dou Linping	1	25 October 2024	Review: 1. 2024 Q3 Report; 2. Proposal on Changes in Accounting Policies; 3. Proposal on the Re-appointment	Approved		

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
				of the Accounting Firm for 2024; 4. Audit Department's Work Summary for the First Three Quarters of 2024.			
The Remuneration and Appraisal Committee of the 9th Board of Directors	Zhang Renshou, Hu Fengcai, Li Zehua, Li Xiyuan, Dou Linping	2	22 August 2024	Review: 1. Proposal on the Performance Indicators for the Company's Leadership for 2024 and the New Term; 2. Proposal on Revising the <i>Company Leadership Compensation Management Measures</i> ; 3. Proposal on Formulating the <i>Implementation Measures for the Term and Contract-based Management of Company Leadership</i> .	Approved		
	Zhang Renshou, Hu Fengcai, Li Zehua, Li Xiyuan, Dou Linping		30 August 2024	Review: 1. Proposal on the Individual Performance Assessment and Result Application Plan for the Professional Manager (Deputy General Manager).	Approved		
The Remuneration and Appraisal Committee of the 10th Board of Directors	Zhang Renshou, Hu Fengcai, Li Zehua, Li Xiyuan, Dou Linping	2	25 November 2024	Review: 1. Proposal on the Termination of the 2023 Restricted Stock Incentive Plan.	Approved		
	Zhang Renshou, Hu Fengcai,		12 December 2024	Review: 1. Proposal on the Implementation Plan for the	Approved		

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objection (if any)
	Li Zehua, Li Xiyuan, Dou Linping			Performance Assessment and Compensation Disbursement for the Company's Leadership for 2023 and Their Term.			

VIII Performance of Duty by the Supervisory Committee

Indicate by tick mark whether the Supervisory Committee found any risk to the Company during its supervision in the Reporting Period.

☐ Yes ☒ No

The Supervisory Committee raised no objections in the Reporting Period.

IX Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the Company at the period-end	3,795
Number of in-service employees of main subsidiaries at the period-end	8,406
Total number of in-service employees at the period-end	12,201
Total number of employees with remuneration in this Reporting Period	12,201
Number of retirees to whom the Company or its main subsidiaries need to pay retirement pension	244
Functions	
Function	Number of employees
Production	8,273
Sales	792
Technical	2,060
Financial	143
Administrative	933
Total	12,201
Educational backgrounds	
Educational background	Number of employees
Junior college and below	9,553
Bachelor's degree	2,381
Master's degree	250
Doctoral degree and above	17
Total	12,201

2. Employee Remuneration Policy

Adhering to the principle of “giving priority to efficiency, giving consideration to fairness, creating and sharing together”, the Company takes value creation as the guide, constructs four sets of salary systems of management, R&D, sales and production, determines salary grades according to different positions and their characteristics, and inclines salary distribution to core talents and key positions, so as to maximize the enthusiasm of employees.

3. Employee Training Plans

The Company focuses on talent development and employee career growth, establishing a training mechanism that replaces training with practical experience and combines practical experience with training. In line with the Company's development needs, a comprehensive training plan has been developed, incorporating both offline and online learning platforms. The Company has launched an Entrepreneur Leadership Training Camp, offering training on performance appraisal, the application of OKRs, sales triad strategies, and more. Additionally, middle management is encouraged to visit Huawei for learning experiences, driving the upgrading of talent awareness, breaking through mental barriers, and enhancing capabilities.

4. Labor Outsourcing

☐Applicable ☒Not applicable

X Profit Distributions to Shareholders (in the Form of Cash and/or Stock)

How the profit distribution policy, especially the cash dividend policy, for ordinary shareholders was formulated, executed or revised in the Reporting Period:

☒Applicable ☐ Not applicable

According to the CSRC Notice on Further Implementing Matters Related to Cash Dividend Distribution of Listed Companies (Zheng-Jian-Fa [2012] No. 37) and the Guangdong CSRC Notice on Further Implementing Regulations Related to Dividend Distribution of Listed Companies (Guang-Dong-Zheng-Jian [2012] No. 91), in order to further standardize the dividend mechanism, promote a scientific, sustained and stable dividend mechanism and protect legal rights and interests of investors, in 2012, the Company convened a general meeting to revise the dividend-related contents in its *Articles of Association* and specify the dividend conditions, the lowest dividend ratio, the decision-making procedure, etc.. Meanwhile, it formulated the *Management Rules for Profit Distribution* and the *Return for Shareholder Plan for the Coming Three Years (2024-2026)*, specifying the arrangements and forms of dividends, the cash dividend planning and the distribution intervals, which further improved the decision-making and supervision procedures for dividend distribution. According to the Company's *Articles of Association*, the profit distributed in cash shall not be less than 30% of the distributable profit achieved in the year.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of general meeting	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
If the Company has no dividend plan, it should disclose the specific reasons and the next steps it intends to take to enhance investor returns	N/A
Non-controlling interests are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or changing the cash dividend policy, the conditions and procedures involved are in compliance with applicable regulations and transparent	N/A

Indicate by tick mark whether the Company fails to put forward a cash dividend proposal for shareholders despite the facts that the Company has made profits in the Reporting Period and the

profits of the Company as the parent distributable to shareholders are positive.

☐Applicable ☒Not applicable

Final dividend plan for the Reporting Period:

☒Applicable ☐ Not applicable

Bonus shares for every ten shares (share)	0
Dividend for every ten shares (RMB) (tax inclusive)	1.2
Total shares as the basis for the profit distribution proposal (share)	1,535,778,230
Cash dividends (RMB) (tax inclusive)	184,293,387.60
Cash dividends in other forms (such as share repurchase) (RMB)	0.00
Total cash dividends (including those in other forms) (RMB)	184,293,387.60
Distributable profit (RMB)	3,019,769,843.45
Total cash dividends (including those in other forms) as % of total profit distribution	100%
Cash dividend policy	
Where it is difficult to determine the development stage of the Company but it has plans for considerable spending, in profit distribution, cash dividends shall reach at least 20% in the total profit to be distributed.	
Details about the proposal for profit distribution and converting capital reserve into share capital	
According to the audit by WUYIGE Certified Public Accountants LLP (Special General Partnership), the parent company achieved a net profit after tax of RMB 421,528,439.06 for the year 2024. Adding the undistributed profit at the beginning of the year (RMB 2,824,687,635.90), subtracting the profit distribution amount for 2023 (RMB 184,293,387.60), and deducting the reserve for surplus (RMB 42,152,843.91), the profit available for distribution to shareholders at the end of 2024 is RMB 3,019,769,843.45. The Board of Directors proposed the profit distribution plan for 2024 as follows: Based on the total share capital of 1,535,778,230 shares as disclosed in the Company's 2024 annual report, a cash dividend of RMB 1.2 (including tax) will be distributed for every ten shares to all shareholders, and 0 bonus shares (including tax) will be issued. There will be no capitalisation of reserves to increase share capital. Where any change occurs to the total shares entitled to the final dividend due to any share repurchases, equity incentive grants, etc. when the final dividend plan is implemented, the dividend per share shall remain the same while the total payout amount shall be adjusted accordingly.	

XI Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

☒Applicable ☐ Not applicable

1. Equity Incentives

On 12 June 2023, the 2023 Restricted Share Incentive Plan (Draft), together with other relevant proposals, were approved at the 44th Meeting of the 9th Board of Directors and the 22nd Meeting of the 9th Supervisory Committee. As such, the Company intended to grant no more than 13 million restricted shares to 262 awardees. To be specific, there were 11.7 million shares for the first grant, accounting for 90.00% of the total grant under the incentive plan; and there were 1.3 million reserved shares, accounting for 10.00% of the total grant under the incentive plan. The restricted shares were A-stock ordinary shares repurchased by the Company. And the grant price for the first grant was RMB3.81/share. For details, please see the *2023 Restricted Stock Incentive Plan (Draft)* and other related announcements disclosed by the Company on <http://www.cninfo.com.cn> on 13 June 2023.

On 29 November 2024, the Company held the 3rd meeting of the 10th Board of Directors and the 3rd meeting of the 10th Supervisory Committee. During the meetings, the *Proposal on the Termination of the 2023 Restricted Stock Incentive Plan* was reviewed and approved. Given that the shares repurchased by the Company for the 2023 Restricted Stock Incentive Plan are about to expire, and

the decision-making and approval process for this incentive plan has not been completed, the Company has decided to terminate the implementation of the 2023 Restricted Stock Incentive Plan. For detailed information, please refer to the *Announcement on the Termination of the 2023 Restricted Stock Incentive Plan* and other relevant announcements disclosed by the Company on 30 November 2024 on <http://www.cninfo.com.cn>.

Equity incentives received by directors and senior management:

☐Applicable ☒Not applicable

Appraisal mechanism and incentives for senior management:

None.

2. Implementation of Employee Stock Ownership Plans

☐Applicable ☒Not applicable

3. Other Incentive Measures for Employees

☐Applicable ☒Not applicable

XII Formulation and Implementation of Internal Control System during the Reporting Period

1. Internal Control Formulation and Implementation

During the Reporting Period, the Company, in accordance with the *Basic Standards for Internal Control* and its supporting guidelines, as well as the actual situation, further revised and improved the relevant internal control systems, and established a relatively effective internal control system, so as to effectively prevent and discover risks in the process of operation and management in time, and provide guarantee for the legal compliance and asset safety of operation and management. The Company's Board of Directors has established an Audit, Compliance, and Risk Management Committee, responsible for supervising, reviewing, and communicating the Company's internal and external audits, internal control system reviews, risk management, and compliance management. The internal audit department of the Company is responsible for the internal audit supervision of the Company, including supervising and inspecting the implementation of the internal control system of the Company, regularly or irregularly conducting routine audits or special audits on finance, internal control, major projects and their businesses, and putting forward suggestions for improving internal control to control and prevent risks. If the audit department finds major defects in internal control in the process of supervision and inspection, it has the right to report directly to the Audit, Compliance and Risk Management Committee of the Board of Directors and the Supervisory Committee. According to the identification of major defects in the Company's internal control, there were no major defects in the internal control of financial reports and non-financial reports in 2024.

2. Material Internal Control Weaknesses Identified for the Reporting Period

☐Yes ☒No

XIII Management and Control of Subsidiaries by the Company during the Reporting Period

Name	Integration plan	Integration progress	Problems encountered in integration	Solutions taken	Settlement progress	Follow-up settlement plan
Zhejiang Hule Electrical Equipment Manufacturing	Firstly, Hule Electrical Equipment empowered	Through systematic resource integration and	None	None	None	None

Co., Ltd.	channel resources by leveraging FSL's mature channel network and industrial customer resources in the lighting field to accelerate Hule Electrical Equipment's customer expansion in the military and naval sectors. Secondly, it deepened technological collaboration by integrating FSL's R&D expertise in electrical control and automation to strengthen the technological barriers for Hule Electrical Equipment's intelligent ship lighting products. Thirdly, it introduced FSL's lean production management system to drive cost reduction and efficiency improvement across the entire value chain of Hule Electrical Equipment.	process reengineering, the collaborative effects between the two parties have begun to emerge. The next step will focus on advancing the implementation of shipbuilding customer development projects, laying a solid foundation for achieving the annual performance targets.				
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XIV Evaluation Report or Independent Auditor's Report on Internal Control

1. Internal Control Evaluation Report

Disclosure date of the internal control evaluation report	25 April 2025		
Index to the disclosed internal control evaluation report	See http://www.cninfo.com.cn for the Internal Control Evaluation Report 2024		
Evaluated entities' combined assets as % of consolidated total assets	100.00%		
Evaluated entities' combined operating revenue as % of consolidated operating revenue	100.00%		
Identification standards for internal control weaknesses			
Category	Weaknesses in internal control	Weaknesses in internal control not	

	over financial reporting	related to financial reporting
Nature standard	<p>A defect with any of the following characteristics should be considered a significant defect: 1. The defect involves fraud by directors, supervisors, or senior management; 2. The control environment is ineffective; 3. The registered public accountant identifies a material misstatement in the financial statements for the period, and internal control failed to detect the misstatement during its operation; 4. The Audit Committee and internal audit function's oversight of internal control is ineffective.</p> <p>A deficiency should be considered an important deficiency if it meets any of the following conditions: 1. An identified significant deficiency has not been corrected within a reasonable period; 2. Restatement of previously published financial statements; 3. The internal audit function is ineffective; 4. The control over the selection and application of accounting policies in accordance with generally accepted accounting principles is ineffective.</p> <p>A defect should be considered a general deficiency if it is a control deficiency other than the significant deficiencies and important deficiencies mentioned above.</p>	<p>A defect should be considered a significant deficiency if it meets any of the following characteristics: 1. It has been penalised for serious violations of national laws, administrative regulations, and normative documents; 2. Due to a severe lack of the "Three Key Areas and Major Decisions" decision-making procedure, resulting in undemocratic decision-making processes, which caused serious decision-making errors and significant economic losses for the Company; 3. The negative impact caused by illegal or non-compliant behavior is widespread, widely attracts public attention, and causes irreparable damage to the Company's reputation; 4. Important business operations in the Company's production and management lack policy controls or policy system failure; 5. The internal control evaluation result is a significant deficiency, and effective remediation has not been completed within twelve months.</p> <p>Defects with the following characteristics should be recognised as important defects: 1. Owing to partly lack of the decision-making process on significant events and the undemocratic decision-making process which caused the decision-making mistake that led the Company face with certain economic losses; 2. The negative influences owing to the unlawful acts and the irregularities involve with wide range and cause public concern among the partial regions which bring certain harms to the reputation of the Company; 3. The system of the major business involved with the production and operating of the Company is incomplete or partially invalid; 4. The results of the internal control assessment turn out to include any serious defects and such defects fail to be rectified effectively within 6 months.</p> <p>A defect should be considered a general deficiency if it meets any of the following characteristics: 1.</p>

		Due to the incomplete implementation of the “Three Key Areas and Major Decisions” decision-making procedure, resulting in undemocratic decision-making processes and decision-making errors, causing the Company to suffer relatively small economic losses; 2. The negative impact caused by non-compliant behaviour affects certain regions and attracts limited public attention, causing minor damage to the Company’s reputation; 3. The general business policies related to the Company’s production and operations are incomplete or partially ineffective; 4. The remediation of general deficiencies has not been completed within six months.
Quantitative standard	Based on the data of the 2023 consolidated statements, the quantitative criterion of confirming the important degree of the misstatement (including the false negatives) from of the consolidated statements of the listed companies is as follows: Serious defect: Misstatement $\geq 1.0\%$ of the total assets amount; important defects: 0.5% of the total assets amount \leq misstatement $< 1.0\%$ of the total assets amount; common defects: Misstatement $< 0.5\%$ of the total assets amount.	According to the quantitative criterion of the internal control defects of the financial report, the quantitative criterion of the internal control defects assessment of the non-financial report confirmed by the Company is as follows: Serious defect: Misstatement $\geq 1.0\%$ of the total assets amount; important defects: 0.5% of the total assets amount \leq misstatement $< 1.0\%$ of the total assets amount; common defects: Misstatement $< 0.5\%$ of the total assets amount.
Number of material weaknesses in internal control over financial reporting		0
Number of material weaknesses in internal control not related to financial reporting		0
Number of serious weaknesses in internal control over financial reporting		0
Number of serious weaknesses in internal control not related to financial reporting		0

2. Independent Auditor’s Report on Internal Control

☒Applicable ☐ Not applicable

Opinion paragraph in the independent auditor’s report on internal control
WUYIGE Certified Public Accountants LLP considered that: Foshan Electrical and Lighting Co., Ltd. maintained effective internal control of the financial report in all significant aspects according to the Basic Standards for Internal Control and relevant regulations.

Independent auditor's report on internal control disclosed or not	Disclosed
Disclosure date	25 April 2025
Index to such report disclosed	See http://www.cninfo.com.cn for the Auditor's Report on Internal Control
Type of the auditor's opinion	Unmodified unqualified opinion
Material weaknesses in internal control not related to financial reporting	Not

Indicate by tick mark whether any modified opinion is expressed in the independent auditor's report on the Company's internal control.

☐ Yes ☒ No

Indicate by tick mark whether the independent auditor's report on the Company's internal control is consistent with the internal control self-evaluation report issued by the Company's Board of Directors.

☒ Yes ☐ No

XV Rectifications of Problems Identified by Self-inspection in the Special Action for Listed Company Governance

None.

Part V Environmental and Social Responsibility

I. Major Environmental Issues

Indicate by tick mark whether the Company or any of its subsidiaries is identified as a major polluter by the environmental protection authorities.

☒ Yes ☐ No

Environmental policies and standards:

During production and operations, the Company conscientiously implemented guidelines and policies for environmental protection at all levels and strictly observed relevant laws and regulations for environmental protection, such as the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on Prevention and Control of Air Pollution*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, and the *Law of the People's Republic of China on Prevention and Control of Noise Pollution*. Meanwhile, it has put in place facilities for pollution prevention and control, and ensures the stable operation of facilities. Additionally, the Company regularly commissions third parties to carry out monitoring work in accordance with the requirements of the *Environmental Monitoring Management Measures* to ensure that all pollutants are discharged in accordance with the standards.

Environment-related administrative permits:

Name of the Company or its subsidiary	Administrative permit granted	Permit No.	Date of grant	Effective period
Foshan Electrical and Lighting Co., Ltd.	Pollutant Discharge Registration for Stationary Source of Pollutant	91440000190352575W001W	17 March 2020	Five years
Foshan Electrical and Lighting Co., Ltd. Gaoming Branch	Pollutant Discharge Permit	91440600784850061B001U	1 June 2023	Five years
Foshan Taimei Times Lamp Co., Ltd.	Pollutant Discharge Permit	91440600782035581D001Q	17 November 2022	Five years
FSL Chanchang Lighting Co., Ltd.	Pollutant Discharge Registration for Stationary Source of Pollutant	91440600779203775W	18 March 2020	Five years
FSL Zhida Electric Technology Co., Ltd. (FSL Zhida)	Pollutant Discharge Registration for Stationary Source of Pollutant	91440605MA4UWNPY98001W	1 September 2021	Five years
Foshan Haolaite Lighting Co., Ltd.	Registration of Fixed Pollution Sources	91440604MA552Q66XM001W	14 January 2021	Five years
Foshan Electrical and Lighting Co., Ltd. Gaoming Lamp Branch	Pollutant Discharge Registration for Stationary Source of Pollutant	914406005666224665001Y	20 August 2021	Five years
Nanning Liaowang Auto Lamp Co., Ltd.	Pollutant Discharge Registration for	914501001983431121001Y	17 March 2020	Five years

Name of the Company or its subsidiary	Administrative permit granted	Permit No.	Date of grant	Effective period
	Stationary Source of Pollutant			
Liuzhou Guige Lighting Technology Co., Ltd.	Pollutant Discharge Permit	914502000836092085001V	18 July 2023	Five years
Chongqing Guinuo Lighting Technology Co., Ltd.	Pollutant Discharge Permit	91500000305128048Y001Q	25 September 2022	Five years
Qingdao Guige Lighting Technology Co., Ltd.	Pollutant Discharge Registration for Stationary Source of Pollutant	913702820530892807001W	29 October 2021	Five years
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Pollutant Discharge Registration for Stationary Source of Pollutant	91330402796491756K001W	6 August 2020	Five years
Foshan NationStar Optoelectronics Co., Ltd.	Pollutant Discharge Permit	914406001935264036001X	24 June 2024	Five years
Foshan NationStar Semiconductor Technology Co., Ltd.	Pollutant Discharge Permit	91440600570160743B001Q	12 January 2024	Five years

Discharge standards and pollutants discharged in production and operating activities:

Name of the company or its subsidiary	Type of major and characteristic pollutants	Name of major and characteristic pollutants	Discharge method	Outlet quantity	Outlet distribution	Discharge concentration/intensity	Pollutant discharge standards	Total actual discharge	Total discharge approved	Excessive discharge
Foshan Electrical and Lighting Co., Ltd. Gaoming Branch	Exhaust gas	SO ₂	Discharged in an organized manner	1	In the plant	SO ₂ : 280 mg/m ³	Emission Standards for Air Pollutants in Glass Industry (DB44/2159-2019)	0.67	SO ₂ : 40.597 t/y	None
Foshan Electrical and Lighting Co., Ltd. Gaoming Branch	Exhaust gas	Oxynitride	Discharged in an organized manner	1	In the plant	Oxynitride: 550mg/m ³	Emission Standards for Air Pollutants in Glass Industry (DB44/2159-2019)	24.254	Oxynitride: 149.839 t/y	None
Liuzhou Guige Lighting Technology Co., Ltd.	Exhaust gas	Xylene, SO ₂ , nitrogen oxide, benzene, toluene, particulate matter,	Discharged in an organized manner	1	In the plant	Discharged upon reaching applicable standards	Integrated Emission Standards of Air Pollutants (GB16297-1996)	/	/	None

Name of the company or its subsidiary	Type of major and characteristic pollutants	Name of major and characteristic pollutants	Discharge method	Outlet quantity	Outlet distribution	Discharge concentration/intensity	Pollutant discharge standards	Total actual discharge	Total discharge approved	Excessive discharge
		volatile organic matter								
Liuzhou Guige Lighting Technology Co., Ltd.	Exhaust gas	Volatile organic compounds	Discharged in an unorganized manner	2	In the plant	Discharged upon reaching applicable standards	Integrated Emission Standards of Air Pollutants (GB16297-1996)	/	/	None
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Wastewater	COD, and ammonia nitrogen	Discharged by standards after treatment	1	Wastewater treatment station	COD: 846 mg/L Ammonia: 31 mg/L	GB18918-2002	COD: 0.046t/a Ammonia: 0.00051t/a	COD: 0.587 t/a Ammonia: 0.005 t/a	None
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Exhaust gas	Sulfur dioxide, nitrogen oxides, total VOCs	Discharged by standards after treatment	1	Roof of a building	Sulfur dioxide (SO ₂): 29.4 mg/Nm ³ Nitrogen oxides (NOx): 137.3119 mg/Nm ³ Total VOCs: 458.9 mg/m ³	(GB17820-2012)	Sulfur dioxide: 0.004 t/a NOx: 0.021 t/a Total VOCs: 0.046 t/a	Sulfur dioxide: 0.004 t/a NOx: 0.021 t/a Total VOCs: 0.587 t/a	None
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Noise	Noise	Discharged upon reaching applicable standards	/	/	Daytime: 93.8 dB(A) Nighttime: dB(A)	GB12348-2008	/	/	None
Foshan NationStar Optoelectronics Co., Ltd.	Wastewater	COD, and ammonia nitrogen	Discharged by standards after treatment	1	Wastewater treatment station	COD: 14.67 mg/L Ammonia: 0.152 mg/L	Stricter limits under GB39731-2020 and DB44/26-2001	COD: 0.0069t/a Ammonia: 0.0029 t/a	COD: 24.32t/a Ammonia: 3.65t/a	None
Foshan NationStar Optoelectronics Co., Ltd.	Exhaust gas	Total VOCs, non-methane hydrocarbons (NMHCs), and particulate matter	Discharged by standards after treatment	3	Roof of East and West Towers, South Area, Roof of Tower A, North Area	Total VOCs: 0.25mg/m ³ , non-methane hydrocarbons: 2.063mg/m ³ , particulate	DB44/23-67-2022-DB44/27-2001	Total VOCs: 0.2068 t/a; non-methane hydrocarbons: 1.6725 t	/	None

Name of the company or its subsidiary	Type of major and characteristic pollutants	Name of major and characteristic pollutants	Discharge method	Outlet quantity	Outlet distribution	Discharge concentration/intensity	Pollutant discharge standards	Total actual discharge	Total discharge approved	Excessive discharge
						matter: <20mg/m ³ (measured concentration below the detection limit or minimum detection concentration)				
Foshan NationStar Optoelectronics Co., Ltd.	Noise	Noise	Discharged upon reaching applicable standards	/	/	Daytime 58 Nighttime 48 Unit: dB(A)	GB12348-2008	/	/	None
Foshan NationStar Semiconductor Technology Co., Ltd.	Wastewater	COD, and ammonia nitrogen	Discharged by standards after treatment	1	Wastewater treatment station	COD: 34.9 mg/L Ammonia: 2.287 mg/L	DB44/26-2001	COD: 4.178836 t/a Ammonia: 0.273266 t/a	COD: 9.771t/a Ammonia: 1.221 t/a	None
Foshan NationStar Semiconductor Technology Co., Ltd.	Exhaust gas	Total VOCs	Discharged by standards after treatment	7	Roof of a building	Total VOCs: 4.965 mg/m ³	GB14554-93DB44/27-2001DB44/2367-2022	total VOCs: 1.2782 t/a	total VOCs: 6.757 t/a	None
Foshan NationStar Semiconductor Technology Co., Ltd.	Noise	Noise	Discharged upon reaching applicable standards	/	/	Daytime 57 Nighttime 47 Unit: dB(A)	GB12348-2008	/	/	None

Pollutant treatment:

Emission and treatment of the Company's main pollutants:

(1) Exhaust gas:

FSL: The flue gas of glass kilns and the high-temperature melting of glass raw materials generated air pollutants, such as sulphur dioxide, nitric oxide, and smoke, during the manufacturing of semi-products, such as glass bulb shells and lamp tubes. Such flue gas was treated with semi-dry desulfurization, electric precipitation, and SCR denitration. Upon treatment, the standard limits for glass kilns in the *Emission Standards for Air Pollutants in Glass Industry* (DB44/2159-2019): Table 1 Emission Limits of Air Pollutants were met.

Liaowang Auto Lamp: Exhaust gases like volatile organic compounds (VOCs), were mainly generated during the manufacturing of auto luminary, which were treated through Regenerative

Thermal Oxidizer (RTO) catalytic combustion and UV activated carbon adsorption. Upon treatment, the discharge limits and requirements stipulated in *Comprehensive Discharge Standards for Air Pollution* (GB16297-1996) were met.

Hule Electric Equipment: The main types of exhaust gases produced by the Company include dust exhaust, tin soldering exhaust, and organic exhaust. The dust exhaust (PM10) from the spraying area is discharged through a filter cartridge at high altitude, while the cutting exhaust is discharged at high altitude through a spray tower. The polishing exhaust is discharged in an unorganized manner through a filter cartridge, and the welding fumes are discharged in an unorganized manner. The wave soldering and reflow soldering of two chip mounters generate exhaust gases containing tin and its compounds, which are discharged at high altitudes. The organic exhaust is separated in the flue into two sections: drying and curing. A burner is used for heating, and during the surface treatment process, the flue uses natural gas to heat and dry the metal parts. The parts then enter the powder coating chamber and subsequently return to the flue for curing. The drying water vapour and combustion exhaust gases from natural gas, including SO₂ and NO_x, are discharged at high altitudes through the same pipeline. The curing exhaust gases, including TVOCs, are treated by activated carbon adsorption before being released at high altitudes. The emissions of powder coating dust and curing exhaust from the powder coating process meet the relevant standard limits of Zhejiang provincial local standard *Air Pollutant Emission Standards for Industrial Coating Processes* (DB33/2146-2018). The emissions from natural gas combustion meet the special emission limit requirements in Table 3 of the *Emission Standards for Air Pollutants from Boilers* (GB13271-2014).

NationStar Optoelectronics: During the production of LED products, the main pollutants generated are COD and ammonia nitrogen. These are treated through a coagulation sedimentation + plate-frame filter press process. After treatment, the emissions meet the stricter discharge limit requirements specified in the *Electronics Industry Water Pollutant Discharge Standards* (GB39731-2020), as well as *Water Pollutant Discharge Limits* (DB44/26-2001), which is a local standard of Guangdong Province.

NationStar Semiconductor: a) During the production of LED epitaxial wafers, the main pollutant generated is ammonia. This is treated through an ammonia recovery process. After treatment, the emissions meet the standard limit requirements in Table 2 of the *Odorous Pollutant Emission Standards* (GB14554-93). b) The manufacturing of LED chips mainly caused pollutants such as sulfuric acid mist, hydrochloric acid mist, chlorine, hydrogen chloride, fluorides, and particulate matters. Upon treatment through Scrubber combustion-based washing and spraying equipment and scrubbing towers for acid and alkali exhaust gas, the *Emission Limits of Air Pollutants* (DB44/27-2001) of Guangdong Province: Standard Class II for Time Period II were met. c) During the production of LED chips, the main pollutants generated include acetone, isopropanol, esters, ethers, amines, and others. These are treated through a process of water spraying + dehumidification and defogging + secondary activated carbon adsorption. After treatment, the emissions meet the standard limit requirements in Table 1 of the *Comprehensive Emission Standards for Volatile Organic Compounds from Fixed Pollution Source* (DB44/2367-2022).

(2) Wastewater:

FSL: The Company's wastewater mainly came from offices and living. Domestic wastewater was treated with a tertiary septic tank. Oily sewage from the canteen was pre-treated with an oil and residue separation system, and then transferred to wastewater treatment stations for centralized treatment. Upon treatment, the discharge limits and requirements stipulated in the *Discharge Limits of Water Pollutants* (DB44/26-2001) of Guangdong Province: Standard Class I for Time Period II were met.

Liaowang Auto Lamp: The manufacturing of auto luminary did not generate industrial wastewater and mainly caused wastes, such as domestic wastewater. Upon treatment through physicochemical and biochemical, the discharge limits and requirements for Level 1 standards of the *Integrated Wastewater Discharge Standard* (GB 8978-1996) were met.

Hule Electric Equipment: The wastewater produced by the Company primarily consists of domestic sewage and production wastewater. The drainage system adopts a separate system for rainwater and sewage. Domestic sewage is treated through the existing septic tank, and combined with the production wastewater that has been pre-treated by the sewage treatment station, it is discharged into the municipal sewage network through the main discharge outlet. After further treatment by Jiaying United Sewage Treatment Co., Ltd. to meet discharge standards, the effluent is released. The discharge of the treated effluent complies with Level 1A Standard of the *Pollutant Discharge Standards for Urban Wastewater Treatment Plants* (GB18918-2002). The production wastewater (cleaning wastewater) is treated using an “air flotation + air flotation sedimentation integrated” process, with oxidation treatment. The removal efficiencies for CODCr, SS, and oil are 75%, 73%, and 99%, respectively. The main pollutants in the treated water are CODCr 215 mg/L, SS 20.7 mg/L, and oil 0.09 mg/L. The managed wastewater meets Table 4 Level 3 Standard of the *Integrated Wastewater Discharge Standards* (GB8978-1996), as well as the requirements of the *Indirect Discharge Limits for Nitrogen and Phosphorus Pollutants from Industrial Enterprises* (DB33/887-2013).

NationStar Optoelectronics: During the production of LED products, the main pollutants generated are COD and ammonia nitrogen. These are treated through a coagulation sedimentation + plate-frame filter press process. After treatment, the emissions meet the discharge limit requirements specified in the *Electronics Industry Water Pollutant Discharge Standards* (GB39731-2020) and the *Water Pollutant Discharge Limits* (DB44/26-2001).

NationStar Semiconductor: During the production of LED chips, the main pollutants generated are COD, ammonia nitrogen, SS, and fluoride. These are treated through physicochemical and biochemical processes. After treatment, the emissions meet the indirect discharge limit requirements of Table 1 in the *Electronics Industry Water Pollutant Discharge Standards* (GB39731-2020).

(3) Noises:

FSL: Noises mainly came from the operation of production machinery. Specifically, water pumps and fans that would cause loud noises were placed in a soundproof room or covered with a noise enclosure. Hush pipes were attached to exhaust gas exhaust pipes that would cause loud noises.

Liaowang Auto Lamp: Noises mainly came from the operation of production machinery. Specifically, basic damping, soundproof rooms, and soundproof cottons were applied to injection moulding and friction welding that would cause loud noises. The *Emission Standard for Noise of Industrial Enterprises at Boundary* (GB12348-2008): Standard Class III were met.

NationStar Optoelectronics: Noises mainly included mechanical and aerodynamic noises. Specifically, production and process equipment were placed in a closed workshop. Soundproof rooms, vibration dampers, and noise enclosures were adopted for Equipment, such as air compressors, water pumps, and fans, that would cause loud noises.

NationStar Semiconductor: Noises mainly included mechanical and aerodynamic noises. Production and process equipment was placed in a closed workshop. Soundproof rooms, vibration dampers, and noise enclosures were adopted for equipment, such as air compressors, water pumps, and fans, that would cause loud noises.

Construction and operation of pollution prevention and control facilities:

No.	Facility	Total investment (RMB10,000)	Date of construction (MM/YYYY)	Date of operation (MM/YY YY)	Operator	Processes	Design processing capacity	Actual capacity	Operating hours
1	Exhaust gas treatment facilities	500	November 2015	December 2015	Gaoming Branch	Semi-dry flue gas desulphurization (SDFGD) + electric precipitation + SCR denitration	60,000 m ³ /h	60,000 m ³ /h	24 h/d
2	Exhaust gas treatment facilities	30	September 2019	May 2020	Taimei Company	Cyclone plate tower + activated carbon adsorption	12,000 m ³ /h	12,000 m ³ /h	12 h/d
3	Wastewater treatment facilities	130	September 2019	May 2020	Taimei Company	Conditioning + coagulation + sedimentation + air flotation + filtration	120 m ³ /d	120 m ³ /d	12 h/d
4	Exhaust gas treatment facilities	20	Aug-14	Apr-15	Chanchang Company	activated carbon adsorption	8,000 m ³ /h	8,000 m ³ /h	12 h/d
5	Exhaust gas treatment facilities	48	September 2020	October 2021	Zhida Company	UV photocatalytic oxidation + activated carbon adsorption	35,000 m ³ /h	35,000 m ³ /h	12 h/d
6	Photo-Oxygen-Activated Carbon All-in-One Machine	28	December 2021	October 2022	Liaowang Auto Lamp	Activated carbon adsorption + UV photo-oxidation catalysis	70,000 m ² /h	70,000 m ² /h	24 h/d
7	VOCs organic waste gas RTO (regenerative thermal incinerator) oxidizer	500	December 2016	March 2017	Liuzhou Lighting	Activated carbon + adsorption incineration	10,000 cubic meters per hour	9,500 cubic meters per hour	24 h/d
8	VOC organic waste gas treatment facility	28.11	June 2018	February 2019	Qingdao Lighting	activated carbon adsorption	32,000 m ² /h	32,000 m ² /h	8h/d
9	RTO (Regenerative Thermal Incinerator)	500	October 2017	May 2018	Chongqing Guinuo	Zeolite adsorption+desorption +RTO catalytic combustion	75,000 m ² /h	75,000 m ² /h	24 h/d
10	UV photocatalysis	200	October 2017	May 2018	Chongqing Guinuo	Zeolite adsorption + dedusting + UV photocatalysis	70,000 m ² /h	70,000 m ² /h	24 h/d

No.	Facility	Total investment (RMB10,000)	Date of construction (MM/YYYY)	Date of operation (MM/YY)	Operator	Processes	Design processing capacity	Actual capacity	Operating hours
11	Method for treating organic exhaust gas	3.2	December 2020	February 2021	Hule Electric Equipment	Activated carbon adsorption treatment	3,000 m ³ /h	1,536 m ³ /h	8~11 h/d
12	Wastewater treatment station	20	August 2019	October 2019	Hule Electric Equipment	“Air flotation + air flotation sedimentation integrated” oxidation treatment	8 t/d	1 t/d	1h/d
13	Wastewater treatment station	39.5	April 2017	May 2017	NationStar	Coagulation and sedimentation	600 t/d	386.1 t/d	24 h/d
14	Method for treating the exhaust gases of the plant in the west	259	May 2023	June 2023	NationStar	Dry filtration + secondary activated carbon adsorption	80,000 m ³ /h	41,148 m ³ /h	24 h/d
15	Method for treating the exhaust gases of the plant in the east		May 2023	June 2023	NationStar	Dry filtration + secondary activated carbon adsorption	110,000 m ³ /h	39,499 m ³ /h	24 h/d
16	North area exhaust gas treatment facility	93	March 2024	April 2024	NationStar	Dry filtration + activated carbon adsorption and concentration + catalytic combustion	68,000 m ³ /h	32,211 m ³ /h	24 h/d
17	Wastewater treatment station	356.7	Sep-12	Dec-12	NationStar Semiconductor	Physiochemical and biochemical processing	1,080 t/d	331.85 t/d	24 h/d
18	Method for treating MOCVD exhaust gas	467.9	July 2023	November 2023	NationStar Semiconductor	Ammonia recovery device	≥17,500 Nm ³ /h	10,509 m ³ /h	24 h/d
19	Method for treating acid and alkali exhaust gases	348.405	Sep-12	Nov-12	NationStar Semiconductor	Scrubber combustion water washing and spraying device + acid and alkali exhaust gas scrubber tower device	45,000 m ³ /h	18,368 m ³ /h	24 h/d
20	Method for treating acid and alkali exhaust gases	348.405	Sep-12	Nov-12	NationStar Semiconductor	Scrubber combustion water washing and spraying device + acid and alkali exhaust gas scrubber tower device	40000 m ³ /h	15304 m ³ /h	24 h/d

No.	Facility	Total investment (RMB10,000)	Date of construction (MM/YYYY)	Date of operation (MM/YY YY)	Operator	Processes	Design processing capacity	Actual capacity	Operating hours
21	Method for treating acid and alkali exhaust gases	106.2	July 2023	November 2023	NationStar Semiconductor	Scrubber combustion water washing and spraying device + acid and alkali exhaust gas scrubber tower device	40000 m ³ /h	11376 m ³ /h	24 h/d
22	Method for treating organic exhaust gas	119.87	July 2023	November 2023	NationStar Semiconductor	Water spraying + dehumidification and defogging + secondary activated carbon adsorption	20000 m ³ /h	4436 m ³ /h	24 h/d
23	Method for treating organic exhaust gas	362.07	July 2023	November 2023	NationStar Semiconductor	Water spraying + dehumidification and defogging + secondary activated carbon adsorption	40000 m ³ /h	16450 m ³ /h	24 h/d
24	Method for treating organic exhaust gas	362.07	July 2023	November 2023	NationStar Semiconductor	Water spraying + dehumidification and defogging + secondary activated carbon adsorption	20000 m ³ /h	7366 m ³ /h	24 h/d

Environmental self-monitoring plan:

Foshan Electrical and Lighting Co., Ltd. Gaoming Branch developed an environmental self-monitoring plan. It entrusted a third-party environmental testing agency to perform the annual inspection of the exhaust outlet. All the inspection results were lower than the standard limits. Meanwhile, it accepted the annual supervision and monitoring by local environmental protection departments. All the monitoring results were lower than the standard limits.

Liuzhou Guige Lighting Technology Co., Ltd. has put in place the *Self-monitoring Plan of Liuzhou Guige Lighting Technology Co., Ltd.* It entrusted a third-party environmental testing agency to perform the annual inspection of the exhaust outlet. All the inspection results were lower than the standard limits. Meanwhile, it accepted the annual supervision and monitoring by local environmental protection departments. All the monitoring results were lower than the standard limits.

Zhejiang Hule Electric Equipment Manufacture Co., Ltd. has developed an environmental monitoring management system and entrusted a third-party environmental testing agency to conduct annual testing of the company's exhaust emission outlets. The test results have all been below the emission standard limits. Meanwhile, it accepted the annual supervision and monitoring by local environmental protection departments. All the monitoring results were lower than the standard limits.

Foshan NationStar Optoelectronics Co., Ltd., in accordance with its self-monitoring plan, commissions a qualified third-party environmental testing agency to carry out monthly and semi-annual testing of the Company's various water and atmospheric pollutants. All test results are below the emission standard limits. Meanwhile, it accepted the quarterly supervision and monitoring by local environmental protection departments. All the monitoring results were lower than the standard limits.

Foshan NationStar Semiconductor Technology Co., Ltd. abided by its self-monitoring plan. It entrusted a qualified third-party environmental testing agency to perform the inspection of the pollutants on a half-year basis. All the inspection results were lower than the standard limits. Meanwhile, it accepted the quarterly supervision and monitoring by local environmental protection departments. All the monitoring results were lower than the standard limits.

Contingency plan for environmental emergencies:

The Company formulated the *Emergency Plan for Environmental Emergencies of Foshan Electrical and Lighting Co., Ltd. Gaoming Branch* (including the Risk Assessment Report and Material Survey of Environmental Emergencies) in August 2017, had it reviewed by experts on 13 September 2017, and had it filed with the Foshan Municipal Ecology and Environment Bureau Gaoming Sub-bureau (Filing No.: 440608-2017-094-L) on 24 October 2017. In August 2020, the *Emergency Plan for Environmental Emergencies of Foshan Electrical and Lighting Co., Ltd. Gaoming Branch* (including the Risk Assessment Report and Material Survey of Environmental Emergencies) was revised. On 7 September 2020, an expert review was reorganized, and on 25 September 2020, the *Emergency Plan* was filed with Gaoming Branch of Foshan Municipal Ecology and Environment Bureau (filing number: 440608-2020-056-M). In September 2024, the contingency plan was revised again. On 10 October 2024, an expert review was reorganized, and on 24 January 2025, the contingency plan was filed with Gaoming Branch of Foshan Municipal Ecology and Environment Bureau (filing number: 440608-2025-0008-M).

In June 2018, Liuzhou Guige Lighting Technology Co., Ltd. completed the preparation of the *Emergency Plan for Environmental Emergencies of Liuzhou Guige Lighting Technology Co., Ltd.* (including the Risk Assessment Report for Environmental Emergencies and the Investigation Report for Emergency Resources for Environmental Emergencies), which was reviewed by experts and released, and filed with Liudong Branch of Liuzhou Environmental Protection Bureau on 29 August 2018 (No. 450203-2018-022-1). In August 2021, the *Emergency Plan for Environmental Emergencies of Liuzhou Guige Lighting Technology Co., Ltd.* (including the Risk Assessment Report for Environmental Emergencies and the Investigation Report for Emergency Resources for Environmental Emergencies) was updated and compiled, passed the expert review and released, and on 27 December 2021, the *Emergency Plan* was filed with Liudong Branch of Liuzhou Environmental Protection Bureau (No. 450203-2021-0019-L).

Hule Electric Equipment completed the preparation of the *Emergency Plan for Environmental Emergencies of Zhejiang Hule Electric Equipment Manufacture Co., Ltd.* (including the Risk Assessment Report for Environmental Emergencies and the Investigation Report for Emergency Resources for Environmental Emergencies) on 22 September 2021. It passed the expert review on 15 November 2021, and on 23 November 2021, the emergency plan was filed with Nanhu Branch of Jiaxing Environmental Protection Bureau. The filing number is: 330402-2021-072-L. On 30 September 2024, the *Emergency Plan for Environmental Emergencies of Zhejiang Hule Electric Equipment Manufacture Co., Ltd.* (including the Risk Assessment Report for Environmental Emergencies and the Investigation Report for Emergency Resources for Environmental Emergencies) was revised. An expert review was reorganized on 21 October 2024, and on 12 November 2024, the emergency plan was filed with Nanhu Branch of Jiaxing Environmental Protection Bureau. The filing number is: 330402-2024-095-L. On 31 December 2024, the performance of the pollution reduction measures in the heavy pollution weather emergency plan was upgraded from Level D suspension of production to Level C partial production restriction.

Foshan NationStar Optoelectronics Co., Ltd. revised in 2023 the *Emergency Plan for Environmental Emergencies of NationStar Optoelectronics* (including the Risk Assessment Report and Material Survey of Environmental Emergencies) according to the requirements of the *Management Methods*

for *Environmental Emergencies*, and had it filed with Foshan Municipal Ecology and Environment Bureau (Filing No.: 440604-2023-0040-L).

Foshan NationStar Semiconductor Technology Co., Ltd. formulated the *Emergency Plan for Environmental Emergencies of NationStar Semiconductor* (including the Risk Assessment Report and Material Survey of Environmental Emergencies) according to the requirements of the *Management Measures for Environmental Emergencies*, and had it filed with Foshan Municipal Ecology and Environment Bureau (Filing No.: 440605-2023-0124-M) in 2023.

Input in environmental governance and protection and the payment of environmental protection-related taxes:

During the Reporting Period, the input of the Company and its subsidiaries in the construction of environmental protection facilities, the development of environmental protection standards, the treatment of exhaust gas, wastewater, and waste residue, and routine detection totaled RMB14.2304 million, and their environmental protection-related taxes paid amounted to RMB69,200.

Measures taken during the Reporting Period to reduce carbon emissions and the impact:

☒Applicable ☐ Not applicable

During the Reporting Period, the Company reduced electricity consumption under the same output value by selecting high-efficiency and energy-saving equipment. The Company insists on constantly publicizing environmental protection knowledge to employees, improving their awareness of environmental protection, and realizing the sustainable development goal of harmonious coexistence between enterprises and the environment through the joint efforts of all employees.

Administrative punishments received with respect to environmental issues in the Reporting Period:

Name of the Company or its subsidiary	Reason for punishment	Incompliance	Punishment	Impact on the Company's operations	Rectification
N/A	N/A	N/A	N/A	N/A	N/A

Other environment-related information that should be disclosed:

None.

II Social Responsibility

For details about the Company's fulfillment of social responsibilities in 2024, please refer to the *Environmental, Social, and Governance (ESG) Report 2024* disclosed by the Company on <http://www.cninfo.com.cn> on 25 April 2024.

III Efforts in Poverty Alleviation and Rural Revitalization

The Company focuses on “industrial development for agriculture, technological benefits for agriculture, and green support for agriculture” as its main task. Through measures such as industrial assistance, paired assistance, and consumption assistance, the Company has upgraded from simple donations to systematic support. It is exploring new models for rural revitalization and contributing to the development of livable, business-friendly, and beautiful rural areas. First, industrial investment and employment promotion: The Company has invested nearly RMB53 million in the Maoming area to build a lighting and LED application product manufacturing base, providing local tax revenue and employment opportunities, thereby promoting local economic development. Second, technological innovation and agricultural efficiency enhancement: Focusing on the practical needs of agricultural production, the Company researches and produces lighting technologies and products for planting

and aquaculture, thereby improving agricultural economic benefits. Third, urban-rural integration and consumption support, building a bridge for urban-rural resource intercommunication, promoting resource sharing and complementary advantages. Approximately RMB1.3 million of consumption support was implemented in Wuhua, Meizhou and other places, promoting agricultural product sales and achieving a win-win situation for economic and social benefits.

Part VI Significant Events

I Fulfillment of Commitments

1. Commitments of the Company's Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company Itself and other Entities Fulfilled in the Reporting Period or Ongoing at the Period-end

☒Applicable ☐ Not applicable

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in acquisition documents or shareholding alteration documents	Electronics Group and Hong Kong Rising Investment	About avoidance of horizontal competition	Electronics Group and Hong Kong Rising Investment have made commitments as follows to avoid horizontal competition with the Company: 1. They shall conduct supervision and restraint on the production and operating activities of themselves and their relevant enterprises so that besides the enterprise above that is in horizontal competition with the Company for now, if the products or business of them or their relevant enterprises become the same with or similar to those of the Company or its subsidiaries in the future, they shall take the following measures: (1) If the Company thinks necessary, they and their relevant enterprises shall reduce and wholly transfer their relevant assets and business; and (2) If the Company thinks necessary, it is given the priority to acquire first, by proper means, the relevant assets and business of them and their relevant enterprises. 2. All the commitments made by them to eliminate or avoid horizontal competition with the Company are also applicable to their directly or indirectly controlled subsidiaries. They are obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments. 3. If they or their directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for the Company, they shall compensate the Company on a rational basis.	4 December 2015	Long-term	Ongoing
Commitments made in acquisition documents or shareholding alteration documents	Rising Holdings Group	About avoidance of horizontal competition	1. Rising Group will take active measures to avoid any business or activity that competes or may compete with the principal business of the Company and its auxiliary enterprises, and urge the Promisor to control enterprises to avoid any business or activity that competes or may compete with the principal business of the Company and its auxiliary enterprises. 2. If the Promisor and its controlled enterprises are given the opportunity to engage in new business that constitutes or may constitute horizontal competition with the principal businesses of the Company and its auxiliary enterprises, the Promisor will make every effort to make the business opportunity first available to the Company or its auxiliary enterprises on reasonable and fair terms and conditions on the premise that conditions permit and in the interest of the listed company.	4 November 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in acquisition documents or shareholding alteration documents	Electronics Group and Hong Kong Rising Investment	About reduction and regulation of related-party transactions	Electronics Group and Hong Kong Rising Investment have made a commitment that during their direct or indirect holding of the Company's shares, they shall 1. Strictly abide by the regulatory documents of the CSRC and the SZSE, the Company's Articles of Association, etc. and not harm the interests of the Company or other shareholders of the Company in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with the Company or the Company's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents. Where the aforesaid commitments are broken and a loss is thus caused for the Company, its subsidiaries or the Company's other shareholders, they shall be obliged to compensate.	4 December 2015	Long-term	Ongoing
Commitments made in acquisition documents or shareholding alteration documents	Rising Holdings Group	About reduction and regulation of related-party transactions	1. Strictly abide by the regulatory documents of the CSRC and the SZSE, the Company's <i>Articles of Association</i> , etc. and not harm the interests of the Company or other shareholders of the Company in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with the Company or the Company's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents.	4 November 2021	Long-term	Ongoing
Commitments made in acquisition documents or	Electronics Group and Hong Kong Rising Investment	About independence	In order to ensure the independence of the Company in business, personnel, asset, organization and finance, Electronics Group and Hong Kong Rising Investment have made the following commitments: 1. They will ensure the independence of the Company in business: (1) They promise that the Company will have the assets,	4 December 2015	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
shareholding alteration documents	nt		<p>personnel, qualifications and capabilities for its operating activities to be conducted independently as well as the ability of independent, sustainable operation in the market. (2) They promise not to intervene in FSL's business activities other than the execution of their rights as FSL's shareholders. (3) They promise that they and their related parties will not be engaged in business that is substantially in competition with FSL's business. And (4) They promise that they and their related parties will try their best to reduce related-party transactions between them and FSL; for necessary and unavoidable related-party transactions, they promise to operate fairly following the market-oriented principle and at fair prices, and execute the transaction procedure and the duty of information disclosure pursuant to the applicable laws, regulations and regulatory documents. 2. They will ensure the independence of FSL in personnel: (1) They promise that FSL's GM, deputy GMs, CFO, Company Secretary of Board of Directors and other senior management personnel will work only for and receive remuneration from FSL, not holding any positions in them or their other controlled subsidiaries other than director and supervisor. (2) They promise FSL's absolute independence from their related parties in labor, human resource and salary management. And (3) They promise to follow the legal procedure in their recommendation of directors, supervisors and senior management personnel to FSL and not to hire or dismiss employees beyond FSL's Board of Directors and General Meeting. 3. They will ensure the independence and completeness of FSL in asset: (1) They promise that FSL will have a production system, an auxiliary production system and supporting facilities for its operation; legally have the ownership or use rights of the land, plants, machines, trademarks, patents and non-patented technology in relation to its production and operation; and have independent systems for the procurement of raw materials and the sale of its products. (2) They promise that FSL will have independent and complete assets all under FSL's control and independently owned and operated by FSL. And (3) They promise that they and their other controlled subsidiaries will not illegally occupy FSL's funds and assets in any way, or use FSL's assets to provide guarantees for the debts of themselves or their other controlled subsidiaries with. 4. They will ensure the independence of FSL in organization: (1) They promise that FSL has a sound corporate governance structure as a joint-stock company with an independent and complete organization structure. (2) They promise that the operational and management organs within FSL will independently execute their functions according to laws, regulations and FSL's Articles of Association. 5. They will ensure the independence of FSL in finance: (1) They</p>			

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			promise that FSL will have an independent financial department and financial accounting system with normative, independent financial accounting rules. (2) They promise that FSL will have independent bank accounts and not share bank accounts with its related parties. (3) They promise that FSL's financial personnel do not hold concurrent positions in its related parties. (4) They promise that FSL will independently pay its tax according to law. And (5) They promise that FSL can make financial decisions independently and that they will not illegally intervene in FSL's use of its funds.			
Commitments made in acquisition documents or shareholding alteration documents	Rising Holdings Group	About independence	To maintain the independence of the Company, Rising Holdings Group has made the following commitments: 1. It will ensure the personnel independence of the Company. It promises to ensure personnel independence with the Company, and GM, deputy GMs, CFO, Company Secretary of Board of Directors and other senior management personnel of the Company will not hold positions other than directors and supervisors in the enterprises wholly owned, controlled or actually controlled by it and its subsidiaries (hereinafter referred to as "subsidiaries"), and will not receive salaries from it or its subsidiaries. It promises to ensure personnel independence with the Company, and GM, deputy GMs, CFO, Secretary of the Board of Directors and other senior management personnel of the Company will not hold positions other than directors and supervisors in the enterprises wholly owned, controlled or actually controlled by it and its subsidiaries (hereinafter referred to as "subsidiaries"), and will not receive salaries from it or its subsidiaries. 2. It will ensure the asset independence of the Company. (1) It promises that the Company has independent and complete assets. (2) It promises that it and its subsidiaries will not illegally occupy the Company's funds and assets in any way. 3. It will ensure the financial independence of the Company: (1) It promises that the Company will have an independent financial department and financial accounting system. (2) It promises that the Company will have a standardized and independent financial accounting system. (3) It promises that the Company will have independent bank accounts and not share bank accounts with it. (4) It promises that the Company's financial personnel do not hold concurrent positions in it or its subsidiaries. And (5) It promises that the Company can make financial decisions independently and that they will not illegally intervene in the Company's use of its funds. 4. It will ensure the independence of the Company in organization: (1) It promises that the Company can operate independently with an independent and complete organization structure. (2) It promises that the office and production and business premises of the Company are separated from those of Rising Holdings Group. And (3) It promises that the Board of Directors, the Supervisory	4 November 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			Committee and various functional departments of the Company operate independently, and there is no subordinate relationship with the functional departments of Rising Holdings Group. And 5, It will ensure the independence of the Company in business: (1) It promises that the Company will have independence in business. And (2) It promises that the Company will have the assets, personnel, qualifications and capabilities for its operating activities to be conducted independently as well as the ability of independent, sustainable operation in the market.			
Commitments made in acquisition documents or shareholding alteration documents	FSL	About avoidance of horizontal competition	1. They shall conduct supervision and restraint on the production and operating activities of themselves and their relevant enterprises so that besides the enterprise above that is in horizontal competition with NationStar Optoelectronics for now, if the products or business of them or their relevant enterprises become the same with or similar to those of NationStar Optoelectronics or its subsidiaries in the future, they shall take the following measures: (1) If NationStar Optoelectronics thinks necessary, they and their relevant enterprises shall reduce and wholly transfer their relevant assets and business; and (2) If NationStar Optoelectronics thinks necessary, it is given the priority to acquire first, by proper means, the relevant assets and business of them and their relevant enterprises. 2. All the commitments made by them to eliminate or avoid horizontal competition with FSL are also applicable to their directly or indirectly controlled subsidiaries. They are obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments. 3. If they or their directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for NationStar Optoelectronics, they shall compensate NationStar Optoelectronics on a rational basis.	7 October 2021	Long-term	Ongoing
Commitments made in acquisition documents or shareholding alteration documents	FSL	About reduction and regulation of related-party transactions	1. FSL and enterprises under its control (except NationStar Optoelectronics and its subsidiaries) will reduce and standardize related transactions with NationStar Optoelectronics and its subsidiaries. 2. In case of any inevitable or reasonably justified related party transactions, FSL and enterprises under its control (except NationStar Optoelectronics and its subsidiaries) will strictly abide by the market principles, conduct related party transactions with NationStar Optoelectronics fairly and reasonably based on the general principles of equality, mutual benefit, equal value and compensation, and perform legal procedures in accordance with laws, regulations, normative documents and relevant regulations of NationStar Optoelectronics.	7 October 2021	Long-term	Ongoing
Commitments made in	FSL	About maintaining	To promote NationStar Optoelectronics' implementation of standardized management and the lawful and compliant exercise of shareholder rights and	7 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
acquisition documents or shareholding alteration documents		independence of the listed company	<p>corresponding obligations, practical and effective measures will be taken to ensure the independence of NationStar Optoelectronics in terms of personnel, assets, finance, organization, and business. The undersigned commits to the following: (I) Ensure the independence of NationStar Optoelectronics' personnel: 1. Ensure that senior management personnel of NationStar Optoelectronics, including the General Manager (President), Deputy General Managers, Chief Financial Officer, Secretary of Board of Directors, and others, do not hold any position other than Director or Supervisor in Foshan Lighting or other enterprises controlled by Foshan Lighting (excluding NationStar Optoelectronics and its controlled enterprises, the same below), and do not receive salaries from Foshan Lighting or other enterprises controlled by Foshan Lighting. 2. Ensure the independence of labor, personnel relations, and the salary management system between NationStar Optoelectronics and Foshan Lighting or other enterprises controlled by Foshan Lighting. (II) It will ensure the independence of NationStar Optoelectronics in asset 1. FSL promises that NationStar Optoelectronics will have independent and complete operating assets related to operation; 2. FSL promises that the funds, assets and other resources of NationStar Optoelectronics will not be illegally occupied. (III) It will ensure the independence of NationStar Optoelectronics in finance 1. It promises that NationStar Optoelectronics will have an independent financial department, and independent financial accounting system and financial accounting rules. 2. It promises that NationStar Optoelectronics will have independent bank accounts and not share bank accounts with FSL and other enterprises under its control; 3. It promises that the financial personnel of NationStar Optoelectronics do not work part-time and receive salaries in FSL and other enterprises under its control; 4. It promises that NationStar Optoelectronics will independently pay its tax according to law; And (5) It promises that NationStar Optoelectronics can make financial decisions independently and that it will not illegally intervene in NationStar Optoelectronics's use of its funds. (IV) It will ensure the independence of NationStar Optoelectronics in organization It promises that the listed company has a sound corporate governance structure as a joint-stock company with an independent and complete organization structure. (V) It will ensure the independence of NationStar Optoelectronics in business It promise that NationStar Optoelectronics remains independent in procurement, production, sales and intellectual property rights, and that NationStar Optoelectronics will have the assets, personnel, qualifications and capabilities for it operating activities to be conducted independently as well as the ability of independent, sustainable operation in the</p>			

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			market.			
Commitments made during asset restructuring	FSL	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	1. FSL has provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries providing professional services of auditing, valuation, legal and financial consultancy for this trading. FSL promises that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. FSL also promises to bear individual and joint and several liability. 2. We promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. We also promise to bear individual and joint and several liability. We promise that the information provided is true, accurate and complete. 2.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	Director and senior management office of FSL	About measures to fill up returns for risks arising from diluting immediate return in major asset restructuring	1. They promise not to transfer benefits to other units or individuals free of charge or under unfair conditions, and not to harm the interests of the Company in any other ways; 2. They promise to restrain position-related consumption behavior; 3. They promise not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of duties; 4. They promise that the future remuneration system formulated by the Board of Directors or the Remuneration and Assessment Committee will be linked to the implementation of the Company's measures to fill up returns; 5. If the Company formulates an equity incentive plan in the future, they will actively promote the exercise conditions of the future equity incentive plan to be linked with the implementation of the Company's measures to fill up returns; 6. From the date of issuance of these commitments to the completion of this major asset restructuring of the Company, if the CSRC makes other new regulatory provisions on measures to fill up returns and the relevant commitments, and these commitments cannot meet these provisions of the CSRC, they promise to issue supplementary commitments in accordance with the latest regulations of the CSRC at that time. 7. We promise to earnestly fulfill the compensation measures formulated by the Company and any commitments we	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			make. If we violate any of these commitments and cause losses to the Company or investors, we are willing to bear corresponding legal responsibilities to the Company or investors according to law.			
Commitments made during asset restructuring	Director and senior management office of FSL	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	1. We have provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries providing professional services of auditing, assessment, legal and financial consultancy for this trading. We promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; the provided information and documents are authentic, accurate and complete and there are no false records, misleading statements or material omissions. We also promise to bear individual and joint and several liability. We promise that the information provided is true, accurate and complete. 2. We promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. We also promise to bear individual and joint and several liability. We promise that the information provided is true, accurate and complete. 3. Where the information provided or disclosed by us in this trading is suspected of false records, misleading statements or material omissions, and we are filed for investigation by the judicial organ or by the CSRC, the shares with interests in the listed company will not be transferred until the investigation conclusion is formed.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment and Shenzhen	About effective performance of measures to fill up returns	1. They promise not to interfere in the operation and management activities of the listed company beyond their authority and not to encroach on the interests of the listed company. 2. From the date of issuance of these commitments to the completion of this trading of the listed company, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, they promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. 3. They promise to earnestly fulfill the measures to fill up returns formulated by the listed company and any commitments made by them. If they violate these commitments and causes losses to the listed company or investors, they are willing	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
	Rising Investment		to bear the compensation responsibility for the listed company or investors according to law. As one of the subjects responsible for the measures to fill up returns, if they violate the above commitments or refuse to fulfill the above commitments, they agree that the securities regulatory agencies such as the CSRC and the SZSE will punish them or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.			
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	About avoidance of horizontal competition	1. They shall conduct supervision and restraint on the production and operating activities of themselves and their relevant enterprises so that besides the enterprise above that is in horizontal competition with FSL for now, if the products or business of them or their relevant enterprises become the same with or similar to those of FSL or its subsidiaries in the future, they shall take the following measures: (1) If FSL thinks necessary, they and their relevant enterprises shall reduce and wholly transfer their relevant assets and business; and (2) If FSL thinks necessary, it is given the priority to acquire first, by proper means, the relevant assets and business of them and their relevant enterprises. 2. All the commitments made by them to eliminate or avoid horizontal competition with the Company are also applicable to their directly or indirectly controlled subsidiaries. They are obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments. 3. If they or their directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for FSL, they shall compensate FSL on a rational basis.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	About regulation and reduction of related-party transactions	They have made a commitment that during their direct or indirect holding of FSL's shares, they shall 1. Strictly abide by the regulatory documents of the CSRC and the SZSE, FSL's Articles of Association, etc. and not harm the interests of the Company or other shareholders of FSL in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with FSL or FSL's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents. Where the	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			aforesaid commitments are broken and a loss is thus caused for FSL, its subsidiaries or FSL's other shareholders, they shall be obliged to compensate.			
Commitments made during asset restructuring	Rising Holdings Group, Electronics Group, and Rising Capital	About compensation for possible violations of laws and regulations by NationStar Optoelectronics	If NationStar Optoelectronics is subject to administrative penalties such as accountability and fines by relevant competent departments after the completion of this trading due to the illegal acts of NationStar Optoelectronics before the completion of this acquisition, they promise to fully bear the losses of NationStar Optoelectronics or FSL, as well as the expenses and fees under punishment or recourse, to ensure that NationStar Optoelectronics or FSL will not suffer any economic losses.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	Rising Holdings Group, Electronics Group, and Rising Capital	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	1. We promise that the information provided is true, accurate and complete, and there are no false records, misleading statements or material omissions. 2. We have provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries. They promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that there are no false records, misleading statements or material omissions. 3. We promise that the explanations and confirmations issued by them are true, accurate and complete, and there are no false records, misleading statements or material omissions. 4. During this trading, we will disclose the information about this trading in a timely manner in accordance with relevant laws and regulations, the CSRC and the SZSE, and ensure the authenticity, accuracy and completeness of such information. 5. We shall bear legal responsibility for the authenticity, accuracy and completeness of the information, documents, materials, explanations and confirmations provided. In case of any violation or losses caused to the listed company, investors, parties to the trading and intermediaries participating in this trading, they will be liable for compensation according to law. 6. Where the information provided or disclosed by us in this trading is suspected of false records, misleading statements or material omissions, and we are filed for investigation by the judicial organ or by the CSRC, the shares with interests in the listed company will not be transferred until the investigation conclusion is formed.	27 October 2021	Long-term	Ongoing
Commitments made during asset	Electronics Group	About the clarity of the	Electronics Group promises that the 100% equity of Sigma it held is clear in ownership and is not subject to any dispute or potential dispute, and there is no situation affecting its legal existence; the above shares are not	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
restructuring		underlying assets of this major asset restructuring	subject to any other pledges, guarantees or third-party interests or restrictions and there is no pending or potential litigation, arbitration and any other administrative or judicial procedure that may lead to the seizure, freezing, expropriation or restriction of transfer of the above-mentioned equity by the relevant judicial or administrative organs. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Electronics Group.			
Commitments made during asset restructuring	Rising Holdings Group and Rising Capital	About the clarity of the underlying assets of this major asset restructuring	Contents of Commitment: Rising Holdings Group and Rising Capital promise that the shares of NationStar Optoelectronics it held is clear in ownership and is not subject to any dispute or potential dispute, and there is no situation affecting its legal existence; the above shares are not subject to any other pledges, guarantees or third-party interests or restrictions and there is no pending or potential litigation, arbitration and any other administrative or judicial procedure that may lead to the seizure, freezing, expropriation or restriction of transfer of the above-mentioned equity by the relevant judicial or administrative organs. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group and Rising Capital.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	NationStar Optoelectronics	About statement and commitment of truthfulness, accuracy and completeness of information provided	NationStar Optoelectronics has provided the necessary, true, accurate, complete and effective documents, materials or oral statements and explanations for this trading at this stage, and there is no concealment, falsehood or material omission. The copies or photocopies of the documents provided are consistent with the original materials or originals. The signatures and seals on the documents and materials provided are authentic, and NationStar Optoelectronics has fulfilled the legal procedures required for such signatures and seals and obtained legal authorization. All the facts stated and explained are consistent with the facts that happened. As this transaction proceeds, the Company shall provide needed information and documents as required by applicable laws, regulations, rules and requirements of CSRC and the stock exchange, and continue to guarantee the truthfulness, accuracy, completeness and validity of the information and documents provided. The Company promises and guarantees the truthfulness, accuracy and completeness of the information provided or disclosed with respect to this transaction. It guarantees that there are no misrepresentations, misleading statements or material omissions. And it shall be individually and jointly liable for that.	27 October 2021	Long-term	Ongoing
Commitments made during asset	Sigma	About the clarity of the	Among 79,753,050 shares of tradable shares with unlimited selling conditions of NationStar Optoelectronics held by Sigma, 39,876, 500 shares were pledged for Guangdong Electronics Information	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
restructuring		ownership of the underlying assets of this major asset restructuring	Industry Group Ltd. As of the date of issuance of this commitment, the pledge of the above shares has been released. However, the <i>Maximum Pledge Contract for Stocks of Listed Companies</i> (No.: XXYZZ (BY) No. 201906280001-2) signed by Sigma and Guangzhou Branch of Industrial Bank Co., Ltd. has not been dissolved. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group. Guangdong Electronics Information Industry Group Ltd. has promised that it will not add any new loans to Guangzhou Branch of Industrial Bank Co., Ltd. as a borrower during the validity period of the guarantee, and that it will not substantially assume any guarantee responsibility due to the <i>Maximum Pledge Contract for Stocks of Listed Companies</i> . Except as aforesaid, the asset ownership of Sigma is clear, there is no dispute or potential dispute, and there is no situation affecting the legal existence. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group and Rising Capital.			
Commitments made during asset restructuring	Sigma	About no ownership dispute in equity	1. Sigma promises that all its registered capital has been paid in. 2. Sigma promises that all existing shareholders contribute their own funds to hold shares, there is no situation such as holding shares on behalf of them, and there is no dispute or potential dispute between shareholders over their shares.	27 October 2021	Long-term	Ongoing
Commitments made during asset restructuring	Sigma	About statement and commitment of truthfulness, accuracy and completeness of information provided	1. FSL has provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries providing professional services of auditing, valuation, legal and financial consultancy for this trading. FSL promises that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. FSL also promises to bear individual and joint and several liability. 2. We promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. We also promise to bear individual and joint and several liability. We promise that the	27 October 2021	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			information provided is true, accurate and complete. 2.			
Commitments made in time of IPO or refinancing	Director, senior management office of FSL, Rising Holdings Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	About matters on special self-inspection of the real estate business	According to the laws and regulations issued by the State Council, such as the <i>Notice of the State Council on Resolutely Curbing the Soaring of Housing Prices in Some Cities</i> (GF [2010] No. 10), the <i>Notice of the General Office of the State Council on Further Improving Regulation of the Real Estate Market</i> (GBF [2013] No. 17) and the <i>Adjustment of Regulatory Policies on Listed Companies' Re-financing, Merger and Acquisition and Reorganization Involving Real Estate Business</i> issued by the CSRC on the relevant requirements for refinancing of listed companies involved in real estate business, the controlling shareholders and all directors and Senior Management of Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as the "Company") have made the following commitments: The <i>Self-inspection Report on the Company's Involvement in Real Estate Business</i> has truthfully disclosed the self-inspection of the real estate development projects of the Company and its subsidiaries between 1 January 2020 and 31 December 2022. If the Company is identified with illegalities or violations not disclosed as required by the self-inspection, such as idle land, land speculation, holding real estate projects from selling, and house price rigging, thus causing losses to itself and the investors, we will be liable for compensation in line with relevant laws, regulations, and requirements of securities regulatory authorities.	14 March 2023	Long-term	Ongoing
Commitments made in time of IPO or refinancing	Director and senior management office of FSL	About the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects in 2023	According to the <i>Opinions of the General Office of the State Council on Further Strengthening the Protection of the Lawful Rights and Interests of Small and Medium-sized Investors in the Capital Market</i> (GBF [2013] No. 110), the <i>Opinions of the State Council on Further Promoting the Sound Development of Capital Markets</i> (GF [2014] No. 17), the <i>Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring</i> (ZJHGG [2015] No. 31) and other relevant regulations, in order to protect the interests of small and medium-sized investors, the Directors and Senior Management of the Company have made the following commitments that the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects can be effectively fulfilled: 1. We promise not to transfer benefits to other units or individuals for free or under unfair conditions and not to compromise the interests of the Company in other ways. 2. We promise to restrain position-related consumption behaviour. 3. We promise not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of duties. 4. We promise that the remuneration system formulated by the Board of Directors or the Remuneration and Assessment	14 March 2023	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			Committee is linked to the implementation of the Company's measures to fill up returns. 5. If the Company implements an equity incentive plan in the future, the exercise conditions of the future equity incentive plan will be linked with the implementation of the Company's measures to fill up returns. 6. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes other new regulatory provisions on measures to fill up returns and the relevant commitments, and these commitments cannot meet these provisions of the CSRC, we promise to issue supplementary commitments in accordance with the latest regulations of the CSRC at that time. As one of the subjects responsible for the measures to fill up returns, if we violate the above commitments or refuse to fulfil the above commitments, we agree that the securities regulatory agencies such as the CSRC and the SZSE will punish us or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.			
Commitments made in time of IPO or refinancing	Rising Holdings Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	About the effective fulfillment of measures taken by controlling shareholders and de facto controller to fill up immediate returns	According to the relevant provisions of the CSRC, in order to ensure that the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects can be practically fulfilled, the Company's controlling shareholders, Rising Holdings Group, Electronics Group, Hong Kong Rising Investment, Hongkong Wah Shing, and the de facto controller, Rising Holdings Group, respectively, made the following commitments: 1. We promise not to interfere in the operation and management activities of the listed company beyond our authority and not to encroach on the interests of the listed company. 2. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, we promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. 3. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, we promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. As one of the subjects responsible for the measures to fill up returns, if we violate the above commitments or refuse to fulfil the above commitments, we agree that the securities regulatory agencies such as the CSRC and the SZSE will punish us or take relevant regulatory measures in accordance with the relevant regulations and rules they	14 March 2023	Long-term	Ongoing

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
			formulated or issued.			
Other commitments made to minority shareholders of the Company	FSL	About cash dividends	FSL's profit distributed in cash shall not be less than 30% of the distributable profit realized in the year.	27 May 2009	Long-term	Ongoing
Other commitments	Electronics Group, Hongkong Wah Shing	Commitment Letter Regarding the Increase in Foshan Lighting Shares and Subsequent Increase Plans	Electronics Group and its controlling subsidiary, Hongkong Wah Shing, commit to completing the current share acquisition plan within the implementation period. During the acquisition period and the statutory period, the Company and Hongkong Wah Shing will not reduce their holdings in Foshan Lighting shares and will strictly comply with relevant regulations. They will not engage in insider trading, trading shares during sensitive periods, or short-term trading activities.	26 June 2024	Within six months starting from 3 June 2024.	Expired
Other commitments	Electronics Group	Notification Letter Regarding the Increase in Foshan Lighting Shares	Electronics Group commits to completing the current share acquisition plan within the implementation period. During the acquisition period and the statutory period, the Electronics Group will not reduce its holdings in Foshan Lighting shares and will strictly comply with relevant regulations. It will not engage in insider trading, trading shares during sensitive periods, or short-term trading activities.	18 November 2024	Within six months starting from 20 November 2024.	Ongoing
Whether the commitments were timely performed	Yes					
Specific reasons for failing to fulfill commitments on time and plans for next step	N/A					

2. Where There Had Been an Earnings Forecast for an Asset or Project and the Reporting Period Was Still Within the Forecast Period, Explain Why the Forecast Has Been Reached for the Reporting Period.

☐Applicable ☒Not applicable

II Occupation of the Company's Capital by the Controlling Shareholder or Its Related Parties for Non-Operating Purposes

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

III Irregularities in the Provision of Guarantees

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

IV Explanations Given by the Board of Directors Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Latest Period

☐Applicable ☒Not applicable

V Explanations Given by the Board of Directors, the Supervisory Committee and the Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

☐Applicable ☒Not applicable

VI YoY Changes to Accounting Policies, Estimates and Correction of Material Accounting Errors

☒Applicable ☐ Not applicable

Refer to "Part X Financial Statements-V Important Accounting Policies and Estimations-43. Changes in Main Accounting Policies and Estimates" for details.

VII YoY Changes to the Scope of the Consolidated Financial Statements

☒Applicable ☐ Not applicable

The scope of consolidation for this period's financial statements has increased compared to the previous period, with the addition of one subsidiary, Foshan Huaguang (Maoming) Technology Co., Ltd., three subsidiaries, Liaowang Auto Lamp (Suzhou) Co., Ltd., Gaozhou NationStar Lighting Technology Co., Ltd., and Zhejiang Hule Electric Equipment Manufacture Co., Ltd., and one subsidiary of a subsidiary, Shanghai Lelaite Electrical Equipment Co., Ltd. For further details, please refer to IX. Changes in the Scope of Consolidation in Section 10 Financial Report.

VIII Engagement and Disengagement of Independent Auditor

Current independent auditor:

Name of the domestic independent auditor	WUYIGE Certified Public Accountants LLP
The Company's payment to the domestic independent auditor (RMB'0,000)	165
How many consecutive years the domestic independent auditor has provided audit service for the Company	Three
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	He Xiaojuan and Wang Xiaohan
How many consecutive years the certified public accountants from the domestic independent auditor have provided audit service for the Company	He Xiaojuan (three years) and Wang Xiaohan (one year)

Indicate by tick mark whether the independent auditor was changed for the Reporting Period.

☐ Yes ☒ No

Independent auditor, financial advisor or sponsor engaged for the audit of internal controls:

☒ Applicable ☐ Not applicable

In the Reporting Period, the Company engaged WUYIGE Certified Public Accountants LLP as its internal control auditor with the total audit fees of RMB250,000.

IX Possibility of Delisting after Disclosure of this Report

☐ Applicable ☒ Not applicable

X Insolvency and Reorganization

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

XI Major Legal Matters

☒ Applicable ☐ Not applicable

Basic information on lawsuit (arbitration)	Amount involved (RMB'0,000)	Whether there are accrued liabilities	Lawsuit (arbitration) progress	Lawsuit (arbitration) results and influences	Execution of lawsuit (arbitration) judgment	Disclosure date	Disclosure index
137 other litigation matters that did not meet litigation standards	39,885.57	Yes	49 cases are currently under trial; 88 cases have been closed.	No significant influence on the Company	N/A		N/A

Note: For details, please refer to “Part X Financial Statements-XVI Commitments and Contingent Matters- 2. Contingent Matters”.

XII Punishments and Rectifications

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

XIII Credit Quality of the Company as well as Its Controlling Shareholder and Actual Controller

☒ Applicable ☐ Not applicable

In the Reporting Period, the Company and its controlling shareholder and actual controller were not involved in any unsatisfied court judgments, large-amount overdue liabilities or the like.

XIV Major Related-Party Transactions

1. Continuing Related-Party Transactions

☒ Applicable ☐ Not applicable

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	688.42	688.42	0.18 %	1,600	Not	Bank transfers or bank acceptance notes	688.42	27 February 2024	http://www.cninfo.com.cn
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	413.59	413.59	0.85 %	1,200	Not	Bank transfers or bank acceptance notes	413.59	27 February 2024	http://www.cninfo.com.cn
Guangdong Rising Commercial Development Co., Ltd. (renamed Guangzhou Tianxin Property Management Company)	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	43.78	43.78	0.07 %			Bank transfers or bank acceptance notes	43.78		
Guangdong Rising Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	29.67	29.67	0.06 %			Bank transfers or bank acceptance notes	29.67		
Guangdong Rising	Under same	Purchasing products	Purchase of	Market price	0.49	0.49	0.00 %			Bank transfers	0.49		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)	actual controller	and receiving labor service from related party	materials							or bank acceptance notes			
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	348.49	348.49	0.72 %	300	Yes	Bank transfers or bank acceptance notes	348.49	27 February 2024	http://www.cninfo.com.cn
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	63.90	63.90	0.02 %			Bank transfers or bank acceptance notes	63.90		
Shenzhen Yuepeng Construction Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	234.01	234.01	0.70 %			Bank transfers or bank acceptance notes	234.01		
Guangdong Rising South Construction Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	65.28	65.28	0.13 %			Bank transfers or bank acceptance notes	65.28		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	43.42	43.42	0.09 %			Bank transfers or bank acceptance notes	43.42		
Primatronix Nanho Technology Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	43.32	43.32	0.09 %			Bank transfers or bank acceptance notes	43.32		
Guangdong Rising Holdings Group Co., Ltd.	Actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	66.27	66.27	0.14 %			Bank transfers or bank acceptance notes	66.27		
Guangdong Rising Hydrogen Energy Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	31.66	31.66	0.07 %			Bank transfers or bank acceptance notes	31.66		
Guangdong Rising Urban Services Co., Ltd. (formerly known as Guangdong Heshun Property Management	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	15.49	15.49	0.03 %			Bank transfers or bank acceptance notes	15.49		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
ent Co., Ltd.)													
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	8.56	8.56	0.02 %			Bank transfers or bank acceptance notes	8.56		
Primatronix Nanho Technology Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	6.20	6.20	0.00 %			Bank transfers or bank acceptance notes	6.20		
Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	5.96	5.96	0.01 %			Bank transfers or bank acceptance notes	5.96		
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	5.18	5.18	0.01 %			Bank transfers or bank acceptance notes	5.18		
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	4.52	4.52	0.01 %			Bank transfers or bank acceptance notes	4.52		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
Recovery and Comprehensive Treatment Co., Ltd.													
Jiangmen Dongjiang Environmental Company Limited	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	0.22	0.22	0.00 %			Bank transfers or bank acceptance notes	0.22		
Guangzhou Haixinsha Industrial Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	372.43	372.43	2.96 %			Bank transfers or bank acceptance notes	372.43		
Guangzhou Huajian Business Development Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	24.04	24.04	0.05 %	900	Not	Bank transfers or bank acceptance notes	24.04	27 February 2024	http://www.cninfo.com.cn
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	4.92	4.92	0.01 %			Bank transfers or bank acceptance notes	4.92		
Hangzhou Times Lighting Electric Appliance	Enterprise controlled by related	Purchasing products and receiving labor	Purchase of materials	Market price	0.13	0.13	0.00 %	300	Not	Bank transfers or bank acceptance notes	0.13	27 February 2024	http://www.cninfo.com.cn

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
s Co., Ltd.	natural person	service from related party											
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	1,081.98	1,081.98	0.12 %	2,000	Not	Bank transfers or bank acceptance notes	1,081.98	27 February 2024	http://www.cninfo.com.cn
PROSPERITY LAMPS & COMPONENTS LIMITED	Enterprise controlled by related natural person	Selling products and providing labor service to related party	Sale of products	Market price	961.69	961.69	0.11 %	3,600	Not	Bank transfers or bank acceptance notes	961.69	27 February 2024	http://www.cninfo.com.cn
Traxon Technologies Limited	Enterprise controlled by related natural person	Selling products and providing labor service to related party	Sale of products	Market price	95.23	95.23	0.01 %			Bank transfers or bank acceptance notes	95.23		
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	179.17	179.17	0.02 %	1,500	Not	Bank transfers or bank acceptance notes	179.17	27 February 2024	http://www.cninfo.com.cn
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	142.69	142.69	0.02 %			Bank transfers or bank acceptance notes	142.69		
Guangdong Xintao Microelect	Under same actual	Selling products and	Providing labor services	Market price	135.36	135.36	0.01 %			Bank transfers or bank	135.36		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
ronics Co., Ltd.	controller	providing labor service to related party								acceptance notes			
Guangdong Yixin Changcheng Construction Group	Under same actual controller	Selling products and providing labor service to related party	Providing labor services	Market price	12.10	12.1	0.00 %			Bank transfers or bank acceptance notes	12.10		
Guangzhou Wanshun Investment Management Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	5.96	5.96	0.00 %			Bank transfers or bank acceptance notes	5.96		
Guangdong Zhongren Group Construction Co., Ltd	Under same actual controller	Selling products and providing labor service to related party	Providing labor services	Market price	0.55	0.55	0.00 %			Bank transfers or bank acceptance notes	0.55		
Guangdong Rising Holdings Group Co., Ltd.	Actual controller	Selling products and providing labor service to related party	Providing labor services	Market price	0.01	0.01	0.00 %			Bank transfers or bank acceptance notes	0.01		
Guangdong Rising Mining Group Co., Ltd. (formerly known as Guangdong Rising Nonferrou	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	9.96	9.96	0.00 %			Bank transfers or bank acceptance notes	9.96		

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Price of the connected transaction	Total value (RMB' 0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB' 0,000)	Over the approved line or not	Method of settlement	Market price of similar transactions available	Disclosure date	Disclosure index
s Metals Group Co., Ltd.)													
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Providing labor services	Market price	45.26	45.26	0.01 %	2,200	Not	Bank transfers or bank acceptance notes	45.26	27 February 2024	http://www.cninfo.com.cn
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	9.65	9.65	0.00 %			Bank transfers or bank acceptance notes	9.65		
Shandong Zhongjin Lingnan Copper Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Sale of products	Market price	0.91	0.91	0.00 %	1,000	Not	Bank transfers or bank acceptance notes	0.91	27 February 2024	http://www.cninfo.com.cn
Total				--	--	5,200.47	--	14,600	--	--	--	--	--
Large-amount sales return in detail				None									
Give the actual situation in the Reporting Period (if any) where an estimate had been made for the total value of continuing related-party transactions by type to occur in the Reporting Period				The Company has compiled statistics on the total amount of routine related-party transactions in 2024 with Fenghua Advanced Technology and its subsidiaries, Guangsheng Real Estate and its subsidiaries, Guangsheng Group and its other subsidiaries, Huajian Group and its subsidiaries, Zhongjin Lingnan and its subsidiaries, and Youchang Company and its subsidiaries. For related-party procurement, the actual amount incurred in 2024 was RMB25,519,500, accounting for 58.60% of the estimated amount for the year. For related-party sales, the actual amount incurred in 2024 was RMB26,805,200, accounting for 26.02% of the estimated amount for the year.									
Reason for any significant difference between the transaction price and the market reference price (if applicable)				None									

2. Related-Party Transactions Regarding Purchase or Sales of Assets or Equity Interests

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

3. Related Transactions Regarding Joint Investments in Third Parties

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

4. Amounts Due to and from Related Parties

☒Applicable ☐ Not applicable

Non-operating amounts due to and from related parties or not

☐Yes ☒No

No such cases in the Reporting Period.

5. Transactions with Related Finance Companies

☒Applicable ☐ Not applicable

Deposit business:

Related party	Relationship with the Company	Daily maximum limits (RMB'0,000)	Interest rate range	Beginning balance (RMB'0,000)	Reporting Period		Ending balance (RMB'0,000)
					Total deposited in (RMB'0,000)	Total withdrawn (RMB'0,000)	
Guangdong Rising Finance Co., Ltd.	Controlled by the same controlling shareholder	150,000	0.2%-2.8%	117,915.42	731,230.59	700,929.48	148,216.53

Loan business:

None.

Credit or other financial business:

Related party	Relationship with the Company	Business type	Total amount (RMB'0,000)	Actual amount (RMB'0,000)
Guangdong Rising Finance Co., Ltd.	Controlled by the same controlling shareholder	Credit granting	200,000	

6. Transactions with Related Parties by Finance Company Controlled by the Company

☐Applicable ☒Not applicable

No finance company controlled by the Company was involved in making deposits, borrowing, credit granting or any other financial business with any related party.

7. Other Major Related-Party Transactions

☒Applicable ☐ Not applicable

Related party	Relationship with the Company	Type of transaction	Content	Pricing principle	Total value (RMB'0,000)	Method of settlement	Disclosure date	Disclosure index
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Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	1,243.93	Bank transfers or bank acceptance notes	9 July 2021, 17 August 2021 and 12 March 2022	http://www.cninfo.com.cn
Guangdong Yixin Changcheng Construction Group	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	392.37	Bank transfers or bank acceptance notes	6 May 2021 and 28 January 2022	http://www.cninfo.com.cn
Guangdong Zhongren Group Construction Co., Ltd	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	1,531.73	Bank transfers or bank acceptance notes	1 December 2020	http://www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)

Index to the current announcement about the said related-party transaction disclosed:

Title of announcement	Disclosure date	Disclosure website
Announcement on a Related-Party Transaction Due to a Call for Public Bids	1 December 2020	http://www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)
Announcement on a Related-Party Transaction Due to a Call for Public Bids	6 May 2021	http://www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	9 July 2021	http://www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	17 August 2021	http://www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	28 January 2022	http://www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	12 March 2022	http://www.cninfo.com.cn

XV Major Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

(2) Contracting

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

(3) Leases

☒Applicable ☐ Not applicable

Notes to leases

The significant lease matters of the Company during the reporting period are as follows:

Name of lessor	Name of lessee	Status of leased assets	Lease amount	Date of commencement of lease	Date of expiry of lease	Purpose
Guangdong Rising Holdings Group Co., Ltd.	FSL	54/F, Guangdong Rising International Tower	Rent-free period: Two months; from 10 November 2024 to 9 September 2026, the monthly rent is RMB293,144.02; from 10 September 2026 to 9 September 2027, the monthly rent is RMB307,801.22.	10 September 2024	9 September 2027	Office
Guangdong Rising Holdings Group Co., Ltd.	NationStar Optoelectronics	Self-numbered 01, 50/F, Guangdong Rising International Tower	RMB1,296,000.00 /year	10 September 2024	9 September 2027	Office

Lease items with a greater-than-10% impact on the Company's gross profit during the Reporting Period:

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

2. Major guarantees

☒Applicable ☐ Not applicable

Unit: RMB'0,000

Guarantees provided by the Company and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Total approved line for such guarantees at the end of the Reporting Period (A3)				Total actual balance of such guarantees at the end of the Reporting Period (A4)		0.00				
Guarantees provided by the Company as the parent for its subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Total approved line for such guarantees at the end of the Reporting Period (B3)				Total actual balance of such guarantees at the end of the Reporting Period		0.00				

				(B4)						
Guarantees provided between subsidiaries										
Obligor	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd.	2 March 2023 ,19 April 2024	6,350	21 June 2023	3,545.95	Mortgaged	Yes	None	25 April 2022 -31 December 2025	Not	Not
Chongqing Guinuo Lighting Technology Co., Ltd.	2 March 2023 ,19 April 2024	7,000	10 February 2023	3,964.62	Mortgaged	Yes	None	25 May 2023 - 24 May 2024; 21 May 2024 - 20 May 2025	Not	Not
Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd.	2 March 2023 ,19 April 2024	14,300	24 March 2023	4,547.00	Mortgaged	Yes	None	24 April 2022-31 December 2025	Not	Not
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	——	2,000	21 August 2023	1,721.96	Mortgaged	Yes	None	21 August 2023 - 20 August 2028	Not	Not
Total approved line for such guarantees in the Reporting Period (C1)		27,650		Total actual amount of such guarantees in the Reporting Period (C2)		13,779.53 （Note 1）				
Total approved line for such guarantees at the end of the Reporting Period (C3)		27,650		Total actual balance of such guarantees at the end of the Reporting Period (C4)		13,779.53				
Total guarantee amount (total of the three kinds of guarantees above)										

Total guarantee line approved in the Reporting Period (A1+B1+C1)	27,650	Total actual guarantee amount in the Reporting Period (A2+B2+C2)	13,779.53
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)	27,650	Total actual guarantee balance at the end of the Reporting Period (A4+B4+C4)	13,779.53
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets			2.10%

Compound guarantees:

None.

Note 1: The total actual amount of guarantees provided to subsidiaries during the Reporting Period (C2) includes the guarantees incurred by Hule Electrical Equipment prior to its acquisition by Hainan Technology in the current period.

Other notes: Chongqing Guinuo Lighting Technology Co., Ltd. (referred to as "Chongqing Guinuo"), Liuzhou Guige Foreshine Technology Co., Ltd. (referred to as "Liuzhou Foreshine"), and Liuzhou Guige Fuxuan Technology Co., Ltd. (referred to as "Liuzhou Lighting") are all wholly-owned subsidiaries of Nanning Liaowang Auto Lamp Co., Ltd. (referred to as "Liaowang Auto Lamp").

As of 31 December 2024, the details of the guarantees and specific collateral can be found in "Part X-XVI Commitments and Contingent Matters-3. Others" of this Report.

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

☒ Applicable ☐ Not applicable

Overview of cash entrusted for wealth management during the Reporting Period

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount	Provision for impairment on unrecovered overdue amount
Bank financial products	Self-funded	45,000	4,000	0	0
Others	Raised funds	59,900	59,900	0	0
Others	Self-funded	63,700	63,700	0	0
Trust wealth management products	Self-funded	150	150	0	0
Total		168,750	127,750	0	0

High-risk wealth management transactions with a significant single amount, or with low security and low liquidity:

☒ Applicable ☐ Not applicable

Unit: RMB'0,000

Trustee	Type of trustee	Type of wealth management product	Amount	Funding resources	Beginning date	Ending date	Use of principal	Determination of yield	Annualized yield rate for reference	Expected yield (if any)	Actual gain/loss in Reporting Period	Receipt/payment of such gain/loss	Allowance for impairment (if any)	Prescribed procedure executed or not	Plan for more transaction or not	Index to transaction summary and other information (if any)
Guangzhou Branch of China Everbright Bank	Bank	Large certificate of deposit	10,000	Self-funded	6 January 2023	6 January 2026	Other	Subject to actual investment period	3.30%	990	330.9	Pending recovery (frozen in 2024 due to litigation, unfrozen in March 2025)		Yes	In compliance with prescribed approval procedure	
Foshan Branch of Bank of Communications	Bank	Large certificate of deposit	5,000	Self-funded	31 August 2023	31 August 2026	Other	Subject to actual investment period	2.90%	435	147.42	To be recovered		Yes	In compliance with prescribed approval procedure	
Guangzhou Branch of China Everbright Bank	Bank	Large certificate of deposit	10,000	Self-funded	3 November 2023	3 November 2026	Other	Subject to actual investment period	2.90%	870	359.12	To be recovered		Yes	In compliance with prescribed approval procedure	
Foshan Hujing Sub-branch of Bank of Guangzhou	Bank	Large certificate of deposit	15,000	Self-funded	1 December 2023	1 December 2026	Other	Subject to actual investment period	2.95%	1,327.5	443.71	To be recovered		Yes	In compliance with prescribed approval procedure	
Foshan Hujing Sub-branch	Bank	Large certificate of deposit	21,200	Raised funds	5 February 2024	5 February 2027	Other	Subject to actual investment	2.75%	1,749	528.69	To be recovered		Yes	In compliance with	

Trustee	Type of trustee	Type of wealth management product	Amount	Funding resources	Beginning date	Ending date	Use of principal	Determination of yield	Annualized yield rate for reference	Expected yield (if any)	Actual gain/loss in Reporting Period	Receipt/payment of such gain/loss	Allowance for impairment (if any)	Prescribed procedure executed or not	Plan for more transaction or not	Index to transaction summary and other information (if any)
of Bank of Guangzhou								ment period							prescribed approval procedure	
Guangzhou Branch of China Everbright Bank	Bank	Large certificate of deposit	5,500	Raised funds	5 February 2024	5 February 2027	Other	Subject to actual investment period	2.60%	429	129.68	To be recovered		Yes	In compliance with prescribed approval procedure	
Huaxia Bank Foshan Branch	Bank	Large certificate of deposit	14,300	Raised funds	5 February 2024	5 February 2027	Other	Subject to actual investment period	2.60%	1,115.4	337.17	To be recovered		Yes	In compliance with prescribed approval procedure	
China Merchants Bank Foshan Branch	Bank	Large certificate of deposit	8,200	Raised funds	5 February 2024	5 February 2027	Other	Subject to actual investment period	2.60%	639.6	193.34	To be recovered		Yes	In compliance with prescribed approval procedure	
Huaxia Bank Foshan Branch	Bank	Large certificate of deposit	15,000	Self-funded	8 March 2024	8 March 2027	Other	Subject to actual investment period	2.60%	1,170	319.48	To be recovered		Yes	In compliance with prescribed approval procedure	
China	Bank	Large	3,5	Self-	29	29	Other	Subject	2.6	273	69.	To be		Yes	In	

Trustee	Type of trustee	Type of wealth management product	Amount	Funding resources	Beginning date	Ending date	Use of principal	Determination of yield	Annualized yield rate for reference	Expected yield (if any)	Actual gain/loss in Reporting Period	Receipt/payment of such gain/loss	Allowance for impairment (if any)	Prescribed procedure executed or not	Plan for more transaction or not	Index to transaction summary and other information (if any)
Merchants Bank Foshan Branch		certificate of deposit	00	funded	March 2024	March 2027		to actual investment period	0%		31	recovered			compliance with prescribed approval procedure	
China Merchants Bank Foshan Branch	Bank	Large certificate of deposit	3,000	Self-funded	30 April 2024	30 April 2027	Other	Subject to actual investment period	2.60%	234	40.39	To be recovered		Yes	In compliance with prescribed approval procedure	
Hangzhou Trust Co., Ltd.	Trust	Wealth management products	150	Self-funded	27 February 2024	27 February 2025	Other	Subject to actual investment period	3.60%	5.4	-1.46	To be recovered		Yes	In compliance with prescribed approval procedure	
Foshan Sub-branch of LUSO International Banking Ltd.	Bank	Structured deposit	4,000	Self-funded	18 November 2024	25 February 2025	Other	Subject to actual investment period	2.43%	26.73	10.95	To be recovered		Yes	In compliance with prescribed approval procedure	
Bank of Hainan	Bank	Term deposits	10,700	Raised funds	5 August 2024	5 February 2025	Other	Subject to actual investment period	2.65%	141.78	0	To be recovered		Yes	In compliance with prescribed approval	

Trustee	Type of trustee	Type of wealth management product	Amount	Funding resources	Beginning date	Ending date	Use of principal	Determination of yield	Annualized yield rate for reference	Expected yield (if any)	Actual gain/loss in Reporting Period	Receipt/payment of such gain/loss	Allowance for impairment (if any)	Prescribed procedure executed or not	Plan for more transaction or not	Index to transaction summary and other information (if any)
															procedure	
China Merchants Bank Haikou Guorui Branch	Bank	Term deposits	100	Self-funded	18 October 2024	18 October 2025	Other	Subject to actual investment period	1.55%	1.45	0	To be recovered		Yes	In compliance with prescribed approval procedure	
China Merchants Bank Foshan Branch	Bank	Term deposits	100	Self-funded	26 June 2024	26 June 2025	Other	Subject to actual investment period	1.45%	1.45	0	To be recovered		Yes	In compliance with prescribed approval procedure	

Guangdong Rising Finance Company	Other professional wealth management institutions	Term deposits	2,000	Self-funded	27 September 2024	30 March 2025	Other	Subject to actual investment period	2.00%	30	0	To be recovered	Yes	In compliance with prescribed approval procedure	http://www.cninfo.com.cn - <i>Announcement on the Continued Use of Own Funds for Entrusted Wealth Management</i> Announcement No. 2023-011; <i>Announcement on the Use of Part of the Idle Funds for Entrusted Wealth Management</i> Announcement No. 2024-017; <i>Announcement on the Use of Part of Idle Raised Funds for Cash Management</i> , Announcement No.: 2024-005.
Total			127.7	--	--	--	--	--	--	9,439.	2,908.	--	--	--	--

Trustee	Type of trustee	Type of wealth management product	Amount	Funding resources	Beginning date	Ending date	Use of principal	Determination of yield	Annualized yield rate for reference	Expected yield (if any)	Actual gain/loss in Reporting Period	Receipt/payment of such gain/loss	Allowance for impairment (if any)	Prescribed procedure executed or not	Plan for more transaction or not	Index to transaction summary and other information (if any)
			50							31	70					

Situation where the principal is expectedly irrecoverable or an impairment may be incurred:

☐Applicable ☒Not applicable

(2) Entrusted Loans

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

4. Other Significant Contracts

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

XVI Other Significant Events

☒Applicable ☐ Not applicable

1. Land Reserve for the Fenjiang North Road Plot

In February 2024, after review and approval by the Company's board of directors and shareholders' meeting, the Company officially signed the *State-owned Land Use Rights Reserve Agreement* with the Foshan Chancheng District Land Reserve Center and the Chancheng District Zumiao Subdistrict Office. After completing the preliminary land preparation work such as demolition of buildings in accordance with relevant laws, regulations, and policy stipulations, the company will proceed with the phased handover and accounting of the Fenjiang North Road plot over the course of three years. In September 2024, the Company completed the preliminary land preparation work for the Fenjiang North Road plot in accordance with relevant regulations, including the demolition of above-ground structures. The southern section of the Fenjiang North Road plot was handed over to the Land Reserve Center of Chancheng District, Foshan. On 28 September 2024, Chancheng Branch of the Foshan Bureau of Natural Resources publicly listed the southern section of the plot for transfer at the Chancheng Sub-Center of the Foshan Public Resources Trading Center. On 4 November 2024, Shenzhen China Overseas Investment Co., Ltd. and China State Construction International Investment Group Co., Ltd. successfully won the bid for the southern section of the Company's Fenjiang North Road plot. On 25 December 2024, the Company received the first installment of the compensation payment for the southern section of the Fenjiang North Road plot, totaling RMB381,779,100, from the Chancheng District Land Reserve Center of Foshan City. For detailed information, please refer to the announcements disclosed by the Company on 7 December 2023, 3 February 2024, 30 September 2024, 5 November 2024, and 26 December 2024 on the <http://www.cninfo.com.cn>, titled *Announcement on the Company's Asset Disposal and Signing of the Land Reserve Agreement*, *Progress Announcement on the Company's Asset Disposal and Signing of*

the Land Reserve Agreement, and Progress Announcement on the Company's Asset Disposal and Public Listing of Land for Sale.

2. Signed an Acquisition Intention Agreement with Yilai Smart

In October 2024, the Company signed an *Equity Acquisition Intention Agreement* with the controlling shareholders of Qingdao Yilai Smart Technology Co., Ltd. (hereinafter referred to as “Yilai Smart”), Jiang Zhaoning and Liu Daping. The Company intends to acquire more than 50% of the equity in Yilai Smart (the specific percentage and transferor will be determined through negotiation after due diligence, audit, and evaluation). Upon completion of the acquisition, the Company will become the controlling shareholder of Yilai Smart, and Yilai Smart will be included in the Company's consolidated financial statements. The equity acquisition is subject to the completion of comprehensive due diligence, audit and asset evaluation and further negotiation based on the relevant results. The final terms of this transaction are subject to the signing of the formal equity acquisition agreement, and there is uncertainty as to whether it can be reached in the end. For detailed information, please refer to the *Announcement on Signing the Equity Acquisition Intention Agreement* disclosed by the Company on 29 October 2024 on the <http://www.cninfo.com.cn>.

XVII Significant Events of Subsidiaries

☒Applicable ☐ Not applicable

1. Liaowang Auto Lamp Invests in the Establishment of a Wholly-owned Subsidiary and the Investment in the Automotive Lighting Production Construction Project

In September 2024, the Company held the 59th meeting of the 9th Board of Directors, where the *Proposal on the Investment by the Controlling Subsidiary to Establish a Wholly-owned Subsidiary and Invest in the Automotive Lighting Production Construction Project* was reviewed and approved. The proposal agreed that the Company's controlling subsidiary, Nanning Liaowang Auto Lamp Co., Ltd. (referred to as “Liaowang Auto Lamp”), would invest in the establishment of a wholly-owned subsidiary in Xiangcheng District, Suzhou, and invest approximately RMB58 million in the construction of an automotive lighting production base. This investment aims to optimize the industrial layout of Liaowang Auto Lamp, expand the production scale of automotive lighting products, accelerate the shift towards mid-to-high-end product markets, and enhance market competitiveness. For detailed information, please refer to the *Announcement on the Investment by the Controlling Subsidiary to Establish a Wholly-Owned Subsidiary and Invest in the Automotive Lighting Production Construction Project* disclosed by the Company on 28 September 2024 on the <http://www.cninfo.com.cn>.

2. Foshan (Hainan) Company Acquisition of Zhejiang Hule Electric Equipment Manufacture Co., Ltd. Project

After the relevant decision-making procedures were followed by the Company's wholly-owned subsidiary, Foshan Lighting (Hainan) Technology Co., Ltd. (referred to as “Hainan Technology”), and approved by the Company's General Manager's Office, Foshan Lighting (Hainan) Company signed a *Supplementary Agreement to the Equity Transfer Agreement* with the transferor in August 2024. Foshan Lighting (Hainan) Company acquired 66% of the equity in Zhejiang Hule Electric Equipment Manufacture Co., Ltd. (referred to as “Hule Electric Equipment”) in cash, making Hule Electric Equipment a controlling subsidiary of the Company.

3. Expropriation of Land and Above-ground Housing of Nanjing Fozhao

The Company held the 24th Meeting of the 9th Board of Directors on 15 December 2021, where the *Proposal on Expropriation of Land and Above-ground Housing of the Wholly-owned Subsidiary*

Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd. was deliberated and adopted. The Board of Directors agreed that Nanjing Lishui District People's Government expropriates the land use rights and above-land housing of Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd. (hereinafter referred to as "Nanjing Fozhao"), a wholly-owned subsidiary of the Company, at a compensation amount of RMB183,855,895.00, and Nanjing Fozhao signed an expropriation and compensation agreement with Lishui County House Dismantling, Moving & Resettling Development Co., Ltd., the implementing unit of the housing expropriation. As of 31 December 2023, Nanjing Fozhao has received 30% of the compensation, that is, RMB55.16 million, and the land use right certificate and house ownership certificate of the assets involved have been cancelled. As of the date of this Report, the site handover is still in progress. As of 7 January 2025, Lishui District Demolition and Resettlement Co., Ltd. of Nanjing had taken possession of all land and above-ground buildings of Nanjing Fozhao. As of the disclosure date of this report, both parties are still in negotiation regarding the performance of the contract and the payment of the remaining compensation. After the demolition work is completed, Nanjing Fozhao plans to carry out liquidation and cancellation.

Part VII Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the Reporting Period (+/-)					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
1. Restricted shares	197,537,241	12.75%				- 140,241,784	- 140,241,784	57,295,457	3.70%
1.1 Shares held by state	0	0.00%				0	0	0	0.00%
1.2 Shares held by state-owned legal persons	69,136,167	4.46%				- 22,440,271	- 22,440,271	46,695,896	3.02%
1.3 Shares held by other domestic investors	1,826,025	0.12%				-154,096	-154,096	1,671,929	0.11%
Among which: Shares held by domestic legal persons	1,338,434	0.09%				0	0	1,338,434	0.09%
Shares held by domestic natural persons	487,591	0.03%				-154,096	-154,096	333,495	0.02%
1.4 Shares held by foreign investors	24,481,196	1.58%				- 15,553,564	- 15,553,564	8,927,632	0.58%
Among which: Shares held by foreign legal persons	11,604,094	0.75%				- 11,604,094	- 11,604,094	0	0.00%
Shares held by foreign natural	12,877,102	0.83%				-3,949,470	-3,949,470	8,927,632	0.58%

persons									
5. Funds, wealth management products, etc.	102,093,853	6.59%				- 102,093,853	- 102,093,853	0	0.00%
2. Unrestricted shares	1,351,240,989	87.25%				140,241,784	140,241,784	1,491,482,773	96.30%
2.1 RMB-denominated ordinary shares	1,056,501,050	68.22%				140,236,117	140,236,117	1,196,737,167	77.27%
2.2 Domestically listed foreign shares	294,739,939	19.03%				5,667	5,667	294,745,606	19.03%
2.3 Overseas listed foreign shares	0	0.00%				0	0	0	0.00%
4. Other	0	0.00%				0	0	0	0.00%
3. Total shares	1,548,778,230	100.00%				0	0	1,548,778,230	100.00%

Reasons for share changes:

☒Applicable ☐ Not applicable

1. In 2023, in accordance with the *Reply on the Approval of the Registration of Foshan Electrical and Lighting Co., Ltd. for the Issue of Shares to Specific Objects* (ZJXK [2023] No. 1974) issued by the CSRC, the Company issued 186,783,583 RMB-denominated ordinary shares (A shares) to 13 specific objects including Rising Holdings Group, the Company's de facto controller, and such shares were listed on the SZSE on 4 December 2023. On 4 June 2024, the 140,087,688 restricted shares subscribed by 12 subscribers in this issue were relieved. For details, please refer to the *Indicative Announcement on the Trading on the Market of Restricted Shares Issued to Specific Objects That Have Been Relieved* disclosed on 29 May 2024 on <http://www.cninfo.com.cn>.

2. Due to the resignation of directors and senior management, in accordance with relevant regulations, an additional 154,096 unrestricted shares were issued.

Approval of share changes:

☒Applicable ☐ Not applicable

During the Reporting Period, the application for the relief of the 140,087,688 restricted shares subscribed by 12 specific objects, which were issued by the Company in 2023, and their change to unrestricted shares was approved by the SZSE and China Securities Depository and Clearing Corporation Limited (CSDC).

Transfer of share ownership:

☐Applicable ☒Not applicable

Effects of share changes on the basic earnings per share (EPS) and diluted earnings per share, equity

per share attributable to the Company's ordinary shareholders and other financial indicators of the prior year and the prior accounting period, respectively:

☐Applicable ☒Not applicable

Other information that the Company considers necessary or is required by the securities regulator to be disclosed:

☐Applicable ☒Not applicable

2. Changes in Restricted Shares

☒Applicable ☐ Not applicable

Unit: share

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares increased of the period	Restricted shares relieved of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
Nuode Asset Management Co., Ltd.	33,373,720	0	33,373,720	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Caitong Fund Management Co., Ltd.	44,658,703	0	44,658,703	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
CSC Financial Co., Ltd.	8,788,395	0	8,788,395	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
UBS AG	6,484,641	0	6,484,641	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares increased of the period	Restricted shares relieved of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
Morgan Stanley & Co. International plc	5,119,453	0	5,119,453	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
CITIC Securities Co., Ltd.	5,119,453	0	5,119,453	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Guangdong Rongchuang Lingyue Intelligent Manufacturing and Information Technology Industry Equity Investment Fund Partnership (Limited Partnership)	5,119,453	0	5,119,453	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Changsha Lugu Capital Management Co., Ltd.	8,532,423	0	8,532,423	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Huatai Asset Management Co., Ltd. - Huatai Youyi Equity-Specific Pension Product	5,119,453	0	5,119,453	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Sichuan Pu Xin Chan Rong Investment Co., Ltd.	5,119,453	0	5,119,453	0	Restricted shares after the initial offering; subscription for	4 June 2024

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares increased of the period	Restricted shares relieved of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
					the Company's A-share issuance to specific objects in 2023	
Horizon Asset Management Co., Ltd.	8,703,071	0	8,703,071	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Wu Xiaochun	3,949,470	0	3,949,470	0	Restricted shares after the initial offering; subscription for the Company's A-share issuance to specific objects in 2023	4 June 2024
Wei Bin	78,919	26,307	105,226	0	Restricted sale due to separation of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Jiao Zhigang	67,799	22,600	90,399	0	Restricted sale due to separation of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Cheng Ke	8,662	2,888	11,550	0	Restricted sale due to separation of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Xu Xiaoping	27,952	9,318	37,270	0	Restricted sale	Relief of

Name of the shareholders	Restricted shares amount at the period-begin	Restricted shares increased of the period	Restricted shares relieved of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
					due separation to directors, supervisors and senior management	restricted shares in accordance with rules on restricted shares for senior management
Ye Zhenghong	58,171	19,390	0	77,561	Restricted sale due to separation of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Lin Qing	16,937	5,646	0	22,583	Restricted sale due to separation of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Wang Ye	0	4,200	0	4,200	Management restricted shares	Relief of restricted shares in accordance with rules on restricted shares for senior management
Total	140,346,128	90,349	140,332,133	104,344	--	--

II. Issuance and Listing of Securities

1. Securities (Exclusive of Preferred Shares) Issued in the Reporting Period

☐Applicable ☒Not applicable

2. Changes to Total Shares, Shareholder Structure and Asset and Liability Structures

☐Applicable ☒Not applicable

3. Existing Staff-Held Shares

☐Applicable ☒Not applicable

III Shareholders and Actual Controller**1. Shareholders and Their Shareholdings at the Period-End**

Unit: share

Number of ordinary shareholders	73,807	Number of ordinary shareholders at the month-end prior to the disclosure of this Report	107,419	Number of preferred shareholders with resumed voting rights (if any) (see Note 8)	0	Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any) (see Note 8)	0	
5% or greater shareholders or top 10 shareholders (exclusive of shares lent in refinancing)								
Name of the shareholders	Nature of shareholder	Shareholding percentage (%)	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge, marked or frozen	
							Status	Shares
Hongkong Wah Shing Holding Company Limited	Foreign legal person	12.74%	197,338,980	8842550	0	197,338,980	N/A	0
Prosperity Lamps & Components Limited	Foreign legal person	9.49%	146,934,857	0	0	146,934,857	N/A	0
Guangdong Electronics Information Industry Group Ltd.	State-owned legal person	8.54%	132,194,246	9500000	0	132,194,246	N/A	0
Guangdong Rising Holdings Group Co., Ltd.	State-owned legal person	8.38%	129,826,793	0	46,695,895	83,130,898	N/A	0
Guozheng International Securities (Hong Kong) Co., Ltd. (formerly known as Anxin International Securities (Hong Kong) Co., Ltd.)	Foreign legal person	2.27%	35,142,601	-3083923	0	35,142,601	N/A	0
Central Huijin Asset Manageme	State-owned legal person	2.14%	33,161,800	0	0	33,161,800	N/A	0

nt Co., Ltd.								
Rising Investment Development Limited	Foreign legal person	1.65%	25,482,252	0	0	25,482,252	N/A	0
Zhang Shaowu	Domestic natural person	1.10%	17,000,000	5300000	0	17,000,000	N/A	0
Zhuang Jianyi	Overseas natural person	0.77%	11,903,509	0	8,927,632	2,975,877	N/A	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	0.62%	9,660,977	-20706829	0	9,660,977	N/A	0
Strategic investors or general corporations becoming top-ten shareholders due to placing of new shares (if any) (see Note 3)	None							
Related or acting-in-concert parties among the shareholders above	Among the top 10 shareholders of the Company, Hongkong Wah Shing Holding Company Limited, Guangdong Electronics Information Industry Group Ltd., Guangdong Rising Holdings Group Co., Ltd., and Rising Investment Development Limited are considered concerted parties. Prosperity Lamps & Components Limited and Zhuang Jianyi have a related-party relationship and are also considered concerted parties. Apart from the above, it is unknown whether there are any related-party relationships or whether any other shareholders constitute concerted parties as defined by the Measures for the Administration of the Acquisition of Listed Companies.							
Above shareholders involved in entrusting/being entrusted with voting rights and giving up voting rights	None							
Special account for share repurchases (if any) among the top ten shareholders (see Note 10)	As of the end of this reporting period, the Company’s repurchase account holds 13,000,000 A-shares of the Company, accounting for 0.84% of the total share capital.							
Shareholdings of top ten unlimited shareholders (excluding shares lent trough refinancing and management lock-up shares)								
Name of the shareholders	Unrestricted shares at the Period-end					Type of shares		
						Type of shares	Shares	
Hongkong Wah Shing Holding Company Limited	197,338,980					RMB-denominated ordinary stock	197,338,980	
Prosperity Lamps & Components Limited	146,934,857					RMB-denominated ordinary stock	146,934,857	
Guangdong Electronics Information Industry Group Ltd.	132,194,246					RMB-denominated ordinary	132,194,246	

		stock	
Guangdong Rising Holdings Group Co., Ltd.	83,130,898	RMB-denominated ordinary stock	83,130,898
Guozheng International Securities (Hong Kong) Co., Ltd. (formerly known as Anxin International Securities (Hong Kong) Co., Ltd.)	35,142,601	Domestically listed foreign stock	35,142,601
Central Huijin Asset Management Co., Ltd.	33,161,800	RMB-denominated ordinary stock	33,161,800
Rising Investment Development Limited	25,482,252	Domestically listed foreign stock	25,482,252
Zhang Shaowu	17,000,000	RMB-denominated ordinary stock	17,000,000
Hong Kong Securities Clearing Company Limited	9,660,977	RMB-denominated ordinary stock	9,660,977
China Merchants Securities (Hong Kong) Co., Ltd	8,767,891	Domestically listed foreign stock	8,767,891
Related or acting-in-concert parties among the top ten unrestricted ordinary shareholders, as well as between the top ten unrestricted ordinary shareholders and the top ten ordinary shareholders	Among the top ten unrestricted tradable shareholders of the Company, Hongkong Wah Shing Holding Company Limited, Guangdong Electronics Information Industry Group Ltd., Guangdong Rising Holdings Group Co., Ltd., and Rising Investment Development Limited are considered concerted parties. Apart from the above, it is unknown whether there are any related-party relationships or whether any other shareholders constitute concerted parties as defined by the <i>Measures for the Administration of the Acquisition of Listed Companies</i> .		
Top ten ordinary shareholders involved in securities margin trading (if any) (see Note 4)	None		

Participation of shareholders with a shareholding bigger than 5%, the top ten shareholders, and the top ten shareholders of non-restricted tradable shares in the lending of shares through refinancing

☐Applicable ☒Not applicable

Changes in the top ten shareholders and the top ten shareholders of non-restricted tradable shares from the previous Period due to lending/return through refinancing

☐Applicable ☒Not applicable

Indicate by tick mark whether any of the top ten ordinary shareholders or the top ten unrestricted

ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

☐Yes ☒No

No such cases in the Reporting Period.

2. Controlling Shareholder

Nature of the controlling shareholder: Controlled by a local state-owned legal person

Type of the controlling shareholder: legal person

Name of controlling shareholder	Legal representative/person in charge	Date of establishment	Unified social credit code	Principal activity
Guangdong Rising Holdings Group Co., Ltd.	Lyu Yongzhong	23 December 1992	91440000719283849E	Asset management and operation, equity management and operation, investment operation, and management and re-investment of investment earnings; other business authorized by the state-owned assets administration of the Guangdong Province; contractor service for overseas projects and domestic projects calling for international bids, contractor service for survey, consulting, design and supervision of the aforesaid overseas projects, export of equipment and materials for the aforesaid overseas projects, and dispatch of contract workers for the aforesaid overseas projects; property rental service; and exploitation, sale and deep processing of rare earth (operated by the branches with the relevant licenses). (Operating activities that require approval in accordance with laws shall be subject to approval by relevant authorities.)
Guangdong Electronics Information Industry Group Ltd.	Wang Jia	19 October 2000	91440000725458764N	Development, production and sale of electronics, IT products and electrical appliances, operation of electronic information networks and computers, electronic computer technology service, and

Name of controlling shareholder	Legal representative/person in charge	Date of establishment	Unified social credit code	Principal activity
				equipment and venue rental service; sale of electronic computers and fittings, electronic components, electron devices, and electrical machinery and equipment; wholesale of coal; energy performance contracting service, development and consulting service of energy-saving technology, and manufacture and installation of energy-saving equipment; parking lot operation (188 Yueken Road, Tianhe District, Guangzhou, Guangdong Province, P.R.China); import and export of goods; and training of professional and technical personnel (Limited to branch operation); .technical services. (Operating activities that require approval in accordance with laws shall be subject to approval by relevant authorities.)
Shareholdings of controlling shareholder in other listed companies at home or abroad in reporting period	<p>At the end of the Reporting Period, Guangdong Rising Holdings Group Co., Ltd. and its parties acting in concert. directly or indirectly held the following stakes in other listed companies at home or abroad:</p> <ol style="list-style-type: none"> 1. a 35.72% stake of 1,335,060,698 shares in Zhongjin Lingnan Nonfemet (stock code: 000060); 2. a 26.37% stake of 291,458,228 A shares and H shares in Dongjiang Environment (stock code: 002672); 3. a 23.59% stake of 272,894,617 shares in Fenghua Advanced (stock code: 000636); 4. a 2.06% stake of 6,946,167 shares in Rising Nonferrous (stock code: 600259); 5. For holdings in China Telecom (A+H shares), please refer to the data disclosed in China Telecom's 2024 annual report. 			

Change of the controlling shareholder in the Reporting Period:

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

3. Actual Controller and Its Acting-in-Concert Parties

Nature of the actual controller: Local institution for state-owned assets management

Type of the actual controller: Legal person

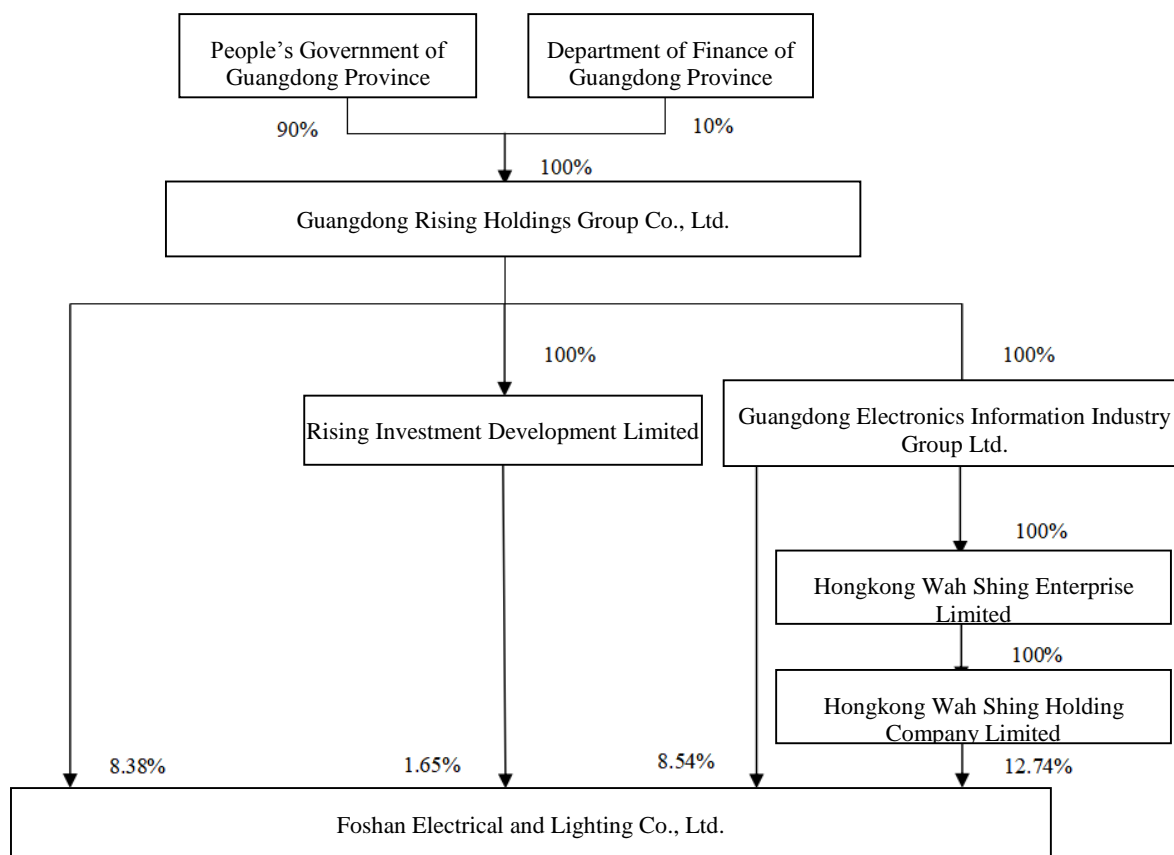
Name of actual controller	Legal representative/person in charge	Date of establishment	Unified social credit code	Principal activity
Guangdong Rising Holdings Group Co., Ltd.	Lyu Yongzhong	23 December 1992	91440000719283849E	Asset management and operation, equity management and operation, investment operation, and management and re-investment of investment earnings; other business authorized by the state-owned assets administration of the Guangdong Province; contractor service for overseas projects and domestic projects calling for international bids, contractor service for survey, consulting, design and supervision of the aforesaid overseas projects, export of equipment and materials for the aforesaid overseas projects, and dispatch of contract workers for the aforesaid overseas projects; property rental service; and exploitation, sale and deep processing of rare earth (operated by the branches with the relevant licenses). (Operating activities that require approval in accordance with laws shall be subject to approval by relevant authorities.)
Shareholdings of the actual controller in other listed companies at home or abroad in this Reporting Period	<p>At the end of the Reporting Period, Guangdong Rising Holdings Group Co., Ltd. and its parties acting in concert, directly or indirectly held the following stakes in other listed companies at home or abroad:</p> <ol style="list-style-type: none"> 1. a 35.72% stake of 1,335,060,698 shares in Zhongjin Lingnan Nonfemet (stock code: 000060); 2. a 26.37% stake of 291,458,228 A shares and H shares in Dongjiang Environment (stock code: 002672); 3. a 23.59% stake of 272,894,617 shares in Fenghua Advanced (stock code: 000636); 4. a 2.06% stake of 6,946,167 shares in Rising Nonferrous (stock code: 600259); 5. For holdings in China Telecom (A+H shares), please refer to the data disclosed in China Telecom's 2024 annual report. 			

Change of the actual controller during the Reporting Period:

☐Applicable ☒Not applicable

No such cases in the Reporting Period.

Ownership and control relations between the actual controller and the Company:



Indicate by tick mark whether the actual controller controls the Company via trust or other ways of asset management.

☐Applicable ☒Not applicable

4. Number of Accumulative Pledged Shares held by the Company's Controlling Shareholder or the Largest Shareholder as well as Its Acting-in-Concert Parties Accounts for 80% of all shares of the Company held by Them

☐Applicable ☒Not applicable

5. Other 10% or Greater Corporate Shareholders

☐Applicable ☒Not applicable

6. Limitations on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers

☒Applicable ☐Not applicable

(1) During the Reporting Period, in accordance with the *Reply on the Approval of the Registration of Foshan Electrical and Lighting Co., Ltd. for the Issue of Shares to Specific Objects* (ZJXK [2023] No. 1974) issued by the CSRC, the Company issued 186,783,583 A shares to 13 specific objects, of

which Rising Holdings Group, the Company's de facto controller, subscribed for 46,695,895 A shares by way of cash. The shares subscribed by Rising Holdings Group shall not be transferred within 18 months from the date of closing of the issue, and the shares subscribed by other investors shall not be transferred within six months from the date of listing. In June 2024, the lock-up restrictions on 12 shareholders, excluding Rising Holdings Group, were lifted.

(2) In June 2024, one of the Company's controlling shareholders and concerted parties, Electronics Group and Hongkong Wah Shing, plan to increase their holdings in the Company's stock within six months starting from June 2024. They have also committed not to reduce their holdings in the Company's shares during the acquisition period and the statutory period. As at November 2024, the above-mentioned share acquisition plan has been completed, and Electronics Group and Hongkong Wah Shing have not reduced their holdings in Foshan Lighting shares.

(3) In November 2024, one of the Company's controlling shareholders and concerted parties, Electronics Group, plans to increase its holdings in the Company's stock within six months starting from November 2024. They have also committed not to reduce their holdings in the Company's shares during the acquisition period and the statutory period.

IV Specific Implementation of Share Repurchases in the Reporting Period

Progress on any share repurchases

☐Applicable ☒Not applicable

Progress on reducing the repurchased shares by means of centralized bidding:

☐Applicable ☒Not applicable

Part VIII Preference Shares

☐Applicable ☒Not applicable

No preference shares in the Reporting Period.

Part IX Corporate Bonds

☐Applicable ☒Not applicable

Part X Financial Statements

I Auditor's Report

Type of the independent auditor's opinion	Unmodified unqualified opinion
Date of signing this Report	23 April 2025
Name of the independent auditor	WUYIGE Certified Public Accountants LLP
No. of independent Auditor's Report	WUYIGE Auditor's Report [2025] No. 22-00044
Names of certified public accountants	He Xiaojuan and Wang Xiaohan

Independent Auditor's Report

To the Shareholders of Foshan Electrical and Lighting Co., Ltd.

I Opinion

We have audited the financial statements of Foshan Electrical and Lighting Co., Ltd. (the "Company"), which comprise the consolidated balance sheets and balance sheet of the Company as the parent as of 31 December 2024, the consolidated income statement and income statement of the Company as the parent, consolidated cash flow statement and cash flows statement of the Company as the parent and consolidated statement of changes in owners' equity and statement of changes in owners' equity of the Company as the parent for the year then ended, as well as the notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated and parent company financial position of the Company at 31 December 2024, and the consolidated and the company as the parent operating results and cash flows for the year then ended, in conformity with the Chinese Accounting Standards (CAS).

II Basis for Opinion

We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(I). Revenue recognition

1. Description

As stated in the Notes to the Financial Statements "V. (37) Revenue" and "VII. (61) Operating Revenue and Operating Costs", the Company's operating revenue for 2024 was RMB9,048,237,647.14, of which the main business revenue was RMB8,802,435,475.94, accounting for 97.28% of the total operating revenue. Due to the significance of the main business revenue and

its role as a key performance indicator, there is an inherent risk that management may manipulate revenue recognition to achieve specific targets or expectations. Therefore, we consider revenue recognition as a key audit matter.

2. Response to auditing

- (1) Understanding and evaluating the design of internal control related to revenue recognition, and testing the effectiveness of relevant internal control.
- (2) Checking whether the revenue recognition policy is in line with the requirements of the Accounting Standards for Business Enterprises and is consistently applied.
- (3) Selecting the revenue transactions recorded of this year to check invoices, sales contracts, outbound orders, customer receipt records and export documents, and assess whether the relevant revenue recognition conforms to the accounting policies of the Company for revenue recognition.
- (4) Selecting the revenue transactions recorded of this year to carry out independent confirmation procedures and confirm the authenticity of revenue.
- (5) Inquiring about the industrial and commercial registration information of major customers through public channels, so as to ensure that major customers operate normally and their business scope conforms to the nature of the Company's downstream customers.
- (6) Implementing analysis procedures for operating revenue, including analysing the annual and monthly revenue of major products, changes in major customers, changes in sales prices and gross profit margins of major products, and judging the rationality of changes in annual revenue and gross profit margins of this year.
- (7) Selecting the revenue transactions recorded around the balance sheet date, checking the outbound order, customer receipt records and other supporting documents to assess whether the revenue is recorded in the appropriate accounting period.

(II). Provision for bad debt of accounts receivable

1. Description

As stated in the Notes to the Financial Statements “V. (13) Accounts Receivable” and “VII. (5) Accounts Receivable”, as at December 31, 2024, the book balance of accounts receivable in your company's consolidated financial statement was RMB 2,310,731,844.60, and the balance of bad debt provision was RMB 185,064,552.64. Determining the recoverability of accounts receivable requires management to identify impaired items and objective evidence, assess the expected future cash flows that can be obtained, and determine their present value, involving significant accounting estimates and judgments by management. As the impairment of expected credit losses of accounts receivable is significant to the financial statements, we consider the impairment of accounts receivable a key audit matter.

2. Audit response

- (1) Evaluated and tested the design and operating effectiveness of internal controls related to credit policies and receivables management.
- (2) Analysed the reasonableness of the accounting estimates for the provision for bad debts in respect of accounts receivable, including the basis for determining the group of accounts receivable, the judgment of materiality of amounts, the separate provision for bad debts, and the judgment of expected credit loss rates.

(3) Analysed and calculated the ratio between the amount of provision for bad debts and the balance of accounts receivable at the balance sheet date, compared the provision for bad debts with the actual amount incurred in prior periods, and analysed the adequacy of the provision for bad debts for accounts receivable.

(4) Obtained the table of the provisions for bad debts and checked whether the provision making method is implemented in accordance with the bad debts policy and whether the recalculation of the amount of provision for bad debts is accurate.

(5) Evaluated the reasonableness of the provision for bad debts for accounts receivable by analysing the aging of the accounts receivable and the creditworthiness of the customers, and by performing correspondence procedures for accounts receivable and checking the post-period recovery.

iii. Goodwill impairment tests

1. Description

On 28 February 2022, the Company acquired a 21.48% equity interest in Foshan NationStar Optoelectronics Co., Ltd. (hereinafter "NationStar Optoelectronics"), resulting in goodwill of RMB405,620,123.64. The goodwill of NationStar Optoelectronics has a significant impact on its financial statements. As at 31 December 2024, a goodwill impairment provision of RMB142,393,052.68 had been made. As the goodwill of NationStar Optoelectronics has a significant impact on the financial statements, and during goodwill impairment testing, your management made reasonable judgements and identifies indications of impairment based on both internal and external information, the calculation of recoverable amounts upon the occurrence of impairment indicators and at each year-end impairment test relies heavily on management's estimates and assumptions. These estimates involve uncertainties and may be significantly influenced by the Management's judgments about future markets and economic environments. Different estimates and assumptions adopted significantly influence the recoverable value of the goodwill appraised. As goodwill impairment testing involves significant judgments and estimates made by the Management, it is considered a key audit matter.

2. Audit response

(1) Understanding, evaluating and testing the Company's key internal controls related to goodwill impairment testing.

(2) For goodwill arising from a business combination, understanding the achievement of performance forecasts for the acquired company.

(3) Discussing with the management the methodology of goodwill impairment testing, including the asset group or combination of asset groups related to goodwill, the reasonableness of assumptions such as fair value, future earnings projections and discounted cash flow rates for each asset group or combination of asset groups and the judgment and assessment of the fair value or profitability of each asset group or combination of asset groups.

(4) Evaluating the competency, professional quality and objectivity of the external valuation experts engaged by management.

(5) Discussing with the external valuation experts engaged by the management to understand the reasonableness of key assumptions used in the impairment test.

(6) Where necessary, with the assistance of internal valuation experts, evaluate the reasonableness of the type of value, valuation methodology and valuation parameters, such as the discount rate, of the asset valuation reports issued by external valuation experts.

IV Other Information

The Company's management is responsible for the other information. The other information comprises all of the information included in the Company's 2024 Annual Report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V Responsibilities of Management and Those Charged with Governance for Financial Statements

The Company's management is responsible for the preparation of the financial statements that give a fair view in accordance with CAS, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

VI Auditor's Responsibilities for Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

(2) Understand the internal controls relevant to the audit in order to design appropriate audit procedures;

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;

(4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, Also, based on the audit evidence, we will draw a conclusion as to whether there is a material uncertainty about the matters or circumstances that may cast significant doubt about the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by CAS to draw users' attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, we should express modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company regarding the planned scope and timing of the audit and significant audit findings, including any noteworthy deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards (if applicable).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

WUYIGE Certified Public Accountants LLP

China Certified Public Accountant: He Xiaojuan

(Project Partner)

China · Beijing

China Certified Public Accountant: Wang Xiaohan

23 April 2025

II Financial Statements

Currency unit for the financial statements and the notes thereto: RMB

1. Consolidated Balance Sheet

Prepared by Foshan Electrical and Lighting Co., Ltd.

31 December 2024

Unit: RMB

Item	31 December 2024	1 January 2024
Current assets:		
Monetary assets	3,209,127,437.31	3,596,049,654.55
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	43,649,820.47	152,529,775.41
Derivative financial assets		
Notes receivable	997,281,070.21	1,057,352,267.60
Accounts receivable	2,125,667,291.96	2,093,499,280.40
Accounts receivable financing	352,694,866.89	443,201,960.02
Prepayments	24,419,779.12	34,508,638.92
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	70,524,265.25	49,108,300.85
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	2,025,499,361.38	1,971,171,641.14
Including: Data resources		
Contract assets	1,690,021.95	4,252,013.94
Assets held for sale	17,147,339.84	17,147,339.84
Current portion of non-current assets		
Other current assets	261,284,776.85	109,292,399.14
Total current assets	9,128,986,031.23	9,528,113,271.81
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations	1,140,022,863.72	454,822,905.25
Long-term receivables		
Long-term equity investments	180,300,594.89	179,188,555.15
Investments in other equity instruments	726,663,613.42	699,762,746.35
Other non-current financial assets		
Investment property	793,487,046.02	163,636,347.41
Fixed assets	3,646,594,206.04	3,453,214,586.47
Construction in progress	263,601,705.89	1,174,533,505.11
Productive living assets		
Oil and gas assets		
Right-of-use assets	22,342,999.34	8,812,320.64
Intangible assets	388,587,348.99	434,549,913.99
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill	279,438,540.78	421,831,593.46

Item	31 December 2024	1 January 2024
Long-term prepaid expense	253,024,495.82	190,362,699.25
Deferred income tax assets	135,948,224.91	106,283,766.95
Other non-current assets	200,765,785.59	119,327,703.18
Total non-current assets	8,030,777,425.41	7,406,326,643.21
Total assets	17,159,763,456.64	16,934,439,915.02
Current liabilities:		
Short-term borrowings	307,141,147.49	220,019,877.73
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities	275,250.00	
Derivative financial liabilities		
Notes payable	1,930,784,817.62	2,271,174,787.69
Accounts payable	2,781,965,096.70	2,875,980,206.64
Advances from customers	13,531,474.15	466,872.69
Contract liabilities	119,506,301.48	235,335,693.28
Financial assets sold under repurchase agreements		
Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Employee benefits payable	214,651,088.46	193,830,812.66
Taxes payable	107,085,160.39	42,940,157.30
Other payables	495,717,050.97	362,491,923.01
Including: Interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	120,574,788.81	343,914,214.45
Other current liabilities	377,156,212.40	95,008,427.01
Total current liabilities	6,468,388,388.47	6,641,162,972.46
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	222,581,930.54	253,093,421.29
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	15,023,993.11	4,310,967.92
Long-term payables		
Long-term employee benefits payable		
Provisions	27,430,683.82	14,277,087.30
Deferred income	73,739,179.94	75,185,461.27
Deferred income tax liabilities	185,921,269.29	174,806,746.25
Other non-current liabilities	177,917.63	205,769.48
Total non-current liabilities	524,874,974.33	521,879,453.51
Total liabilities	6,993,263,362.80	7,163,042,425.97
Owners' equity:		
Share capital	1,548,778,230.00	1,548,778,230.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	914,336,325.66	914,336,325.66
Less: Treasury stock	82,165,144.15	82,165,144.15

Item	31 December 2024	1 January 2024
Other comprehensive income	383,429,155.02	360,027,027.59
Specific reserve	4,782,061.20	1,213,325.92
Surplus reserves	150,097,522.97	107,944,679.06
General reserve		
Retained earnings	3,655,046,154.57	3,435,308,364.11
Total equity attributable to owners of the Company as the parent	6,574,304,305.27	6,285,442,808.19
Non-controlling interests	3,592,195,788.57	3,485,954,680.86
Total owners' equity	10,166,500,093.84	9,771,397,489.05
Total liabilities and owners' equity	17,159,763,456.64	16,934,439,915.02

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	31 December 2024	1 January 2024
Current assets:		
Monetary assets	1,260,985,441.29	1,756,256,289.35
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	71,832,245.04	90,413,382.59
Accounts receivable	745,257,268.31	840,003,427.41
Accounts receivable financing	67,526,522.26	105,327,382.82
Prepayments	71,078,813.72	7,334,575.29
Other receivables	944,184,445.88	558,342,534.44
Including: Interest receivable		
Dividends receivable		
Inventories	268,069,616.21	462,793,053.42
Including: Data resources		
Contract assets	1,690,021.95	4,252,013.94
Assets held for sale		
Current portion of non-current assets		
Other current assets	861,413.93	8,244,786.97
Total current assets	3,431,485,788.59	3,832,967,446.23
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations	1,047,759,858.61	454,822,905.25
Long-term receivables		
Long-term equity investments	2,434,177,186.55	2,502,623,981.06
Investments in other equity instruments	687,581,069.62	659,684,177.55
Other non-current financial assets		
Investment property	202,079,386.31	47,163,026.83
Fixed assets	599,351,996.15	651,197,430.25
Construction in progress	5,884,955.59	205,106,029.03
Productive living assets		
Oil and gas assets		
Right-of-use assets	8,720,969.67	5,082,521.44
Intangible assets	57,347,999.70	93,932,977.96
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill		
Long-term prepaid expense	35,546,452.07	29,727,301.65

Item	31 December 2024	1 January 2024
Deferred income tax assets	38,910,990.65	36,285,162.26
Other non-current assets	120,611,200.89	48,331,060.62
Total non-current assets	5,237,972,065.81	4,733,956,573.90
Total assets	8,669,457,854.40	8,566,924,020.13
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities	275,250.00	
Derivative financial liabilities		
Notes payable	864,782,508.32	982,735,414.37
Accounts payable	860,893,918.87	977,444,406.30
Advances from customers	13,367,850.30	
Contract liabilities	58,018,288.88	145,086,858.16
Employee benefits payable	57,145,931.55	64,958,645.43
Taxes payable	75,527,406.17	20,946,142.07
Other payables	445,875,922.06	324,137,191.03
Including: Interest payable		
Dividends payable		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	3,581,230.44	1,377,403.64
Other current liabilities	50,682,086.68	82,802,283.98
Total current liabilities	2,430,150,393.27	2,599,488,344.98
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	5,516,409.11	3,705,117.80
Long-term payables		
Long-term employee benefits payable		
Provisions	2,110,312.84	
Deferred income		
Deferred income tax liabilities	68,096,992.10	63,366,691.06
Other non-current liabilities		
Total non-current liabilities	75,723,714.05	67,071,808.86
Total liabilities	2,505,874,107.32	2,666,560,153.84
Owners' equity:		
Share capital	1,548,778,230.00	1,548,778,230.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	909,058,541.44	909,058,541.44
Less: Treasury stock	82,165,144.15	82,165,144.15
Other comprehensive income	383,570,431.32	359,858,073.06
Specific reserve	3,170,252.81	897,781.74
Surplus reserves	381,401,592.21	339,248,748.30
Retained earnings	3,019,769,843.45	2,824,687,635.90
Total owners' equity	6,163,583,747.08	5,900,363,866.29
Total liabilities and owners' equity	8,669,457,854.40	8,566,924,020.13

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

3. Consolidated Income Statement

Unit: RMB

Item	2024	2023
1. Revenue	9,048,237,647.14	9,057,292,003.90
Including: Operating revenue	9,048,237,647.14	9,057,292,003.90
Interest revenue		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	8,774,598,215.99	8,639,746,992.68
Including: Cost of sales	7,367,550,901.49	7,370,742,684.63
Interest costs		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	79,762,647.52	72,268,419.87
Selling expense	349,356,200.73	315,111,171.93
Administrative expense	484,757,347.38	430,544,371.96
R&D expense	548,670,366.07	483,579,093.81
Finance costs	-55,499,247.20	-32,498,749.52
Including: Interest expense	21,576,958.65	24,128,844.17
Interest revenue	51,401,372.58	47,710,201.22
Add: Other income	111,434,984.12	90,204,646.62
Return on investment (“-” for loss)	65,850,578.68	14,598,948.35
Including: Share of profit or loss of joint ventures and associates	1,112,039.74	1,833,621.59
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Exchange gain (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on fair value changes (“-” for loss)	-713,704.94	1,129,444.26
Credit impairment loss (“-” for loss)	-29,684,596.41	-52,131,054.21
Asset impairment loss (“-” for loss)	-207,929,562.68	-81,268,657.36
Asset disposal income (“-” for loss)	374,492,447.01	12,719,324.89
3. Operating profit (“-” for loss)	587,089,576.93	402,797,663.77
Add: Non-operating income	18,436,172.78	9,540,666.39
Less: Non-operating expense	4,576,737.83	6,538,763.70
4. Profit before tax (“-” for loss)	600,949,011.88	405,799,566.46
Less: Income tax expense	77,463,900.13	21,126,964.48
5. Net profit (“-” for net loss)	523,485,111.75	384,672,601.98
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	523,485,111.75	384,672,601.98
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	446,184,021.97	290,357,652.22
5.2.1 Net profit attributable to non-controlling interests	77,301,089.78	94,314,949.76
6. Other comprehensive income, net of tax	23,135,043.59	-137,433,230.11

Item	2024	2023
Attributable to owners of the Company as the parent	23,402,127.43	-138,113,991.11
6.1 Items that will not be reclassified to profit or loss	23,712,358.26	-138,930,211.73
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Fair value changes of investments in other equity instruments	23,712,358.26	-138,930,211.73
6.1.4 Fair value changes of enterprise's own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-310,230.83	816,220.62
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Fair value changes of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flows hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-310,230.83	816,220.62
6.2.7 Other		
Attributable to non-controlling interests	-267,083.84	680,761.00
7. Total comprehensive income	546,620,155.34	247,239,371.87
Attributable to owners of the Company as the parent	469,586,149.40	152,243,661.11
Attributable to non-controlling interests	77,034,005.94	94,995,710.76
8. Earnings per share		
8.1 Basic earnings per share	0.2905	0.2128
8.2 Diluted earnings per share	0.2881	0.2108

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB0.00, with the amount for last year being RMB0.00.

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

4. Income Statement of the Company as the Parent

Unit: RMB

Item	2024	2023
1. Operating revenue	3,245,704,296.00	3,370,500,210.73
Less: Cost of sales	2,510,354,864.55	2,670,075,179.86
Taxes and surcharges	30,174,651.89	28,696,224.90
Selling expense	228,778,506.21	201,697,475.29
Administrative expense	174,979,539.01	170,906,350.75

Item	2024	2023
R&D expense	147,257,581.23	126,839,317.28
Finance costs	-30,483,466.93	-15,149,738.19
Including: Interest expense	420,144.80	3,768,074.03
Interest revenue	15,000,167.87	12,619,606.34
Add: Other income	16,862,459.80	14,162,829.17
Return on investment (“-” for loss)	94,498,689.59	24,345,065.94
Including: Share of profit or loss of joint ventures and associates	1,112,039.74	1,833,621.59
Income from the derecognition of financial assets at amortized cost (“-” for loss)		
Net gain on exposure hedges (“-” for loss)		
Gain on fair value changes (“-” for loss)	-275,250.00	
Credit impairment loss (“-” for loss)	-20,122,940.28	-32,773,855.07
Asset impairment loss (“-” for loss)	-133,838,658.95	-28,910,470.10
Asset disposal income (“-” for loss)	359,998,517.07	12,469,694.01
2. Operating profit (“-” for loss)	501,765,437.27	176,728,664.79
Add: Non-operating income	2,218,901.52	365,819.08
Less: Non-operating expense	1,757,649.60	1,144,051.24
3. Profit before tax (“-” for loss)	502,226,689.19	175,950,432.63
Less: Income tax expense	80,698,250.13	10,093,913.53
4. Net profit (“-” for net loss)	421,528,439.06	165,856,519.10
4.1 Net profit from continuing operations (“-” for net loss)	421,528,439.06	165,856,519.10
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	23,712,358.26	-138,930,211.73
6.1 Items that will not be reclassified to profit or loss	23,712,358.26	-138,930,211.73
6.1.1 Changes caused by remeasurements on defined benefit schemes		
6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
6.1.3 Fair value changes of investments in other equity instruments	23,712,358.26	-138,930,211.73
6.1.4 Fair value changes of enterprise’s own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss		
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Fair value changes of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Credit impairment allowance for investments in other debt obligations		
6.2.5 Reserve for cash flows hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
6.2.7 Other		
6. Total comprehensive income	445,240,797.32	26,926,307.37

Item	2024	2023
7. Earnings per share		
8.1 Basic earnings per share		
8.2 Diluted earnings per share		

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2024	2023
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	8,471,959,981.11	8,065,012,419.58
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Tax rebates	191,537,811.87	229,414,220.39
Cash generated from other operating activities	220,938,132.01	219,221,813.77
Subtotal of cash generated from operating activities	8,884,435,924.99	8,513,648,453.74
Payments for commodities and services	6,057,433,876.86	5,219,988,965.35
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	1,452,338,519.97	1,391,392,105.83
Taxes paid	357,515,353.88	395,513,858.13
Cash used in other operating activities	419,032,838.40	332,363,545.45
Subtotal of cash used in operating activities	8,286,320,589.11	7,339,258,474.76
Net cash flows from operating activities	598,115,335.88	1,174,389,978.98
2. Cash flows from investing activities:		
Proceeds from disinvestment	630,996,025.00	380,981,292.12

Item	2024	2023
Return on investment	35,963,824.31	27,200,412.45
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	392,928,847.83	15,079,869.64
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities		80,711.83
Subtotal of cash generated from investing activities	1,059,888,697.14	423,342,286.04
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	368,259,788.54	376,549,919.12
Payments for investments	1,306,010,850.00	720,700,000.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units	101,002,225.68	
Cash used in other investing activities		33,612,950.00
Subtotal of cash used in investing activities	1,775,272,864.22	1,130,862,869.12
Net cash flows from investing activities	-715,384,167.08	-707,520,583.08
3. Cash flows from financing activities:		
Capital contributions received		1,091,377,596.17
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings raised	438,828,726.86	297,756,038.67
Cash generated from other financing activities	6,317,233.78	15,469,794.51
Subtotal of cash generated from financing activities	445,145,960.64	1,404,603,429.35
Repayment of borrowings	524,289,910.93	391,955,216.77
Interest and dividends paid	237,329,833.00	191,158,501.03
Including: Dividends paid by subsidiaries to non-controlling interests	35,144,021.09	32,130,255.23
Cash used in other financing activities	7,129,048.59	138,043,774.42
Subtotal of cash used in financing activities	768,748,792.52	721,157,492.22
Net cash flows from financing activities	-323,602,831.88	683,445,937.13
4. Effect of foreign exchange rates changes on cash and cash equivalents	24,000,739.61	4,966,303.59
5. Net increase in cash and cash equivalents	-416,870,923.47	1,155,281,636.62
Add: Cash and cash equivalents, beginning of the period	3,101,252,943.88	1,945,971,307.26
6. Cash and cash equivalents, end of the period	2,684,382,020.41	3,101,252,943.88

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	2024	2023
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	3,127,149,264.78	3,172,331,505.84
Tax rebates	97,198,208.30	113,727,709.96

Item	2024	2023
Cash generated from other operating activities	76,841,817.56	71,968,034.73
Subtotal of cash generated from operating activities	3,301,189,290.64	3,358,027,250.53
Payments for commodities and services	2,300,853,714.93	2,003,568,260.17
Cash paid to and for employees	434,395,756.21	465,614,131.12
Taxes paid	143,240,367.24	88,243,833.94
Cash used in other operating activities	167,831,948.98	135,741,826.48
Subtotal of cash used in operating activities	3,046,321,787.36	2,693,168,051.71
Net cash flows from operating activities	254,867,503.28	664,859,198.82
2. Cash flows from investing activities:		
Proceeds from disinvestment	160,000,000.00	
Return on investment	43,963,853.10	36,858,062.04
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	376,617,558.15	10,799,817.00
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	36,354,374.99	
Subtotal of cash generated from investing activities	616,935,786.24	47,657,879.04
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	78,104,450.17	51,703,074.73
Payments for investments	784,920,000.00	250,000,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	363,883,363.61	33,612,950.00
Subtotal of cash used in investing activities	1,226,907,813.78	335,316,024.73
Net cash flows from investing activities	-609,972,027.54	-287,658,145.69
3. Cash flows from financing activities:		
Capital contributions received		1,091,377,596.17
Borrowings raised		
Cash generated from other financing activities		
Subtotal of cash generated from financing activities		1,091,377,596.17
Repayment of borrowings		178,893,000.00
Interest and dividends paid	185,077,493.16	140,340,441.08
Cash used in other financing activities		1,261,522.66
Subtotal of cash used in financing activities	185,077,493.16	320,494,963.74
Net cash flows from financing activities	-185,077,493.16	770,882,632.43
4. Effect of foreign exchange rates changes on cash and cash equivalents	14,253,014.98	936,838.90
5. Net increase in cash and cash equivalents	-525,929,002.44	1,149,020,524.46
Add: Cash and cash equivalents, beginning of the period	1,610,082,668.66	461,062,144.20
6. Cash and cash equivalents, end of the period	1,084,153,666.22	1,610,082,668.66

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

7. Consolidated Statements of Changes in Owners' Equity

2024

Unit: RMB

Item	2024													
	Equity attributable to owners of the Company as the parent												Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserves	Surplus reserves	General reserves	Retained earnings	Other	Subtotal	
1. Balance as at the end of the prior year	1,548,778,230.00				914,336,325.66	82,165,144.15	360,027,027.59	1,213,325.92	107,944,679.06		3,435,308,364.11		6,285,442,808.19	9,771,397,489.05
Add: Adjustment for change in accounting policy														
Adjustment for correction of previous error														
Other														
II. Balance as at the beginning of the year	1,548,778,230.00				914,336,325.66	82,165,144.15	360,027,027.59	1,213,325.92	107,944,679.06		3,435,308,364.11		6,285,442,808.19	9,771,397,489.05
III. Increase/decrease in the period ("-" for decrease)							23,402,127.43	3,568,735.28	42,152,843.91		219,737,790.46		288,861,497.08	395,102,604.79
i. Total comprehensive income							23,402,127.43				446,184,021.97		469,586,149.40	546,620,155.34
ii. Capital increased and reduced by owners													59,612,637.51	59,612,637.51
1. Ordinary shares increased by owners														
2. Capital increased by holders														

of other equity instruments															
3. Share-based payments included in owners' equity															
4. Other														59,612,637.51	59,612,637.51
iii. Profit distribution								42,152,843.91		-226,446,231.51		-184,293,387.60		-35,144,021.09	-219,437,408.69
1. Appropriation to surplus reserves								42,152,843.91		-42,152,843.91					
2. Appropriation to general reserve															
3. Appropriation to owners (or shareholders)										-184,293,387.60		-184,293,387.60		-35,144,021.09	-219,437,408.69
4. Other															
iv. Transfers within owners' equity															
1. Increase in capital (or share capital) from capital reserves															
2. Increase in capital (or share capital) from surplus reserves															
3. Loss offset by surplus reserves															

4. Changes in defined benefit schemes transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Other															
v. Specific reserve								3,568,735.28					3,568,735.28	4,738,485.35	8,307,220.63
1. Increase in the period								18,945,510.32					18,945,510.32	11,323,527.74	30,269,038.06
2. Used in the period								15,376,775.04					15,376,775.04	6,585,042.39	21,961,817.43
vi. Other															
IV. Balance as at the end of the period	1,548,778.23				914,336,325.66	82,165,144.15	383,429,155.02	4,782,061.20	150,097.5		3,655,046,154.57		6,574,304,305.27	3,592,195,788.57	10,166,500,093.84

2023

Unit: RMB

Item	2023														
	Equity attributable to owners of the Company as the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
I. Balance as at the end of the prior year	1,361,994,647.00				7,245,971.54	82,165,144.15	498,141,018.70		91,359,027.15		3,296,435,828.50		5,173,011,348.74	3,427,233,703.68	8,600,245,052.42
Add: Adjustment for change in accounting															

policy															
Adjustment for correction of previous error															
Other															
II. Balance as at the beginning of the year	1,361,994.647.00				7,245,971.54	82,165,144.15	498,141,018.70		91,359,027.15		3,296,435,828.50		5,173,011,348.74	3,427,233,703.68	8,600,245,052.42
III. Increase/decrease in the period ("—" for decrease)	186,783,583.00				907,090,354.12		-138,113,991.11	1,213,325.92	16,585,651.91		138,872,535.61		1,112,431,459.45	58,720,977.18	1,171,152,436.63
i. Total comprehensive income							-138,113,991.11				290,357,652.22		152,243,661.11	94,995,710.76	247,239,371.87
ii. Capital increased and reduced by owners	186,783,583.00				907,090,354.12								1,093,873,937.12	-5,458,448.30	1,088,415,488.82
1. Ordinary shares increased by owners	186,783,583.00				901,631,905.82								1,088,415,488.82		1,088,415,488.82
2. Capital increased by holders of other equity instruments															
3. Share-based payments included in owners' equity															
4. Other					5,458,448.30								5,458,448.30	-5,458,448.30	
iii. Profit distribution									16,585,651.91		-151,485,116.61		-134,899,464.70	-31,969,754.99	-166,869,219.69
1. Appropriation to surplus reserves									16,585,651.91		-16,585,651.91				

2. Appropriation to general reserve															
3. Appropriation to owners (or shareholders)											- 134,899,464.70		- 134,899,464.70	- 31,969,754.99	- 166,869,219.69
4. Other															
iv. Transfers within owners' equity															
1. Increase in capital (or share capital) from capital reserves															
2. Increase in capital (or share capital) from surplus reserves															
3. Loss offset by surplus reserves															
4. Changes in defined benefit schemes transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Other															
v. Specific reserve								1,213,325.92					1,213,325.92	1,153,469.71	2,366,795.63
1. Increase in the period								17,469.66					17,469,664.05	11,283,252.79	28,752,916.84

								4.05							
2. Used in the period								16,256,338.13					16,256,338.13	10,129,783.08	26,386,121.21
vi. Other															
IV. Balance as at the end of the period	1,548,778.230.00				914,336,325.66	82,165,144.15	360,027,027.59	1,213,325.92	107,944,679.06		3,435,308,364.11		6,285,442,808.19	3,485,954,680.86	9,771,397,489.05

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting Department Head: Li Yizhi

8. Statements of Changes in Owners' Equity of the Company as the Parent

2024

Unit: RMB

Item	2024											
	Share capital	Other equity instruments	Capital reserve s	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity		
		Preferr ed shares	Perpetu al bonds									
I. Balance as at the end of the prior year	1,548,778,230.00				909,058,541.44	82,165,144.15	359,858,073.06	897,781.74	339,248,748.30	2,824,687,635.90		5,900,363,866.29
Add:												
Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other												
II. Balance as at the beginning of the year	1,548,778,230.00				909,058,541.44	82,165,144.15	359,858,073.06	897,781.74	339,248,748.30	2,824,687,635.90		5,900,363,866.29
III. Increase/decrease in the period ("—" for decrease)							23,712,358.26	2,272,471.07	42,152,843.91	195,082,207.55		263,219,880.79
i. Total comprehensive income							23,712,358.26			421,528,439.06		445,240,797.32
ii. Capital increased and reduced												

by owners												
1. Ordinary shares increased by owners												
2. Capital increased by holders of other equity instruments												
3. Share-based payments included in owners' equity												
4. Other												
iii. Profit distribution									42,152,843.91	- 226,446,231.51		- 184,293,387.60
1. Appropriation to surplus reserves									42,152,843.91	- 42,152,843.91		
2. Appropriation to owners (or shareholders)										- 184,293,387.60		- 184,293,387.60
3. Other												
iv. Transfers within owners' equity												
1. Increase in capital (or share capital) from capital reserves												
2. Increase in capital (or share capital) from surplus reserves												
3. Loss offset by surplus reserves												
4. Changes in defined benefit schemes transferred												

to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Other												
v. Specific reserve								2,272,471.07				2,272,471.07
1. Increase in the period								11,325,253.53				11,325,253.53
2. Used in the period								9,052,782.46				9,052,782.46
vi. Other												
IV. Balance as at the end of the period	1,548,778.230.00				909,058.541.44	82,165,144.15	383,570,431.32	3,170,252.81	381,401,592.21	3,019,769,843.45		6,163,583,747.08

2023

Unit: RMB

Item	2023											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
I. Balance as at the end of the prior year	1,361,994,647.00				7,426,635.62	82,165,144.15	498,788,284.79		322,663,096.39	2,810,316,233.41		4,919,023,753.06
Add: Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other												
II. Balance as at the beginning of the year	1,361,994,647.00				7,426,635.62	82,165,144.15	498,788,284.79		322,663,096.39	2,810,316,233.41		4,919,023,753.06
III. Increase/decrease in the period ("-" for decrease)	186,783.583.00				901,631,905.82		-138,930,211.73	897,781.74	16,585,651.91	14,371,402.49		981,340,113.23
i. Total comprehensive income							-138,930,211.73			165,856,519.10		26,926,307.37
ii. Capital	186,7				901,6							1,088,4

increased and reduced by owners	83,583.00				31,905.82							15,488.82
1. Ordinary shares increased by owners	186,783,583.00				901,631,905.82							1,088,415,488.82
2. Capital increased by holders of other equity instruments												
3. Share-based payments included in owners' equity												
4. Other												
iii. Profit distribution									16,585,651.91	-151,485,116.61		-134,899,464.70
1. Appropriation to surplus reserves									16,585,651.91	-16,585,651.91		
2. Appropriation to owners (or shareholders)										-134,899,464.70		-134,899,464.70
3. Other												
iv. Transfers within owners' equity												
1. Increase in capital (or share capital) from capital reserves												
2. Increase in capital (or share capital) from surplus reserves												
3. Loss offset by surplus reserves												
4. Changes in defined benefit												

schemes transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Other												
v. Specific reserve								897,781.74				897,781.74
1. Increase in the period								8,010,891.57				8,010,891.57
2. Used in the period								7,113,109.83				7,113,109.83
vi. Other												
IV. Balance as at the end of the period	1,548,778.230.00				909,058.541.44	82,165,144.15	359,858,073.06	897,781.74	339,248,748.30	2,824,687,635.90		5,900,363,866.29

Legal Representative: Wan Shan Accounting Supervisor: Tang Qionglan Accounting
Department Head: Li Yizhi

III Company Profile

(I) Basic information

Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as “the Company”), a joint-stock limited company jointly founded by Foshan Electrical and Lighting Company, Nanhai Wuzhuang Color Glazed Brick Field, and Foshan Poyang Printing Industrial Co., Ltd. on 20 October 1992 by raising funds under the approval of YGS [1992] No. 63 Document issued by the Joint Examination Group for Experimental Enterprises in Stock System of Guangdong Province and the Economic System Reform Commission of Guangdong Province, is an enterprise with its shares held by both the corporate and the natural persons. As approved by CSRC with Document (1993) No. 33, the Company publicly issued 19.3 million shares of social public shares (A shares) to the public in October 1993, and was listed in SZSE for trade on 23 November 1993. The Company was approved to issue 50 million B shares on 23 July 1995. And, as approved to change into a foreign-invested stock limited company on 26 August 1996 by WJMZEHZ [1996] No. 466 Document issued by the Ministry of Foreign Trade and Economic Cooperation of the People’s Republic of China. On 11 December 2000, as approved by CSRC with ZJGSZ [2000] No. 175 Document, the Company additionally issued 55 million A shares. At approved by the Shareholders’ General Meeting 2006, 2007, 2008, 2014 and 2017 the Company implemented the plan of capitalization of capital reserve, after the transfer, the registered capital of the Company has increased to RMB1,399,346,154.00. The Company held the 26th Meeting of the 9th Board of Directors on 14 January 2022, where the *Proposal on Cancelling Some Shares of the Company’s Repurchase Special Securities Account* was deliberated and adopted. The repurchased 13 million A shares were used for the equity incentive plan. The remaining 18,952,995 A shares and the repurchased 18,398,512 B shares, totaling 37,351,507 shares, were all deregistered. On 8 February 2022, it was confirmed by Shenzhen Branch of CSDC that the number of repurchased public shares canceled this time was 37,351,507, accounting for 2.67% of the total share capital of the Company before the cancellation, including 18,952,995 A shares and 18,398,512 B shares. Upon the cancellation of the shares, the total share capital of the Company was changed from 1,399,346,154 shares to 1,361,994,647 shares. The Company’s registered capital was

changed to RMB1,361,994,647.00. On 14 March 2023, the Company held the 39th Meeting of the Ninth Session of the Board of Directors and considered and passed the *Proposal on the Company's Compliance with the Conditions for the Issuance of A Shares to Specific Objects*, and the Board of Directors agreed that the Company should apply for the issuance of shares to specific objects to the SZSE. According to the resolutions passed at the 39th Meeting of the Ninth Board of Directors and the First Extraordinary General Meeting of 2023, the Company applied for the issuance of ordinary shares (A shares) not exceeding 30% of the total share capital, i.e., not exceeding 408,598,394 shares to specific investors, and 186,783,583 shares were actually issued. After the issuance of shares, the total share capital of the Company changed from 1,361,994,647 shares to 1,548,778,230 shares, and the registered capital of the Company changed to RMB One Billion Five Hundred and Forty-eight Million Seven Hundred and Seventy-eight Thousand and Two Hundred and Thirty (RMB1,548,778,230.00).

Credibility code of the Company: 91440000190352575W.

Legal representative: Mr. Wan Shan

The Company's registered address is No. 64 Fenjiang North Road, Chancheng District, Foshan City, and the office address is No. 8 Zhihui Road, Chancheng District, Foshan City, Guangdong Province.

Main business of the company and its subsidiaries (hereinafter referred to as "the Company"): lighting products, electrical products, vehicle lamp products, epitaxy and chip products, LED packaging and component products, trade and other products.

The business term of the Company is long-term, which was calculated from the date of issuance of License of Business Corporation.

(II) Authorized issuer and date of approval of the financial report

The Financial Report was approved and authorized for issue by the Board of Directors on 23 April 2025.

(III) Consolidation scope of financial statements

The Company's consolidated financial statements for the reporting period include 13 subsidiaries: Foshan Electrical and Lighting Co., Ltd., FSL Chanchang Lighting Co., Ltd. ("Chanchang"), Foshan Taimei Times Lamp Co., Ltd. ("Taimei"), Nanjing Fozhao Lighting Components Manufacturing Co., Ltd. ("Nanjing Fozhao"), Foshan Electrical & Lighting (Xinxiang) Co., Ltd. ("Xinxiang"), Foshan Fozhao Zhicheng Technology Co., Ltd. ("Zhicheng"), FSL Zhida Electric Technology Co., Ltd. (FSL Zhida), Foshan Haolaite Lighting Co., Ltd. ("Haolaite"), Fozhao (Hainan) Technology Co., Ltd. ("Hainan Technology"), Foshan Kelian New Energy Technology Co., Ltd. ("Foshan Kelian"), Nanning Liaowang Auto Lamp Co., Ltd. ("Liaowang Auto Lamp"), Foshan NationStar Optoelectronics Co., Ltd. ("NationStar Optoelectronics"), Foshan Sigma Venture Capital Co., Ltd. ("Sigma"), and Fozhao Huaguang (Maoming) Technology Co., Ltd. ("Fozhao Huaguang"). A total of 14 sub-subsidiaries are also involved: Liuzhou Guige Fuxuan Technology Co., Ltd. ("Liuzhou Optoelectronics"), Liuzhou Guige Foreshine Technology Co., Ltd. ("Liuzhou Foreshine"), Chongqing Guinuo Lighting Technology Co., Ltd. ("Chongqing Guinuo"), Qingdao Guige Lighting Technology Co., Ltd. ("Qingdao Optoelectronics"), Indonesia Liaowang Auto Lamp Co., Ltd. ("Indonesia Liaowang"), Liaowang Auto Lamp (Suzhou) Co., Ltd. ("Suzhou Liaowang"), Zhejiang Hule Electric Equipment Manufacture Co., Ltd. ("Hule Electric Equipment"), Foshan NationStar Electronic Manufacturing Co., Ltd. ("NationStar Electronic Manufacturing"), Foshan Guoxing Electronic Manufacture Co., Ltd., Nanyang Baoli Vanadium Industry Co., Ltd. ("Baoli Vanadium"), Guangdong New Electronics Information Ltd. ("New Electronic Information"), Guangdong Fenghua Semiconductor Technology Co., Ltd. ("Fenghua Semiconductor"), NationStar Optoelectronics

(Germany) Co., Ltd. (“Germany NationStar”), and Gaozhou NationStar Lighting Technology Co., Ltd. (“Gaozhou NationStar”). Additionally, the Company has 1 subsidiary of a sub-subsidiary, which is Shanghai Lelaite Electrical Equipment Co., Ltd. (“Shanghai Leilite”).

Given that Nanyang Baoli Vanadium Industry Co., Ltd. (Baoli Vanadium) is in a state of non-continuing operations, the Financial Statements 2024 of Baoli Vanadium were formulated at fair value or costs whichever was lower.

The scope of consolidation for the financial statements this period has increased compared to the previous period with the addition of one subsidiary, Fozhao Huaguang, three sub-subsidiaries, Suzhou Liaowang, Gaozhou NationStar, Hule Electric Equipment, and one subsidiary of a sub-subsidiary, Shanghai Leilite. For more details, please refer to Note IX “Changes in the Scope of Consolidation” and Note X “Equity in Other Entities”.

IV Basis for Preparation of Financial Statements

1. Preparation Basis

The Company’s financial statements are prepared on a going concern basis, based on transactions and events that actually occur, in accordance with the provisions of the *Accounting Standards for Business Enterprises - Basic Guidelines* and specific accounting standards issued by the Ministry of Finance (hereinafter referred to as “ASBEs”), as well as the relevant provisions of *No. 15 of the Rules Governing the Preparation of Information Disclosures by Companies Offering Securities to the Public - General Provisions on Financial Reporting* of the CSRC and on the basis of the significant accounting policies and accounting estimates formulated.

2. Going Concern

The Company has the ability to continue as a going concern for at least 12 months from the end of the Reporting Period and there are no material matters affecting its ability to continue as a going concern.

V Important Accounting Policies and Estimations

Reminders of the specific accounting policies and accounting estimations:

The following significant accounting policies and accounting estimates of the Company have been formulated in accordance with ASBEs. Operations not mentioned are treated in accordance with the relevant accounting policies in the ASBE.

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company are in compliance with the ASBEs, which factually and completely present the Company’s and the consolidated financial positions on 31 December 2024, business results and cash flows, as well as other relevant information for 2024.

2. Fiscal Year

A fiscal year starts on 1 January and ends on 31 December according to the Gregorian calendar.

3. Operating Cycle

An operating cycle for the Company is 12 months, which is also the classification criterion for the liquidity of its assets and liabilities.

4. Recording Currency

Renminbi is the recording currency for the statements of the Company.

5. Methods for Determining Materiality Standards and Selection Criteria

☒Applicable ☐ Not applicable

1. Materiality of financial statement items

The Company determines the materiality of financial statement items based on the principle of whether such items affect the users of financial statements making economic decisions in terms of both the nature and amount. The materiality of financial statement items in terms of the amount is determined based on a certain percentage of relevant items in total assets, total liabilities, net assets, operating income, and net profit. The materiality of financial statement items in terms of nature is based on factors with a significant impact on the Company's financial position and operating results, such as whether they are part of routine operating activities, whether they result in changes in profit or loss, and whether they affect regulatory indicators.

2. Materiality of detailed items in the Notes to financial statement items

The Company determines the materiality of detailed items in the notes to financial statement items based on the materiality of the financial statement items. This determination is made by considering a certain percentage of the specific item, or a combination of the amount of the item, taking into account the nature of the specific item. Certain items that are not material to the financial statements may be material to the notes and still require separate disclosure in the notes. The materiality criteria related to the notes to the financial statement items are:

Item	Materiality criteria
Significant accounts receivable with bad debt provision separately accrued	The individual amount accounts for more than 10% of the account receivable or bad debt provision, and the amount exceeds RMB10 million.
Bad debt provision of accounts receivable collected or reversed with significant amount in this year	Individual amount accounts for more than 10% of the current reversal of bad debt provision, and the amount exceeds RMB10 million.
Significant verification of accounts receivable in this year	The individual amount accounts for more than 10% of the account receivable or bad debt provision, and the amount exceeds RMB10 million.
Significant construction in progress	The ending balance of an individual construction in progress accounts for more than 10%, and the amount exceeds RMB50 million.
Significant accounts payable/other payables over one year	The individual amount accounts for more than 10% of accounts payable over one year/other payables, and the amount exceeds RMB10 million.
Significant cash flows generated from investing activities	Cash flows of an individual investment accounts for more than 3% of the net assets at the period-end, and the amount exceeds RMB100 million.
Significant non-wholly-owned subsidiary	Minority shareholders hold more than 5% interest and any of the items of total assets, net assets, operating revenues and net profits of the subsidiary accounts for more than 10% of the corresponding items in the consolidated financial statements.
Significant joint ventures or associated enterprises	The investment income generated from joint ventures or associated enterprises (The loss is calculated in absolute terms) accounts for more than 10% of the net profit of consolidated financial statements.
Significant debt reorganization	The influence of individual amount on net profit exceeds 10%.
Significant commitments	The amount of an individual commitment exceeds RMB10 million.

Item	Materiality criteria
Significant contingency	The amount of money involved in cases exceeds RMB10 million.

6. Accounting Methods for Business Combination Involving Enterprises under and not under the Same Control

1. Business combination under the same control

In case of a long-term equity investment resulting from a business combination under the same control, if the acquirer pays cash, transfers non-cash assets, assumes debts as merger consideration, the share of the Company's equity of the acquiree obtained on combination date in the carrying value of the financial statements of the ultimate controlling party is deemed as an initial investment cost of long-term equity investments. If the acquirer issues equity instruments as consideration for a combination, the total par value of the shares issued is treated as equity. The difference between the initial investment cost of a long-term equity investment and the carrying amount of the consideration for consolidation (or the total nominal value of shares issued) shall be adjusted to capital surplus; if capital surplus is not sufficient to offset the difference, retained earnings shall be adjusted.

2. Business combination not involving entities under the same control

In case of business combination involving enterprises not under the same control, the combination costs shall be the total fair values of the assets paid, liabilities incurred or assumed and the equity securities issued on the date of acquisition by the acquirer in exchange for control on the acquiree. Identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not under the same control that qualify for recognition are measured at fair value on the date of acquisition. The acquirer recognizes as goodwill the difference between the combination costs and the fair value share of the identifiable net assets of the acquiree obtained in the combination. If the combination costs are less than the fair value share of the acquiree's identifiable net assets obtained in the combination, the difference between the combination costs still less than the fair value share of the acquiree's identifiable net assets obtained in the combination after review shall be included in the non-operating revenue for the current period.

7. Criteria for Judging Control and Methods for Preparing Consolidated Financial Statements

1. Judgment criteria for control

The scope of consolidation of the consolidated financial statements is determined on the basis of control. An investee is considered to be controlled if the following three elements are present: the possession of power over the investee, the enjoyment of variable returns as a result of participating in the relevant activities of the investee, and the ability to use the power over the investee to affect the amount of returns.

2. Preparation methods for consolidation financial statements

(1) Unification of accounting policies, balance sheet dates and accounting periods of parent and subsidiary companies

If the accounting policies and accounting period adopted by the subsidiaries are inconsistent with those of the Company, necessary adjustments are made in accordance with the accounting policies and accounting period of the Company when preparing the consolidated financial statements.

(2) Offsetting items in the consolidated financial statements

The consolidated financial statements are based on the financial statements of the Company and its subsidiaries and have been offset by internal transactions that occurred between the Company and its

subsidiaries and between subsidiaries. The share of owners' equity of subsidiaries that do not belong to the Company is presented as minority interests in the consolidated balance sheet under the item of shareholders' equity as "minority interests". Long-term equity investments held by subsidiaries are deemed as the Company's treasury stock and presented as a deduction from shareholders' equity in the consolidated balance sheet under the item "Less: treasury stock".

(3) Accounting treatment of the acquisition of subsidiaries through consolidation

For subsidiaries acquired through a business combination under common control, the assets, liabilities, operating results, and cash flows are included in the consolidated financial statements from the beginning of the period of consolidation as if the business combination had occurred at the time the ultimate controlling party began to exercise control; for subsidiaries acquired through a business combination, not under the same control, the fair value of the identifiable net assets on the acquisition date is used as the basis for preparing the consolidated financial statements. The financial statements are adjusted based on the fair value of the identifiable net assets on the acquisition date.

(4) Accounting treatment of disposal of subsidiaries

If a long-term equity investment in a subsidiary is partially disposed of without loss of control, the difference between the disposal price and the share of the net assets of the subsidiary corresponding to the disposal of the long-term equity investment calculated on an ongoing basis from the acquisition date or the consolidation date is adjusted to capital surplus in the consolidated financial statements, and retained earnings is adjusted if the capital surplus is not sufficient to cover the reduction. If the control over the investee is lost due to the disposal of part of equity investments, the residual equity are re-measured at fair value on the date of loss of control. The aggregate of the consideration obtained by disposing of the equity and the fair value of the remaining equity less the portion of the net assets of the subsidiary that has been measured, as calculated at the original shareholding proportion, from the acquisition date or combination date is recognized in profit and loss of the current period on investments in which the control is lost, and goodwill shall be offset. Other comprehensive income related to the equity investments in the former subsidiary shall be included in the return on investment for the current period when the Company lost the control.

8. Classification of Joint Operation Arrangements and Accounting Methods for Joint Operations

1. Classification of joint arrangements

Joint arrangements are divided into joint operations and joint ventures. The joint arrangements not reached through separate entities are classified as joint operations. Separate entities refer to entities with separate identifiable financial structures, including separate legal entities and entities that do not have legal entity status but are recognized by law. The joint arrangements reaching through separate entities are usually classified as joint ventures. Where changes in relevant facts and circumstances result in changes in the rights and obligations of the joint venture parties in the joint venture arrangement, the joint venture parties shall reassess the classification of the joint venture arrangement.

2. Accounting treatment of joint operations

As a participant in a joint operation, the Company recognizes the following items related to its share of interest in the joint operations. It accounts for them following the relevant Accounting Standards for Business Enterprises: Recognition of assets or liabilities held separately, and recognition of assets or liabilities held jointly on a share basis; recognition of revenue from the sale of the share of output from the joint operation to which it is entitled; recognition of revenue from the joint operation arising from the sale of output on a share basis; and recognition of expenses incurred separately, and recognition of expenses incurred in the joint operation on a share basis.

If the Company is a participant in a joint operation that does not enjoy joint control, and it owns the underlying assets of the joint operation and assumes the liabilities related to the joint operation, the accounting treatment of the joint operation partner shall be referred to; otherwise, the accounting treatment shall be carried out in accordance with the relevant enterprise accounting standards.

3. Accounting treatment of joint ventures

If the Company is a joint venture partner, it shall account for its investment in joint ventures following the provisions of Accounting Standards for Business Enterprises No. 2-Long-term Equity Investments; if the Company is a non-joint venture partner, it shall account for its investment in such joint ventures based on the extent of its influence on such joint ventures.

9. Recognition Criteria of Cash and Cash Equivalents

Cash, as determined by the Company in preparing the cash flow statement, represents the Company's cash on hand and deposits that are readily available for disbursement. Cash equivalents identified in the preparation of the cash flow statement are investments that are held for a short period of time, are highly liquid, are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

10. Translation of Transactions and Financial Statements Denominated in Foreign Currencies

1. Conversion of foreign currency business

The Company records foreign currency transactions using the spot exchange rate on the transaction date or the nearest exchange rate to the transaction date to convert into the functional currency. On the balance sheet date, the monetary items in foreign currencies are translated at the spot exchange rate. Exchange differences arising from the difference between the spot rate on that date and the spot rate at initial recognition or on the previous balance sheet date are recognized in profit or loss, except for exchange differences on special borrowings in foreign currencies that qualify for capitalization, which are capitalized in the period in which they are capitalized and charged to the cost of the related assets. Non-monetary items measured at historical costs in foreign currencies are still translated at the spot exchange rate on the transaction date with the amount of standard currency for accounting unchanged. Non-monetary items measured at fair value in foreign currencies are translated at the spot exchange rate on the date when the fair value is determined. The difference between the amount of standard currency for accounting after translation and the original amount shall be treated as a fair value change (including exchange rate changes) and recognized in current profit or loss or in other comprehensive income.

2. Conversion of foreign currency financial statements

If the Company's subsidiaries, joint ventures, and affiliated business use a different bookkeeping base currency from the Company's, they need to convert their foreign currency financial statements before conducting accounting and preparing consolidated financial statements. The assets and liabilities in the balance sheet shall be translated at the spot rate on the balance sheet date. All items of owners' equity, except for "undistributed profit", shall be translated at the spot exchange rate at the time of occurrence. Items under revenue and expenses in the income statement are translated at the spot exchange rate on the transaction date. The exchange difference in translating foreign operations arising from the translation are shown under other comprehensive income in the owner's equity line in the balance sheet. Cash flows in foreign currencies shall be translated at the spot exchange rate on the date of occurrence of the cash flows. The impact of exchange rate changes on cash is presented separately in the cash flow statement. When an overseas operation is disposed of, the foreign currency statement translation difference related to the overseas operation is transferred to the current profit and loss of the disposal in full or in proportion to the disposal of the overseas operation.

11. Financial Instruments

1. Classification, recognition and measurement of financial instruments

(1) Financial assets

Based on the business model for managing financial assets and the contractual cash flows characteristics of financial assets, the Company classifies its financial assets into the following three categories:

a) Financial assets are measured at the amortized cost. The business model of the Company for managing such financial assets aims at obtaining contractual cash flows, and the characteristics of contractual cash flows of such financial assets are basically the same as basic borrowing arrangement, namely the cash flow arising on a specific date, which are solely payments of principal and interest on the principal amount outstanding. Interest income is subsequently recognized on such financial assets on the basis of the effective interest method;

b) Financial assets at fair value and changes included in other comprehensive income The business model of the Company for managing such financial assets aims at receiving contractual cash flows as well as selling, and the characteristics of contractual cash flow of such financial assets are basically the same as basic borrowing arrangement. Such financial assets are subsequently measured at fair value with changes recognized in other comprehensive income, except for interest income, impairment losses or gains calculated in accordance with the effective interest method and foreign exchange gains or losses recognized in the current profit or loss;

c) Financial assets measured at fair value through profit or loss for the current period Financial assets held that are not classified as at amortized cost and at fair value through other comprehensive income are measured at fair value, with gains or losses (including interest and dividend income) recognized in profit or loss for the current period. On initial recognition, a financial asset may be irrevocably designated as financial asset at fair value through profit or loss if the accounting mismatch can be eliminated or reduced. The designation shall not be revoked once made.

For instruments in non-business equity instruments, the Company may irrevocably assign such investments as financial assets (equity instruments) measured at fair value through other comprehensive income at initial recognition. The assignment is made based on investments by item, and the relevant investments meet the definition of an equity instrument from the issuer's perspective. Such financial assets are subsequently measured at fair value, and except for dividends received (except for the portion which forms part of investment cost recovered), which are recognized in profit or loss, all other related gains and losses are recognized in other comprehensive income and are not subsequently transferred to current profit or loss.

(2) Financial liabilities

On initial recognition, financial liabilities are classified into the following categories:

a) Financial liabilities measured at fair value through profit and loss for the current period. Such financial liabilities are subsequently measured at fair value, and the resulting gains or losses are recognized in profit or loss for the current period;

b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;

c) Financial liabilities measured at amortized cost. Such financial liabilities are measured at amortized cost using the effective interest method.

2. Method for recognizing the fair value of financial instruments

For a financial instrument with an active market, its fair value is determined by its quoted price in the active market; for a financial instrument without an active market, its fair value is determined by valuation techniques. Under limited circumstances, if the information used to determine fair value is insufficient, or if the range of possible estimates of fair value is wide and the cost represents the best estimate of fair value within that range, the cost may represent its appropriate estimate of fair value within that range of distribution. The Company uses all information available after the initial recognition date about the investee's performance and operations to determine whether the cost represents fair value.

3. Derecognition of financial instruments

A financial asset is derecognized when one of the following conditions is met: (1) the contractual right to receive cash flows from the financial asset is terminated; (2) the financial asset is transferred and the conditions for derecognition are met.

If the present obligation of a financial liability is discharged in whole or in part, the discharged portion is derecognized. If an existing liability is replaced by another financial liability from the same creditor on substantially different terms, or the terms of an existing liability are substantially modified, the existing financial liability is derecognized and a new financial liability is recognized simultaneously. All regular acquisitions or sales of financial assets are recognized and derecognized on a transaction date basis.

12. Notes Receivable

The determination methods and accounting methods of notes receivable are detailed in Note V-13. Accounts Receivable.

13. Accounts Receivable

1. Measurement of expected credit loss

The Company uses expected credit losses as the basis for impairment accounting and recognizes an allowance for bad debts for financial assets measured at amortized cost (including accounts receivable, including notes receivable and accounts receivable), financing receivables, lease receivables, and other receivables.

2. Recognition method for expected credit losses

The general approach to expected credit losses is that: the Company assesses whether the credit risk of the relevant financial instruments has increased significantly since the initial recognition on each balance sheet date, divides the process of credit impairment of financial instruments into three stages, and applies different accounting treatments to the impairment of financial instruments at different stages: (1) in the first stage, if the credit risk of a financial instrument has not increased significantly since the initial recognition, the Company will measure the loss reserves according to the amount equivalent to the expected credit losses in the next 12 months, and calculate the interest revenue according to the book balance (i.e., before deducting the provision for impairment) and the actual interest rate; (2) In the second stage, if the credit risk of a financial instrument has increased significantly since the initial recognition but no credit impairment has occurred, the Company will measure the loss reserves based on the expected credit loss over the entire life of the financial instrument and calculates interest revenue based on the carrying amount of the financial instrument and the effective interest rate; (3) In the third stage, if credit impairment occurs after the initial recognition, the Company will measure the loss reserves based on the expected credit loss over the

life of the financial instrument and calculates interest revenue based on the amortized cost (carrying amount less provision for impairment) and the effective interest rate.

The simplified approach for expected credit losses is to always measure the allowance for losses at an amount equal to the expected credit losses throughout their lives.

3. Accounting methods of the expected credit losses

To reflect the changes in credit risk of financial instruments since initial recognition, the Company remeasures expected credit losses at each balance sheet date. The resulting increase or reversal amount of the loss provision should be recognized as an impairment loss or gain in profit or loss and offset against the carrying amount of the financial asset as stated in the balance sheet or included in projected liabilities, depending on the type of financial instrument (loan commitments or financial guarantee contracts).

4. Method of the provision for losses on the measurement of receivables, lease receivables

(1) Receivables with no significant financing component. For receivables arising from transactions governed by *Accounting Standard for Business Enterprises No. 14 - Revenue* that do not have a significant financing component, the Company uses a simplified approach whereby the allowance for losses is always measured on the basis of expected credit losses throughout their lives.

a) Accounts receivable of expected credit losses withdrawn individually

Rationale for a single provision for expected credit losses	Objective evidence of impairment
Individual accruals for expected credit losses	The impairment tests are conducted separately for accounts receivable individually accrued. An impairment loss is recognized based on the difference between the present value of future cash flows and their carrying amount, and an expected credit loss is recorded

b) Accounts receivable with expected credit losses provision based on credit risk portfolio

Portfolio name	Basis for portfolio recognition	Determination method of expected credit losses
Business portfolio of general lighting and auto lamps	For the general lighting, auto lamps and other relevant business typically from the parent company and the subsidiary Liaowang Auto Lamp, this portfolio takes the aging of accounts receivable as the credit risk characteristics	Prepare the comparative list between aging of accounts receivable and expected credit loss rate over the entire life and calculate the expected credit loss by consulting historical experience in credit losses, combining current situation and prediction for future economic situation.
Business portfolio of LED packaging and components	LED packaging, components and other relevant business with the subsidiary NationStar Optoelectronics as the representative, this portfolio takes the aging of accounts receivable as the credit risk characteristics	Prepare the comparative list between aging of accounts receivable and expected credit loss rate over the entire life and calculate the expected credit loss by consulting historical experience in credit losses, combining current situation and prediction for future economic situation.
Internal business portfolio	Related parties and internal transactions	Other methods

Notes receivable for which the expected credit loss is withdrawn by credit risk characteristics

Portfolio name	Basis for portfolio recognition	Determination method of expected credit losses
Portfolio 1	Bank acceptance bill	Low credit risk with no provision for bad debts
Portfolio 2	Trade acceptance	Prepare the comparative list between aging of accounts receivable and expected credit loss rate

		over the entire life and calculate the expected credit loss by consulting historical experience in credit losses, combining current situation and prediction for future economic situation.
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The aging analyses are based on their date of entry into the accounts.

Among portfolios, expected credit losses accrued by aging analysis:

Aging	Expected credit loss rate	
	Business portfolio of general lighting and auto lamps	Business portfolio of LED packaging and components
Within one year (including one year)	3%	2%
One to two years	10%	10%
Two to three years	30%	30%
Three to four years	50%	50%
Four to five years	80%	80%
Over five years	100%	100%

(2) Receivables and lease receivables containing significant financing components.

For receivables with significant financing components and lease receivables, the Company measures the provision for losses in accordance with the general method, i.e., the “three-stage” model. The credit risk characteristics grouping, the aging calculation method based on the credit risk characteristics grouping, and the criteria for determining individual provisioning are consistent with the recognition standards for those without financing components.

5. Method of measuring loss provision for other financial assets

For financial assets other than those mentioned above, such as debt investments, other debt investments, other receivables and long-term receivables other than lease receivables, the Company measures the allowance for losses in accordance with the general method, i.e. the “three-stage” model.

(1) Categories of bad debt provision according to credit risk characteristics and basis of determination

The Company divides other receivables into certain credit risk combinations based on the nature of the amounts. It calculates expected credit losses based on the combinations, and the basis for determining the combinations is as below:

Portfolio name	Basis for portfolio recognition
Portfolio 1: Deposit, security deposit	Based on nature of accounts
Portfolio 2: Amounts from related parties	Based on nature of accounts
Portfolio 3: Advances on behalf of others	Based on nature of accounts

(2) Aging calculation method for recognizing credit risk combinations based on aging

Refer to the description of receivables with no significant financing components.

(3) Criteria for determining the bad debt provision based on individual items

Refer to the description of receivables with no significant financing components.

14. Accounts Receivable Financing

The determination methods and accounting methods of receivables financing are detailed in Note V-13. Accounts Receivable.

15. Other Receivables

The determination methods and accounting methods of expected credit losses of other receivables is the same as that of accounts receivable, as detailed in Note V-13. Accounts Receivable.

16. Contract Assets

The Company presents the right to receive consideration for goods or services that have been transferred to the customer (and which is dependent on factors other than time-lapse) as a contract asset. The provision for impairment of contract assets is made with reference to the method of determining expected credit losses in this note.

Contract assets are categorized into the following portfolios according to credit risk characteristics:

Portfolio name	Basis for portfolio recognition
Portfolio 1: General lighting and lamps business portfolio	For the general lighting, auto lamps and other relevant business typically from the parent company and the subsidiary Liaowang Auto Lamp, this portfolio takes the aging of accounts receivable as the credit risk characteristics
Portfolio 2: LED packaging and components business portfolio	LED packaging, components and other relevant business with the subsidiary NationStar Optoelectronics as the representative, this portfolio takes the aging of accounts receivable as the credit risk characteristics
Portfolio 3: Internal business portfolio	Related parties and internal transactions

17. Inventory

1. Classification of inventories

Inventory refers to the finished goods or merchandise held by the Company for sale in the ordinary course of business, work-in-progress during the production process, and materials and supplies consumed in the production or service provision process. It mainly includes raw materials, circulating materials (such as packaging materials, low-value consumables, etc.), materials for entrusted processing, work-in-progress, self-manufactured semi-finished products, and finished goods (inventory goods).

2. Pricing method of issuing inventories

When inventory is issued, the Company uses the weighted average method to determine the actual cost of the inventory issued.

3. Inventory system of inventories

The perpetual inventory system is adopted for the inventories of the Company.

4. Amortization of low-value consumables and packing materials

The one-off charge-off method is used for low-value consumables and packaging materials.

5. Criteria for recognizing and accrual method of provision for decline in value of inventories

Net realizable value refers to the amount after deducting the cost estimated until completion, estimated selling expenses, and relevant taxes from the estimated selling price of the inventory. The Company determines the net realizable value of inventories based on solid evidence obtained and after taking into consideration the purpose for which the inventory is held, and the impact of post-balance sheet events.

The net realizable value of finished goods, materials for sale, and other merchandise inventories used directly for sale is determined in the normal course of production and operation as the estimated selling price of such inventories, less estimated selling expenses, and related taxes.

The net realizable value of material inventories subject to processing is determined in the normal course of production operations as the estimated selling price of the finished goods produced, less the estimated costs to be incurred to completion, estimated selling expenses, and related taxes. The Company determines the net realizable value of inventories based on solid evidence obtained and after taking into consideration the purpose for which the inventory is held, and the impact of post-balance sheet events.

18. Assets Held for Sale

1. Recognition criteria and accounting treatment for non-current assets classified as held for sale or disposal groups

A non-current asset or disposal group whose carrying value will be recovered principally through sale rather than through continuing use is classified as held for sale and meets the following conditions: first, it is immediately available for sale under current conditions based on the customary practice for sales of such assets or disposal groups in similar transactions; and second, it is highly probable that the sale will occur, i.e., the enterprise has already resolved on a plan for the sale and has obtained a firm commitment to purchase, and it is expected that the sale is expected to be completed within one year. The relevant regulations require the approval of the relevant or regulatory authority of the enterprise before the sale shall have been approved.

When the Company initially measures or remeasures non-current assets or disposal groups held for sale on the balance sheet date, if the carrying value is higher than the fair value minus the net amount of the sale costs, the carrying value will be written down to the net amount of fair value minus the sale costs. The amount written down will be recognized as asset impairment loss and included in current profit and loss, and provision for impairment of assets held for sale will be made.

The amount of asset impairment loss recognized for disposal groups held for sale shall be offset against the carrying value of goodwill in the disposal group first, and then against the carrying value of each non-current asset proportionately according to the proportion of the carrying value of each non-current asset in the disposal group as defined in the applicable measurement of the *Accounting Standards for Business Enterprises - Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations*.

2. Recognition criteria and presentation of discontinued operations

Discontinued operations is a separately distinguishable component that meets one of the following conditions and that has been disposed of by the Company or classified by the Company as held for sale: the component represents a separate principal business or a separate principal operating area; the component is part of a related program of proposed dispositions of a separate principal business or a separate principal operating area; The component is a subsidiary acquired specifically for resale.

The Company presents gains and losses from continuing operations and gains and losses from discontinued operations separately in the statement of income. Operating gains and losses, such as impairment losses and reversal amounts for discontinued operations, and gains and losses on disposals are presented as gains and losses from discontinued operations. The revenues, expenses, gross profit, income tax expense (benefit) and net profit from discontinued operations, impairment losses recognized on assets or disposal groups of discontinued operations and the amount of their reversal, total gain or loss on disposal of discontinued operations, income tax expense (benefit) and net gain or loss on disposal, net cash flows from operating activities, investing activities and financing

activities of discontinued operations, and gains and losses from continuing operations and gains and losses from discontinued operations attributable to owners of the parent company are disclosed in the notes.

19. Investment in Debt Obligations

Not applicable

20. Other Investment in Debt Obligations

The determination methods and accounting methods of other investment in debt obligations are detailed in Note V-11. Financial Instruments.

21. Long-term Receivables

Not applicable

22. Long-term Equity Investments

1. Judgment criteria for joint control and significant influence

Joint control means that activities that have a significant impact on the return of an arrangement must be decided upon with the unanimous consent of the participants sharing control, including sales and purchases of goods or services, management of financial assets, purchases and disposals of assets, research and development activities, and financing activities. Significant influence refers to the condition where an investor holds between 20% to 50% of the voting capital in an investee, generally indicating a significant influence. Or, although less than 20%, having a significant influence when one of the following conditions is met: Representation on the board of directors or similar authority of the investee; participation in the policy-making process of the investee; assignment of management personnel to the investee; reliance of the investee on the technology or technical information of the investee; and major transactions with the investee.

2. Determination of initial investment cost

For long-term equity investments acquired through a business combination, in the case of a business combination under the same control, the initial investment cost of the long-term equity investment shall be the share of the owners' equity of the party being combined in the consolidated financial statements of the ultimate controlling party on the combination date; in the case of a business combination not under the same control, the initial investment cost of the long-term equity investment shall be the cost of combination determined on the acquisition date; for long-term equity investments acquired by paying cash, the initial investment cost is the actual purchase price paid; for long-term equity investments acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued; for long-term equity investments acquired through debt restructuring, the initial investment cost is determined in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 12-Debt Restructuring*; for long-term equity investments acquired through exchange of non-monetary assets, the initial investment cost is determined in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 7-Exchange of Non-monetary Assets*.

3. Method of subsequent measurement and recognition of profit or loss

Long-term equity investments in which the Company can exercise control over the investees are accounted for by the cost method, and long-term equity investments in associates and joint ventures are accounted for by the equity method. If a portion of the Company's equity investments in affiliates is held indirectly through venture capital institutions, mutual funds, trust companies, or similar

entities, including investment-linked funds, regardless of whether the above entities have significant influence over this portion of the investment, the Company treats it in accordance with the relevant provisions of *Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments* and accounts for the remaining portion with the equity method.

23. Investment Properties

Measurement model of investment property

Measurement of cost method

Depreciation or amortization method

The Company's investment property include leased land use rights, leased buildings, and land use rights held and ready to be transferred after appreciation. Investment property is initially measured according to cost, and then measured by cost model.

The Company uses the composite life depreciation method for buildings leased out of investment properties, and the specific accounting policies are the same as those for fixed assets. Land use rights leased out of investment properties and land use rights held and intended to be transferred after appreciation are amortized through the straight-line method with the same accounting policies as those for the intangible assets segment.

24. Fixed Assets

(1) Recognition conditions

The fixed assets refer to tangible assets held for production of goods, provision of labour services, lease or business with a service life of over a fiscal year. Recognition is made when the following conditions are met: The economic benefits associated with the fixed-asset will probably flow to the enterprise; the cost of the fixed-asset can be measured reliably.

(2) Depreciation method

Category	Depreciation method	Depreciable life	Residual value rate	Annual depreciation rate
Houses and buildings	Straight-line depreciation method	3-38 years	1%-10%	31.67%-3.17%
Machinery equipment	Straight-line depreciation method	2-11 years	1%-10%	47.50%-8.18%
Transportation equipment	Straight-line depreciation method	Five to ten years	1%-10%	19.00%-9.50%
Electronic equipment	Straight-line depreciation method	Two to eoght years	1%-10%	47.50%-11.88%
Other equipment	Straight-line depreciation method	Five years	5%-10%	19.00%-18.00%

The Company's fixed assets are mainly classified into: buildings and structures, machinery and equipment, electronic equipment, transportation equipment, etc. The depreciation method is the average annual limit method. The service lives and estimated residual values of fixed assets are determined according to the nature and utilization of each category of fixed assets. At the end of the year, the service lives, estimated residual values and depreciation methods of fixed assets are reviewed, and adjustments are made accordingly if there are differences from the original estimates. All fixed assets are depreciated, except for fully depreciated fixed assets that continue to be used and land that is separately accounted for.

25. Construction in Progress

The Company's construction in progress is divided into two types: Construction on a self-operation basis and a contracted basis. The criteria and time point for carrying forward construction in progress to fixed assets are based on the construction in progress reaching its intended state of use. The standard for determining the intended usable condition shall be one of the following: The physical construction (including installation) of the fixed assets has been fully completed or substantially completed; production or trial operation has been conducted, and the results show that the assets can operate normally or can steadily produce qualified products, or the results of the trial operation show that they can function normally or operate; the amount of expenditure on the fixed assets constructed is little or almost no longer incurred; the fixed assets acquired have met the design or contract requirements, or are substantially consistent with the design or contract requirements.

26. Borrowing Costs

1. Recognition principles for the capitalization of borrowing costs

If the borrowing costs incurred by the Company can be directly attributable to the acquisition, construction or production of assets that meet the capitalization conditions, they shall be capitalized and included in the costs of the underlying assets; other borrowing costs recognized as costs according to the amount incurred shall be included in the profit and loss for the current period. Assets eligible for capitalization refer to assets, such as fixed assets, investment properties, and inventories that require a long period for their acquisition or production activities to reach the expected usable or saleable status.

2. Calculation of capitalization amount

The capitalization period refers to the period from when the capitalization of borrowing costs starts to when the capitalization stops. The period during which capitalization of borrowing costs is suspended is not included. Capitalization of borrowing costs shall be suspended if there is an abnormal interruption in the course of acquisition or production and the interruption lasts for more than three consecutive months.

Borrowing of special borrowings is determined by the interest expense incurred in the period of the special borrowings, less the interest revenue expenditure earned by depositing the unused borrowed funds in banks or the investment income earned by making temporary investments; the appropriation of general borrowings is determined by multiplying the weighted average amount of asset expenses over the portion of special borrowings by the capitalization rate of the general borrowings appropriated, which is the weighted average interest rate of general borrowings; if there is a discount or premium on borrowings, the amount of discount or premium to be amortized in each accounting period is determined by the effective interest rate method. The amount of interest is adjusted for each period.

The effective interest rate method is a method of calculating the amortized discount or premium or interest expense on a borrowing based on its effective interest rate. The effective interest rate method calculates the amortized discount or premium or interest expense on a borrowing based on its effective interest rate.

27. Living Assets

Not applicable

28. Oil and Gas Assets

Not applicable

29. Intangible Assets

1. Pricing method of intangible assets

The Company initially measures the intangible assets at cost. For the acquired intangible assets, the actual prices paid and related expenses shall be regarded as the actual costs. The actual cost of intangible assets invested by investors shall be recognized according to the value agreed upon in the investment contract or agreement. In case of unfair contract or agreement, the actual cost shall be recognized according to the fair value. The cost of self-developed intangible assets shall be the total expenditure incurred before they reach the intended use.

2. Service life and its determination basis, estimation, amortization method, or review procedure

Intangible assets with finite service lives are amortized on a straight-line basis over their service lives, and the service lives and amortization methods of intangible assets are reviewed at the end of the year and adjusted accordingly if there are differences from the original estimates. Intangible assets with indefinite service lives are not amortized, but are reviewed at the end of the year for service lives and estimated when there is conclusive evidence that the service life is finite.

The useful life and its determination basis and amortization method of intangible assets with restricted useful life:

Category	Useful life	Determination basis of useful life	Amortization method
Land use right	20-50 years	Duration of land use rights	Method of line
Patent use right	5-20 years	Expected number of years of benefit	Method of line
Software	3-10 years	Expected number of years of benefit	Method of line
Trademark right	3-10 years	Expected number of years of benefit	Method of line
Other	3-10 years	Expected number of years of benefit	Method of line

The intangible assets are regarded as intangible assets with uncertain service life if the term during which they can bring economic benefits to the Company is unforeseeable or if their usage period is uncertain. The bases for determining of uncertain service life are: The intangible assets come from contractual or other legal rights, but the contract or laws have no certain stipulations of the service life; the term during which the intangible assets bring economic benefits to the Company is still unforeseeable even with consideration of peer status or demonstrations of related professionals.

At the end of each year, the review of service life of intangible assets with uncertain service life mainly adopts the method of reviewing from lower department to upper department, where departments related to the use of intangible assets shall conduct the basic review and make assessment of whether the determining basis of uncertain service life changes.

3. The scope of R&D expenditure collection and the related accounting treatment

The scope of the Company's R&D expenditures is mainly formulated based on the Company's R&D projects, which mainly includes: including R&D personnel's employee remuneration, direct input expenses, depreciation expenses and long-term amortization expenses, design expenses, equipment commissioning expenses, amortization expenses of intangible assets, and commissioned external R&D expenses.

Expenditures incurred during the research phase of an internal research and development project are recognized in profit or loss when incurred; expenditures incurred during the development phase that meet the conditions for recognition as an intangible asset are transferred to intangible asset accounting.

Specific criteria for dividing the research phase and development phase of internal research and development projects: The expenditures in internal research and development projects of the Company are classified into expenditures in research stage and expenditures in development stage. The expenditures in research stage are included in the current profits and losses when incurred. The expenditures in development stage are recognized as intangible assets when meeting the following conditions:

- (1) The completion of the intangible assets makes it technically feasible for using or selling;
- (2) Having the intention to complete and use or sell the intangible assets;
- (3) The way in which an intangible asset generates economic benefits, including the proof that the products produced with the intangible assets can be sold in a market or the proof of its usefulness if the intangible assets can be sold in a market and will be used internally;
- (4) Having sufficient technical, financial resources and other resources to support the development of the intangible assets and the ability to use or sell the intangible assets;
- (5) Expenditure attributable to the development stage of intangible assets can be measured reliably.

The cost of self-developed intangible assets includes the total expenditure incurred after meeting intangible assets recognition criterion and before reaching intended use. Expenditures that have been expensed in previous periods are no longer adjusted.

30. Long-term Asset Impairment

For long-term assets having the indication of impairment on balance sheet date such as long-term equity investments, investment property measured in cost mode, fixed assets, construction in progress, productive living assets measured in cost mode, oil and gas assets, and intangible assets, the Company shall test the impairment. If the impairment test results indicate that the recoverable amount of the asset is lower than its book value, the impairment provision shall be made at the difference and included in the impairment loss.

The recoverable amount is the higher of the fair value of the asset minus the disposal cost and the present value of the expected future cash flows of the asset. The provision for impairment of assets is calculated and recognized on the basis of individual assets. If it is difficult to estimate the recoverable amount of individual assets, the recoverable amount of the asset group shall be recognized by the asset group to which the asset belongs. The asset group is the smallest portfolio of assets that can generate cash inflows independently.

Goodwill presented separately in the financial statements shall be tested for impairment every year, whether or not there is any indication of impairment. The book value of the goodwill shall be apportioned to the asset group or portfolio of asset groups that is expected to benefit from the synergies of the business combination when the impairment test is conducted. The corresponding impairment loss is recognized if the test results indicate that the recoverable amount of the asset group or portfolio of asset groups containing the apportioned goodwill is lower than its book value. The amount of the impairment loss shall offset the book value of the goodwill apportioned to the asset group or portfolio of asset groups, and offset the book value of other assets in proportion according to the proportion of the book value of other assets except the goodwill in the asset group or portfolio of asset groups.

Once the impairment loss of the above asset is recognized, the portion that the value is restored will not be written back in subsequent periods.

31. Long-term Prepaid Expense

Long-term prepaid expense refers to general expenses with the apportioned period over one year (excluding one year) that have occurred but are attributable to the current and future periods. Long-term prepaid expense shall be amortized averagely within benefit period. In case of no benefit in the future accounting period, the amortized value of such item that fails to be amortized shall be transferred into the current profits and losses.

32. Contract Liabilities

The Company presents the obligations to transfer goods or provide services to customers for consideration received or receivable from customers as contract liabilities. Contract assets and contract liabilities under the same contract are presented net: if the net amount results in a debit balance, it is presented in “Contract Assets” or “Other Non-current Assets” based on its liquidity; if the net amount results in a credit balance, it is presented in “Contract Liabilities” or “Other Non-current Liabilities” based on its liquidity. Contract assets and contract liabilities under different contracts cannot be offset against each other.

33. Payroll

Employee benefits refer to all forms of remuneration or compensation given by the Company for services rendered by employees or for the termination of employment relationships. Employee benefits mainly include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits.

(1) Accounting methods for short-term remuneration

The short-term compensation actually happened during the accounting period when the active staff offering the service for the Company should be recognized as liabilities and is included in the current profits and losses except for those required or allowed to be included in the assets cost by the Accounting Standards for Business Enterprises. The employee services benefits actually happened in the Company shall be included in the current profits and losses or relevant assets cost according to the actual amount. Of which the non-monetary benefits should be measured according to the fair value. During the accounting term in which employees provide service, the Company calculates and determines the corresponding payroll amount in accordance with the withdrawal basis and withdrawal proportion specified in regulations with the social insurance premiums such as medical insurance premiums, industrial injury insurance premium and birth insurance premium, housing fund, and the labour union budget and employee education budget withdrawn in regulations, and then recognizes it as liabilities that are included in the current profits and losses or relevant assets cost.

(2) Accounting treatment of the welfare after demission

The payable and deposit amount calculated according to the defined contribution plan during the accounting period when the active staff offering the service for the Company is recognized as liabilities and is included in the current profits and losses or relevant assets cost. The benefit obligations arising from the defined benefit plan shall be attributable to the period in which the employees provide services based on the formula determined by expected cumulative welfare unit method and included in current profits and losses or cost of relevant asset.

(3) Accounting treatment of the demission welfare

When offering the demission welfare, the Company shall recognize the payroll liabilities incurred from the demission welfare on the earlier of the date when the Company could not unilaterally withdraw the demission welfare offered by the plan or layoff proposal owing to termination of the labour relationship or the date when the Company recognizes the cost related to the reorganization of

the payment of the demission welfare, and include the payroll liabilities into the current profits and losses:

(4) Accounting treatment of the welfare of other long-term staffs

The other long-term welfare that the Company offers to the staff, if met with the setting drawing plan, shall be disposed of according to the relevant setting drawing plan; except for that, net liabilities or net assets of the welfare of other long-term staff shall be recognized and measured according to the setting drawing plan.

34. Accrued Liabilities

The obligation pertinent to contingencies shall be recognized as provisions when that obligation is a current obligation of the Company, and it is likely to cause any economic benefit to flow out of the enterprise as a result of performance of the obligation, while the amount of the obligation can be measured in a reliable way. The Company conducts the initial measurement in accordance with the best estimate of the necessary expenses for the performance of the current obligation. If there is a sequent range for the necessary expenses and if all the outcomes within this range are equally likely to occur, the best estimate shall be determined in accordance with the midpoint estimate within the range; if the contingencies concern two or more items, the best estimate shall be calculated and determined in accordance with all possible outcomes and the relevant probabilities.

Review of the book value of provisions shall be conducted on the balance sheet date. The book value shall be adjusted in accordance with the current best estimate when there is definite evidence indicating that the book value cannot reflect the current best estimate in faithfulness.

35. Share-based Payment

Not applicable

36. Other Financial Instruments such as Preferred Shares and Perpetual Bonds

Not applicable

37. Revenue

Disclosure of accounting policies adopted for revenue recognition and measurement by type of business

The Company recognizes revenue based on the transaction price apportioned to the performance obligation in a contract when the customer obtains control of the underlying good or service. Obtaining control of related goods refers to that customers can control the use of the goods and obtain almost all the economic benefits from the goods. A performance obligation is a contractual commitment by the Company to transfer a clearly distinguishable commodity to a customer. The transaction price is the amount of consideration that the Company expects to be entitled to receive as a result of the transfer of the commodity to the customer, excluding amounts collected on behalf of third parties and amounts that the Company expects to return to the customer.

Whether the performance obligation is to be fulfilled within a certain period of time or at a certain point in time depends on the terms of the contract and the relevant legal provisions. If the performance obligation is fulfilled within a certain period of time, the Company recognizes revenue in accordance with the progress of performance. Otherwise, the Company recognizes revenue at a point in time when the customer obtains control of the underlying asset.

The Company determines whether the Company's status is that of a principal or agent when engaging in a transaction based on whether it has control over the goods or services prior to transferring them

to the customer. If the Company is able to control the goods or services before transferring them to the customer, the Company is the principal responsible party and recognizes revenue based on the total consideration received or receivable. Otherwise, the Company shall recognize revenue as an agent based on the amount of commissions or fees to which it is expected to be entitled, which shall be determined at the net amount of the total consideration received or receivable less the price payable to other related parties, or at the established commission amount or percentage, etc.

Specific principles and measurement methods for revenue recognition by business type: The Company recognizes revenue from general lighting products, LED packaging and component products, automotive lamp products, trading and other products as follows:

(1) Recognition of domestic sales revenue: Under the conventional settlement mode, the Company has delivered goods that have passed inspection to the purchaser as required by the purchaser; the amount of revenue has been determined, a sales invoice has been issued and the payment has been received or is expected to be recovered; under the consignment sales settlement mode, the Company recognizes sales revenue when the product is issued and the settlement notice is issued after the customer inspection is qualified;

(2) Recognition of export sales revenue: The Company has produced goods according to the requirements stipulated in the sales contract, and completed the export declaration procedures after the goods have passed inspection; products have been loaded on board; the amount of revenue has been determined, an export sales invoice has been issued, and the payment has been received or is expected to be recovered.

Different business models for the same type of business involving different revenue recognition and measurement methods

None.

38. Contract Costs

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer. Incremental costs of obtaining a contract (“contract acquisition costs”) are costs that won’t have been incurred if the contract is not acquired. If the cost is expected to be recovered, the Company regards it as contract acquiring cost and confirms it as an asset.

Costs incurred for the performance of a contract that do not fall within the scope of other enterprise accounting standards, such as inventory, are recognized as an asset as contract performance costs when the following conditions are simultaneously met: The cost is directly related to a current or anticipated acquisition of a contract and includes direct labour, direct materials, manufacturing overhead (or similar costs), costs explicitly attributable to the user, and other costs incurred solely as a result of that contract; the cost increases the resources available to meet future performance obligations; and the cost is expected to be recovered.

Contract performance costs recognized as assets are included in “Inventory” on the balance sheet if the amortization period at the initial recognition doesn’t exceed one year or one normal operating cycle; if the amortization period at the initial recognition is more than one year or one normal operating cycle, they are included in “Other non-current assets” on the balance sheet.

Contract acquisition cost recognized as assets are included in “Other current assets” on the balance sheet if the amortization period at the initial recognition doesn’t exceed one year or one normal operating cycle; if the amortization period at the initial recognition is more than one year or one normal operating cycle, they are included in “Other non-current assets” on the balance sheet.

The Company amortizes the assets recognized for contract acquisition costs and contract performance costs on the same basis as the revenue recognition of the merchandise to which the assets relate, and recognizes them in profit or loss for the current period. Assets formed from the incremental cost of acquiring a contract with an amortization period of not more than one year are recognized in profit or loss for the current period when it occurs.

If the carrying amount of an asset related to the cost of a contract exceeds the difference between the following two items, the Company makes an allowance for impairment and recognizes an asset impairment loss for the excess: the remaining consideration expected to be received for the transfer of the merchandise to which the asset relates; and the estimated costs to be incurred for the transfer of the related merchandise.

If the two differences above are higher than the book value of the assets due to the subsequent changes in the impairment factors in previous periods, the asset impairment provisions set aside should be reversed and recognized as profit and loss of the current period. However, upon the reversal, the book value of the assets shall not exceed the book value of the assets on the reversal date, supposing that impairment provisions are not set aside.

39. Government Subsidies

1. Category of and accounting treatment for government subsidies

Government subsidies refer to the monetary assets or non-monetary assets obtained by the Company from the government (excluding the capital invested by the government as an equity holder). If a government subsidy is a monetary asset, it shall be measured according to the amount received or receivable. If a government subsidy is a non-monetary asset, it shall be measured at its fair value, and shall be measured at a nominal amount when the fair value cannot be obtained reliably.

Government subsidies related to the daily activities are included in other income in accordance with the nature of economic business. Government subsidies unrelated to the daily activities are included in non-operating revenue.

Government subsidies are recognized as asset-related subsidies when stipulated by government documents to be used for acquisition, construction or otherwise formation long-term assets. Regarding the government grants that the government document does not specify the object of subsidy and can form long-term assets, the part of government subsidy corresponding to the asset value shall be regarded as the asset-related government subsidy and the rest shall be regarded as income-related government subsidy. If it is difficult to distinguish, the government subsidy shall be regarded as the income-related government subsidy. Government grants related to assets are recognized as deferred income. The amount recognized as deferred income is included in the current profits and losses in accordance with reasonable and systematic method in the useful life of relevant assets.

Government subsidies other than asset-related government subsidies are recognized as government subsidies related to income. Government subsidies related to income used to compensate the relevant costs, expenses or losses of the Company in the subsequent period shall be recognized as deferred income, and shall be included in the current profit and loss during the period of confirming the relevant cost, expenses or losses; subsidies used to compensate the relevant costs, expenses or losses incurred by the Company shall be directly included in the current profits and losses.

In the case that the Company obtains a policy favourable loan interest subsidy, and the fiscal system allocates the fund of interest subsidy to the lending bank, who provides loans to the Company at a policy favourable interest rate, the actual loan amount received is recognized as the recorded value of the loan, and the relevant borrowing costs are calculated based on the loan principal and the policy

favourable interest rate; if the fiscal system allocates the fund of interest subsidy to the Company directly, the Company reduces the corresponding interest subsidy against relevant borrowing costs.

2. Recognition time of government subsidies

Government subsidies shall be recognized when the Company satisfies the conditions attached to the government subsidies and is able to receive them. Government subsidies measured according to the receivable amount shall be recognized when there is positive evidence at the end of the period that they can meet the relevant conditions stipulated by the financial support policies and are expected to receive financial support funds. Other government subsidies other than government subsidies measured by amount receivable are recognized when the Company actually receives the subsidies.

40. Deferred Income Tax Assets/Deferred Income Tax Liabilities

1. Recognition of deferred income taxes

The Company recognizes the deferred income tax assets or deferred income tax liabilities in accordance with the applicable tax rate during the estimated period of recapturing the assets or paying the liabilities for the different amount between the book value of assets or liabilities and its tax base (for items not recognized as assets and liabilities, if its tax basis can be determined according to the tax law, the tax basis is recognized as the different amount).

2. Measurement of deferred income tax

The recognition of deferred income tax assets is subject to the amount of taxable income obtained to offset the deductible temporary differences. On the balance sheet date, deferred income tax assets without recognition during the former accounting period shall be recognized if there are definite indications representing that it is probable to have sufficient taxable income to offset the deductible temporary differences during the future period. If it is likely that sufficient taxable income will not be available to offset the benefit of the deferred income tax assets in the future period, the book value of the deferred income tax assets will be written down.

For taxable temporary differences related to the investment in subsidiaries and associated enterprises, the deferred income tax liabilities are recognized unless the time of temporary differences reversal can be controlled by the Company and are probably not to be reversed in foreseeable future. For deductible temporary differences related to the investment in subsidiaries and associated enterprises, the deferred income tax assets are recognized if the temporary differences are probably to be reversed in foreseeable future and it is likely to have taxable income to offset the deductible temporary differences.

3. Basis for netting off deferred income taxes

Deferred income tax assets and deferred income tax liabilities are presented in net amount after offsetting when the following conditions are simultaneously met: there is a legal right to settle current income tax assets and current income tax liabilities on a net basis; the deferred income tax assets and deferred income tax liabilities are related to income taxes levied by the same tax authority on the same taxable entity or are related to different taxable entities, but are not expected to reverse in the future in each of the periods in which the deferred income tax assets and deferred income tax liabilities are material; and the taxable entities involved intend to settle current income tax assets and current income tax liabilities on a net basis. However, in each future period in which the deferred tax assets and deferred tax liabilities are reversed, the taxable entity involved intends to either settle the current income tax assets and current income tax liabilities on a net basis or to acquire the assets and settle the liabilities at the same time.

41. Lease

The Company assesses whether a contract is a lease or contains a lease at the inception date of the contract. A contract is a lease or contains a lease if one of the parties to the contract has given up the right to control the use of one or more identified assets for a specified period of time in exchange for consideration.

(1) Accounting treatment for leases as the lessee

1. On the start date of the lease term, the Company deems the right-of-use assets and lease liabilities of all the operating leases except for the short-term leases and low-value leases, and recognizes the depreciation expense and interest expense respectively within the lease term.

(1) Right-of-use assets

After the commencement date of the lease term, the Group uses the cost for initial measurement of right-of-use assets. This cost includes the initial measurement amount of the lease liability, lease payments made on or before the commencement date of the lease term net of lease incentives, and initial direct cost.

If it is reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, the Company will depreciate the leasehold property over its estimated remaining service life. If it is not reasonably certain that the ownership of the leasehold property will be obtained at the end of the lease term, the Company will depreciate the leased assets over the lease term or the remaining service life, whichever is shorter. When the recoverable amount is less than the carrying amount of the right-of-use asset, the carrying amount is written down to the recoverable amount.

(2) Lease liabilities

The Company initially measures the lease liabilities at the current value of the lease payments outstanding at the start date of the lease term. Lease payments include fixed payments and payments that are reasonably certain to be made when the option to purchase or terminate the lease is exercised. Variable lease payments that are not covered in the measurement of the lease liabilities are included in current profit or loss when actually incurred.

The Company uses the interest rate implicit in lease as the rate of discount. If the interest rate implicit in lease cannot be reasonably determined, the Company's incremental borrowing rate is used as the rate of discount. Interest expense on the lease liability for each period during the lease term is calculated on the basis of a fixed periodic rate, i.e., the discount rate used by the Company or a revised discount rate, and is included in finance costs.

2. Judgment criteria and accounting treatment for short-term leases and leases of low-value assets as a lessee for simplified treatment

For short-term leases with a lease term of no exceeding 12 months and leases where the brand-new value of a single asset is less than RMB40,000, the Company has elected not to recognize right-of-use assets and lease liabilities, and to charge the related rental expenses to current profit or loss or the cost of the related assets on a straight-line basis for each period during the lease term.

(2) Accounting treatment of leases as the lessor

The Company recognizes leases that transfer substantially all the risks and rewards associated with ownership of the leased asset as finance leases at the inception of the lease, and leases other than these are classified as operating leases.

(1) Accounting treatment of operating leases

Rental income from operating leases is recognized on a straight-line basis over the lease term. Initial direct expenses are capitalized and recognized as current income in instalments over the lease term on the same recognition basis as rental income, and variable rentals not included in lease receipts are recognized as rental income when they are actually incurred.

(2) Accounting treatment of financial lease

On the inception of a lease, the difference between the sum of finance lease receivable and unguaranteed residual value and its present value is recognized as unrealised lease income by the Company, which is recognized as lease income in each period when the rent is received in the future and the finance lease asset is derecognized. Initial direct costs are included in the initial recorded value of the finance lease receivable.

42. Other Significant Accounting Policies and Estimates

(1) Safety production expenses

Operating in the electrical machinery and equipment manufacturing industry, the Company has accrued safety production expenses in accordance with the relevant provisions of the *Management Measures for the Provision and Use of Enterprise Production Safety Costs* (CZ [2022] No. 136) jointly issued by the Ministry of Finance and the Ministry of Emergency Management on 21 November 2022. Safety production expenses, when accrued, are included in costs or current profit or loss of relevant products and in the “Special Reserve” account. When safety production expenses are used within the prescribed scope and are operating expenses, they are directly used to offset the special reserves. If they form fixed assets, the expenses incurred are first aggregated under the “Construction in Progress” account, and when the safety projects are completed and reach the predetermined usable state, they are recognised as fixed assets. Meanwhile, the special reserves are offset as per the cost of forming fixed assets, and an equivalent amount of accumulated depreciation is recognised. The aforesaid fixed assets will not be depreciated as accrued in the future period.

43. Changes in Main Accounting Policies and Estimates

(1) Change in accounting policies

☒Applicable ☐ Not applicable

Unit: RMB

Changes to the accounting policies and why	Name of statement item materially affected	Amount affected
In October 2023, the Ministry of Finance issued the <i>Notice on Issuing the Interpretation No. 17 of Accounting Standards for Business Enterprises</i> (CK [2023] No. 21), which stipulates provisions on “Classification of Current and Non-current Liabilities”, “Disclosure of Supplier Financing Arrangements”, and “Accounting Treatment of Sale and Leaseback Transactions”. These provisions were effective from 1 January 2024.	None	0.00
In December 2024, the Ministry of Finance issued the <i>Notice on Issuing the Interpretation No. 18 of Accounting Standards for Business Enterprises</i> (CK [2024] No. 24), which stipulates provisions on “Accounting Treatment of Warranty-type Quality Guarantees Not Constituting a Separate Performance Obligation”. These provisions will be effective from the date of issuance.	Operating costs, selling expenses	0.00

(1) The Company has implemented the *Interpretation No. 17 of Accounting Standards for Business Enterprise* since 1 January 2024. This provision has no impact on the financial statements for the reporting period and does not involve retrospective adjustments for prior years.

(2) The Company has implemented the *Interpretation No. 18 of Accounting Standards for Business Enterprise* since 1 January 2024. This includes accounting treatment for the estimated liabilities arising from warranty-type quality guarantees not constituting a separate performance obligation. In accordance with the *Accounting Standards for Business Enterprises No.13 - Contingencies*, the estimated liability is recognized by debiting “Cost of Goods Sold”, “Other Operating Costs” and other relevant accounts, and crediting the “Provisions” account. Correspondingly, the “Operating Costs” in the income statement and “Other Current Liabilities”, “Non-current Liabilities Due Within One Year”, and “Provisions” in the balance sheet are presented. The Company applies the retrospective adjustment method for this accounting policy change on the date of initial implementation.

(2) Changes in accounting estimates

☐Applicable ☒Not applicable

(3) Adjustments to financial statement items at the beginning of the year of the first implementation of the new accounting standards implemented since 2023

☒Applicable ☐ Not applicable

Explanation of adjustment

On the date of initial implementation, the Company applies the retrospective adjustment method for the provisions of the *Interpretation No. 18 of Accounting Standards for Business Enterprises*. The impact of the provisions on the 2023 financial statements is as follows:

Unit: RMB

Item of consolidated income statement	2023 (before)	2023 (after)	Affected
Operating cost	7,354,814,252.01	7,370,742,684.63	15,928,432.62
Selling expense	331,039,604.55	315,111,171.93	-15,928,432.62

Unit: RMB

Income Statement Items of the Parent Company	2023 (before)	2023 (after)	Affected
Operating cost	2,669,830,010.84	2,670,075,179.86	245,169.02
Selling expense	201,942,644.31	201,697,475.29	-245,169.02

44. Other

None.

VI. Taxes

1. Main Taxes and Tax Rates

Category of taxes	Tax basis	Tax rate
VAT	Sales volume from goods selling or taxable service	3%, 6%, 9%, 13%
Urban maintenance and construction tax	Turnover tax payable	7%, 5%
Enterprise income tax	Taxable income	15%, 22%, 25%

Notes of the disclosure situation of the taxpaying bodies with different enterprises income tax rate

Name	Income tax rate
The Company, Zhida Company, Chanchang Company, Haolite Company, Liaowang Auto Lamp, Chongqing Guinuo, Liuzhou Optoelectronics, Liuzhou Foreshine, Qingdao Optoelectronics, NationStar Optoelectronics, NationStar Semiconductor, Fenghua Semiconductor, Hainan Technology, Hule Electric Equipment, and Germany NationStar.	15%
Indonesia Liaowang	22%
Other subsidiaries	25%

2. Tax Preference

1. In December 2023, the Company passed the re-evaluation for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202344003659). According to relevant regulations, the Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2023.

2. In December 2022, the subsidiary Zhida Company passed the re-evaluation for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202244009711). According to the relevant regulations, Zhida Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2022.

3. In November 2024, the subsidiary Chanchang Company passed the re-evaluation for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202444001793). According to the relevant regulations, Chanchang Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2024.

4. In December 2022, the subsidiary Haolaite Company passed the assessment for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202244003711). According to relevant regulations, Haolaite Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2022.

5. In December 2023, the subsidiary Liaowang Auto Lamp passed the re-evaluation for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202345001098). According to relevant regulations, Liaowang Auto Lamp is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2023.

6. Chongqing Guinuo, a wholly-owned subsidiary of Liaowang Auto Lamp, enjoys the tax incentives of reducing and exempting enterprise income tax for the development of western China since 1 January 2019, and is entitled to a reduced enterprise income tax rate of 15% after examination by and filing with the tax authorities.

7. Liuzhou Lighting, a wholly-owned subsidiary of Liaowang Auto Lamp, passed the review of high-tech enterprise in December 2022 and obtained the certificate of high-tech enterprise (Certificate No.: GR202245001221). According to relevant regulations, Liuzhou Lighting will pay enterprise income tax at a reduced rate of 15% for three years starting from 2022.

8. In November 2024, Liuzhou Foreshine, a wholly owned subsidiary of Liaowang Auto Lamp, passed the re-evaluation for high and new technology enterprise status and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202445000159). According to relevant regulations, Liuzhou Foreshine will pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

In addition, according to the Notice of the Guangxi Zhuang Autonomous Region Department of

Finance and the Guangxi Zhuang Autonomous Region Tax Service of the State Taxation Administration on Clarifying the Policy on the Partial Exemption of Local Share of Enterprise Income Tax under Certain Circumstances (Gui Cai Shui [2023]), enterprises recognised as high and new technology enterprises during the period from 2021 to 2025 shall be exempt, for five consecutive years starting from the first year of recognition, from the portion of enterprise income tax that is locally shared. According to the above provisions, Liuzhou Foreshine is entitled to a 40% reduction in its payable enterprise income tax.

9. In December 2022, Qingdao Lighting, a wholly owned subsidiary of Liaowang Auto Lamp, was recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202237100785). According to relevant regulations, Qingdao Optoelectronics will pay enterprise income tax at a reduced rate of 15% for three years starting from 2022.

10. In December 2023, NationStar Optoelectronics, a subsidiary of the Company, was re recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202344017343). According to relevant regulations, NationStar Optoelectronics will pay enterprise income tax at a reduced rate of 15% for three years starting from 2023.

11. In November 2024, NationStar Semiconductor, a wholly owned subsidiary of NationStar Optoelectronics, was re recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202444004544). According to relevant regulations, NationStar Semiconductor will pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

12. In December 2024, Fenghua Semiconductor, a majority-owned subsidiary of NationStar Optoelectronics, was re recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202444013633). According to relevant regulations, Fenghua Semiconductor will pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

13. In October 2024, Hainan Technology, a subsidiary of the Company, was recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202446000187). According to the relevant regulations, Hainan Technology is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2024.

14. In December 2023, Hule Electrical Equipment, a majority-owned subsidiary of Hainan Technology, was recognised as a high and new technology enterprise and was awarded the High and New Technology Enterprise Certificate (Certificate No.: GR202333010552). According to relevant regulations, the Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2023.

15. The subsidiary Haolaite Company's controlling subsidiary, NationStar Optoelectronics (Germany), is registered in Germany. According to local tax policies, it enjoys a corporate income tax rate of 15%.

16. Subsidiaries Fozhao Huaguang and Hainan Technology indirectly hold Shanghai Lelaite, which is a small and micro enterprise. From 1 January 2024 to 31 December 2024, the people's governments of provinces, autonomous regions and municipalities directly under the Central Government shall determine, in accordance with the actual situation in the region and the needs of macroeconomic regulation and control, that resource tax, urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), arable land occupation tax and education surcharge and local education surcharge may be reduced within a tax range of 50% for small and micro enterprises.

3. Other

Pay in accordance with the relevant provisions of the tax law.

VII. Notes to Main Items of Consolidated Financial Statements

1. Monetary Assets

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	40,535.66	42,466.76
Bank deposits	1,221,721,793.26	1,942,320,219.96
Other monetary assets (note 1)	512,794,818.03	466,064,741.94
Money deposited in finance company (note 2)	1,462,165,277.45	1,179,154,268.07
To-be-received interest (note 3)	12,405,012.91	8,467,957.82
Total	3,209,127,437.31	3,596,049,654.55
Of which: Total amount deposited overseas	32,471,593.74	31,405,378.56

Other notes

Note 1: Other monetary assets were security deposits for notes and performance bonds, pre-sale house payments, as well as investments placed with security firm and the balance with e-commerce platforms, of which the security deposits for notes, performance bonds and pre-sale house payment were restricted assets (see “31. Assets with Restricted Ownership or Right of Use” in Note “VII Notes to Consolidated Financial Statements”).

Note 2: Money deposited in finance company was those deposited in Guangdong Rising Finance Co., Ltd.

Note 3: To-be-received interest was interest receivable on undue bank deposits and term deposits as of the end of the Reporting Period, which is not recognized as cash and cash equivalents.

2. Trading Financial Assets

Unit: RMB

Item	Ending balance	Beginning balance
Financial assets at fair value through profit or loss	43,649,820.47	152,529,775.41
Including:		
Wealth management products	41,661,005.56	151,550,477.63
Equity instrument investments	1,988,814.91	979,297.78
Total	43,649,820.47	152,529,775.41

3. Derivative Financial Assets

None.

4. Notes Receivable

(1) Notes Receivable Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	928,954,818.05	984,928,441.40
Commercial acceptance bill	68,326,252.16	72,423,826.20
Total	997,281,070.21	1,057,352,267.60

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable with individual provision for bad debts										
Notes receivable withdrawn	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21	1,058,830,304.87	100.00%	1,478,037.27	0.14%	1,057,352,267.60
bad debt provision by group										
Including:										

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Bank acceptance bill	928,954,818.05	93.02%	0.00	0.00%	928,954,818.05	984,928,441.40	93.02%	0.00	0.00%	984,928,441.40
Commercial acceptance bill	69,729,361.39	6.98%	1,403,109.23	2.01%	68,326,252.16	73,901,863.47	6.98%	1,478,037.27	2.00%	72,423,826.20
Total	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21	1,058,830,304.87	100.00%	1,478,037.27	0.14%	1,057,352,267.60

Withdrawal of bad debt provision by group: RMB1,403,109.23

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Within 1 year	998,684,179.44	1,403,109.23	0.14%
Total	998,684,179.44	1,403,109.23	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If adopting the general mode of expected credit loss to withdraw bad debt provision of notes receivable:

☐Applicable ☒Not applicable

(3) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Other	
Trade acceptance	1,478,037.27	-206,549.91			131,621.87	1,403,109.23
Total	1,478,037.27	-206,549.91			131,621.87	1,403,109.23

Note: Other mainly refers to the amount of provision for bad debts on accounts receivable added during the current period as a result of the consolidation of Hule Electrical Equipment.

Of which, bad debt provision collected or reversed with significant amount:

☐Applicable ☒Not applicable

(4) Notes Receivable Pledged by the Company at the Period-end

Unit: RMB

Item	Ending pledged amount
Bank acceptance bill	579,430,069.21
Total	579,430,069.21

(5) Notes Receivable Which Had Endorsed by the Company or had Discounted and had not Due on the Balance Sheet Date at the Period-end

Unit: RMB

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end
Bank acceptance bill	77,576,500.22	371,626,812.99
Commercial acceptance bill		852,200.00
Total	77,576,500.22	372,479,012.99

(6) Notes Receivable Written-off in Current Period

None.

5. Accounts Receivable**(1) Disclosure by Aging**

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including one year)	1,958,007,653.74	1,944,758,964.52
One to two years	160,745,414.76	151,569,005.90
Two to three years	75,845,969.51	99,249,444.34
Over three years	116,132,806.59	40,389,042.02
Three to four years	74,345,304.65	9,919,239.39
Four to five years	8,949,462.00	7,074,054.82
Over five years	32,838,039.94	23,395,747.81
Total	2,310,731,844.60	2,235,966,456.78

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawn bad debt provision separately	146,052,307.68	6.32%	72,871,642.18	49.89%	73,180,665.50	25,780,344.44	1.15%	21,977,900.85	85.25%	3,802,443.59
Accounts receivable withdrawn bad debt provision by group	2,164,679,536.92	93.68%	112,192,910.46	5.18%	2,052,486,626.46	2,210,186,112.34	98.85%	120,489,275.53	5.45%	2,089,696,836.81
Including:										
(1) Business portfolio of general lighting and auto lamps	1,470,492,300.88	63.64%	97,526,907.72	6.63%	1,372,965,393.16	1,698,428,474.56	75.96%	109,583,622.27	6.45%	1,588,844,852.29
(2) Business portfolio of LED packaging and	694,187,236.04	30.04%	14,666,002.74	2.11%	679,521,233.30	511,757,637.78	22.89%	10,905,653.26	2.13%	500,851,984.52

components										
Total	2,310,731,844.60	100.00%	185,064,552.64	8.01%	2,125,667,291.96	2,235,966,456.78	100.00%	142,467,176.38	6.37%	2,093,499,280.40

Provision for bad debts by item: RMB72,871,642.18

There were no significant accounts receivable with bad debt provision separately accrued in the current period.

Provision for bad debts by combination: RMB112,192,910.46

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
(1) Business portfolio of general lighting and auto lamps	1,470,492,300.88	97,526,907.72	6.63%
(2) Business portfolio of LED packaging and components	694,187,236.04	14,666,002.74	2.11%
Total	2,164,679,536.92	112,192,910.46	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable:

☐Applicable ☒Not applicable

(3) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period					Ending balance
		Withdrawal	Write-offs in prior periods and reversals in current periods	Reversed or recovered	Verification	Other	
Accounts receivable withdrawn bad debt provision separately	21,977,900.85	32,378,442.43	153,035.99	15,457,653.15	118,454.23	33,938,370.29	72,871,642.18
Accounts receivable withdrawn bad debt provision by group	120,489,275.53	11,407,636.22			105,660.20	-19,598,341.09	112,192,910.46
Total	142,467,176.38	43,786,078.65	153,035.99	15,457,653.15	224,114.43	14,340,029.20	185,064,552.64

Note: Other mainly refers to the amount of provision for bad debts on accounts receivable added during the current period as a result of the consolidation of Hule Electrical Equipment.

Of which, bad debt provision collected or reversed with significant amount: None.

(4) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Written-off amount
Accounts receivable actually written off	224,114.43

Of which, verification of significant accounts receivable: None.

Notes to verification of accounts receivable:

Current period write-off of accounts receivable amounting to RMB224,114.43 and the provision for bad debts of RMB224,114.43, have been put under the approval procedures according to the Company's bad debt management policy.

(5) Top Five of the Ending Balance of the Accounts Receivable and the Contract Assets Collected According to Arrears Party

Unit: RMB

Name of the entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to total ending balance of accounts receivable and contract assets	Ending balance of bad debt provision of accounts receivable and impairment provision for contract assets
No. 1	150,246,356.36		150,246,356.36	6.49%	4,507,390.69
No. 2	94,272,141.84		94,272,141.84	4.07%	2,828,164.26
No. 3	91,661,436.56		91,661,436.56	3.96%	4,143,338.85
No. 4	87,592,748.84		87,592,748.84	3.79%	2,631,871.40
No. 5	77,605,283.13		77,605,283.13	3.35%	2,328,158.49
Total	501,377,966.73		501,377,966.73	21.66%	16,438,923.69

6. Contract Assets

(1) List of Contract Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Bad debt provision	Carrying value	Carrying amount	Bad debt provision	Carrying value
Contract assets	3,380,043.90	1,690,021.95	1,690,021.95	6,074,305.63	1,822,291.69	4,252,013.94
Total	3,380,043.90	1,690,021.95	1,690,021.95	6,074,305.63	1,822,291.69	4,252,013.94

(2) Significant Changes in the Amount of Carrying Value and the Reason in the Reporting Period

There was no significant change in carrying value in the Reporting Period.

(3) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance	Beginning balance
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	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Provision for bad debts based on individual items										
Bad debt provision withdrawn according to groups	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95	6,074,305.63	100.00%	1,822,291.69	30.00%	4,252,013.94
Including:										
Business portfolio of general lighting and auto lamps	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95	6,074,305.63	100.00%	1,822,291.69	30.00%	4,252,013.94
Total	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95	6,074,305.63	100.00%	1,822,291.69	30.00%	4,252,013.94

Provision for bad debts by combination: RMB 1,690,021.95

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Business portfolio of general lighting and auto lamps	3,380,043.90	1,690,021.95	50.00%
Total	3,380,043.90	1,690,021.95	

A description of the basis for determining the portfolio:

See Note V-16. Contract Assets.

Withdrawal of bad debt provision by adopting the general mode of expected credit loss

☐Applicable ☒Not applicable

(4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Unit: RMB

Item	Withdrawal of the current period	Reversal or recovery in the Reporting Period	Write-off/verified for the current period	Other changes	Reason
Provision for impairment of contract assets	-132,269.74				
Total	-132,269.74				—

Of which, bad debt provision collected or reversed with significant amount: Naught.

(5) Contract Assets Written-off in Current Period

None.

7. Accounts Receivable Financing

(1) Accounts Receivable Financing Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	352,694,866.89	443,201,960.02
Total	352,694,866.89	443,201,960.02

(2) Disclosure by Withdrawal Methods for Bad Debts

None.

The basis for the division of each stage and the withdrawal proportion of bad debt provision

See Note V-13. Accounts Receivable.

Notes to significant changes in the carrying amount of accounts receivable financing with amount changed of loss provision in the current period:Naught

(3) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

None.

(4) Accounts Receivable Financing Pledged by the Company at the Period-end

Unit: RMB

Item	Ending pledged amount
Bank acceptance bill	25,328,943.24
Total	25,328,943.24

(5) Accounts Receivable Financing Which Had Endorsed by the Company or had Discounted and had not Due on the Balance Sheet Date at the Period-end

Unit: RMB

Item	Amount of recognition termination at the period-end	Amount of not terminated recognition at the period-end
Bank acceptance bill	414,969,887.25	
Total	414,969,887.25	

(6) Accounts Receivable Financing with Actual Verification for the Current Period

None.

(7) The changes of accounts receivable financing in the Current Period and the fair value changes

None.

(8) Other Notes

None.

8. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	70,524,265.25	49,108,300.85
Total	70,524,265.25	49,108,300.85

(1) Interest Receivable

None.

(2) Dividend Receivable

None.

(3) Other Receivables**1) Category of Other Receivables by Account Nature**

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Other current accounts	77,640,342.04	65,389,794.88
Performance bonds	25,244,600.82	17,686,774.68
Export VAT rebates	5,974,168.41	4,708,061.84
Staff loans and petty cash	3,138,997.42	1,589,234.30
Rents and utilities	1,314,614.82	817,043.94
Total	113,312,723.51	90,190,909.64

2) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including one year)	51,110,555.10	46,054,067.53
One to two years	22,389,136.32	7,676,026.75
Two to three years	6,564,915.91	2,219,050.74
Over three years	33,248,116.18	34,241,764.62
Three to four years	1,383,400.01	5,990,920.12
Four to five years	4,236,860.23	4,583,526.14
Over five years	27,627,855.94	23,667,318.36
Total	113,312,723.51	90,190,909.64

3) Disclosure by Withdrawal Methods for Bad Debts☒Applicable ☐ Not applicable

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Bad debt provision separately accrued	30,409,096.04	26.84%	30,409,096.04	100.00%		31,541,239.47	34.97%	31,541,239.47	100.00%	
Bad debt provision withdrawn according to groups	82,903,627.47	73.16%	12,379,362.22	14.93%	70,524,265.25	58,649,670.17	65.03%	9,541,369.32	16.27%	49,108,300.85
Including:										
Other receivables with bad debt provision based on a combination of credit risk characteristics	82,903,627.47	73.16%	12,379,362.22	14.93%	70,524,265.25	58,649,670.17	65.03%	9,541,369.32	16.27%	49,108,300.85
Total	113,312,723.51	100.00%	42,788,458.26	37.76%	70,524,265.25	90,190,909.64	100.00%	41,082,608.79	45.55%	49,108,300.85

	3.51		26						
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Provision for bad debts by item: RMB30,409,096.04

Unit: RMB

Name	Beginning balance		Ending balance			Reason for withdraw
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	
Customer A	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	100.00%	It is not expected that the money will be recovered
Total	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00		

Provision for bad debts by combination: RMB 12,379,362.22

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Other receivables with bad debt provision based on a combination of credit risk characteristics	82,903,627.47	12,379,362.22	14.93%
Total	82,903,627.47	12,379,362.22	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

Withdrawal of bad debt provision by adopting the general mode of expected credit loss:

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2024	1,342,723.92	7,982,242.94	31,757,641.93	41,082,608.79
Balance of 1 January 2024 in the current period				
Withdrawal of the current period	-139,062.57	2,905,532.50		2,766,469.93
Reclassification in the Reporting Period			1,203,749.11	1,203,749.11
Verification of the current period		66,067.21	107,736.93	173,804.14
Other changes	319,110.55	-2,177.76		316,932.79
Balance of 31 December 2024	1,522,771.90	10,819,530.47	30,446,155.89	42,788,458.26

The basis for the division of each stage and the withdrawal proportion of bad debt provision

See Note V-13. Accounts Receivable.

Changes of carrying amount with significant amount changed of loss provision in the current period

☐Applicable ☒Not applicable

4) Bad Debt Provision Withdrawn, Reversed or Recovered in the Current Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other	
Other receivables	41,082,608.79	2,766,469.93	1,203,749.11	173,804.14	316,932.79	42,788,458.26
Total	41,082,608.79	2,766,469.93	1,203,749.11	173,804.14	316,932.79	42,788,458.26

Of which the bad debt provision recovered or transferred-back with significant amount during the current period: None.

5) Particulars of the Actual Verification of Other Receivables during the Current Period

Unit: RMB

Item	Written-off amount
Other receivables	173,804.14

Of which the verification of significant other receivables: None.

6) Top Five of the Ending Balance of Other Receivables Collected according to the Arrears Party

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
No. 1	Other current accounts	20,000,000.00	More than 5 years	17.65%	20,000,000.00
No. 2	Other current accounts	15,883,375.00	Within 2 year	14.02%	1,588,337.50
No. 3	Other current accounts	14,840,849.57	Within 1 year	13.10%	445,225.49
No. 4	Performance bond	10,000,000.00	Within 1 year	8.83%	300,000.00
No. 5	Export VAT rebates	5,974,168.41	Within 1 year	5.27%	179,225.05
Total		66,698,392.98		58.87%	22,512,788.04

7) Presentation in Other Receivables due to the Centralized Management of Funds

None.

9. Prepayment**(1) Prepayment Listed by Aging Analysis**

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within one year	18,587,036.85	76.11%	27,750,424.91	80.42%
One to two years	2,101,361.07	8.61%	3,496,897.72	10.13%
Two to three years	1,640,558.43	6.72%	665,594.01	1.93%
Over three years	2,090,822.77	8.56%	2,595,722.28	7.52%
Total	24,419,779.12		34,508,638.92	

Notes of the reasons of the prepayment aging over one year with significant amount but failed settled in time: None.

(2) Top Five Prepayment in Ending Balance Collected according to the Prepayment Target

Unit: RMB

Name of the entity	Relationship with the Company	Ending balance	Aging	Proportion to total prepayments (%)
No. 1	Non-associated	4,337,460.00	Within one year	17.76%
No. 2	Non-associated	1,769,347.69	Within one year	7.25%
No. 3	Non-associated	934,833.36	Within one year	3.83%
No. 4	Non-associated	760,000.00	Within one to two years	3.11%
No. 5	Non-associated	674,648.13	Within one year	2.76%
Total		8,476,289.18		34.71%

10. Inventories

Whether the Company needs to comply with the disclosure requirements for the real estate industry

None

(1) Category of Inventory

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves of inventories or impairment provision for contract	Carrying value	Carrying amount	Depreciation reserves of inventories or impairment provision for contract	Carrying value

		performance costs			performance costs	
Raw materials	314,930,694.77	22,535,048.55	292,395,646.22	305,927,108.28	13,862,774.27	292,064,334.01
Goods in process	229,665,213.27		229,665,213.27	247,880,117.38		247,880,117.38
Inventory goods	1,249,130,700.18	126,346,042.26	1,122,784,657.92	1,051,891,889.47	146,951,222.27	904,940,667.20
Goods in transit	291,148,176.11	27,816,444.67	263,331,731.44	425,003,429.61	9,197,980.38	415,805,449.23
Semi-finished goods	103,638,782.42	2,492,313.51	101,146,468.91	96,957,960.11	4,480,118.25	92,477,841.86
Low-value consumables	1,515,044.74		1,515,044.74	1,322,185.78		1,322,185.78
Other	14,660,598.88		14,660,598.88	16,681,045.68		16,681,045.68
Total	2,204,689,210.37	179,189,848.99	2,025,499,361.38	2,145,663,736.31	174,492,095.17	1,971,171,641.14

(2) Data Resources Recognized as Inventory

None.

(3) Falling Price Reserves of Inventory and Impairment Reserves for Contract Performance Costs

Unit: RMB

Item	Beginning balance	Increased amount of the current period		Decreased amount for the current period		Ending balance
		Withdrawal	Other	Transferred-back or charged-off	Other	
Raw materials	13,862,774.27	10,675,574.58		2,003,300.30		22,535,048.55
Inventory goods	146,951,222.27	24,377,757.23		44,982,937.24		126,346,042.26
Goods in transit	9,197,980.38	26,413,654.99		7,795,190.70		27,816,444.67
Semi-finished goods	4,480,118.25	1,462,730.20		3,450,534.94		2,492,313.51
Total	174,492,095.17	62,929,717.00		58,231,963.18		179,189,848.99

Note: In the amount reversed or charged off in the current period, the amount reversed was RMB9,538,707.43, and the amount charged off was RMB48,693,255.75.

Provision for decline in value of inventories by portfolio

None.

Criteria for making provision for decline in value of inventories by portfolio

See Note V-17. Inventory.

(4) Notes to the Ending Balance of Inventories Including Capitalized Borrowing Expense

None.

(5) Amortization Amount of Contract Performance Cost during the Reporting Period

None.

11. Held-for-sale Assets

Unit: RMB

Item	Ending carrying amount	Impairment provision	Ending carrying amount	Fair value	Estimated disposal expense	Estimated disposal time
Houses, buildings and land involved in expropriation	17,147,339.84		17,147,339.84	165,208,303.00	55,718,333.95	31 December 2025
Total	17,147,339.84		17,147,339.84	165,208,303.00	55,718,333.95	

Other notes

For details, see “Part X- XVIII Other Other Significant Events Events-8. Others: Demolition Matters of Nanjing Fozhao” of this Report. The estimated disposal costs include employee resettlement fees, compensation for the termination of the original tenant’s contract, and taxes related to the proceeds of demolition.

12. Current Portion of Non-current Assets

None.

13. Other Current Assets

Unit: RMB

Item	Ending balance	Beginning balance
Input tax of VAT to be certified and deducted	125,298,564.45	94,451,130.80
Large-value bank certificates of deposit	130,975,312.95	700,000.00
Advance payment of enterprise income tax	2,524,237.91	11,454,058.94
Other	2,486,661.54	2,687,209.40
Total	261,284,776.85	109,292,399.14

14. Investments in Debt Obligations

None.

15. Other Investments in Debt Obligations**(1) List of Other Investments in Debt Obligations**

Unit: RMB

Item	Beginning balance	Accrued interest	Interest adjustment	Change in fair value in the reporting period	Ending balance	Cost	Accumulated fair value changes	Accumulated impairment provision recognized in other comprehensive income	Notes
Purchase held-to-maturity investments	454,822,905.25	12,811,563.93			417,634,469.18	400,000.00			Large Bank Certificates of Deposit

Item	Beginning balance	Accrued interest	Interest adjustment	Change in fair value in the reporting period	Ending balance	Cost	Accumulated fair value changes	Accumulated impairment provision recognized in other comprehensive income	Notes
in 2023						00			
Purchase held-to-maturity investments in 2024		15,388,394.54			722,388,394.54	707,000.00			Large Bank Certificates of Deposit
Total	454,822,905.25	28,199,958.47			1,140,022,863.72	1,107,000.00			

Changes in provision for impairment on other debt investments in the current period

None.

(2) Significant Other Investments in Debt Obligations at the Period-end

Unit: RMB

Item	Ending balance					Beginning balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal
Large bank certificates of deposit in China Everbright Bank (Note)	100,000,000.00	3.30%	3.30%	6 January 2026		100,000,000.00	3.30%	3.30%	6 January 2026	
Large bank certificates of deposit in Bank of Communications	50,000,000.00	2.90%	2.90%	31 August 2026		50,000,000.00	2.90%	2.90%	31 August 2026	
Large bank certificates of deposit in China Everbright Bank	100,000,000.00	2.90%	2.90%	3 November 2026		150,000,000.00	2.90%	2.90%	3 November 2026	
Large	150,000,000.00	2.95%	2.95%	1		150,000,000.00	2.95%	2.95%	1	

Item	Ending balance					Beginning balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal
bank certificate s of deposit in Bank of Guangzhou	00,00 0.00			December 2026		0,000.0 0			December 2026	
Large bank certificate s of deposit in Bank of Guangzhou	212,0 00,00 0.00	2.75%	2.75%	05 February 2027						
Large bank certificate s of deposit in China Everbright Bank	55,00 0,000. 00	2.60%	2.60%	05 February 2027						
Large deposit certificate of Huaxia Bank	143,0 00,00 0.00	2.60%	2.60%	05 February 2027						
Large deposit certificate of China Merchants Bank	82,00 0,000. 00	2.60%	2.60%	05 February 2027						
Large deposit certificate of Huaxia Bank	150,0 00,00 0.00	2.60%	2.60%	08 March 2027						
Large deposit certificate of China Merchants Bank	35,00 0,000. 00	2.60%	2.60%	29 March 2027						
Large deposit certificate of China Merchants Bank	30,00 0,000. 00	2.60%	2.60%	30 April 2027						
Total	1,107, 000,0					450,00 0,000.0				

Item	Ending balance					Beginning balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal
	00.00					0				

Note: Large bank certificates of deposit in China Everbright Bank was frozen in 2024 due to litigation cases and was unfrozen in March 2025.

(3) Status of Accrued Depreciation Reserves

None.

The basis for the division of each stage and the withdrawal proportion of bad debt provision

See Note V-17. Other Investments in Debt Obligations.

(4) Status of Other Investments in Debt Obligations Written-off in Current Period

None.

16. Other Equity Instrument Investment

Unit: RMB

Project name	Ending balance	Beginning balance	Gains recorded in other comprehensive income in the current period	Losses recorded in other comprehensive income in the current period	Accumulative gains recorded in other comprehensive income in the current period	Accumulative losses recorded in other comprehensive income in the current period	Dividend income recognized in current year	Reason for assigning to measure in fair value of which changes included other comprehensive income
Gotion High-tech Co., Ltd.	363,579,045.02	368,376,506.50		4,797,461.48	280,564,559.89		1,713,379.10	Non-trading equity instruments
Xiamen Bank Co., Ltd.	323,502,024.60	290,807,671.05	32,694,353.55		170,544,417.77		26,384,916.90	Non-trading equity instruments
Guangdong Rising Finance Co., Ltd.	30,000,000.00	30,000,000.00					496,154.24	Non-trading equity instruments
Beijing Guangrong Lianmeng Semiconductor lighting Industry Investment Center(L.P.)	6,082,543.80	7,078,568.80					509,730.12	Non-trading equity instruments
Foshan Nanhai District United Guangdong New Light Source Industry Innovation Center	3,000,000.00	3,000,000.00						Non-trading equity instruments
China Guangfa Bank Co., Ltd.	500,000.00	500,000.00						Non-trading equity instruments

Project name	Ending balance	Beginning balance	Gains recorded in other comprehensive income in the current period	Losses recorded in other comprehensive income in the current period	Accumulative gains recorded in other comprehensive income in the current period	Accumulative losses recorded in other comprehensive income in the current period	Dividend income recognized in current year	Reason for assigning to measure in fair value of which changes included other comprehensive income
Total	726,663,613.42	699,762,746.35	32,694,353.55	4,797,461.48	451,108,977.66		29,104,180.36	

Non-trading equity instrument investment in the Current Period disclosed by items

Unit: RMB

Project name	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value of which changes included other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Gotion High-tech Co., Ltd.	1,713,379.10	280,564,559.89			Not satisfied with the condition of trading equity instrument	N/A
Xiamen Bank Co., Ltd.	26,384,916.90	170,544,417.77			Not satisfied with the condition of trading equity instrument	N/A
Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center(L.P.)	509,730.12	1,505,569.32			Not satisfied with the condition of trading equity instrument	N/A
Guangdong Rising Finance Co., Ltd.	496,154.24	644,988.33			Not satisfied with the condition of trading equity instrument	N/A
Total	29,104,180.36	453,259,535.31				

Other notes

NationStar Optoelectronics is a limited partner of Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center (Limited Partnership). As at 31 December 2024, NationStar Optoelectronics has received a total distribution of principal and interest amounting to RMB5,423,025.52 from Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center (Limited Partnership). The accumulated principal repaid is RMB3,917,456.20. After partial recovery of the investment, NationStar Optoelectronics holds a 3.98% equity stake in the partnership.

17. Long-term Receivables

None.

18. Long-term Equity Investment

Unit: RMB

Investee	Beginnin g balance (carrying value)	Beginning balance of depreciatio n reserve	Increase/decrease for the current period								Ending balance (Carryin g value)	Ending balance of depreciation reserve
			Additional investmen t	Reduced investmen t	Gains and losses recognize d under the equity method	Adjustment of other comprehensiv e income	Changes of other equity	Cash bonus or profits announce d to issue	Withdraw al of impairme nt provision	Other		
I. Joint ventures												
II. Associated enterprises												
Shenzhen Primatronix (Nanho) Electronics Ltd.	179,18 8,555.1 5				1,112,0 39.74						180,3 00,59 4.89	
Subtotal	179,18 8,555.1 5				1,112,0 39.74						180,3 00,59 4.89	
Total	179,18 8,555.1 5				1,112,0 39.74						180,3 00,59 4.89	

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

☐Applicable ☒Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flows.

☐Applicable ☒Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

None.

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

None.

19. Other Non-current Financial Assets

None.

20. Investment Property**(1) Investment Property Adopting the Cost Measurement Mode**☒Applicable ☐ Not applicable

Unit: RMB

Item	Houses and buildings	Land use right	Construction in progress	Total
I. Original carrying value				
1. Beginning balance	204,959,267.68			204,959,267.68

Item	Houses and buildings	Land use right	Construction in progress	Total
2. Increased amount of the period	652,565,293.04	61,486,213.33		714,051,506.37
(1) Outsourcing	13,697,930.10			13,697,930.10
(2) Transfer from inventories/fixed assets/construction in progress	638,867,362.94	61,486,213.33		700,353,576.27
(3) Increase for business combination				
3. Decreased amount of the period	34,629,898.79			34,629,898.79
(1) Disposal				
(2) Other transfer	34,629,898.79			34,629,898.79
4. Ending balance	822,894,661.93	61,486,213.33		884,380,875.26
II. Accumulative depreciation and accumulative amortization				
1. Beginning balance	41,322,920.27			41,322,920.27
2. Increased amount of the period	44,391,379.38	12,976,146.14		57,367,525.52
(1) Withdrawal or amortization	14,437,016.76			14,437,016.76
(2) Transfer from inventories/fixed assets/construction in progress	29,954,362.62	12,976,146.14		42,930,508.76
3. Decreased amount of the period	7,796,616.55			7,796,616.55
(1) Disposal				
(2) Other transfer	7,796,616.55			7,796,616.55
4. Ending balance	77,917,683.10	12,976,146.14		90,893,829.24
III. Depreciation reserves				
1. Beginning balance				
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal				
(2) Other transfer				
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	744,976,978.83	48,510,067.19		793,487,046.02
2. Beginning carrying value	163,636,347.41			163,636,347.41

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

☐Applicable ☒Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flows.

☐Applicable ☒Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

None.

The reason for the discrepancy between the information used in the Company's impairment tests in

prior years and the actual situation of those years

None.

(2) Investment Property Adopting the Fair Value Measurement Mode

☐Applicable ☒Not applicable

(3) Projects Converted to Investment Properties and Measured at Fair Value

None.

(4) Investment Property Failed to Accomplish Certification of Property

As at 31 December 2024, the property certificates for the LED workshop, Smart LED workshop buildings 1-3, Fuwan standard workshop J3 (leased portion), Gaoming office building (leased portion), Kelian Building (leased portion), Hainan Fuli parking spaces, and the leased portion of the Hainan production base are still being processed. The Company believes that there are no substantial legal obstacles to the processing of these property certificates, and it will not have a significant adverse impact on the Company's normal operations.

21. Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	3,646,134,662.80	3,451,760,127.91
Disposal of fixed assets	459,543.24	1,454,458.56
Total	3,646,594,206.04	3,453,214,586.47

(1) List of Fixed Assets

Unit: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note:1)	Total
I. Original carrying value						
1. Beginning balance	2,159,878,650.29	5,130,492,486.84	38,514,056.09	72,880,741.85	91,765,712.00	7,493,531,647.07
2. Increased amount of the period	650,979,702.96	267,474,518.99	6,691,694.62	12,147,665.65	9,189,630.57	946,483,212.79
(1) Purchase	3,088,712.55	79,551,393.40	4,858,753.88	9,537,591.30	2,291,750.97	99,328,202.10
(2) Transfer from construction in progress	564,845,506.28	166,486,000.75	442,413.77	1,592,908.77	6,897,879.60	740,264,709.17
(3) Increase for business combination	43,969,202.29	20,545,317.85	1,330,526.97	978,721.88		66,823,768.99
(4) Others (note 2)	39,076,281.84	891,806.99	60,000.00	38,443.70		40,066,532.53
3. Decreased amount of the period	364,091,969.11	41,008,800.89	3,812,283.95	2,178,815.24	1,584,656.63	412,676,525.82
(1) Disposal or scrap	144,286,588.82	39,581,097.08	3,809,357.50	2,178,707.23	811,111.27	190,666,861.90
(2) Equipment		957,524.27				957,524.27

Item	Houses and buildings	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note:1)	Total
transformation						
(3) Others (Note 2)	219,805,380.29	470,179.54	2,926.45	108.01	773,545.36	221,052,139.65
4. Ending balance	2,446,766,384.14	5,356,958,204.94	41,393,466.76	82,849,592.26	99,370,685.94	8,027,338,334.04
II. Accumulative depreciation						
1. Beginning balance	772,209,491.83	3,107,267,227.12	28,949,352.01	51,404,295.01	74,136,436.53	4,033,966,802.50
2. Increased amount of the period	123,762,285.29	409,959,591.82	4,092,568.23	10,011,118.28	6,591,771.62	554,417,335.24
(1) Withdrawal	102,715,498.57	396,266,269.52	2,961,841.26	9,221,027.46	6,591,771.62	517,756,408.43
(2) Increase in business combinations	13,250,170.17	12,326,375.75	1,130,726.97	744,058.62		27,451,331.51
(3) Others (Note 2)	7,796,616.55	1,366,946.55		46,032.20		9,209,595.30
3. Decreased amount of the period	173,515,190.16	35,214,099.66	3,625,710.98	2,070,659.57	1,137,075.99	215,562,736.36
(1) Disposal or scrap	142,181,631.01	34,829,620.46	3,606,236.15	2,070,552.65	770,605.88	183,458,646.15
(2) Equipment transformation		359,294.77				359,294.77
(3) Others (Note 2)	31,333,559.15	25,184.43	19,474.83	106.92	366,470.11	31,744,795.44
4. Ending balance	722,456,586.96	3,482,012,719.28	29,416,209.26	59,344,753.72	79,591,132.16	4,372,821,401.38
III. Depreciation reserves						
1. Beginning balance		7,800,885.08		3,037.99	793.59	7,804,716.66
2. Increased amount of the period		4,002,059.77	86,602.74	85,190.97	2,944.79	4,176,798.27
(1) Withdrawal		4,000,514.26	86,602.74	85,190.97	2,944.79	4,175,252.76
(2) Others		1,545.51				1,545.51
3. Decreased amount of the period		3,427,074.30	86,602.74	84,774.44	793.59	3,599,245.07
(1) Disposal or scrap		3,393,126.45	86,602.74	84,022.52		3,563,751.71
(2) Equipment transformation		33,947.85				33,947.85
Others				751.92	793.59	1,545.51
4. Ending balance		8,375,870.55		3,454.52	2,944.79	8,382,269.86
IV. Carrying value						
1. Ending carrying value	1,724,309,797.18	1,866,569,615.11	11,977,257.50	23,501,384.02	19,776,608.99	3,646,134,662.80
2. Beginning	1,387,669,1	2,015,424,3	9,564,704.08	21,473,408.	17,628,48	3,451,760,1

Item	Houses and buildings	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note:1)	Total
carrying value	58.46	74.64		85	1.88	27.91

Note 1: Fixed assets-Other refers to the cooling system and sewage treatment station of NationStar Optoelectronics and tools of Liaowang Auto Lamp, etc.

Note 2: Other increases or decreases in gross amount and accumulated depreciation are due to the addition of building accessories and classification of houses and buildings leased out to investment properties during the current period.

(2) List of Temporarily Idle Fixed Assets

None.

(3) Fixed Assets Leased out by Operation Lease

None.

(4) Fixed Assets Failed to Accomplish Certification of Property

The Company's Fuwan Standard Workshop J3 (self-use part), Fuwan Standard Workshop K1, Fuwan Energy Saving Lamp Workshop 2, Glass Workshop 8, Glass Workshop 9, Fluorescent Lamp Workshop, Standard Workshop A, Hainan Production Base (self-use part), Kelian Building (self-use part), Gaoming Office Building (self-use part), Gaoming New Canteen, Fuwan Employee Village Family Dormitory Buildings 2-6, Family Dormitory Building 8, Fuwan Industrial Park Employee Village Dormitory Buildings 01-04, Fuwan Employee Village Dormitory Buildings A, 2, 3, 5, 6, 7, 10 to 13, and Employee Apartment Buildings 1-4 have been completed and put into use and transferred to fixed assets. As of 31 December 2024, the relevant property certificates are currently being processed. The Company believes that there are no substantial legal obstacles to the processing of such property rights certificates, and it will not have a significant adverse impact on the normal operation of the Company.

(5) Impairment Test of Fixed Assets

☒Applicable ☐ Not applicable

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

☒Applicable ☐ Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flows.

☒Applicable ☐ Not applicable

In 2024, the company set aside a total of RMB4,175,252.76 for impairment of fixed assets. Specifically, impairment tests were conducted on fixed assets that were severely worn due to prolonged use or became obsolete due to product upgrades. Relevant assets were impaired, and their recoverable amount was estimated based on the fair value and disposal costs determined by reference to the recent disposal and recovery rate of similar assets. The Company accrued an impairment provision of RMB4,175,252.76 based on the higher between the net amount of fair value less disposal costs and the present value of expected future cash flows for the relevant asset groups.

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

None.

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

None.

(6) Proceeds from Disposal of Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
Equipment	459,543.24	1,454,458.56
Total	459,543.24	1,454,458.56

22. Construction in progress

Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	263,601,705.89	1,174,533,505.11
Total	263,601,705.89	1,174,533,505.11

(1) List of Construction in Progress

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Construction in progress	265,196,525.03	1,594,819.14	263,601,705.89	1,176,061,060.10	1,527,554.99	1,174,533,505.11
Total	265,196,525.03	1,594,819.14	263,601,705.89	1,176,061,060.10	1,527,554.99	1,174,533,505.11

(2) Changes in Significant Construction in Progress during the Reporting Period

Unit: RMB

Project name	Budget	Beginning balance	Increased amount of the current period	Transferred in fixed assets	Other decreased amount	Ending balance	Proportion of accumulative investment in constructions to budget	Job schedule	Accumulative amount of interest capitalization	Of which: amount of capitalized interests for the Reporting Period	Capitalization rate of interests for the Reporting Period	Funding resources
The Project of the Geely Industrial Park	1,714,546,700.00	467,955,507.68	98,011,006.22	361,492,369.59	662,831.86	203,811,312.45	37.43%	37.43%	645,610.61	83,247.51	3.37%	Self-financing and Borrowing
Kelian Building	726,738,900.00	265,818,751.84	25,939,352.21		291,758,104.05		93.71%	100.00%	36,640,953.02			Self-financing and Borrowing
Gaoming office building	212,135,300.00	164,777,145.48	9,386,309.24	174,163,454.72			89.49%	100.00%				Self-financing and Borrowing
FSL Hainan Industrial Park I	310,400,000.00	165,138,431.72	8,888,318.40	44,847,854.41	129,178,895.71		100.99%	100.00%				Self-financing and Borrowing

Project name	Budget	Beginning balance	Increased amount of the current period	Transferred in fixed assets	Other decreased amount	Ending balance	Proportion of accumulative investment in construction to budget	Job schedule	Accumulative amount of interest capitalization	Of which: amount of capitalized interests for the Reporting Period	Capitalization rate of interests for the Reporting Period	Funding resources
												ng
Total	2,963,820.90 0.00	1,063,689,836.72	142,224,986.07	580,503,678.72	421,599,831.62	203,811,312.45			37,286,563.63	83,247.51	3.37%	

Note: 1. The decrease in other amounts in this period is mainly due to the conversion of completed projects into investment properties.

2. The Company has pre-invested self-aided funds into the first phase of the FSL's Hainan Industrial Park Phase I Project and exchanged them with the raised funds in accordance with relevant regulations.

(3) List of the Withdrawal of the Depreciation Reserves for Construction in Progress

Unit: RMB

Item	Amount withdrawn	Reason for withdrawal
Xinxiang Office Building	67,264.15	The project has been suspended and is currently idle, with no plans for continued construct at this time.
Total	67,264.15	--

(4) Impairment Test of Construction in Progress

☐Applicable ☒Not applicable

(5) Engineering Materials

None.

23. Productive Living Assets

(1) Productive Living Assets Adopting Cost Measurement Mode

☐Applicable ☒Not applicable

(2) Impairment Test of Productive Living Assets Adopting Cost Measurement Mode

☐Applicable ☒Not applicable

(3) Productive Living Assets Adopting Fair Value Measurement Mode

☐Applicable ☒Not applicable

24. Oil and Gas Assets

☐Applicable ☒Not applicable

25. Right-of-use Assets

(1) List of Right-of-use Assets

Unit: RMB

Item	Houses and buildings	Machinery equipment	Other	Total
I. Original carrying value				
1. Beginning balance	16,811,584.09			16,811,584.09
2. Increased amount of the period	26,292,087.19	1,096,398.96	75,471.70	27,463,957.85
(1) Leased in	26,292,087.19	1,096,398.96	75,471.70	27,463,957.85
3. Decreased amount of the period	11,564,500.18			11,564,500.18
(1) Disposal	11,564,500.18			11,564,500.18
4. Ending balance	31,539,171.10	1,096,398.96	75,471.70	32,711,041.76
II. Accumulative depreciation				
1. Beginning balance	7,999,263.45			7,999,263.45
2. Increased amount of the period	8,641,729.62	383,976.64	44,025.17	9,069,731.43
(1) Withdrawal	8,641,729.62	383,976.64	44,025.17	9,069,731.43
3. Decreased amount of the period	6,700,952.46			6,700,952.46
(1) Disposal	6,700,952.46			6,700,952.46
4. Ending balance	9,940,040.61	383,976.64	44,025.17	10,368,042.42
III. Depreciation reserves				
1. Beginning balance				
2. Increased amount of the period				
(1) Withdrawal				
3. Decreased amount of the period				
(1) Disposal				
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	21,599,130.49	712,422.32	31,446.53	22,342,999.34
2. Beginning carrying value	8,812,320.64			8,812,320.64

(2) Impairment Test of Right-of-use Assets

☐Applicable ☒Not applicable

26. Intangible Assets**(1) List of Intangible Assets**

Unit: RMB

Item	Land use right	Patent use right	Non-patent technology	Software	Trademark right	Other(Note)	Total
I. Original carrying value							

Item	Land use right	Patent use right	Non-patent technology	Software	Trademark right	Other(Note)	Total
1. Beginning balance	491,170,315.79	24,227,977.69		74,865,934.65			590,264,228.13
2. Increased amount of the period	9,723,009.04	13,871,547.17		7,455,623.13	27,020,000.00	3,470,000.00	61,540,179.34
(1) Purchase		1,547.17		7,204,536.95			7,206,084.12
(2) Internal R&D							
(3) Increase for business combination	9,723,009.04	13,870,000.00		251,086.18	27,020,000.00	3,470,000.00	54,334,095.22
3. Decreased amount of the period	131,070,264.20						131,070,264.20
(1) Disposal							
(2) Others	131,070,264.20						131,070,264.20
4. Ending balance	369,823,060.63	38,099,524.86		82,321,557.78	27,020,000.00	3,470,000.00	520,734,143.27
II. Accumulated amortization							
1. Beginning balance	109,627,032.21	24,185,151.93		21,902,130.00			155,714,314.14
2. Increased amount of the period	10,303,946.63	833,504.57		11,644,194.78	1,125,833.35	144,583.35	24,052,062.68
(1) Withdrawal	9,344,615.59	833,504.57		11,627,228.57	1,125,833.35	144,583.35	23,075,765.43
(2) Increase in business combinations	959,331.04			16,966.21			976,297.25
3. Decreased amount of the period	47,619,582.54						47,619,582.54
(1) Disposal							
(2) Others	47,619,582.54						47,619,582.54
4. Ending balance	72,311,396.30	25,018,656.50		33,546,324.78	1,125,833.35	144,583.35	132,146,794.28
III. Depreciation reserves							
1. Beginning balance							
2. Increased amount of the period							
(1) Withdrawal							
3. Decreased amount of the period							
(1) Disposal							
4. Ending balance							
IV. Carrying							

Item	Land use right	Patent use right	Non-patent technology	Software	Trademark right	Other(Note)	Total
value							
1. Ending carrying value	297,511,664.33	13,080,868.36		48,775,233.00	25,894,166.65	3,325,416.65	388,587,348.99
2. Beginning carrying value	381,543,283.58	42,825.76		52,963,804.65			434,549,913.99

Note: List of Intangible Assets—Others are the software copyrights added by merging with Hule Electrical Equipment in the current period.

The proportion of intangible assets formed from the internal R&D of the Company at the period-end to the ending balance of intangible assets was 0.00%.

(2) Data Resources Recognized as Intangible Assets

☐Applicable ☒Not applicable

(3) Land Use Right with Certificate of Title Uncompleted

None.

(4) Impairment Test of Intangible Assets

☐Applicable ☒Not applicable

27. Goodwill

(1) Original Carrying Value of Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase		Decrease		Ending balance
		Formed by business combination		Disposal		
Nanning Liaowang Auto Lamp Co., Ltd.	16,211,469.82					16,211,469.82
Foshan NationStar Optoelectronics Co., Ltd.	405,620,123.64					405,620,123.64
Total	421,831,593.46					421,831,593.46

Note: As for the M&A of NationStar Optoelectronics in 2014 by Guangdong Electronics Information Industry Group Ltd., the wholly-owned subsidiary of Guangdong Rising Holdings Group Co., Ltd., the difference between the fair value and the net assets attributable to the shareholders of the listed company on the date of acquisition of NationStar Optoelectronics formed goodwill of RMB405,620,123.64.

(2) Goodwill Impairment Provisions

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase		Decrease		Ending balance
		Withdrawal		Disposal		
Foshan		142,393,052.				142,393,052.

NationStar Optoelectronics Co., Ltd.		68				68
Total		142,393,052.68				142,393,052.68

(3) Information on the Assets Groups or Combination of Assets Groups which Goodwill Belongs to:

Name	Composition and basis of the asset group or combination of asset groups	Operating segments and basis	Whether it is consistent with the previous year
Nanning Liaowang Auto Lamp Co., Ltd.	Operating non-current assets and goodwill are based on the minimum asset portfolio capable of generating independent cash flows.	General lighting and vehicle lamp products	Yes
Foshan NationStar Optoelectronics Co., Ltd.		LED packaging and component products and other products	Yes

(4) Specific Method of Determining the Recoverable Amount

The recoverable amount is determined as the net fair value less disposal costs

☒Applicable ☐ Not applicable

Unit: RMB

Item	Carrying amount	Recoverable Amount	Impairment Amount	Determination of fair value and disposal costs	Key parameters	Basis for determining key parameters
Foshan NationStar Optoelectronics Co., Ltd.	706,989,055.16	564,596,002.48	142,393,052.68	Market method	The average trading price of stocks in the 30 trading days prior to the benchmark date excluding abnormal	Note1

					trading days.	
Total	706,989,05 5.16	564,596,00 2.48	142,393,05 2.68			

Note 1: The recoverable amount of NationStar Optoelectronics Asset Group is determined based on the higher of the net amount of the fair value of the assets minus disposal expenses and the present value of the expected future cash flows of the assets. NationStar Optoelectronics is a small and medium-sized board listed company on the Shenzhen Stock Exchange. NationStar Optoelectronics calculates its fair value based on the average stock transaction price of the 30 trading days before excluding abnormal trading days on the benchmark date. The disposal expenses are determined by transaction costs and related taxes related to asset disposal.

The recoverable amount is determined by the present value of the forecasted future cash flows.

☒Applicable ☐ Not applicable

Unit: RMB

Item	Carrying amount	Recovera ble Amount	Impairme nt amount	Years of the forecast period	Key parameter s of the forecast period	Key parameter s of the stable period	Basis for determini ng key parameter s for the stable period
Nanning Liaowang Auto Lamp Co., Ltd.	541,790,4 65.11	547,868,8 34.00		5 years	Revenue growth rate of 3.00% - 7.00% and discount rate of 11.28%	Revenue growth rate of 0% and discount rate of 11.28%	Based on the principle of prudence, the income assumptio n of the stable period remains stable compared with the last year of the forecast period.
Total	541,790,4	547,868,8					

	65.11	34.00					
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The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

None.

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

None.

(5) Completion of Commitments to Results and Corresponding Goodwill Impairment

When goodwill is formed, there is a commitment to the results and the reporting period or the period preceding the reporting period is within the commitment period

☐Applicable ☒Not applicable

28. Long-term Prepaid Expense

Unit: RMB

Item	Beginning balance	Increased amount of the current period	Amortization amount of the current period	Other decreased amount	Ending balance
Mould	130,329,590.74	131,980,958.97	63,494,375.43	18,107,709.95	180,708,464.33
Expense on maintenance and decoration	49,146,320.04	37,830,003.34	22,192,422.66		64,783,900.72
Boarding box	667,938.96	39,889.35	394,818.31		313,010.00
Other	10,218,849.51	3,711,413.31	6,711,142.05		7,219,120.77
Total	190,362,699.25	173,562,264.97	92,792,758.45	18,107,709.95	253,024,495.82

Other notes:

Mold reduction is the disposal of molds.

29. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred Income Tax Assets that Had not Been Off-set

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for asset impairment	437,165,619.65	66,540,210.84	390,622,029.71	59,298,411.33
Unrealized profit of internal transactions	67,232,648.57	10,084,897.28	37,737,392.89	5,660,608.94
Deductible loss	205,026,280.47	33,375,483.69	124,708,331.49	22,015,171.66
Depreciation of	45,661,228.34	6,849,184.25	54,793,929.61	8,219,089.44

fixed assets				
Provisions	27,430,683.82	4,114,602.59	14,277,087.30	2,141,563.09
Fair value changes of trading financial assets	636,322.31	95,448.35	751,107.32	112,666.10
Estimated cost	59,384,034.04	8,907,605.11	46,135,701.47	6,920,355.22
Lease liabilities and others	34,868,832.74	5,980,792.80	12,750,617.72	1,915,901.17
Total	877,405,649.94	135,948,224.91	681,776,197.51	106,283,766.95

(2) Deferred Income Tax Liabilities Had not Been Off-set

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Assets assessment appreciation from business consolidation not under the same control	151,028,108.51	22,654,216.26	83,667,098.60	12,550,064.79
Fair value changes of other investments in equity instruments	445,258,977.65	66,788,846.65	417,362,085.59	62,604,312.84
Fair value changes of trading financial assets	736,537.65	110,480.65	1,559,845.00	233,976.75
One-off depreciation of fixed assets	615,396,814.10	92,309,522.12	649,066,960.98	97,598,859.53
Right-of-use assets and others	22,342,999.38	4,058,203.61	12,108,349.60	1,819,532.34
Total	1,234,763,437.29	185,921,269.29	1,163,764,339.77	174,806,746.25

(3) Deferred Income Tax Assets or Liabilities Listed by Net Amount after Off-set

Unit: RMB

Item	Mutual set-off amount of deferred income tax assets and liabilities at the period-end	Amount of deferred income tax assets or liabilities after off-set at the period-end	Mutual set-off amount of deferred income tax assets and liabilities at the period-begin	Amount of deferred income tax assets or liabilities after off-set at the period-begin
Deferred income tax assets		135,948,224.91		106,283,766.95
Deferred income tax liabilities		185,921,269.29		174,806,746.25

(4) List of Unrecognized Deferred Income Tax Assets

None.

(5) Deductible Losses of Unrecognized Deferred Income Tax Assets will Due in the Following Years

None.

30. Other Non-current Assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Contract assets	389,288.95	20,492.17	368,796.78			
Advance payments for equipment, advance payments for construction	59,359,531.60		59,359,531.60	40,991,898.73		40,991,898.73
Advance payment for long-term assets acquisition	36,085,714.00		36,085,714.00	36,085,714.00		36,085,714.00
Long-term assets to be disposed of	103,788,056.44		103,788,056.44	41,955,426.17		41,955,426.17
Prepayments for equity acquisition	10,000,000.00	10,000,000.00		10,000,000.00	10,000,000.00	
Other	1,163,686.77		1,163,686.77	294,664.28		294,664.28
Total	210,786,277.76	10,020,492.17	200,765,785.59	129,327,703.18	10,000,000.00	119,327,703.18

Note: The long-term assets expected to be disposed of mainly include the land use rights of the plot at No. 64, Fenjiang North Road, which is to be transferred and disposed of, as well as the disposal costs of the plot.

31. Assets with Restricted Ownership or Right of Use

Unit: RMB

Item	Period-end				Period-beginning			
	Carrying amount	Carrying value	Type of restriction	Status of restriction	Carrying amount	Carrying value	Type of restriction	Status of restriction
Monetary assets	512,340,403.99	512,340,403.99	Restricted use	Note deposits, bond deposits, pre-sale of properties, etc.	486,328,752.85	486,328,752.85	Restricted use	Note deposits, bond deposits, pre-sale of properties, etc.
Notes receivable	951,909,082.20	951,909,082.20	Pledged, endorsed or discounted but not matured	Pledge of note pool, notes receivable endorsed or	873,275,556.80	873,275,556.80	Pledged, endorsed or discounted but not matured	Pledge of note pool, notes receivable endorsed or

Item	Period-end				Period-beginning			
	Carrying amount	Carrying value	Type of restriction	Status of restriction	Carrying amount	Carrying value	Type of restriction	Status of restriction
				discounted but not matured				discounted but not matured
Fixed assets	348,161,016.79	211,977,100.96	Mortgaged	Related party mortgage guarantees	326,522,715.93	219,746,331.38	Mortgaged	Related party mortgage guarantees
Intangible assets	15,551,408.00	10,341,686.87	Mortgaged	Related party mortgage guarantees	15,551,408.00	10,652,715.04	Mortgaged	Related party mortgage guarantees
Investments in other debt obligations(Note)	103,309,041.10	103,309,041.10	Frozen	Frozen large-denomination certificates of deposit				
Accounts receivable financing	25,328,943.24	25,328,943.24	Pledged	Pledge of note pool	120,221,199.92	120,221,199.92	Pledged	Pledge of note pool
Other non-current assets	2,931.37	2,931.37	Frozen	Frozen funds				
Total	1,956,602,826.69	1,815,209,189.73			1,821,899,633.50	1,710,224,555.99		

Note: The large-denomination certificate of deposit of China Everbright Bank in other debt investments, which was frozen in 2024 due to a litigation case, was unfrozen in March 2025.

32. Short-term Borrowings

(1) Category of Short-term Borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Pledged borrowings	39,850,000.00	
Mortgage loans	28,000,000.00	83,330,000.00
Credit loans	234,995,981.93	70,000,000.00
Acceptance bill discount	4,282,836.39	66,689,877.73
Interest from short-term borrowings	12,329.17	0.00
Total	307,141,147.49	220,019,877.73

Notes of the category for short-term loans:

Notes receivable discounted but not yet due at the end of the period are all bank acceptances with recourse rights and do not meet the conditions for derecognition. Therefore, they are recognised as short-term borrowings.

(2) List of the Short-term Borrowings Overdue but not Returned

None.

33. Trading Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
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Held-for-trading financial liabilities	275,250.00	
Including:		
Other	275,250.00	
Total	275,250.00	

34. Derivative Financial Liabilities

None.

35. Notes Payable

Unit: RMB

Category	Ending balance	Beginning balance
Bank acceptance bill	1,930,784,817.62	2,256,122,566.65
letter of credit		15,052,221.04
Total	1,930,784,817.62	2,271,174,787.69

The total amount of notes payable that are due but unpaid amounted to RMB0.00 at the end of the current period.

36. Accounts Payable

(1) List of Accounts Payable

Unit: RMB

Item	Ending balance	Beginning balance
Accounts payable	2,781,965,096.70	2,875,980,206.64
Total	2,781,965,096.70	2,875,980,206.64

(2) Significant Accounts Payable Aging over One Year or Overdue

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
No. 1	84,923,739.08	It has not reached the settlement period
No. 2	58,539,706.36	It has not reached the settlement period
Total	143,463,445.44	

37. Other Payables

Unit: RMB

Item	Ending balance	Beginning balance
Other payables	495,717,050.97	362,491,923.01
Total	495,717,050.97	362,491,923.01

(1) Interest Payable

None.

(2) Dividends Payable

None.

(3) Other Payables**1) Other receivables by nature**

Unit: RMB

Item	Ending balance	Beginning balance
Account current	208,777,778.90	122,073,392.43
Relevant expense of sales	87,551,768.43	88,852,388.08
Performance bond	96,583,554.73	76,508,284.65
Payments for demolition	34,898,417.30	36,592,784.44
Payment for equity transfer	16,366,572.00	5,000,000.00
Other	51,538,959.61	33,465,073.41
Total	495,717,050.97	362,491,923.01

2) Significant Other Accounts Payable Aging over One Year or Overdue

Unit: RMB

Item	Ending balance	Unpaid/Un-carry-over reason
Unit A	91,046,577.48	It has not reached the settlement period
Total	91,046,577.48	

38. Advances from Customer**(1) List of Advances from Customers**

Unit: RMB

Item	Ending balance	Beginning balance
Advances from customers	163,623.85	466,872.69
Land reserve payment	13,367,850.30	
Total	13,531,474.15	466,872.69

(2) Significant Advances from Customers Aging over One Year or Overdue

None.

39. Contract Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Advances on sales	119,506,301.48	235,335,693.28
Total	119,506,301.48	235,335,693.28

40. Employee Benefits Payable**(1) List of Employee Benefits Payable**

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
I. Short-term salary	192,578,525.70	1,357,077,402.48	1,348,763,708.25	200,892,219.93
II. Post-employment benefit-defined contribution plans	1,252,286.96	127,920,376.26	127,551,750.45	1,620,912.77
III. Termination benefits		17,373,511.05	5,235,555.29	12,137,955.76

Total	193,830,812.66	1,502,371,289.79	1,481,551,013.99	214,651,088.46
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(2) List of Short-term Salary

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Salary, bonus, allowance, subsidy	189,203,378.17	1,188,641,431.67	1,180,534,703.70	197,310,106.14
2. Employee welfare	39,743.10	62,615,306.68	62,615,988.13	39,061.65
3. Social insurance	513,915.45	51,885,336.28	51,736,989.92	662,261.81
Of which: Medical insurance premiums	432,930.31	47,095,538.63	46,962,266.32	566,202.62
Work-related injury insurance	80,985.14	4,789,797.65	4,774,723.60	96,059.19
4. Housing fund	498,319.50	41,648,992.83	41,637,431.16	509,881.17
5. Labor union budget and employee education budget	2,323,169.48	12,286,335.02	12,238,595.34	2,370,909.16
Total	192,578,525.70	1,357,077,402.48	1,348,763,708.25	200,892,219.93

(3) List of Defined Contribution Plans

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Basic pension benefits	941,107.39	117,505,270.78	117,280,661.27	1,165,716.90
2. Unemployment insurance	29,771.68	4,732,899.01	4,725,033.91	37,636.78
3. Annuity	281,407.89	5,682,206.47	5,546,055.27	417,559.09
Total	1,252,286.96	127,920,376.26	127,551,750.45	1,620,912.77

Other notes

The Company participates in the scheme of pension insurance and unemployment insurance established by government agencies as required. According to the scheme, fees are paid to it on a monthly basis and at the rate of stipulated by government agencies. In addition to the above monthly deposit fees, the Company no longer assumes further payment obligations. Corresponding expenses are recorded into the current profits or losses or the cost of related assets when incurred.

41. Taxes Payable

Unit: RMB

Item	Ending balance	Beginning balance
Enterprise income tax	70,202,563.56	17,336,516.13
VAT	20,024,672.48	15,318,825.56
Personal income tax	10,342,055.07	3,796,001.53
Property tax	1,757,727.88	1,606,639.28
Urban maintenance and construction tax	1,631,337.72	1,260,207.36
Education surcharge	1,622,938.34	1,905,489.83
Local education surcharge	695,000.38	986,924.96
Land use tax	458,383.14	436,657.21
Stamp tax	313,705.15	247,268.25

Other	36,776.67	45,627.19
Total	107,085,160.39	42,940,157.30

42. Liabilities Held for sale

None.

43. Current Portion of Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Current portion of long-term borrowings	112,386,714.93	339,846,622.13
Current portion of lease liabilities	8,188,073.88	4,067,592.32
Total	120,574,788.81	343,914,214.45

44. Other Current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Reversed notes that are endorsed and undue	368,196,176.60	71,846,109.20
Endorsed but not yet terminated recognition	1,050,000.00	
Pending changerover output VAT and others	7,910,035.80	23,162,317.81
Total	377,156,212.40	95,008,427.01

45. Long-term Borrowings**(1) Category of Long-term Borrowings**

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage loans	39,680,861.51	27,754,169.97
Credit loans	295,287,783.96	565,185,873.45
Less: Current portion of long-term borrowings	112,386,714.93	339,846,622.13
Total	222,581,930.54	253,093,421.29

46. Bonds Payable

None.

47. Lease Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease liabilities	25,185,296.61	9,690,845.42
Less: Unrecognized financing expenses	1,973,229.62	1,312,285.18
Less: current portion of lease liabilities	8,188,073.88	4,067,592.32
Total	15,023,993.11	4,310,967.92

Other notes:

Analysis of the maturity of lease liabilities

Unit: RMB

Item	Ending balance	Beginning balance
1 to 2 years	7,538,905.81	1,637,899.09
3 to 5 years	4,826,977.55	2,673,068.83
More than 5 years	2,658,109.75	
Total	15,023,993.11	4,310,967.92

48. Long-term Payables

None.

49. Long-term Employee Benefits Payable

None.

50. Provisions

Unit: RMB

Item	Ending balance	Beginning balance	Reason for formation
Pending litigation	2,110,312.84		Contract dispute
Product quality assurance	25,320,370.98	14,277,087.30	Withdrawal of product quality assurance expenses
Total	27,430,683.82	14,277,087.30	

51. Deferred Income

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance	Reason for formation
Government grants	75,185,461.27	35,090,983.03	36,537,264.36	73,739,179.94	Government Grant
Total	75,185,461.27	35,090,983.03	36,537,264.36	73,739,179.94	--

Other notes:

Item	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating income in the Reporting Period	Amount recorded into other income in the Reporting Period	Amount offset cost in the Reporting Period	Other changes	Ending balance	Related to assets/related to income
Government grants related to assets	65,991,198.12	26,924,957.00		24,732,407.74			68,183,747.38	
The Projects of the Production Expansion and Technological Transformation of Components of Small-spacing and Outdoor LED Displays	14,068,497.44			4,064,551.68			10,003,945.76	Related to assets
The Project of the Innovation in Packaging Technology and Technological Transformation of Key Packaging Equipment of LED packaging with Small Spacing for Display	4,832,954.10	6,000,000.00		1,510,846.32			9,322,107.78	Related to assets
Government Subsidy for Annual Fixed Asset Investment in Advanced	4,137,000.00	4,763,500.00		222,512.50			8,677,987.50	Related to assets

Item	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating income in the Reporting Period	Amount recorded into other income in the Reporting Period	Amount offset cost in the Reporting Period	Other changes	Ending balance	Related to assets/related to income
Manufacturing and Oil & Gas Extraction Projects								
The Project of the Innovation in Packaging Technology and Technological Transformation of Key Packaging Equipment of LED packaging with High Color Rendering Index for Illumination	7,623,293.17			1,570,727.40			6,052,565.77	Related assets to
The second batch of ultra-long-term special government bond project subsidies for 2024.		5,250,000.00		87,500.00			5,162,500.00	Related assets to
2023 Automotive Lamp Production Digitalization Workshop Technology Improvement Project	765,000.00	1,610,000.00		246,000.00			2,129,000.00	Related assets to
Technology renovation project for the production line of micro and flip-chip LED chips.		2,069,917.00		68,221.24			2,001,695.76	Related assets to
Research on the Third-generation Semiconductor Power Device and Module Packaging Technology		2,000,000.00		128,604.63			1,871,395.37	Related assets to
The First Batch of 2022 Special Funds for Industrial Technological Transformation by the Finance Bureau of Liang Jiang New Area	2,047,999.99			255,999.99			1,792,000.00	Related assets to
The Project of Resource Conservation and Environmental Protection	2,440,481.00			1,015,246.80			1,425,234.20	Related assets to
The Second Batch of Support Funds for the “Technological Transformation of Thousands of Enterprises” in the Guangxi Zhuang Autonomous Region for 2021	1,566,666.58			200,000.04			1,366,666.54	Related assets to
The 2019 Second Batch of Special Funds of RMB3 Million for the Industrial and Information Development of the City	1,500,000.00			300,000.00			1,200,000.00	Related assets to
Special Project on Deep-sea Technology Industry Promotion (Industry Development Category) of Hainan Deep-Sea Technology Innovation Center - Project on Building and Commercial Operation of Deep-sea Lighting Product Production Line		1,200,000.00					1,200,000.00	Related assets to
The First Batch of Special Funds for the Industrial and Information Development for the Guangxi Zhuang Autonomous Region for 2017 (Technological Transformation) for Liuzhou Guige	1,366,666.93			399,999.96			966,666.97	Related assets to
The Project of the First Batch of Support Funds for Enterprises in Liuzhou City for 2017 for Liuzhou Guige	1,200,000.00			300,000.00			900,000.00	Related assets to
LED Technology for Efficient Cultivation in Modern Agriculture and Its Demonstrative Application	607,172.60	459,540.00		322,841.18			743,871.42	Related assets to
Research and Development and Industrialization Project of Potassium Nitride-based Rf Devices in the Field of Next Generation Mobile Communication	857,384.58			113,597.52			743,787.06	Related assets to
Intelligent Technology Reform Project of LED Packaging Workshop in Geely Industrial Park (Phase I)	620,755.00						620,755.00	Related assets to

Item	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating income in the Reporting Period	Amount recorded into other income in the Reporting Period	Amount offset cost in the Reporting Period	Other changes	Ending balance	Related to assets/related to income
The 2019 14th Batch of Industrial Support Funds of RMB1.5 Million	750,000.00			150,000.00			600,000.00	Related assets to
The First Batch of 2022 Special Funds for Micro, Small, and Medium Enterprises	560,000.01			70,000.01			490,000.00	Related assets to
The Innovation Fund for Enterprises in Liudong New Area for 2017 for Liuzhou Guige	600,000.00			150,000.00			450,000.00	Related assets to
The Project of the Third Batch of Special Funds of Innovation-driven Development for the Guangxi Zhuang Autonomous Region for 2018 for Liuzhou Guige	520,000.00			96,000.00			424,000.00	Related assets to
The Fund for the Intelligent Transformation and Upgrading Projects of Automobile Enterprises for 2021	487,333.22			68,000.04			419,333.18	Related assets to
The Fund for the Project of the Management Committee of the Liuzhou High-tech Industrial Development Zone	448,000.12			63,999.96			384,000.16	Related assets to
The Key Labs of Semiconductor Micro Display Enterprises in Guangdong Province (for 2020)	434,562.60			75,437.40			359,125.20	Related assets to
The Project of Research and Development and Industrialization of NB-IoT-based Multi-Mode Low-Power Wide-Area Internet of Things Node Chips and Packaging Technology	361,725.80			37,831.80			323,894.00	Related assets to
The Project of Key Technologies and Industrialization of Silica-based Gallium Nitride Power Components	380,250.00			60,990.00			319,260.00	Related assets to
The Project of Support Funds for Enterprises in Liuzhou City for 2020 for Liuzhou Guige	516,666.57			200,000.04			316,666.53	Related assets to
Other	17,298,788.41	3,572,000.00		12,953,499.23			7,917,289.18	Related assets to
Government grants related to income	9,194,263.15	8,166,026.03		11,804,856.62			5,555,432.56	
Research Project on Key Technologies of the Third Generation of High Efficiency and Frequency Semiconductor Electronic Power Module	1,705,474.54			66,471.72			1,639,002.82	Related income to
Research on Key Technologies of 4K/8K Full-colour Micro-LED Displays with Ultra-High Definition (UHD)	4,962,516.28			3,618,516.28			1,344,000.00	Related income to
The Research on Full-colour and Integrated Packaging of Micro-LED Display with High Brightness and Contrast	1,770,402.30	674,326.03		1,454,714.74			990,013.59	Related income to
MDL Project		1,200,000.00		360,000.00			840,000.00	Related income to
The Guangdong-Hong Kong-Macao Joint Lab of Intelligent Micro-nano Photoelectric Technology	350,000.00			27,881.49			322,118.51	Related income to
Other	405,870.03	6,291,700.00		6,277,272.39			420,297.64	Related income to
Total	75,185,461.27	35,090,983.03		36,537,264.36			73,739,179.94	

52. Other Non-current Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Tax to be charged off	174,986.26	205,769.48
Other	2,931.37	
Total	177,917.63	205,769.48

53. Share Capital

Unit: RMB

	Beginning balance	Increase/decrease (+/-)					Ending balance
		New shares issued	Bonus shares	Bonus issue from profit	Other	Subtotal	
The sum of shares	1,548,778,230.00						1,548,778,230.00

Other notes:

Category/investor	Beginning balance		Increased	Decreased	Ending balance	
	Amount invested	Percentage			Amount invested	Percentage
Restricted shares	197,537,241.00	12.75%	90,349.00	140,332,133.00	57,295,457.00	3.70%
Unrestricted shares	1,351,240,989.00	87.25%	140,241,784.00		1,491,482,773.00	96.30%
Total	1,548,778,230.00	100.00%	140,332,133.00	140,332,133.00	1,548,778,230.00	100.00%

54. Other Equity Instruments

None.

55. Capital Reserves

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Capital premium (premium on stock)	907,090,354.12			907,090,354.12
Other capital reserves	7,245,971.54			7,245,971.54
Total	914,336,325.66			914,336,325.66

56. Treasury Shares

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Treasury shares (A-share)	82,165,144.15			82,165,144.15
Total	82,165,144.15			82,165,144.15

Note: The inventory shares (A shares) were cancelled on 10 January 2025. The total share capital of the Company changed from 1,548,778,230 shares to 1,535,778,230 shares. For details, please refer to 4. Notes to Other Events after Balance Sheet Date of Section 17 Events after the Balance sheet Date.

57. Other Comprehensive Income

Unit: RMB

Item	Beginning balance	Reporting Period						Ending balance
		Income before taxation in the Current Period	Less: Recorded in other comprehensive income in prior period and transferred to profit or loss in the Current Period	Less: Recorded in other comprehensive income in prior period and transferred to retained earnings in the Current Period	Less: Income tax expense	Attributable to owners of the Company as the parent after tax	Attributable to non-controlling interests after tax	
I. Other comprehensive income that may not subsequently be reclassified to profit or loss	359,730,272.74	27,896,892.07			4,184,533.81	23,712,358.26		383,442,631.00
Fair value changes of other investments in equity instruments	359,730,272.74	27,896,892.07			4,184,533.81	23,712,358.26		383,442,631.00
II. Other comprehensive income that may subsequently be reclassified to profit or loss	296,754.85	-577,314.67				-310,230.83	-267,083.84	-13,475.98
Differences arising from translation of foreign currency-denominated financial statements	296,754.85	-577,314.67				-310,230.83	-267,083.84	-13,475.98
Total of other comprehensive income	360,027,027.59	27,319,577.40			4,184,533.81	23,402,127.43	-267,083.84	383,429,155.02

58. Specific Reserve

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Safety production costs	1,213,325.92	18,945,510.32	15,376,775.04	4,782,061.20
Total	1,213,325.92	18,945,510.32	15,376,775.04	4,782,061.20

Other notes, including changes and reason of change:

The increase in the current year represents the safety production expenses accrued in accordance with the proportion stipulated in the *Notice on Issuing the Management Measures for the Provision and Use of Enterprise Production Safety Costs* (CZ [2022] No. 136), and the decrease in the current year represents the actual safety production expenses incurred.

59. Surplus Reserves

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Statutory surplus reserves	66,264,408.10	42,152,843.91		108,417,252.01
Discretionary surplus reserves	41,680,270.96			41,680,270.96
Total	107,944,679.06	42,152,843.91		150,097,522.97

Notes including changes and reasons thereof:

The increase for the current period is the provision for surplus reserve amounting to RMB42,152,843.91.

60. Retained Earnings

Unit: RMB

Item	Reporting Period	Same period of last year
Beginning balance of retained earnings before adjustments	3,435,308,364.11	3,296,490,575.52
Beginning balance of total retained earnings of adjustments (“+” for increase, “-“ for decrease)		-54,747.02
Beginning balance of retained earnings after adjustments	3,435,308,364.11	3,296,435,828.50
Add: Net profit attributable to owners of the Company as the parent	446,184,021.97	290,357,652.22
Less: Withdrawal of statutory surplus reserves	42,152,843.91	16,585,651.91
Dividend of ordinary shares payable	184,293,387.60	134,899,464.70
Ending retained earnings	3,655,046,154.57	3,435,308,364.11

List of adjustment of beginning retained earnings:

- 1) RMB0.00 beginning retained earnings was affected by retrospective adjustment conducted according to the *Accounting Standards for Business Enterprises* and relevant new regulations.
- 2) The undistributed profit at the beginning of the period is adjusted by RMB0.00 due to changes in accounting policies.
- 3) RMB0.00 beginning retained earnings was affected by correction of significant accounting errors.
- 4) RMB0.00 beginning retained earnings was affected by changes in combination scope arising from same control.
- 5) RMB0.00 beginning retained earnings was affected totally by other adjustments.

61. Operating Revenue and Cost of Sales

Unit: RMB

Item	Reporting Period		Same period of last year	
	Operating revenue	Cost	Operating revenue	Cost
Main operations	8,802,435,475.94	7,190,495,792.98	8,783,592,484.22	7,164,937,425.96
Other operations	245,802,171.20	177,055,108.51	273,699,519.68	205,805,258.67
Total	9,048,237,647.14	7,367,550,901.49	9,057,292,003.90	7,370,742,684.63

Whether the lower of the net profit before and after deduction of non-recurring gains and losses through audit is negative

☐ Yes ☒ No

Breakdown information of operating income and operating cost:

Unit: RMB

Category of contracts	Total	
	Operating revenue	Operating cost
Business Type	9,048,237,647.14	7,367,550,901.49
Including:		
General lighting products	3,226,311,712.83	2,395,182,567.26
LED packaging and component products	2,467,584,592.15	2,056,558,519.16
Vehicle lamp products	2,107,363,678.88	1,749,368,441.56
Trade and other products	1,246,977,663.28	1,166,441,373.51
Classification by operating region		
Including:		
Domestic	7,069,352,913.60	5,688,104,522.61
Overseas	1,978,884,733.54	1,679,446,378.88
Total	9,048,237,647.14	7,367,550,901.49

Information in relation to the transaction price apportioned to the residual contract performance obligation:

At the end of this reporting period, the amount of revenue corresponding to the performance obligations already contracted but not yet fulfilled or not yet fully fulfilled is RMB 269,855,637.67.

62. Taxes and Surtaxes

Unit: RMB

Item	Reporting Period	Same period of last year
Property tax	28,676,638.78	22,491,644.46
Urban maintenance and construction tax	21,327,278.39	20,485,713.05
Education surcharge	9,143,375.97	10,734,704.27
Stamp duty	8,344,850.82	7,026,462.85
Local education surcharge	6,096,584.00	3,973,983.11
Land use tax	6,023,030.05	6,043,496.59
Environmental protection tax	93,630.35	66,202.00
Vehicle and vessel use tax	38,409.21	44,856.33
VAT of land		1,237,746.77
Other	18,849.95	163,610.44
Total	79,762,647.52	72,268,419.87

63. Administrative Expense

Unit: RMB

Item	Reporting Period	Same period of last year
Employee benefits	275,293,420.32	269,186,658.26
Depreciation charge	83,279,370.36	57,457,595.30
Office expenses	40,006,914.71	26,186,734.81
Intermediary agency fee	11,805,486.89	8,161,257.09
Engineering decoration cost	10,009,360.18	10,100,054.08
Amortization of intangible assets	8,648,358.17	8,230,781.28
Utilities	8,612,131.67	8,078,631.82
Rent and management charge	7,859,197.84	1,505,144.05
Labor cost	5,995,845.07	3,353,120.74
Security fund for the disabled	2,841,940.52	2,712,902.14
Other	30,405,321.65	35,571,492.39
Total	484,757,347.38	430,544,371.96

64. Selling Expense

Unit: RMB

Item	Reporting Period	Same period of last year
Employee benefits	151,647,016.46	135,070,057.05
Business propagandize fees and advertizing fees	103,972,069.87	88,766,075.69
Business travel charges	17,187,185.83	15,200,339.00
Office expenses	15,730,733.51	18,179,213.99
Sales promotion fees	11,347,352.24	16,271,950.39
Commercial insurance premium	6,518,012.66	6,996,600.98
Other	42,953,830.16	34,626,934.83
Total	349,356,200.73	315,111,171.93

65. Development Costs

Unit: RMB

Item	Reporting Period	Same period of last year
Personnel labour costs	264,483,169.80	231,096,377.82
Direct input costs	202,803,354.52	166,919,907.20
Depreciation and long-term prepaid expense	41,317,402.25	41,981,744.02
Commissioned external research and development costs	8,124,543.45	9,684,695.96
Design fee	939,546.93	971,319.82
Amortization expense of intangible assets	50,558.92	254,711.01
Others	30,951,790.20	32,670,337.98
Total	548,670,366.07	483,579,093.81

Other notes:

In respect of R&D expense incurred by the Company, expense other than that on bench-scale and pilot-scale production is included in R&D expense; and sales revenue of products from bench-scale and pilot-scale production is included in core business revenue and the relevant costs are included in cost of sales of core business.

66. Finance Costs

Unit: RMB

Item	Reporting Period	Same period of last year
Interest costs	21,576,958.65	24,128,844.17
Less: Interest income	51,401,372.58	47,710,201.22
Foreign exchange gains or losses	-28,129,824.29	-11,208,631.12
Handling charge and others	2,454,991.02	2,291,238.65
Total	-55,499,247.20	-32,498,749.52

67. Other Income

Unit: RMB

Sources	Reporting Period	Same period of last year
The Deductible Input Tax for Advanced Manufacturing Enterprises	54,157,807.49	34,934,153.62
The Subsidy for Metal-organic Chemical Vapor Deposition (MOCVD)	7,084,696.84	15,005,565.15
The Tax Incentives for the Poor	6,655,996.87	4,766,450.00
The Projects of the Production Expansion and Technological Transformation of Components of Small-spacing and Outdoor LED Displays	5,590,398.00	5,113,075.04
The Research on the Key Technology of 4K/8K Full-colour Micro-LED Displays with Ultra-High Definition (UHD)	3,618,516.28	2,344,940.27
VAT refunded as soon as it is levied	3,548,006.01	
The Research and Application of Epitaxial Wafers, Chips, and Packaging of Near Ultraviolet Silica-based AlGaIn Vertical LEDs with High Power	3,331,914.60	31,914.60
Manufacturing Operation Management MOM Prototype Software Research Project for NationStar Manufacturing Scenarios	2,813,200.00	
CAE software Research Project for Multi-physics Field Coupling Simulation of NationStar LED Products	2,011,000.00	
The Project of the Innovation in Packaging Technology and Technological Transformation of Key Packaging Equipment of LED packaging with High Color Rendering Index for Illumination	1,570,727.40	1,799,394.64
The Research on Full-colour and Integrated Packaging of Micro-LED Display with High Brightness and Contrast	1,454,714.74	994,276.21
The subsidy for stabilizing employment	1,423,855.77	1,059,015.09
Social insurance subsidies	1,185,266.41	
The Project of Resource Conservation and Environmental Protection	1,015,246.80	1,809,367.44
The award and subsidy for “Specialized, Refined, Distinctive, and Innovative ‘Little Giant’ Enterprises.”	1,000,000.00	
Enterprise R&D Reward and	684,357.00	696,100.00

Sources	Reporting Period	Same period of last year
Subsidy		
Support Fund for the Digital Intelligent Transformation of the Manufacturing Industry	592,548.00	1,524,300.00
The Research on the Key Technology and Innovative Application of Deep Ultraviolet Solid-state Light Sources	563,843.40	35,843.40
The Project of Support Funds for Enterprises in Liuzhou City	556,000.08	556,000.08
Return of handling charges for withholding and remittance	531,972.25	856,016.80
Chancheng District Government Quality Award	500,000.00	
Reward Funds for Smart Factory Demonstration Enterprises and Digital Workshops	500,000.00	
Talent “flyover” (or talent relocation)	500,000.00	
Standardized Strategy Municipal Subsidy Funds	493,500.00	
Epitaxial Growth and Chip Fabrication Techniques for High-Performance Deep Ultraviolet LED	400,000.00	
Quality Management Maturity Level 5A Enterprise Bonus	400,000.00	
The First Batch of Special Funds for the Industrial and Information Development for the Guangxi Zhuang Autonomous Region for 2017 (Technological Transformation) for Liuzhou Guige	399,999.96	399,999.96
Job expansion grants	383,000.00	94,500.00
Incentive for standard products of Foshan City	360,000.00	400,000.00
MDL Project	360,000.00	
LED Technology for Efficient Cultivation in Modern Agriculture and Its Demonstrative Application	322,841.18	
The 2019 Second Batch of Special Funds for the Industrial and Information Development of the City	300,000.00	300,000.00
Incentive Subsidy for Digital and Intelligent Demonstration Workshop of Foshan City in 2022		2,000,000.00
The 24th China Patent Award		1,000,000.00
Industrial Logistics Subsidy Award Funds for the Q2 2022		808,200.00
The 2021 “100 Enterprises Strive for the First Place” bonus		500,000.00
The Visible Light Communication and Positioning System for the Industrial Internet of Things (IIOT)		473,516.21
The Construction Project for the		300,000.00

Sources	Reporting Period	Same period of last year
Center for Cultivating and Arranging High-Value Patents of NationStar		
Other	7,125,575.04	12,402,018.11
Total	111,434,984.12	90,204,646.62

68. Net Gain on Exposure Hedges

None.

69. Gain on Fair Value Changes

Unit: RMB

Sources of fair value changes gains	Reporting Period	Same period of last year
Held-for-trading financial assets	-438,454.94	1,129,444.26
Held-for-trading financial liabilities	-275,250.00	
Total	-713,704.94	1,129,444.26

70. Investment Income

Unit: RMB

Item	Reporting Period	Same period of last year
Long-term equity investment income accounted by equity method	1,112,039.74	1,833,621.59
Investment income from disposal of long-term equity investment		-46,590.76
Investment income from disposal of trading financial assets	4,098,921.53	-11,739,672.84
Dividend income from holding of other equity instrument investment	29,104,180.36	17,173,298.27
Interest income from holding of other investments in debt obligations	29,195,152.92	5,611,238.58
Earnings of debt restructuring	-368,531.60	
Income received from financial products and structural deposits	2,708,815.73	1,767,053.51
Total	65,850,578.68	14,598,948.35

71. Credit Impairment Loss

Unit: RMB

Item	Reporting Period	Same period of last year
Bad debt loss on notes receivable	206,549.91	-757,766.65
Bad debt loss on accounts receivable	-28,328,425.50	-49,088,791.49
Bad debt loss on other receivables	-1,562,720.82	-2,284,496.07
Total	-29,684,596.41	-52,131,054.21

72. Asset Impairment Loss

Unit: RMB

Item	Reporting Period	Same period of last year
I. Loss on inventory valuation and contract performance cost	-53,391,009.57	-75,435,041.50
IV. Loss on impairment of fixed	-4,175,252.76	-3,090,860.92

assets		
VI. Loss on impairment of construction in progress	-67,264.15	
X. Goodwill Impairment Losses	-142,393,052.68	
XI. Loss on impairment of contract assets	132,269.74	-1,214,861.13
XII. Others	-8,035,253.26	-1,527,893.81
Total	-207,929,562.68	-81,268,657.36

73. Assets Disposal Income

Unit: RMB

Sources	Reporting Period	Same period of last year
Gains or losses arising from the disposal of non-current assets not classified as held for sale	374,492,447.01	12,719,324.89
Total	374,492,447.01	12,719,324.89

Note: It mainly refers to the income from land acquisition, storage and disposal. For details, please refer to 8. Others of Section 18 Other Important Matters.

74. Non-operating Income

Unit: RMB

Item	Reporting Period	Same period of last year	Amount recorded in the current non-recurring gains and losses
Government grants		11,000.00	
Negative goodwill arising from a business combination under common control.	2,131,597.43		2,131,597.43
Income from default money	1,407,591.86	216,259.82	1,407,591.86
Gains from the write-off of non-current assets.	353,339.66	443,941.78	353,339.66
Of which: income from scrap of fixed assets	353,339.66	443,941.78	353,339.66
Confiscated income	88,495.91	38,764.54	88,495.91
Other	14,455,147.92	8,830,700.25	14,455,147.92
Total	18,436,172.78	9,540,666.39	18,436,172.78

75. Non-operating Expense

Unit: RMB

Item	Reporting Period	Same period of last year	Amount recorded in the current non-recurring gains and losses
The disposal of non-current assets	569,149.93	1,877,262.19	569,149.93
Among them: Loss on Disposal of Fixed Assets	569,149.93	1,877,262.19	569,149.93
Penalty and delaying payment	1,119,970.98	174,342.12	1,119,970.98
Other	2,887,616.92	4,487,159.39	2,887,616.92
Total	4,576,737.83	6,538,763.70	4,576,737.83

76. Income Tax Expense**(1) List of Income Tax Expense**

Unit: RMB

Item	Reporting Period	Same period of last year
Current income tax expense	109,234,078.37	42,271,159.52
Deferred income tax expense	-31,770,178.24	-21,144,195.04
Total	77,463,900.13	21,126,964.48

(2) Adjustment Process of Accounting Profit and Income Tax Expense

Unit: RMB

Item	Reporting Period
Profit before taxation	600,949,011.88
Current income tax expense accounted at statutory/applicable tax rate	90,142,351.78
Influence of applying different tax rates by subsidiaries	1,360,731.89
Influence of income tax before adjustment	2,457,830.46
Influence of non-taxable income	-5,336,428.60
Influence of non-deductible costs, expenses and losses	3,224,992.77
The effect of using deductible losses of deferred income tax assets that have not been recognized in the previous period	-6,096,944.83
Influence of unrecognized deductible temporary differences and deductible losses	31,212,676.44
Impact of additional deduction of R&D expenses	-41,229,394.88
Regarded as sales	367,538.81
Other impacts	1,360,546.29
Income tax expense	77,463,900.13

77. Other Comprehensive Income

Refer to Note VII Notes to Main Items of Consolidated Financial Statements-57 for details.

78. Cash Flow Statement**(1) Cash Related to Operating Activities**

Cash generated from other operating activities

Unit: RMB

Item	Reporting Period	Same period of last year
Received deposits	53,286,881.53	70,968,759.75
Deposit interest	46,785,606.92	42,458,410.80
Income from subsidy	46,067,747.23	31,099,876.60
Income from waste	25,670,669.63	26,066,867.58
Rental income from property and equipment, utility	4,592,235.96	7,000,259.85
Income from insurance compensation	565,849.48	174,793.99
Other	43,969,141.26	41,452,845.20
Total	220,938,132.01	219,221,813.77

Notes:

None.

Cash used in other operating activities

Unit: RMB

Item	Reporting Period	Same period of last year
Administrative expense paid in cash	134,685,611.81	128,058,647.93
Selling expense paid in cash	97,075,000.74	74,111,308.85
Finance costs paid in cash	2,507,911.36	2,295,193.65
Returned cash deposit	43,057,569.73	27,751,789.33
Other	141,706,744.76	100,146,605.69
Total	419,032,838.40	332,363,545.45

Notes:

None.

(2) Cash Related to Investing Activities

Cash generated from other investing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Forward Settlement Margin		80,711.83
Total		80,711.83

Significant cash received related to investing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Land revitalization project	381,779,100.00	
Total	381,779,100.00	

Notes:

None.

Cash used in other investing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Payments related to foreign exchange settlements		33,612,950.00
Total		33,612,950.00

Significant cash paid related to investing activities

None.

Notes:

None.

(3) Cash Related to Financing Activities

Cash generated from other financing activities

Unit: RMB

Item	Reporting Period	Same period of last year
------	------------------	--------------------------

Cash deposit collected	6,317,233.78	15,469,794.51
Total	6,317,233.78	15,469,794.51

Notes:

None.

Cash used in other financing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Cash paid for acquisition of Fenghua Semiconductor under the same control		129,409,650.00
Cash paid as security deposit for bank acceptance bills	3,114,400.41	3,648,429.05
Other	4,014,648.18	4,985,695.37
Total	7,129,048.59	138,043,774.42

Notes:

None.

Changes in liabilities arising from financing activities

☒Applicable ☐ Not applicable

Unit: RMB

Item	Balance at the beginning of the period	Increase in the current period		Decrease in the current period		Ending balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	220,019,877.73	323,750,000.00	16,223,744.75	152,832,597.26	100,019,877.73	307,141,147.49
Long-term borrowings	253,093,421.29	115,031,737.86	341,618,095.45	375,072,393.09	112,088,930.97	222,581,930.54
Other payables-payment for equity transfer	5,000,000.00					5,000,000.00
Current portion of non-current liabilities	343,914,214.45		120,574,788.81		343,914,214.45	120,574,788.81
Lease liabilities	4,310,967.92		25,466,149.52	7,153,845.96	7,599,278.37	15,023,993.11
Total	826,338,481.39	438,781,737.86	503,882,778.53	535,058,836.31	563,622,301.52	670,321,859.95

(4) Description of Cash Flows Presented on a Net Basis

None.

(5) Significant Activities and Financial Impact that Do Not Involve Current Cash Receipts and Disbursements but Affect the Company's Financial Position or May Affect the Company's Cash Flows in the Future

In 2024, the Company and its subsidiaries received RMB4,036,473,900 in various types of acceptance bills issued and endorsed by customers, and RMB2,660,812,000 in various types of acceptance bills endorsed and transferred to suppliers. In addition, the Company and its subsidiaries received a total of RMB316,935,200 in payments for goods through bill discounting.

79. Supplemental Information for Cash Flow Statement**(1) Supplemental Information for Cash Flow Statement**

Unit: RMB

Supplemental information	2024	2023
1. Reconciliation of net profit to net cash flows generated from operating activities:		
Net profit	523,485,111.75	384,672,601.98
Add: Provision for asset impairment	237,614,159.09	133,399,711.57
Depreciation of fixed assets, oil-gas assets, and productive living assets	532,193,425.19	523,465,306.34
Depreciation of right-of-use assets	9,069,731.43	7,408,897.98
Amortization of intangible assets	22,274,527.25	13,901,913.93
Amortization of long-term prepaid expenses	92,792,758.45	73,777,294.51
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains: negative)	-374,492,447.01	-12,719,324.89
Losses from scrapping of fixed assets (gains: negative)	215,810.27	1,433,320.41
Losses from fair value changes (gains: negative)	713,704.94	-1,129,444.26
Finance costs (gains: negative)	3,107,305.71	12,920,213.05
Investment loss (gains: negative)	-65,850,578.68	-14,598,948.35
Decrease in deferred income tax assets (increase: negative)	-26,846,373.34	-16,039,761.54
Increase in deferred income tax liabilities ("-" for decrease)	-4,925,674.34	-5,104,433.51
Decrease in inventory ("-" for increase)	-81,113,668.04	-14,969,280.77
Decrease in operating receivables ("-" for increase)	-235,225,023.13	-294,512,387.33
Increase in operating payables ("-" for decrease)	-41,073,056.86	380,117,504.23
Other	6,175,623.20	2,366,795.63
Net cash flows from operating activities	598,115,335.88	1,174,389,978.98
2. Significant investing and financing activities without involvement of cash receipts and payments		
Transfer of debts into capital		
Current portion of convertible corporate bonds		
Fixed assets leased in for financing		
3. Net increase/decrease of cash and cash equivalents:		
Ending balance of cash	2,684,382,020.41	3,101,252,943.88
Less: Beginning balance of cash	3,101,252,943.88	1,945,971,307.26
Add: Ending balance of cash equivalents		

Supplemental information	2024	2023
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-416,870,923.47	1,155,281,636.62

(2) Net Cash Paid For Acquisition of Subsidiaries

Unit: RMB

	Amount
Cash or cash equivalents paid in the current period for the business combination occurring in the previous period	102,299,151.00
Including:	
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	102,299,151.00
Less: Cash and cash equivalents held by subsidiary at the acquisition date	1,296,925.32
Including:	
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	1,296,925.32
Net cash paid for acquisition of subsidiaries	101,002,225.68

(3) Net Cash Received from Disposal of the Subsidiaries

None.

(4) Cash and Cash Equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	2,684,382,020.41	3,101,252,943.88
Including: Cash on hand	40,535.66	42,466.76
Bank deposit on demand	2,680,618,712.62	3,097,947,293.67
Other monetary assets on demand	3,722,772.13	3,263,183.45
III. Ending balance of cash and cash equivalents	2,684,382,020.41	3,101,252,943.88

(5) Presentation of Cash and Cash Equivalents that Are Subject to Certain Restrictions on Their Usage

None.

(6) Monetary Assets Not Classified as Cash and Cash Equivalents

Unit: RMB

Item	2023	2022	Reason for not classifying the item as cash and cash equivalents
Note deposits, bond deposits, pre-sale of properties, etc.	512,340,403.99	486,328,752.85	Specific purpose
Interest not received	12,405,012.91	8,467,957.82	Interest receivable accrued on bank deposits and time deposits not yet matured as at the end of

			the Reporting Period
Total	524,745,416.90	494,796,710.67	

(7) Notes on Other Significant Activities

None.

80. Notes to Items of the Statements of Changes in Owners' Equity

Notes to the name of "Other" of closing balance at the end of the previous year adjusted and the amount adjusted:

None.

81. Foreign Currency Monetary Items**(1) Foreign Currency Monetary Items**

Unit: RMB

Item	Ending foreign currency balance	Exchange rate	Ending balance converted to RMB
Monetary assets			151,520,262.50
Of which: USD	16,943,207.85	7.1884	121,794,555.31
EUR	462,996.15	7.5257	3,484,370.13
HKD	51,813.01	0.92604	47,980.92
IDR	57,821,978,240.68	0.000453	26,193,356.14
Accounts receivable			322,336,908.64
Of which: USD	44,515,281.29	7.1884	319,993,648.03
EUR	216,221.04	7.5257	1,627,214.68
HKD	174,266.39	0.92604	161,377.65
IDR	1,224,433,294.72	0.000453	554,668.28
Long-term borrowings			
Of which: USD			
EUR			
HKD			
Accounts payable			6,047,424.95
Of which: USD	700,100.26	7.1884	5,032,600.71
Euro	130,463.43	7.5257	981,828.64
IDR	72,837,970.00	0.000453	32,995.60
Other current assets			160,855.05
Of which: IDR	355,088,415.76	0.000453	160,855.05

(2) Notes to Overseas Entities Including: for Significant Oversea Entities, Main Operating Place, Recording Currency and Selection Basis Shall Be Disclosed; if there Are Changes in Recording Currency, Relevant Reasons Shall Be Disclosed.

☐Applicable ☒Not applicable

82. Lease**(1) The Company Was Lessee**

☒Applicable ☐ Not applicable

Unit: RMB

Item	Amount
Simplified short-term lease charges recognized in the cost of the related assets or in current	3,216,256.31

profit or loss	
Expenses on low-value leases included in the cost of related assets or current profit or loss using a simplified accounting treatment	27,199.87
Total cash outflows related to leases	7,928,840.44

Variable lease payments that are not covered in the measurement of the lease liabilities

☐Applicable ☒Not applicable

Simplified short-term lease or lease expense for low-value assets

☐Applicable ☒Not applicable

Circumstances involving sale and leaseback transactions

None.

(2) The Company Was Lessor

Operating leases with the Company as lessor

☒Applicable ☐ Not applicable

Unit: RMB

Item	Rental income	Of which: income related to variable lease payments not included in lease receipts
Housing rental and others	10,869,099.09	0.00
Total	10,869,099.09	0.00

Finance leases with the Company as lessor

☐Applicable ☒Not applicable

Undiscounted lease receipts for each of the next five years

☐Applicable ☒Not applicable

Reconciliation of undiscounted lease receipts to net investment in leases

None.

(3) Recognition of Gain or Loss on Sales under Finance Leases with the Company as a Manufacturer or Distributor

☐Applicable ☒Not applicable

83. Data Resources

None.

84. Other

None.

VIII. Research and Development Expenditure

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Personnel labour costs	264,483,169.80	231,096,377.82

Direct input costs	202,803,354.52	166,919,907.20
Depreciation and long-term prepaid expense	41,317,402.25	41,981,744.02
Commissioned external research and development costs	8,124,543.45	9,684,695.96
Design fee	939,546.93	971,319.82
Amortization expense of intangible assets	50,558.92	254,711.01
Others	30,951,790.20	32,670,337.98
Total	548,670,366.07	483,579,093.81
Of which: Expensed research and development expenditure	548,670,366.07	483,579,093.81

Other notes

In respect of R&D expense incurred by the Company, expense other than that on bench-scale and pilot-scale production is included in R&D expense; and sales revenue of products from bench-scale and pilot-scale production is included in core business revenue and the relevant costs are included in cost of sales of core business.

IX. Changes to the Consolidation Scope

1. Business Combination Not under the Same Control

(1) Business Combination Not under the Same Control during the Current Period

Unit: RMB

Acquirees	Time of gaining equity	Cost of gaining the equity	Proportion of equity	Way to gain equity	Acquisition date	Recognition basis of purchase date	Income of acquiree from the purchase date to period-end	Net profits of acquiree from the purchase date to period-end	Cash flows of the acquiree from the purchase date to the end of the period
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	01 August 2024	113,665,723.00	66.00 %	Cash acquisition of the original shareholders' equity	01 August 2024	Re-electing directors, completing property transfer procedures, etc. and actually controlling the acquired company	62,612,499.51	2,693,350.74	9,963,201.55

(2) Combination Cost and Goodwill

Unit: RMB

Combination cost	Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.
-Cash	113,665,723.00
Total combination costs	113,665,723.00

Less: share in the fair value of identifiable net assets acquired	115,797,320.43
The amount of goodwill/combination cost less than the share in the fair value of identifiable net assets acquired	-2,131,597.43

(3) The Identifiable Assets and Liabilities of Acquiree on Purchase Date

Unit: RMB

	Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	
	Fair value on purchase date	Carrying value on purchase date
Assets:		
Monetary assets	3,835,299.97	3,835,299.97
Accounts receivable	132,228,807.71	132,228,807.71
Inventories	26,605,061.77	23,658,451.54
Fixed assets	39,372,437.48	12,529,891.35
Intangible assets	53,357,797.97	2,515,973.93
Held-for-trading financial assets	1,558,500.00	1,558,500.00
Prepayments	1,874,763.21	1,874,763.21
Long-term prepaid expense	0.00	1,651,723.30
Deferred income tax assets	2,818,084.62	2,818,084.62
Total assets	261,650,752.73	182,671,495.63
Liabilities:		
Borrowings	10,500,000.00	10,500,000.00
Accounts payable	44,024,378.12	44,024,378.12
Deferred income tax liabilities	11,855,663.57	8,775.00
Advances from customers	97,695.29	97,695.29
Contract liabilities	3,345,246.39	3,345,246.39
Employee benefits payable	4,409,195.96	4,409,195.96
Taxes payable	2,054,337.91	2,054,337.91
Other current liabilities	9,954,277.55	9,954,277.55
Total liabilities	86,240,794.79	74,393,906.22
Net assets	175,409,957.94	108,277,589.41
Less: non-controlling interests	59,612,637.51	36,787,633.21
Net assets acquired	115,797,320.43	71,489,956.20

When Hainan Technology acquired the equity of Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd., it engaged an assessment agency with relevant qualifications to assess the identifiable assets and liabilities of the target company in accordance with the asset-based method, and determined the fair value of the consolidated net assets of Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd. based on the assessment results.

(4) Gains or Losses from Re-measurement of Equity Held before the Purchase Date at Fair Value

Whether there is a transaction that through multiple transaction step by step to realize business combination and gaining the control during the Reporting Period

☐Yes ☒No

(5) Notes to Reasonable Consideration or Fair Value of Identifiable Assets and Liabilities of the Acquiree that Cannot Be Determined on the Acquisition Date or during the Period-end of the Merger

None.

(6) Other Notes

None.

2. Business Combination under the Same Control

None.

3. Counter Purchase

Basic information of trading, the basis of transactions constitute counter purchase, the retain assets , liabilities of the listed companies whether constituted a business and its basis, the determination of the combination costs, the amount and calculation of adjusted rights and interests in accordance with the equity transaction process:

None.

4. Disposal of Subsidiary

Whether there were any transactions or events during the period in which control of the subsidiary was lost

☐Yes ☒No

Whether there was a step-by-step disposal of investment in a subsidiary through multiple transactions and loss of control during the current period

☐Yes ☒No

5. Changes in Combination Scope for Other Reasons

Note to changes in combination scope for other reasons (such as newly establishment or liquidation of subsidiaries, etc.) and relevant information:

1. Fozhao Huaguang (Maoming) Technology Co., Ltd. completed its industrial and commercial registration in April of this period. In May, the company injected capital into it. Fozhao Huaguang was included in the scope of consolidation starting from May 2024.

Gaozhou NationStar Technology Co., Ltd. completed its business registration in April of the current period, and NationStar injected capital into it in May. Gaozhou NationStar has been included in the merger scope since May 2024.

3. Liaowang Auto Lamp (Suzhou) Co., Ltd. completed its industrial and commercial registration in November of this period. In December, Liaowang Auto Lamp injected capital into it. Suzhou Liaowang was included in the consolidated scope starting from December 2024.

4. The holding company of Hainan Technology, Hule Electrical Equipment, holds a 55% stake in Shanghai Lelaite and has achieved control over it. Hainan Technology acquired control of Shanghai Lelaite through the acquisition of Hule Electrical Equipment, and Shanghai Lelaite was included in the consolidation scope starting from August 2024.

6. Other

None.

X. Equity in Other Entities

1. Equity in Subsidiary

(1) Subsidiaries

Unit: RMB

Name of subsidiaries	Registered capital	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Way of gaining
					Directly	Indirectly	
Foshan Fozhao Zhicheng Technology Co., Ltd.	50,000,000.00	Foshan	Foshan	Production and sales	100.00%		Newly established
FSL Chanchang Lighting Co., Ltd.	72,782,944.00	Foshan	Foshan	Production and sales	100.00%		Newly established
Foshan Taimei Times Lamp Co., Ltd.	500,000.00	Foshan	Foshan	Production and sales	70.00%		Newly established
Foshan Electrical & Lighting (Xinxiang) Co., Ltd.	35,418,439.76	Xinxiang	Xinxiang	Production and sales	100.00%		Newly established

Name of subsidiaries	Registered capital	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Way of gaining
					Directly	Indirectly	
Nanjing Fozhao Lighting Components Manufacturing Co., Ltd.	41,683,200.00	Nanjing	Nanjing	Production and sales	100.00%		Acquired
FSL Zhida Electric Technology Co., Ltd. (FSL Zhida)	38,150,000.00	Foshan	Foshan	Production and sales	66.84%		Newly established
Foshan Haolaite Lighting Co., Ltd.	17,158,000.00	Foshan	Foshan	Production and sales	51.00%	10.53%	Newly established
NationStar Optoelectronics (Germany) Co., Ltd.	1,436,419.00	Germany	Germany	Trade		61.53%	Business combination under the same control
Foshan Kelian New Energy Technology Co., Ltd.	170,000,000.00	Foshan	Foshan	Property development	100.00%		Business combination under the same control
Fozhao (Hainan) Technology Co., Ltd.	200,000,000.00	Haikou	Haikou	Production and sales	100.00%		Newly established
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	29,000,000.00	Jiaxing	Jiaxing	Production and sales		66.00%	Acquired
Shanghai Lelaite Electrical Equipment Co., Ltd.	1,000,000.00	Shanghai	Shanghai	Trade		36.30%	Acquired
Nanning Liaowang Auto Lamp Co., Ltd.	35,055,700.00	Nanning	Nanning	Manufacturing of vehicle lamps	53.79%		Acquired
Liuzhou Guige Lighting Technology Co., Ltd.	30,000,000.00	Liuzhou	Liuzhou	Manufacturing of vehicle lamps		53.79%	Acquired
Liuzhou Guige Fuxuan Technology Co., Ltd.	20,000,000.00	Liuzhou	Liuzhou	Manufacturing of automotive electronic products		53.79%	Acquired
Chongqing Guinuo Lighting Technology Co., Ltd.	30,000,000.00	Chongqing	Chongqing	Manufacturing of vehicle lamps		53.79%	Acquired
Qingdao Guige Lighting Technology Co., Ltd.	30,000,000.00	Qingdao	Qingdao	Manufacturing of vehicle lamps		53.79%	Acquired
Indonesia Liaowang Auto	40,873,066.42	Indonesia	Indonesia	Manufacturing of vehicle		53.79%	Acquired

Name of subsidiaries	Registered capital	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Way of gaining
					Directly	Indirectly	
Lamp Co., Ltd.				lamps			
Liaowang Auto Lamp (Suzhou) Co., Ltd.	25,000,000.00	Suzhou	Suzhou	Manufacturing of vehicle lamps		53.79%	Newly established
Foshan Sigma Venture Capital Co., Ltd.	50,000,000.00	Foshan	Foshan	Business services	100.00%		Business combination under the same control
Foshan NationStar Optoelectronics Co., Ltd.	618,477,169.00	Foshan	Foshan	Electronic manufacturing	21.48%		Business combination under the same control
Foshan NationStar Semiconductor Technology Co., Ltd.	820,000,000.00	Foshan	Foshan	Electronic manufacturing		21.48%	Business combination under the same control
Foshan Guoxing Electronic Manufacture Co., Ltd.	10,000,000.00	Foshan	Foshan	Electronic manufacturing		21.48%	Business combination under the same control
Nanyang Baoli Vanadium Industry Co., Ltd.	100,000,000.00	Henan	Nanyang	Mining		12.89%	Business combination under the same control
Guangdong New Electronics Information Ltd.	5,000,000.00	Guangzhou	Guangzhou	Trade		21.48%	Business combination under the same control
Guangdong Fenghua Semiconductor Technology Co., Ltd.	200,000,000.00	Guangzhou	Guangzhou	Electronic manufacturing		21.45%	Business combination under the same control
Gaozhou NationStar Lighting Technology Co., Ltd.	30,000,000.00	Maoming	Maoming	Electronic manufacturing		21.48%	Newly established
Fozhao Huaguang (Maoming) Technology Co., Ltd.	22,920,000.00	Maoming	Maoming	Production and sales	100.00%		Newly established

Notes to holding proportion in subsidiary different from voting proportion:

None.

Basis of holding half or less voting rights but still controlling the investee and holding more than half of the voting rights but not controlling the investee:

None.

Significant structural entities and controlling basis in the scope of combination:

None.

Other notes;

Guoxing Electronic Manufacture, NationStar Semiconductor, Baoli Vanadium Industry, New Electronics, Fenghua Semiconductor and Gaozhou NationStar are subsidiaries of NationStar Optoelectronics.

Basis of determining whether the Company is the agent or the principal

(2) Significant Non-wholly-owned Subsidiary

Unit: RMB

Name of subsidiaries	Shareholding proportion of non-controlling interests	The profit or loss attributable to the non-controlling interests	Declaring dividends distributed to non-controlling interests	Balance of non-controlling interests at the period-end
Nanning Liaowang Auto Lamp Co., Ltd.	46.21%	29,129,877.07	2,429,803.05	484,479,615.42
Foshan NationStar Optoelectronics Co., Ltd.	78.52%	43,226,616.92	31,719,418.04	2,987,301,700.06

Holding proportion of non-controlling interests in subsidiary different from voting proportion:

None.

(3) The Main Financial Information of Significant Not Wholly-owned Subsidiary

Unit: RMB

Name of subsidiaries	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liability	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liability	Total liabilities
Nanning Liaowang Auto Lamp Co., Ltd.	1,797,594.09 9.17	1,017,666.828.52	2,815,260.927.69	1,674,102.278.76	92,743,700.71	1,766,845.979.47	1,590,859.943.26	896,982.948.71	2,487,842.891.97	1,512,829.422.99	54,928,920.36	1,567,758.343.35
Foshan NationStar Optoelectronics Co., Ltd.	3,841,259.56 3.85	2,408,019.705.26	6,249,279.269.11	2,096,915.166.37	328,202.453.19	2,425,117.619.56	3,967,291.374.52	2,559,121.730.06	6,526,413.104.58	2,340,584.273.66	382,388.851.56	2,722,973.125.22

Unit: RMB

Name of subsidiaries	Reporting Period				Same period of last year			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Nanning Liaowang Auto Lamp	1,822,839,421.05	63,038,037.39	62,471,720.71	5,907,026.34	1,585,442,717.59	47,194,316.22	48,657,064.30	24,124,725.63

Name of subsidiaries	Reporting Period				Same period of last year			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Co., Ltd. Foshan NationStar Optoelectronics Co., Ltd.	3,472,860,317.19	54,375,532.37	54,375,532.37	240,108,277.59	3,541,637,227.92	85,535,534.98	85,535,534.98	389,640,859.65

(4) Significant Restrictions on Using the Assets and Liquidating the Liabilities of the Company

None.

(5) Financial Support or Other Supports Provided to Structural Entities Incorporated into the Scope of Consolidated Financial Statements

None.

2. The Transaction of the Company with Its Owner's Equity Share Changed but Still Controlling the Subsidiary

None.

3. Equity in Joint Ventures or Associated Enterprises

(1) Significant Joint Ventures or Associated Enterprises

None.

(2) Main Financial Information of Significant Joint Ventures

None.

(3) Main Financial Information of Significant Associated Enterprises

None.

(4) Summary Financial Information of Insignificant Joint Ventures or Associated Enterprises

	Ending balance/reporting period	Beginning balance/the same period of last year
Joint ventures:		
Total carrying value of investment		
The total of following items according to the shareholding proportions		
Associated enterprises:		

Total carrying value of investment	180,300,594.89	179,188,555.15
The total of following items according to the shareholding proportions		
--Net profit	1,112,039.74	1,833,621.59
-- Other comprehensive income		
--Total comprehensive income	1,112,039.74	1,833,621.59

(5) Note to the Significant Restrictions on the Ability of Joint Ventures or Associated Enterprises to Transfer Funds to the Company

None.

(6) The Excess Loss of Joint Ventures or Associated Enterprises

None.

(7) The Unrecognized Commitment Related to Investment to Joint Ventures

None.

(8) Contingent Liabilities Related to Investment to Joint Ventures or Associated Enterprises

None.

4. Significant Common Operation

None.

5. Equity in the Structured Entity Excluded in the Scope of Consolidated Financial Statements

Notes to the structured entity excluded in the scope of consolidated financial statements:

None.

6. Other

None.

XI. Government Grants

1. Government Grants Recognized at the End of the Reporting Period at the Amount Receivable

☐Applicable ☒Not applicable

Reasons for failing to receive government grants in the estimated amount at the estimated point in time

☐Applicable ☒Not applicable

2. Liability Items Involving Government Grants☒Applicable ☐ Not applicable

Unit: RMB

Item	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating income in the Reporting Period	Amount transferred to other income in the Reporting Period	Other changes	Ending balance	Related to assets/related to income
Deferred income	65,991,198.12	26,924,957.00		24,732,407.74		68,183,747.38	Related to assets
Deferred income	9,194,263.15	8,166,026.03		11,804,856.62		5,555,432.56	Related to income

3. Government Grants Recognized as Current Profit or Loss☒Applicable ☐ Not applicable

Unit: RMB

Item	Reporting Period	Same period of last year
Other income	49,901,371.11	48,544,426.20
Non-operating income		11,000.00

XII. The Risk Related to Financial Instruments**1. Various Types of Risks Arising from Financial Instruments**

The Company's main financial instruments include equity investments, trading financial assets, receivables financing, notes receivable, accounts receivable, other receivables, other debt investments, accounts payable, notes payable, other payables, short-term borrowings, and long-term borrowings. Detailed information on these financial instruments is provided in Note 7 under the relevant items.

The main risks of the Company due to financial instruments were credit risk, liquidity risk and market risk. The operating management of the Company was responsible for the risk management target and the recognition of the policies.

(I) Credit risk

Credit risk was one party of the contract failed to fulfill the obligations and causes loss of financial assets of the other party. The credit risk the Company faced was selling on credit which leads to customer credit risk.

The Company will evaluate credit risk of new customer, and set credit limit, once the balance of account receivable over credit limit, require the customer to pay or producing and delivering goods shall be approved by the management of the Company.

The Company through monthly aging analysis of account receivable and monitoring the collection situation of the customer ensured the overall credit risk of the Company was in control scope. Once appear abnormal situation, the Company should conduct necessary measures to requesting the payment timely.

(II) Liquidity risk

Liquidity risk is referred to their risk of incurring capital shortage when performing settlement obligation in the way of cash payment or other financial assets. The policies of the Company are to ensure that there was sufficient cash to pay the due liabilities. The liquidity risk is centralized controlled by the Financial Department of the Company. The financial department through supervising the balance of the cash and securities can be convert to cash at any time and the rolling prediction of cash flows in future 12 months to ensure the Company have sufficient cash to pay the liabilities under the case of all reasonable prediction.

iii. Market risk

Market risk was referred to risk of the fair value or future cash flows of financial instrument changed due to the change of market price, including: exchange rate risk, interest rate risk and other price risk.

1. Exchange rate risk

Exchange rate risk refers to the risk of loss due to exchange rate changes. The Company's exposure to foreign exchange risk is mainly related to the US dollar and the euro. As of 31 December 2023, the Company's assets and liabilities were in RMB, except for the balances of usd, euro, Hong Kong dollar and rupiah as set out in this Note VII-81. Foreign Currency Monetary Items. Foreign exchange risk arising from the assets and liabilities of such foreign currency balances may have a certain impact on the Company's operating results.

The Company made efforts to avoid exchange rate risk through forward exchange settlement, improving operation management and promoting the international competitiveness of the Company, etc.

2. Interest rate risk

Interest rate risk is refers to fluctuation risk of the fair value or future cash flows of financial instrument change due to the change of market interest rates. The interest rate risk faced by the Company mainly comes from bank borrowings. By establishing a good bank-enterprise relationship, the Company reasonably designed the credit line, credit variety and credit period, ensured sufficient credit line of banks, and met various short or long-term financing needs of the Company with preferential loan interest rates. As of 31 December 2024, the balance of the Company's fixed-rate borrowing was RMB637,826,956.57, accounting for 100% of the total borrowing balance. Therefore, the market risk of interest rate changes borne by the Company is not significant.

3. Other price risk

The Group's other price risks arise primarily from investments in equity instruments, as there is the risk of changes in the price of equity instruments.

As of 31 December 2024, if the expected prices of the Group's various equity instrument investments increase or decrease by 1%, and other factors remain unchanged, the Group shall increase or decrease comprehensive income by approximately RMB1,059,041.21 (31 December 2023: increasing or decreasing comprehensive income by approximately RMB997,232.34).

2. Hedge

(1) The Company Carries out Hedging Business for Risk Management

☐Applicable ☒Not applicable

(2) The Company Conducts Eligible Hedging Operations and Applies Hedge Accounting

None.

(3) The Company Conducts Hedging Operations for Risk Management, Expects to Achieve Its Risk Management Objectives, but Does Not Apply Hedge Accounting□Applicable ☒Not applicable**3. Financial Assets****(1) Classification of Transfer Methods**☒Applicable □ Not applicable

Unit: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognized or not	Basis for derecognition
Endorsement of notes	Accounts receivable financing	321,066,873.83	Yes	Since the credit risk and deferred payment risk of bank acceptance bills in accounts receivable financing are minimal, and the interest risk related to the notes has been transferred to banks, it can be judged that almost all risks and rewards of ownership of the notes have been transferred
Discount of notes	Accounts receivable financing	93,903,013.42	Yes	Almost all risks and rewards of ownership of the notes have been transferred
Endorsement of notes	Notes receivable	77,576,500.22	Yes	Almost all risks and rewards of ownership of the notes have been transferred
Endorsement of notes	Notes receivable	368,196,176.60	Not	Almost all its risks and rewards have been retained including the risk of default associated with it
Discount of notes	Notes receivable	4,282,836.39	Not	Almost all its risks and rewards have been retained including the risk of default associated with it
Cloud Credit Endorsement	Accounts receivable	1,050,000.00	Not	Almost all its risks and rewards have been retained including the risk of default associated with it
Total		866,075,400.46		

(2) Financial Assets Derecognized due to Transfer☒Applicable □ Not applicable

Unit: RMB

Item	Method of financial assets transfer	Amount of derecognized financial assets	Gains or losses related to derecognition
Accounts receivable financing	Endorsement of notes	321,066,873.83	
Accounts receivable financing	Discount of notes	93,903,013.42	
Notes receivable	Endorsement of notes	77,576,500.22	
Total		492,546,387.47	

(3) Continued Involvement in the Transfer of Assets Financial Assets☒Applicable □ Not applicable

Unit: RMB

Item	Method of assets transfer	Amount of assets resulting from continued involvement	Amount of liabilities resulting from continued involvement
Notes receivable		372,479,012.99	372,479,012.99
Of which: Bank acceptance bills	Endorsement of notes	367,343,976.60	367,343,976.60
Commercial Acceptance Draft	Endorsement of notes	852,200.00	852,200.00
Bank Acceptance Draft	Discount of notes	4,282,836.39	4,282,836.39
Accounts receivable	Cloud Credit Endorsement	1,050,000.00	1,050,000.00
Total		373,529,012.99	373,529,012.99

XIII. The Disclosure of Fair Value**1. Ending Fair Value of Assets and Liabilities at Fair Value**

Unit: RMB

Item	Closing fair value			
	Fair value measurement items at level 1	Fair value measurement items at level 2	Fair value measurement items at level 3	Total
I. Consistent fair value measurement	--	--	--	--
i. Trading financial assets	1,988,814.91	41,661,005.56		43,649,820.47
1. Financial assets at fair value through profit or loss	1,988,814.91	41,661,005.56		43,649,820.47
(1) Investments in equity instruments	1,988,814.91			1,988,814.91
(2) Wealth management products		41,661,005.56		41,661,005.56
ii. Other investments in debt obligations		1,140,022,863.72		1,140,022,863.72
iii. Other equity instrument investment	687,081,069.62		39,582,543.80	726,663,613.42
iv. Receivable financing			352,694,866.89	352,694,866.89
Total assets measured at fair value on a recurring basis	689,069,884.53	1,181,683,869.28	392,277,410.69	2,263,031,164.50
vi. Trading financial liabilities	275,250.00			275,250.00
Of which: Other	275,250.00			275,250.00
Total assets measured at fair value on a recurring basis	275,250.00			275,250.00
II. Inconsistent fair value measurement	--	--	--	--

2. Basis for Determining the Market Value of Continuing and Discontinuing Level 1 Fair Value Measurement Items

Level 1 fair value measurements are determined based on the market price of equities at the balance sheet date and the mid-price of the RMB exchange rate published by the State Administration of Foreign Exchange as quoted prices in an active market.

3. Continuing and Discontinuing Level 2 Fair Value Measurement Items, Qualitative And Quantitative Information On The Valuation Techniques Used And Significant Parameters

The fair value of financial products subscribed by the Group and other investments in debt obligations that are measured at fair value is determined by reference to the expected rate of return provided by the financial institutions.

4. Continuing and Discontinuing Level 3 Fair Value Measurement Items, Qualitative And Quantitative Information On The Valuation Techniques Used And Significant Parameters

(1) The Company measured the investment at cost as a reasonable estimate of fair value because there were no significant changes in the business environment and operating and financial conditions of the investee, GF Bank.

(2) The Company measured the investee, Shenzhen Zhonghao (Group) Company Limited, at nil as a reasonable estimate of fair value due to the deterioration of its business environment and operating and financial conditions.

(3) The Company measured the investment at cost as a reasonable estimate of fair value because there were no significant changes in the business environment and operating and financial conditions of the investee companies, Foshan Nanhai District United Guangdong New Light Source Industry Innovation Center, Beijing Guang Rong Union Semiconductor Lighting Industry Investment Center and Guangdong Rising Finance Co., Ltd.

(4) The receivables financing represents bank acceptance notes held by the Company with a short remaining maturity, the face value of which approximates the fair value and the face amount is used to recognize the fair value at the statement date.

5. Sensitiveness Analysis on Unobservable Parameters and Adjustment Information between Beginning and Ending Carrying Value of Consistent Fair Value Measurement Items at Level 3

None.

6. Explain the Reason for Conversion and the Governing Policy when the Conversion Happens if Conversion Happens among Consistent Fair Value Measurement Items at Different Levels

None.

7. Changes in the Valuation Technique in the Current Period and the Reason for Such Changes

None.

8. Fair Value of Financial Assets and Liabilities Not Measured at Fair Value

Financial assets and liabilities not measured at fair value include: monetary assets, accounts receivable and accounts payable, etc. There is small difference between the carrying value of above financial assets and liabilities and fair value.

9. Other

None.

XIV. Related Party and Related-party Transactions**1. The parent company of the Company**

Name	Registration place	Nature of business	Registered capital	Proportion of share held by the Company as the parent against the Company (%)	Proportion of voting rights owned by the Company as the parent against the Company (%)
Hongkong Wah Shing Holding Company Limited	Hong Kong	Investment	HKD110,000	12.74%	12.74%
Guangdong Electronics Information Industry Group Ltd.	Guangzhou	Production and sales	RMB1,162 million	8.54%	8.54%
Guangdong Rising Holdings Group Co., Ltd.	Guangzhou	Investment	RMB10 billion	8.38%	8.38%
Rising Investment Development Limited	Hong Kong	Investment	RMB360 million and HKD1 million	1.65%	1.65%
Total				31.30%	31.30%

Notes: Information on parent company of the Company

Hongkong Wah Shing Holding Company Limited (hereinafter referred to as “Hongkong Wah Shing”), the largest shareholder of the Company, is a wholly-owned subsidiary of Guangdong Electronics Information Industry Group Ltd. (hereinafter referred to as “Electronics Group”), and Electronics Group, Shenzhen Rising Investment Development Co., Ltd. (hereinafter referred to as “Shenzhen Rising”), Guangdong Rising Finance Holding Co., Ltd. (GD Rising Finance) (renamed Guangdong Rising Capital Investment Co., Ltd. on 13 December 2021, hereinafter referred to as “Rising Capital”) and Rising Investment Development Limited (hereinafter referred to as “Rising Investment”) are wholly-owned subsidiaries of Guangdong Rising Holdings Group Co., Ltd. (hereinafter referred to as “Rising Holdings Group”). According to the relevant provisions of the Company Law and the Measures for the Administrative Measures on Acquisition of Listed Companies, Electronics Group, Shenzhen Rising, Rising Capital and Rising Investment are concerted actors, and Rising Holdings Group becomes the actual controller of the Company. In December 2021, Shenzhen Rising and Rising Capital transferred all their shares of the Company to Rising Holdings Group. In February 2022, the Company repurchased and cancelled a portion of its shares, resulting in the total shareholding of the aforementioned concerted parties accounting for 30.82% of the Company’s shares. In November 2023, the Company issued 186,783,583 A-shares in a private placement to specific investors, with Rising Holdings Group subscribing to 46,695,895 shares. As a result, the total shareholding of the concerted parties accounted for 30.12% of the Company’s shares. From 3 June 2024 to 8 November 2024, Electronics Group and Hong Kong Wah Shing increased their shareholdings in the Company by 18,342,550.00 shares, accounting for 1.18% of the Company’s total share capital. As of 31 December 2024, the total shareholding of the aforementioned concerted parties in the Company accounted for 31.30%.

The final controller of the Company is Guangdong Rising Holdings Group Co., Ltd.

2. Subsidiaries of the Company

Refer to Note X Equity in Other Entities -1. Equity in Subsidiaries for details.

3. Information on the Joint Ventures and Associated Enterprises of the Company

Refer to Note X Equity in Other Entities-3. Equity in Joint Ventures or Associated Enterprises for details of significant joint ventures or associated enterprises of the Company.

4. Information on Other Related Parties

Name	Relationship with the Company
Prosperity Lamps & Components Limited	Shareholder owning over 5% shares
Guangdong Zhongren Group Construction Co., Ltd	Under same actual controller
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller
Primatronix Nanho Technology Ltd.	Under same actual controller
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller
Dongguan Hengjian Environmental Protection Technology Co., Ltd.	Under same actual controller
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Under same actual controller
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Under same actual controller
Guangzhou Haixinsha Industrial Co., Ltd.	Under same actual controller
Shenzhen Yuepeng Construction Co., Ltd.	Under same actual controller
Guangdong Yixin Changcheng Construction Group	Under same actual controller
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller
Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller
Guangdong Rising Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)	Under same actual controller
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Under same actual controller
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller
Guangdong Rising Finance Co., Ltd.	Under same actual controller
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller
Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	Under same actual controller
Guangdong Zhongjin Lingnan Engineering Technology Co., Ltd.	Under same actual controller
Guangdong Huajian Engineering Construction Co., Ltd.	Under same actual controller
Guangdong Rising Research and Development Institute Co., Ltd.	Under same actual controller
Shandong Zhongjin Lingnan Copper Co., Ltd.	Under same actual controller
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Under same actual controller
Guangdong Semiconductor Device Factory	Under same actual controller
Guangdong Rising Mining Group Co., Ltd. (formerly known as Guangdong Rising Nonferrous Metals Group Co., Ltd.)	Under same actual controller
Guangzhou Wanshun Investment Management Co., Ltd.	Under same actual controller
Jiangmen Dongjiang Environmental Company Limited	Under same actual controller
Zhuhai Doumen District Yongxingsheng	Under same actual controller

Name	Relationship with the Company
Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	
Ramada Pearl Hotel Guangzhou	Under same actual controller
Guangdong Dabaoshan Mining Co., Ltd.	Under same actual controller
Guangzhou Huajian Business Development Co., Ltd.	Under same actual controller
Guangdong Rising South Construction Co., Ltd.	Under same actual controller
Guangdong Rising Urban Services Co., Ltd. (formerly known as Guangdong Heshun Property Management Co., Ltd.)	Under same actual controller
Guangdong Rising Hydrogen Energy Co., Ltd.	Under same actual controller
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Under same actual controller
Guangdong Rising Commercial Development Co., Ltd. (renamed Guangzhou Tianxin Property Management Company)	Under same actual controller
Traxon Technologies Limited	Enterprise controlled by related natural person
Prosperity (China) Electrical Company Limited	Enterprise controlled by related natural person
Hangzhou Times Lighting Electric Appliances Co., Ltd.	Enterprise controlled by related natural person
Nanning Ruixiang Industrial Investment Co., Ltd.	Enterprise significantly affected by related natural person
Guangdong The Great Wall Building Co., Ltd.	Under same actual controller (cancelled in August 2023)
Guangdong Electronic Technology Research Institute	Enterprises controlled by the same actual controller (removed from the balance sheet in October 2023)

5. List of Related-party Transactions

(1) Information on Acquisition of Goods and Reception of Labor Service

Information on acquisition of goods and reception of labor service

Unit: RMB

Related party	Content	Amount accounted for in the current period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Purchase of materials	6,884,215.25	16,000,000.00	Not	2,986,035.20
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Receiving labor service				3,584.91
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Receiving labor service	4,135,911.57	12,000,000.00	Not	
Guangdong Rising Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)	Receiving labor service	296,727.85			23,365.00

Related party	Content	Amount accounted for in the current period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Guangdong Rising Commercial Development Co., Ltd. (renamed Guangzhou Tianxin Property Management Company)	Receiving labor service	90,119.99			56,106.76
Guangdong Rising Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)	Purchase of materials	4,911.86			
Ramada Pearl Hotel Guangzhou	Receiving labor service				107,037.44
Guangdong The Great Wall Building Co., Ltd.	Receiving labor service				22,053.55
Guangdong Xintao Microelectronics Co., Ltd.	Purchase of materials	3,484,936.83	3,000,000.00	Yes	
Shenzhen Yuepeng Construction Co., Ltd.	Receiving labor service	2,340,079.65			1,681,659.50
Guangdong Rising South Construction Co., Ltd.	Receiving labor service	652,798.17			
Guangdong Electronics Information Industry Group Ltd.	Purchase of materials	638,973.44			
Shenzhen Yuepeng Construction Co., Ltd.	Receiving labor service	2,340,079.65			1,681,659.50
Guangdong Rising South Construction Co., Ltd.	Receiving labor service	652,798.17			
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Receiving labor service	434,246.54			214,012.32
Primatronix Nanho Technology Ltd.	Receiving labor service	433,225.66			5,249.00
Guangdong Rising Hydrogen Energy Co., Ltd.	Receiving labor service	316,592.93			
Guangdong Rising Urban Services Co., Ltd. (formerly	Receiving labor service	154,938.0			

Related party	Content	Amount accounted for in the current period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
known as Guangdong Heshun Property Management Co., Ltd.)	service	2			
Foshan Fulong Environmental Technology Co., Ltd.	Receiving labor service	85,601.30			346,191.32
Primatronix Nanho Technology Ltd.	Purchase of materials	62,017.70			
Guangdong Fenghua New Energy Co., Ltd.	Receiving labor service	59,566.39			
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Receiving labor service	51,756.22			156,034.70
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Receiving labor service	45,166.12			43,504.72
Jiangmen Dongjiang Environmental Company Limited	Receiving labor service	2,169.81			82,209.44
Guangdong Rising Holdings Group Co., Ltd.	Receiving labor service	1,428.57			
Dongguan Hengjian Environmental Protection Technology Co., Ltd.	Receiving labor service				76,930.19
Guangdong Dabaoshan Mining Co., Ltd.	Receiving labor service				25,471.68
Guangzhou Haixinsha Industrial Co., Ltd.	Receiving labor service	3,724,279.84	9,000,000.00	Not	1,982,823.87
Guangzhou Huajian Business Development Co., Ltd.	Receiving labor service	240,408.74			
Guangdong Huajian Enterprise Group Co., Ltd.	Receiving labor service	49,237.92			
Hangzhou Times Lighting	Purchase of	1,300.88	3,000,000.	Not	

Related party	Content	Amount accounted for in the current period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Electric Appliances Co., Ltd.	materials		00		
PROSPERITY LAMPS & COMPONENTS LIMITED	Purchase materials of				55,967.88
Guangdong Zhongren Group Construction Co., Ltd	Receiving labor service	15,317,313.48		Not	46,260,034.42
Guangdong Zhongnan Construction Co., Ltd.	Receiving labor service	12,439,305.64		Not	126,639,979.72
Guangdong Yixin Changcheng Construction Group	Receiving labor service	3,923,726.90		Not	142,484,829.61
Total		55,870,957.27	43,000,000.00	Not	323,253,081.23

Information of sales of goods and provision of labor service

Unit: RMB

Related party	Content	Reporting Period	Same period of last year
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Sale of products	10,819,750.06	12,695,399.38
PROSPERITY LAMPS & COMPONENTS LIMITED	Sale of products	9,616,900.56	26,429,431.11
Guangdong Xintao Microelectronics Co., Ltd.	Sale of products	1,791,682.84	
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Sale of products	1,426,923.55	
Traxon Technologies Limited	Sale of products	952,271.46	
Guangdong Rising Mining Group Co., Ltd. (formerly known as Guangdong Rising Nonferrous Metals Group Co., Ltd.)	Sale of products	99,577.88	349,463.13
Guangdong Zhongnan Construction Co., Ltd.	Sale of products	96,507.96	2,836,654.66
Guangzhou Wanshun Investment Management Co., Ltd.	Sale of products	59,565.75	0.00
Shandong Zhongjin Lingnan Copper Co., Ltd.	Sale of products	9,102.65	635,444.25
Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	Sale of products		985,342.48
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Sale of products		463,890.89
Guangdong Zhongnan Construction Co., Ltd.	Providing labor services	452,550.02	
Guangdong Yixin Changcheng Construction Group	Providing labor services	121,035.60	563,380.10
Guangdong Zhongren Group Construction Co., Ltd	Providing labor services	5,504.59	256,834.10
Guangdong Rising Holdings Group Co., Ltd.	Providing labor services	52.83	258,120.00
Guangdong Rising Urban Services Co., Ltd. (formerly	Providing labor		603,820.91

Related party	Content	Reporting Period	Same period of last year
known as Guangdong Heshun Property Management Co., Ltd.)	services		
Total		25,451,425.75	46,077,781.01

Notes:

1. The Company's related party transaction pricing policies are as follows:

The pricing of related party transactions follows market principles, based on market prices at the time of transaction, and relevant funds are also paid on schedule according to actual transactions.

2. The related-party transactions between the Company and its subsidiaries and between subsidiaries have been offset during report consolidation.

(2) Information on Related-party Trusteeship/Contract

Lists of trusteeship/contract:

None.

Lists of entrust/contractee

Unit: RMB

Name of the entruster/contractee	Name of the entrustee/contractor	Type	Start date	Due date	Pricing basis	Charge recognized in this Reporting Period
Foshan NationStar Optoelectronics Co., Ltd.	Guangdong Zhongren Group Construction Co., Ltd		30 December 2020	31 December 2022		
Foshan Electrical and Lighting Co., Ltd.	Guangdong Yixin Changcheng Construction Group		28 May 2021	29 December 2022		
Foshan Electrical and Lighting Co., Ltd.	Guangdong Yixin Changcheng Construction Group		1 March 2022	11 December 2022		
Foshan Kelian New Energy Technology Co., Ltd.	Guangdong Zhongnan Construction Co., Ltd.		23 June 2021	23 December 2022		
Foshan Kelian New Energy Technology Co., Ltd.	Guangdong Huajian Enterprise Group Co., Ltd.		1 January 2025	31 December 2034		

Notes to entrust/contractee:

1. The Company's subsidiary Foshan NationStar Optoelectronics Co., Ltd. entered into the *General Contracting Contract of NationStar Optoelectronics for the Survey, Design, and Construction of the Geely Industrial Park* with Guangdong Zhongren Group Construction Co., Ltd., Guangdong Architectural Design & Research Institute Co., Ltd., and CSIC International Engineering Co., Ltd.

on 30 December 2020. The above parties take charge of the survey, design, and construction of the Geely Industrial Park. The total price of the contract is RMB509,292,500. As of the date of this Report, the project has not been completed and accepted.

2. The Company entered into the *General Contracting Contract of Foshan Electrical and Lighting Co., Ltd. for the Design and Construction of the Office Buildings of Gaoming Headquarters Production Base Phase II* with Guangdong Yixin Changcheng Construction Group Co., Ltd. and Guangdong Architectural Design & Research Institute Co., Ltd. on 28 May 2021. The above parties take charge of the design and construction of Gaoming office buildings. The total price of the contract is RMB175,025,600, and the planned total construction period is 560 calendar days (560 days for construction including 90 days for design). As of the date of this Report, the project has passed the completion acceptance check.

3. On 1 March 2022, the Company signed a *General Contract for Design and Construction of the Smart LED Lighting Production Factory Buildings 1-3 at the Gaoming Production Base of Foshan Electrical and Lighting Co., Ltd.* with Guangdong Yixin Great Wall Construction Group Co., Ltd. and Guangdong Architectural Design & Research Institute Co., Ltd. The aforementioned companies were responsible for the design and construction of the three buildings in Gaoming. The tentative total contract value was RMB 129,991,400, with a planned total construction period of 285 calendar days (30 days for design and 255 days for construction). The project has now been completed and accepted.

4. On 23 June 2021, the Company's subsidiary Foshan Kelian New Energy Technology Co., Ltd. signed a *General Contract for Design and Construction of the Decoration Engineering of Kelian Building* with Guangdong Zhongnan Construction Co., Ltd. and Guangdong Architectural Design & Research Institute Co., Ltd. The aforementioned companies were responsible for the interior design and construction of the building. The tentative total contract value was RMB189,070,200, with a planned total construction period of 240 calendar days (60 days for design, and 210 days for Building 2 and 240 days for Building 1). The construction period for the self-use floors starts from the actual commencement of construction. The project has now been completed, with the self-use floors of Building 2 having passed acceptance, and the property management company is currently conducting the handover inspection for Building 1.

5. On 21 April 2023, the Company's subsidiary Foshan Kelian New Energy Technology Co., Ltd. signed the *Kelian Building Operation and Leasing Service Contract* and the *Kelian Building Property Management Service Contract* with Huajian Group. The industrial (R&D center) area (located in Building 1), commercial (service apartments), commercial (shops), and part of the underground parking lot, totaling 70,340.04 square meters, were entrusted to Huajian Group for operation and leasing. The operation and leasing service period is 10 years from 1 January 2025.

(3) Information on Related-party Lease

The Company was lessor:

Unit: RMB

Name of lessee	Category of leased assets	The lease income confirmed in the Reporting Period	The lease income confirmed in the same period of last year
Guangdong Rising Research and Development Institute Co., Ltd. and its majority-owned subsidiaries	Plant	1,353,643.59	1,371,318.77

The Company served as the lessee:

Unit: RMB

Name of lessor	Category of leased assets	Rental expenses of short-term lease simplified treated and low-value asset lease (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Paid rent		Income expense of lease liabilities undertaken		Increased right-of-use assets	
		Reporting Period	Same period of last year	Reporting Period	Same period of last year	Reporting Period	Same period of last year	Reporting Period	Same period of last year	Reporting Period	Same period of last year
Guangdong Rising Holdings Group Co., Ltd.	Houses and buildings					689,145.18		160,686.36		12,379,546.50	
Guangdong Rising Commercial Development Co., Ltd. (renamed Guangzhou Tianxin Property Management Company)	Houses and buildings					347,697.25	219,647.41	5,495.63	2,688.29	356,782.85	65,598.04
Guangdong The Great Wall Building Co., Ltd.	Houses and buildings						64,954.29		1,801.29		

(4) Information on Related-party Guarantee

None.

(5) Information on Inter-bank Lending of Capital of Related Parties

None.

(6) Information on Assets Transfer and Debt Restructuring by Related Party

None.

(7) Information on Remuneration for Key Management Personnel

Unit: RMB

Item	Reporting Period	Same period of last year
Chairman of the Board	2,884,609.72	1,705,572.73
General Manager	2,641,336.55	1,470,932.32
Chairman of the Supervisory Committee	2,608,793.59	1,316,856.34
Secretary of the Board of Directors	768,328.52	535,162.42
Chief Financial Officer	2,535,084.65	1,419,623.28
Other	11,553,385.20	10,108,242.96
Total	22,991,538.23	16,556,390.05

(8) Other Related-party Transactions

In accordance with the Financial Service Agreement signed by the Company in 2024, the total maximum daily deposit balance of the Company and its majority-owned subsidiaries deposited in Guangdong Rising Finance Co., Ltd. shall not exceed RMB1.5 billion, and the general credit limit provided by Guangdong Rising Finance Co., Ltd. for the Company and its majority-owned subsidiaries shall not exceed RMB2 billion. As of 31 December 2024, the deposit balance of the Company and its subsidiaries deposited in Guangdong Rising Finance Co., Ltd. is RMB1,482,165,300. The undue interest receivable is RMB 5,258,600.

6. Accounts Receivable and Payable of Related Party**(1) Accounts Receivable**

Unit: RMB

Project name	Related party	Ending balance		Beginning balance	
		Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Monetary capital- accrued interest	Guangdong Rising Finance Co., Ltd.	5,153,062.03		5,226,458.64	
Other current assets- accrued interest	Guangdong Rising Finance Co., Ltd.	105,555.56			
Accounts receivable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	5,584,276.94	111,685.54	2,992,978.95	59,859.58
Accounts receivable	PROSPERITY LAMPS & COMPONENTS LIMITED	3,453,458.25	422,680.16	4,612,923.23	188,722.11
Accounts receivable	Guangdong Yixin Changcheng Construction Group	2,558,600.74	76,758.02	7,510,483.08	225,314.49
Accounts receivable	Guangdong Rising Urban Services Co., Ltd. (formerly known as Guangdong Heshun Property Management Co., Ltd.)	2,332,537.86	623,014.72	2,332,537.86	206,392.47
Accounts receivable	Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	1,555,346.68	46,660.40		
Accounts receivable	Guangdong Zhongnan Construction Co., Ltd.	510,276.71	51,027.67	510,276.71	15,308.30
Accounts receivable	Guangdong Zhongjin Lingnan Engineering Technology Co., Ltd.	504,147.00	50,414.70	566,449.00	16,993.47
Accounts receivable	Guangdong Huajian Engineering Construction Co., Ltd.	355,473.15	7,109.46	266,736.05	5,334.72

Project name	Related party	Ending balance		Beginning balance	
		Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Accounts receivable	Guangdong Rising Research and Development Institute Co., Ltd.	239,918.22	23,991.82	289,918.22	8,697.55
Accounts receivable	Guangdong Xintao Microelectronics Co., Ltd.	138,827.00	13,882.70	138,827.00	4,164.81
Accounts receivable	Shandong Zhongjin Lingnan Copper Co., Ltd.	44,297.00	35,437.60	44,297.00	22,148.50
Accounts receivable	Guangdong Zhuyuan Construction Engineering Co., Ltd.	15,206.96	1,520.70	146,462.96	2,929.26
Accounts receivable	Guangdong Zhongren Group Construction Co., Ltd	10,286.00	308.58		
Accounts receivable	Shantou Rising Infrastructure Construction Investment Co., Ltd.			242,112.68	7,263.38
Accounts receivable	Guangdong Rising Holdings Group Co., Ltd.			3,850.00	77.00
Prepayments	Guangdong Rising Urban Services Co., Ltd. (formerly known as Guangdong Heshun Property Management Co., Ltd.)	60,317.70			
Prepayments	Guangdong Rising Holdings Group Co., Ltd.	39,428.00		39,428.00	
Prepayments	Prosperity (China) Electrical Company Limited	13,959.24			
Prepayments	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	148.68		148.68	
Prepayments	Hangzhou Times Lighting Electric Appliances Co., Ltd.			1,300.88	
Other receivables	Nanning Ruixiang Industrial Investment Co., Ltd.	2,587,607.38	203,049.97	1,791,739.20	53,752.18
Other receivables	Guangdong Rising Commercial Development Co., Ltd. (renamed Guangzhou Tianxin Property Management Company)	816,441.49	816,441.49		

Project name	Related party	Ending balance		Beginning balance	
		Carrying amount	Bad debt provision	Carrying amount	Bad debt provision
Other receivables	Guangdong Zhongren Group Construction Co., Ltd	586,288.04	17,588.64		
Other receivables	Guangdong Rising Holdings Group Co., Ltd.	74,761.92	6,868.51	67,165.92	1,343.32
Other receivables	Guangdong Semiconductor Device Factory	5,000.00	500.00	5,000.00	150.00
Other receivables	Guangdong Huajian Enterprise Group Co., Ltd.	304.31	30.43	304.31	9.13
Total		26,745,526.86	2,508,971.11	26,789,398.37	818,460.27

(2) Accounts Payable

Unit: RMB

Project name	Related party	Ending carrying amount	Beginning carrying amount
Notes payable	Guangdong Zhongren Group Construction Co., Ltd	119,158.00	373,870.86
Notes payable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	74,812.50	
Notes payable	Primatronix Nanho Technology Ltd.		15,052,221.04
Accounts payable	Guangdong Zhongren Group Construction Co., Ltd	99,422,072.40	117,665,437.46
Accounts payable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	3,976,905.41	1,385,589.20
Accounts payable	Guangdong Electronic Technology Research Institute	2,560,606.36	0.00
Accounts payable	Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	1,381,887.30	1,174,680.84
Accounts payable	Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	1,003,260.00	506,936.01
Accounts payable	Guangzhou Haixinsha Industrial Co., Ltd.	638,973.44	
Accounts payable	Shenzhen Yuepeng Construction Co., Ltd.	99,516.27	
Accounts payable	Guangdong Yixin Changcheng Construction Group	95,998.00	14,457.85
Accounts payable	Guangdong Zhongnan Construction Co., Ltd.	53,946.92	
Accounts payable	PROSPERITY LAMPS & COMPONENTS LIMITED	14,567.75	
Accounts payable	Guangdong Fenghua New Energy Co., Ltd.	7,352.40	9,478.00

Project name	Related party	Ending carrying amount	Beginning carrying amount
Accounts payable	Guangdong Electronics Information Industry Group Ltd.		65,992,673.05
Accounts payable	Guangdong Rising Cultural Industry Development Co., Ltd. (formerly known as Guangdong Great Wall Hotel Co., Ltd.)		43,398,748.24
Accounts payable	Guangdong Xintao Microelectronics Co., Ltd.		58,230.70
Accounts payable	Guangzhou Shengfeng Catering Management Service Co., Ltd.		46,500.00
Accounts payable	Primatronix Nanho Technology Ltd.		1,325.10
Other payables	Nanning Ruixiang Industrial Investment Co., Ltd.	91,046,577.48	103,639,661.12
Other payables	Guangdong Huajian Enterprise Group Co., Ltd.	52,340,650.63	
Other payables	Shenzhen Yuepeng Construction Co., Ltd.	38,499,432.70	423,469.05
Other payables	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	5,215,652.63	3,593,345.15
Other payables	Guangdong Zhongnan Construction Co., Ltd.	5,035,015.07	5,030,015.07
Other payables	Primatronix Nanho Technology Ltd.	499,150.37	474,900.64
Other payables	Guangzhou Haixinsha Industrial Co., Ltd.	347,000.00	
Other payables	Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	13,624.00	
Other payables	Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	8,429.40	8,028.00
Other payables	Guangzhou Shengfeng Catering Management Service Co., Ltd.		154,568.76
Other payables	Guangdong Xintao Microelectronics Co., Ltd.		20,000.00
Other payables	Guangdong Yixin Changcheng Construction Group		20,000.00
Contract liabilities, other current liabilities	Prosperity Lamps & Components Limited	218,729.24	
Contract liabilities, other current liabilities	Primatronix Nanho Technology Ltd.	59,428.00	59,428.00
Other current liabilities	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	693,580.58	339,669.91
Other current liabilities	Guangdong Yixin Changcheng Construction Group	464,919.17	339,220.26
Other current liabilities	Guangdong Zhongnan Construction Co., Ltd.	150,000.00	

Project name	Related party	Ending carrying amount	Beginning carrying amount
Other current liabilities	Guangzhou Haixinsha Industrial Co., Ltd.		6,700,000.00
Other current liabilities	Guangdong Zhongren Group Construction Co., Ltd		69,483.06
Total		304,041,246.02	366,551,937.37

7. Commitments of Related Party

No.	XIII. Commitment and Contingency	Promisor	Time of commitment making and term	Term of commitment	Performance of undertaking
1	About avoidance of horizontal competition	Electronics Group and Hong Kong Rising Investment	December 04, 2015	Long-term	Ongoing
		Rising Holdings Group	November 04, 2021	Long-term	Ongoing
		Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	27 October 2021	Long-term	Ongoing
2	About reduction and regulation of related-party transactions	Electronics Group and Hong Kong Rising Investment	December 04, 2015	Long-term	Ongoing
		Rising Holdings Group	November 04, 2021	Long-term	Ongoing
		Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	27 October 2021	Long-term	Ongoing
3	About independence	Electronics Group and Hong Kong Rising Investment	December 04, 2015	Long-term	Ongoing
		Rising Holdings Group	November 04, 2021	Long-term	Ongoing

4	About effective performance of measures to fill up returns	Rising Holdings Group, Rising Capital, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment and Shenzhen Rising Investment	27 October 2021	Long-term	Ongoing
5	About compensation for possible violations of laws and regulations by NATIONSTAR OPTOELECTRONICS	Rising Holdings Group, Electronics Group, and Rising Capital	27 October 2021	Long-term	Ongoing
6	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	Rising Holdings Group, Electronics Group, and Rising Capital	27 October 2021	Long-term	Ongoing
		Director and senior management office of FSL	27 October 2021	Long-term	Ongoing
7	About the clarity of the underlying assets of this major asset restructuring	Electronics Group	27 October 2021	Long-term	Ongoing
		Rising Holdings Group and Rising Capital	27 October 2021	Long-term	Ongoing
8	About measures to fill up returns for risks arising from diluting immediate return in major asset restructuring	Director and senior management office of FSL	27 October 2021	Long-term	Ongoing
9	About the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects in 2023	Director and senior management office of FSL	14 March 2023	Long-term	Ongoing
10	About matters on special self-inspection of the real estate business	Directors and senior management of FSL, Rising Holdings Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	14 March 2023	Long-term	Ongoing

11	About the effective fulfilment of measures taken by controlling shareholders and de facto controller to fill up immediate returns	Rising Holdings Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	14 March 2023	Long-term	Ongoing
12	Commitment Letter Regarding the Increase in Foshan Lighting Shares and Subsequent Increase Plans	Electronics Group, Hongkong Wah Shing	26 June 2024	Within six months starting from 3 June 2024.	Completed
13	Notification Letter Regarding the Increase in Foshan Lighting Shares	Electronics Group	18 November 2024	Within six months starting from 20 November 2024.	Ongoing

8. Other

None.

XV. Share-based Payment

1. The Overall Situation of Share-based Payments

☐Applicable ☒Not applicable

2. Equity-settled Share-based Payments

☐Applicable ☒Not applicable

3. Cash-settled Share-based Payments

☐Applicable ☒Not applicable

4. Share-Based Payment Expenses for the Period

☐Applicable ☒Not applicable

5. Modification and Termination of Share-based Payment

None.

6. Other

None.

XVI. Commitments and Contingency

1. Significant Commitments

Significant commitments on the balance sheet date

(1) Commitment to cash dividends

Commitment maker: the Company

Contents of Commitment: The Company's profit distributed in cash shall not be less than 30% of the distributable profit realized in the year.

Commitment Date: 27 May 2009

Commitment Term: Long-standing

Fulfillment: In execution

2. Commitment to the development of Haikou plot

In November 2021, Hainan Technology, a wholly-owned subsidiary of the Company, acquired an industrial land located in Mei'an Science and Technology New City, Haikou, with a land area of 34,931.13 square meters and a land price of RMB26,596,784.43. In the same month, Hainan Technology signed the *Agreement on Industrial Project Development and Land Access* with Haikou National High-tech Industrial Development Zone Management Committee (hereinafter referred to as the "Haikou Development Zone Management Committee"). The agreement stipulates that the above-mentioned plot is used for the development of marine lighting R&D and manufacturing base projects, and the investment of fixed assets is approximately RMB314 million (including plants, equipment, and land, equivalent to RMB6 million per mu (1 mu equals to 666.67 square meters)). Hainan Technology promises to complete the planning scheme design within two months from the date of signing the *Confirmation of Listing and Transferring the Right to Use State-owned Construction Land*; complete the construction drawing design within three months after completing the planning scheme design and obtain the Building Construction Permits and start construction at the same time (subject to the foundation concrete pouring of the main buildings). The project will be put into production within 18 months from the date of signing the *Confirmation of Listing and Transferring the Right to Use State-owned Construction Land*. From the date of signing the contract to the first year after the project is put into production, the accumulated tax payment is not less than RMB10 million; the accumulated tax payment in the first two years is not less than RMB27.4 million; the accumulated tax payment in the first three years is not less than RMB67.1 million; the accumulated tax payment in the first four years is not less than RMB117 million; the accumulated tax payment in the five years is not less than RMB203 million. The total industrial output value (or revenue) in the first year after the project is put into production is not less than RMB218 million; the accumulated value in the first two years is not less than RMB433 million; the accumulated value in the first three years is not less than RMB929 million; the accumulated value in the first four years is not less than RMB1,578 million; the accumulated value in the five years is not less than RMB2.62 billion. If the project fails to start construction within 12 months from the date of signing the *Confirmation of Listing and Transferring the Right to Use State-owned Construction Land* due to Hainan Technology reasons, the Haikou Development Zone Management Committee has the right to unilaterally terminate the contract and the municipal government will recover the land use rights according to law; if the total amount of tax paid in the year after the project is put into production does not reach the total annual tax payment as agreed, Hainan Technology shall pay liquidated damages to the Haikou Development Zone Management Committee according to the difference; if Hainan Technology has idle land not due to government reasons and force majeure, the municipal government shall collect idle land fees or recover the right to use state-owned construction land. As of the date of this report, the first phase of the Hainan Industrial Park has been completed and put into production.

2. Contingency

(1) Significant Contingency on Balance Sheet Date

a) Litigation between the Company and Yinghe (Shenzhen) Robotics and Automation Technology Co., Ltd.

Yinghe (Shenzhen) Robotics and Automation Technology Co., Ltd. (hereinafter referred to as “Yinghe Company”) and the Company signed the *Construction Contract for the LED Bulb Intelligent Manufacturing Workshop Project* in 2021, the project has not been able to meet the final acceptance standards. After repeated negotiations, both parties failed to reach an agreement, Yinghe Company thus filed a lawsuit with the People’s Court of Chancheng District, Foshan City in December 2023, involving a disputed amount of RMB104,403,700. In January 2024, the Company filed a counterclaim on the grounds that the project undertaken by Yinghe Company had not reached the final acceptance standards for two years overdue, constituting a fundamental breach of contract, demanding that Yinghe Company refund the contract amount of RMB26,904,000 and pay a penalty of RMB26,904,000, totaling RMB53,808,000. In September 2024, the Company received the first-instance judgment from the People’s Court of Chancheng District, Foshan City, Guangdong Province: 1. The court dismissed all the claims made by Yinghe Company; 2. Yinghe Company is required to return RMB 26,904,000 to the Company; 3. Yinghe Company is responsible for the costs of removing the equipment and systems located in the Foshan Lighting production workshop. Both parties appealed, and in January 2025, the case was heard in the second-instance court. In February 2025, the Company received the second-instance judgment from the Foshan Intermediate People’s Court, Guangdong Province, which upheld the original first-instance judgment.

b) Litigation matter with Dianbai County Construction Engineering Co., Ltd.

Dianbai County Construction Engineering Co., Ltd., as a customer of the Company, is involved in a sales contract dispute with the Company. The Company has filed for arbitration with the Guangzhou Arbitration Commission, with the arbitration amount being RMB24,804,400. In October 2024, both parties signed the *Settlement Agreement* and received an *On-Demand Performance Guarantee* issued by China Construction Bank Corporation for Dianbai County Construction Engineering Co., Ltd. In November of the same year, the Company received the Mediation Statement issued by the Guangzhou Arbitration Commission. As at the reporting date, the remaining receivables are still within the agreement period.

c) Litigation Between the Company and China Construction Fourth Engineering Division Installation Engineering Co., Ltd.

China Construction Fourth Engineering Division Installation Engineering Co., Ltd., as a customer of the Company, is involved in a sales contract dispute with the Company. The Company has filed for arbitration with the Guangzhou Arbitration Commission, with the total amount in dispute reaching RMB18,420,100. In December 2024, both parties signed a *Settlement Agreement*. As at the date of this Report, the Arbitration Commission has filed a case which is awaiting scheduling a court hearing. The Company has made a bad debt provision of RMB5,855,300 based on expected credit losses.

d) Litigation Between Sub-subsidiary Chongqing Guinuo and Hasco VISION Technology (Chongqing) Co., Ltd. & Hasco VISION Technology (Shanghai) Co., Ltd.

Hasco VISION Technology (Chongqing) Co., Ltd. and Hasco VISION Technology (Shanghai) Co., Ltd., as customers of the Company’s sub-subsidiary Chongqing Guinuo, are involved in a sales contract dispute with the subsidiary. Chongqing Guinuo filed a lawsuit with the Yubei District People’s Court of Chongqing, with the total amount in dispute reaching RMB173,817,000. The first hearing of the case was held in August 2024, followed by a second hearing in October and a third in December 2024. During the three hearings, the court requested that the legal representatives of both

parties sign the *Application for Settlement Agreement*, with a mediation period of three months. In February 2025, Chongqing Guinuo received the first-instance judgment from the Yubei District People's Court of Chongqing: all claims filed by Chongqing Guinuo were dismissed. Chongqing Guinuo filed an appeal based on the first-instance judgment, and the court received the appeal materials from Chongqing Guinuo in March 2025.

e) Litigation Between the Company & Its Subsidiary Hainan Technology, and China Construction First Group Corporation Limited

China Construction First Group Corporation Limited (hereinafter referred to as "CCFG"), as a customer of the Company and its subsidiary Hainan Technology, is involved in a sales contract dispute with both entities. The Company filed for arbitration with the Shanghai Arbitration Commission, with the total amount in dispute reaching RMB14,191,000. In October 2024, the Company and its subsidiary Hainan Technology received a Mediation Statement from the Shanghai Arbitration Commission. The Company and Hainan Technology reached a *Settlement Agreement* with China Construction First Group. As at the date of this Report, the remaining receivables are still within the agreement period. The Company has made a bad debt provision of RMB4,486,500 based on expected credit losses.

f) Litigation Between the Company & Its Subsidiary Kelian, and Foshan Centurynet Industrial Park Investment and Development Co., Ltd.

Foshan Centurynet Industrial Park Investment and Development Co., Ltd. (hereinafter referred to as "Centurynet") entered into a *State-Owned Construction Land Use Right Transfer Contract* and a supplementary agreement with the Foshan Bureau of Land and Resources, under which Centurynet was permitted to divide the acquired land parcel into eight separate plots. In April 2016, Centurynet signed a *State-Owned Construction Land Use Right Transfer Contract* with Foshan Kelian New Energy Technology Co., Ltd. (hereinafter referred to as "Foshan Kelian"), transferring Plot Seven to Foshan Kelian. In June 2023, the Foshan Bureau of Natural Resources issued a *Notice on the Payment of Liquidated Damages for Delayed Completion* to Centurynet regarding Plot FC (G) 2010-017 (Century Binjiang Project), stating that the required completion date for the eight subdivided plots was 6 August 2017, while the actual completion date was 19 August 2021. As a result, Centurynet was required to pay liquidated damages for delayed completion amounting to RMB55,221,600. Based on the notice, Centurynet paid the liquidated damages and subsequently filed a lawsuit against the Company and its subsidiary Foshan Kelian, demanding that they bear a proportional share of the penalty—RMB11,449,200—as well as RMB100,000 in legal fees, totaling RMB11,549,200. When acquiring Foshan Kelian, the Company signed an *Equity Transfer Agreement* in which the transferor committed that: if the target company or the transferee incurs any loss, claim, or legal liability arising from any matter that occurred prior to the closing date (excluding debts already disclosed in the audit report), the transferor shall bear joint and several liability and provide compensation to the target company or the transferee in cash. In December 2024, the Company received litigation documents served by the court. The first-instance hearing of the case was held in January 2025. As of the date of this Report, the case is still in the first instance procedure.

g) Litigation matters between the sub-subsidiary company Chongqing Guinuo and Huayu Visual Technology (Chongqing) Co., Ltd.

There is a lease contract dispute between the sub-subsidiary Chongqing Guinuo and Huayu Vision Technology (Chongqing) Co., Ltd. (hereinafter referred to as "Huayu Vision"). In December 2023, Hasco VISION filed a lawsuit with the Yubei District People's Court of Chongqing, involving a disputed amount of RMB10,433,900. The first instance trial of this case was held in August 2024, followed by a second trial in September of the same year. In November 2024, the People's Court of

Yubei District, Chongqing, issued a civil ruling to suspend the litigation. As of the date of this report, the case is still in a state of first instance suspension.

⑧ Land Acquisition Penalty Matter Involving Nanjing Fozhao Lighting Components Manufacturing Co., Ltd.

On 10 July 2020, the *People's Government of Lishui District, Nanjing issued the Decision on the Expropriation of Houses on State-Owned Land for the Lishui District Honglan Subdistrict Affordable Housing Construction Project* (Document No. [2020] 18 of the Nanjing Lishui Government), deciding to expropriate the land and above-ground structures located at No. 688, Jinniu North Road, Honglan Subdistrict, Lishui District, Nanjing, owned by Nanjing Fozhao Lighting. The expropriation was to be implemented by Nanjing Lishui District Demolition and Resettlement Co., Ltd. (hereinafter referred to as the "Demolition Company"). On 15 December 2021, the Demolition Company and Nanjing Fozhao Lighting entered into the *House Expropriation and Compensation Agreement for State-Owned Land in Lishui District, Nanjing*, stipulating a total compensation amount of RMB183,855,900. The agreement required the Demolition Company to make a one-time full payment within fifteen days after Nanjing Fozhao Lighting vacated the premises. It also was agreed that the breaching party would be liable to pay liquidated damages calculated at a daily rate of 0.05% of the compensation amount. On 16 December 2021, Nanjing Fozhao promised to complete the lease clearance and house handover before 31 May 2022. However, the last housing rental enterprise was actually relocated on 9 September 2024, and the demolition company completed the land and house reception of the last housing rental enterprise on 7 January 2025. Regarding the land expropriation matter of Nanjing Fozhao, both parties have a dispute over the payment of the remaining amount. The specific details are as follows: The demolition company proposed that the remaining demolition compensation should be paid after deducting the penalty and other relevant fees for the delayed delivery of the demolition target by Nanjing Fozhao. Nanjing Fozhao believes that the delay in the delivery of the demolition target is due to disputes among some tenants over the assessment report results. Therefore, Nanjing Fozhao should not bear all the liability for breach of contract. Moreover, the demolition company should also bear the liability for breach of contract regarding the delay in paying the remaining compensation to Nanjing Fozhao. As of the date of this announcement, the two parties have not yet reached an agreement on the payment of the remaining compensation, the basis for calculating liquidated damages, or the commencement date for such calculations.

⑨ Litigation matters between subsidiary NationStar Lighting and Lighthouse Technologies (Huizhou) Limited and Lighthouse Technologies Limited

NationStar Lighting sued Lighthouse Technologies (Huizhou) Limited and Lighthouse Technologies Limited (hereinafter referred to as "Lighthouse") for a sales contract dispute involving an amount of RMB25,882,900. Among them, the book amount of accounts receivable at the end of the period is RMB25,352,200 and the interest is RMB530,700. The specific basic situation and progress of the case are as follows:

Lighthouse has been overdue in paying the company's goods since April 2024, with a total overdue amount of RMB25,352,200. In view of this, NationStar Lighting filed a lawsuit with the People's Court of Chancheng District, Foshan City, Guangdong Province in November 2024. As of the disclosure date of this report, the case has been filed and the court session was held on 13 March 2025. As of the disclosure date of this report, there is no result yet.

(2) In Despite of no Significant Contingency to Disclose, the Company Shall Also Make Relevant Statements

There was no significant contingency in the Company.

3. Other

As of 31 December 2024, mutual guarantees among Liaowang Auto Lamp and its subsidiaries were as follows (RMB'0,000):

No.	Principal debtor	Principal debtee (Lender)	Guarantor	Type of guarantee	Guarantee amount	Guarantee balance
1	Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd. (Note 1)	Nanning Branch of Industrial Bank	Nanning Liaowang Auto Lamp Co., Ltd.	Mortgaged	6,350.00	3,545.95
2	Chongqing Guinuo Lighting Technology Co., Ltd. (Note 2)	Nanning Branch of Industrial Bank Co., Ltd.	Chongqing Guinuo Lighting Technology Co., Ltd.	Mortgaged	7,000.00	3,964.62
3	Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd. (Note 3)	Nanning Branch of Industrial Bank	Liuzhou Guige Lighting Technology Co., Ltd.	Mortgaged	14,300.00	4,547.00
	Total	—	—	—	27,650.00	12,057.57

Note 1: Liaowang Auto Lamp and Nanning Branch of Industrial Bank signed the Master Agreement for Domestic Letter of Credit Financing with the number M0120240409000444, borrowing RMB20 million from Nanning Branch of Industrial Bank (term from 15 April 2024 to 9 April 2025). Liaowang Auto Lamp and Nanning Branch of Industrial Bank entered into the *Maximum Financing Agreement* (XYGCBRZZ [2022] No. (01)) to conduct a bill transaction of RMB15,459,500. Liaowang Auto Lamp provides mortgage guarantee with the immovable property owned as collateral, and the balance of its creditor's rights does not exceed the maximum mortgage principal of RMB69,139,100. The mortgage amount is valid from 25 April 2022 to 31 December 2025 and the guarantee amount is RMB63.5 million. The mortgaged real estate is a) YG (2017) N.N.S.B.D.CH. Q.ZH. No. 0065501; b) E.G. (2017) N.N.S.B.D.CH. Q.ZH. No. 0065499; c) S.G. (2017) N.N.S.B.D.CH. Q.ZH. No. 0065498; d) S.G. (2017) N.N.S.B.D.CH. Q.ZH. No. 0065497.

Note 2: Chongqing Guinuo and Chongqing Branch of Industrial Bank entered into the *Fixed Asset Loan Contract* numbered CQ2023-477, with the contract amount being RMB50 million (term from 21 June 2023 to 20 June 2026). As at 31 December 2023, RMB39,646,200 had been used. Chongqing Guinuo entered into two *Maximum Amount Mortgage Contracts* with Chongqing Branch of Industrial Bank, identified as Contract No. XYYLJGND 2023001 and Contract No. XYYKGGND 2024001. Under these agreements, Chongqing Guinuo pledged its real estate assets as collateral to secure debt obligations, with the maximum secured principal amount not exceeding RMB240 million. The guaranteed amount under the mortgage is RMB70 million. The mortgage contracts are valid from 21 May 2024 to 20 May 2025. The mortgaged real estate is a) Y.Y. (2020) L.J.X.Q.B.D.CH. Q. No.

000436821, b) E.Y. (2020) L.J.X.Q.B.D.CH. Q. No. 000437330, c) S.Y. (2020) L.J.X.Q.B.D.CH. Q. No. 000437429 and d) S.Y. (2020) L.J.X.Q.B.D.CH. Q. No. 000437448.

Note 3: Liuzhou Guige Photoelectric entered into the *Maximum Financing Agreement* numbered XYGCBRZZ (2022) No. (02) with Nanning Branch of Industrial Bank, incurring a note business of RMB45,470,000. In the guarantee contract, Liuzhou Guige provides mortgage guarantee with the immovable property owned as collateral, and the balance of its creditor's rights does not exceed the maximum mortgage principal of RMB139,943,700. The guarantee amount is RMB143 million and valid from 24 April 2022 to 31 December 2025. The mortgaged real estate is: a) Y.G. (2019) L.ZH.SH. B.D.CH. Q. No. 0191988, located at No. 1 Factory Building, No. 12 Hengsi Road, Cheyuan; b) E.G. (2019) L.ZH.SH. B.D.CH. Q. No. 0191991, located in the mould Centre of No. 12 Hengsi Road, Cheyuan; c) S.G. (2019) L.ZH.SH. B.D.CH. Q. No. 0191994, located in the logistics gate guard room at No. 12 Hengsi Road, Cheyuan; d) S.G. (2019) L.ZH.SH. B.D.CH. Q. No. 0191995, located in the guard room of Gate 12, Hengsi Road, Cheyuan.

(2) As at 31 December 2024, the guarantee arrangements of Hule Electric Company were as follows (RMB'0,000):

No.	Principal debtor	Principal debtee (Lender)	Guarantor	Type of guarantee	Guarantee amount	Guarantee balance
1	Zhejiang Hule Electric Equipment Manufacture Co., Ltd. (Note 1)	Agricultural Bank of China Limited, Jiaxing Nanhu Sub-branch	Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Mortgaged	2,000.00	1,721.96
	Total	—	—	—	2,000.00	1,721.96

Note 1: Hule Electric entered into *Maximum Amount Mortgage Contract* (No. 33100620230099053) with Jiaxing Nanhu Sub-branch of the Agricultural Bank of China. Under the contract, Hule Electric pledged its real estate assets as collateral to secure debts, with the maximum secured principal not exceeding RMB31.18 million. The guaranteed amount is RMB20 million. The mortgage contract is valid from 21 August 2023 to 20 August 2028. The mortgaged properties are: a) Property Ownership Certificate No. 00479600, Nanhu District, Jiaxing; b) Property Ownership Certificate No. 00479599, Nanhu District, Jiaxing.

XVII. Events after Balance Sheet Date

1. Significant Non-adjusted Events

None.

2. Distribution of Profit

Dividend shares to be distributed for every ten shares (share)	1.2
Profit distribution plan	Based on the share capital of 1,535,778,230 shares per ten shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves. Where any change occurs to the total shares entitled to the final dividend due to grant of share repurchases, equity incentive grants, etc. when the final dividend plan is implemented, the dividend per share shall remain the same while the total payout amount shall be adjusted accordingly. This profit distribution plan is

	subject to the approval of the Company's 2024 general meeting of shareholders before it can be implemented.
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3. Sales Return

None.

4. Notes to Other Events after Balance Sheet Date

The Company held the 3rd meeting of the 10th Board of Directors, the 3rd meeting of the 10th Board of Supervisors, and the 3rd extraordinary general meeting of shareholders on 29 November 2024 and 16 December 2024, respectively. The meeting approved the *Proposal on Cancelling Repurchase Shares and Reducing Registered Capital*, agreeing to cancel 13 million A-shares stored in the repurchase special securities account and correspondingly reduce the Company's registered capital. After verification and confirmation by China Securities Depository and Clearing Corporation Limited Shenzhen Branch, the cancellation of the Company's share repurchase has been completed on 10 January 2025, and the total share capital of the Company has been changed from 1,548,778,230 shares to 1,535,778,230 shares.

XVIII Other Significant Events

1. The Accounting Errors Correction in Previous Period

None.

2. Debt Restructuring

No such cases in the Reporting Period.

3. Assets Replacement

None.

4. Pension Plans

In accordance with provisions of *Measures for Enterprise Annuity* (RSBL No. 36), *Measures for Managing Enterprise Annuity Fund* (RSBL No. 11) and other policies, the Company has formulated the *Enterprise Annuity Plan of Foshan Electrical and Lighting Co., Ltd.* (hereinafter referred to as the "Plan").

The Plan adopts the corporate trusteeship mode. The collected enterprise annuity fund will be managed by the trustee entrusted by Foshan Electrical and Lighting Co., Ltd. with the Enterprise Annuity Fund Trusteeship Contract. And the trustee of the enterprise annuity fund will entrust eligible custodians, account managers and investment managers to provide unified related services. The expenses required shall be jointly borne by the Company and the employees. The payment channels of the Company shall be implemented according to relevant regulations of the state, and the part that shall be paid by employees themselves will be withheld and paid by the Company from their salaries.

The Plan has been filed at Chancheng District Human Resources and Social Security Bureau of Foshan City and implemented since 1 June 2022. The management of the enterprise annuity fund is subject to the supervision and inspection of relevant state departments.

5. Discontinued Operations

None.

6. Segment Information

(1) Determination Basis and Accounting Policies of Reportable Segment

With the deployment of the Company's strategic management and the expansion of business segments, operating segments shall be determined based on the requirements of regulatory laws and regulations, company management, etc., which are as follows:

- General lighting, automotive lamps products segment: General lighting, automotive lamps products segment research and development, manufacturing and sales;
- LED packaging and components, other products segment: Research and development, manufacturing and sales of LED packaging and components, and other products.

Inter-segment transfer prices are determined with reference to the prices used for sales to third parties, while assets, liabilities and expenses are determined based on the financial data of each segment.

(2) The Financial Information of Reportable Segment

Unit: RMB

Item	General lighting and vehicle lamp products	LED packaging and component products and other products	Offset among segments	Total
I. Operating revenue	5,647,542,159.95	3,472,860,317.19	-72,164,830.00	9,048,237,647.14
II. Cost of sales	4,364,577,494.97	3,075,005,242.32	-72,031,835.80	7,367,550,901.49
III. Income from investments to joint ventures and associates	1,112,039.74	1,580,479.75	-1,580,479.75	1,112,039.74
IV. Credit impairment loss	-25,455,021.52	-4,572,189.38	342,614.49	-29,684,596.41
V. Asset impairment loss	-33,512,347.51	-32,024,162.49	-142,393,052.68	-207,929,562.68
VI. Depreciation and amortization cost	298,403,033.61	358,689,668.58	-762,259.87	656,330,442.32
VII. Total profits	702,637,040.55	49,197,986.06	-150,886,014.73	600,949,011.88
VIII. Income tax expense	82,646,366.35	-5,177,546.31	-4,919.91	77,463,900.13
IX. Net profits	619,990,674.20	54,375,532.37	-150,881,094.82	523,485,111.75
X. Total assets	11,943,999,653.72	6,249,279,269.11	-1,033,515,466.19	17,159,763,456.64
XI. Total liabilities	4,627,223,035.73	2,425,117,619.56	-59,077,292.49	6,993,263,362.80

(3) If there Was no Reportable Segment, or the Total Amount of Assets and Liabilities of Each Reportable Segment Could not Be Reported, Relevant Reasons Shall Be Clearly Stated

None.

(4) Other Notes

None.

7. Other Significant Transactions and Events with Influence on Investors' Decision-making

None.

8. Other

(1) Demolition matters of Nanjing Fozhao

The Company held the 24th Meeting of the Ninth Board of Directors on 15 December 2021, where the *Proposal on Expropriation of Land and Above-ground Housing of the Wholly-owned Subsidiary Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd.*, was deliberated and adopted. The Board of Directors agreed that Nanjing Lishui District People's Government expropriates the land use rights and above-land housing of Nanjing Fozhao Lighting, a wholly-owned subsidiary of the Company, at a compensation amount of RMB183,855,900.00, and Nanjing Fozhao signed an expropriation and compensation agreement with Lishui County House Dismantling, Moving & Resettling Development Co., Ltd., the implementing unit of the housing expropriation. As of 31 December 2023, Nanjing Fozhao has received 30% of the compensation, that is, RMB55,160,000.00, and the land use right certificate and house ownership certificate of the assets involved have been cancelled. As of the date of this Report, the site handover is still in progress. After the demolition work is completed, Nanjing Fozhao plans to carry out liquidation and cancellation. As of 7 January 2025, Lishui District Demolition and Resettlement Co., Ltd. of Nanjing had taken possession of all land and above-ground buildings of Nanjing Fozhao. As of the disclosure date of this report, both parties are still in negotiation regarding the performance of the contract and the payment of the remaining compensation. After the demolition work is completed, Nanjing Fozhao plans to carry out liquidation and cancellation.

(2) Land acquisition and storage matters

The Company held the 49th meeting of the 9th Board of Directors and the second extraordinary shareholders' meeting in 2023 on 6 December 2023 and 22 December 2023, respectively, and reviewed and approved the "Proposal on the Disposal of the Company's Assets and the Signing of the Land Acquisition and Storage Agreement", agreeing that the Company will sign the "Land Reserve Letter of Intent" with the Zumiao Street Office of Chancheng District, Foshan City, and the "State-owned Land Use Right Reserve Agreement" with the Land Reserve Center of Chancheng District, Foshan City and the Zumiao Street Office of Chancheng District, Foshan City. After completing the preliminary land preparation work such as the demolition of the above-ground buildings in accordance with relevant laws, regulations and policies, the land at No. 64 Fenjiang North Road, Chancheng District, Foshan City will be delivered in batches over three years for account acquisition and storage. On February 2024, the Company formally signed the "State-owned Land Use Right Reserve Agreement" with the Land Reserve Center of Chancheng District, Foshan City and the Zumiao Street Office of Chancheng District, Foshan City, and the Company delivered the land at No. 64 Fenjiang North Road in accordance with the relevant contents of the agreement. On December 2024, the Company received a land acquisition payment of RMB381,779,100.00 from the Land Reserve Center of Chancheng District, Foshan City, and recognized a land acquisition net income after tax of RMB 298,681,100.00.

(3) Application for registration and issuance of SCP by NationStar Optoelectronics

NationStar Optoelectronics reviewed and approved the *Proposal on Application for Registration and Issuance of SCP* at the 22nd Meeting of the 5th Board of Directors and the 19th Meeting of the 5th

Supervisory Committee held on 29 August 2022 and submitted it to the 3rd Extraordinary General Meeting of 2022 of NationStar Optoelectronics for consideration. On 11 November 2022, the Company convened the 3rd Extraordinary General Meeting of 2022 to vote on above-mentioned proposal and agreed the application for registration and issuance of SCP by the Company with the scale not exceeding RMB1 billion (inclusive). The final registration amount will be subject to the amount stated in the registration notice of China Interbank Market Dealers Association. The registration is valid for two years and may be issued multiple times within the registration period with each issuance period not exceeding 270 days (inclusive). In August 2023, the Company received the *Registration Acceptance Notice* (ZSXZ[2023] No. SCP363) of the National Association of Financial Market Institutional Investors, where the Association agreed to the Company's ultra-short-term financing bond registration, with a registered amount of RMB1 billion. The registration quota is effective within two years from the date of the notice's signature, allowing the Company to issue ultra-short-term financing bonds in stages during the effective registration period. The Company has not yet issued ultra-short-term financing bonds.

XIX. Notes of Main Items in the Financial Statements of the Company as the Parent

1. Accounts Receivable

(1) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	611,829,771.52	683,345,802.12
One to two years	87,098,817.76	125,068,556.37
Two to three years	61,831,224.89	92,436,464.67
Over three years	89,329,641.58	28,150,275.79
Three to four years	68,133,250.97	6,324,306.99
Four to five years	5,227,888.30	4,557,233.31
Over five years	15,968,502.31	17,268,735.49
Total	850,089,455.75	929,001,098.95

(2) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawn bad debt provision separately	97,598,472.58	11.48%	55,270,828.47	56.63%	42,327,644.11	16,206,226.20	1.74%	13,266,776.46	81.86%	2,939,449.74
Accounts receivable withdrawn bad debt provision by group	752,490,983.17	88.52%	49,561,358.97	6.59%	702,929,624.20	912,794,872.75	98.26%	75,730,895.08	8.30%	837,063,977.67
Including:										
(1) Business portfolio of general lighting and auto lamps	674,720,665.62	79.37%	49,561,358.97	7.35%	625,159,306.65	843,754,827.55	90.83%	75,730,895.08	8.98%	768,023,932.47

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
(2) Internal business portfolio	77,770,317.55	9.15%			77,770,317.55	69,040,045.20	7.43%			69,040,045.20
Total	850,089,455.75	100.00%	104,832,187.44	12.33%	745,257,268.31	929,001,098.95	100.00%	88,997,671.54	9.58%	840,003,427.41

Provision for bad debts on an individual basis: RMB55,270,828.47

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Customer A	9,129,369.60	9,129,369.60	11,187,337.20	11,187,337.20	100.00%	Litigation involved
Customer B			12,462,884.41	12,462,884.41	100.00%	Dishonest and high-risk entities; recovery is deemed unlikely.
Total	9,129,369.60	9,129,369.60	23,650,221.61	23,650,221.61		

Provision for bad debts on a portfolio basis: RMB49,561,358.97

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
(1) Business portfolio of general lighting and auto lamps	674,720,665.62	49,561,358.97	7.35%
(2) Internal business portfolio	77,770,317.55		0.00%
Total	752,490,983.17	49,561,358.97	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If adopting the general mode of expected credit loss to withdraw bad debt provision of accounts receivable:

☐Applicable ☒Not applicable

(3) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Other	
Accounts receivable	13,266,776.46	25,018,991.73	14,781,351.04		31,766,411.32	55,270,828.47

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Verification	Other	
withdrawn bad debt provision separately						
Accounts receivable withdrawn bad debt provision by group	75,730,895.08	8,129,876.89		33.28	-34,299,379.72	49,561,358.97
Total	88,997,671.54	33,148,868.62	14,781,351.04	33.28	-2,532,968.40	104,832,187.44

Of which, bad debt provision collected or reversed with significant amount: None.

(4) Accounts Receivable Written-off in Current Period

Unit: RMB

Item	Written-off amount
Accounts receivable actually written off	33.28

Of which, verification of significant accounts receivable: None.

Notes to verification of accounts receivable:

The amount of accounts receivable written off in this period is RMB33.28, and the provision for bad debts is RMB33.28, which has been approved in accordance with the Company's bad debt management system.

(5) Top 5 of the Ending Balance of the Accounts Receivable and the Contract Assets Collected according to Arrears Party

Unit: RMB

Name of the entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion to total ending balance of accounts receivable and contract assets	Ending balance of bad debt provision of accounts receivable and impairment provision for contract assets
No. 1	150,246,356.36		150,246,356.36	17.60%	4,507,390.69
No. 2	94,272,141.84		94,272,141.84	11.05%	2,828,164.26
No. 3	51,861,952.51		51,861,952.51	6.08%	13,525,874.66
No. 4	45,132,663.24		45,132,663.24	5.29%	
No. 5	20,804,411.54		20,804,411.54	2.44%	
Total	362,317,525.49		362,317,525.49	42.46%	20,861,429.61

2. Other Receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	944,184,445.88	558,342,534.44
Total	944,184,445.88	558,342,534.44

(1) Interest Receivable

None.

(2) Dividend Receivable

None.

(3) Other Receivables**1) Category of Other Receivables by Account Nature**

Unit: RMB

Nature	Ending carrying amount	Beginning carrying amount
Other current accounts	936,571,845.70	550,330,445.91
Export VAT rebates	5,974,168.41	4,708,061.84
Performance bonds	5,349,914.65	5,017,218.52
Rents and utilities	1,283,664.90	808,434.42
Staff loans and petty cash	482,910.18	1,267,076.22
Total	949,662,503.84	562,131,236.91

2) Disclosure by Aging

Unit: RMB

Aging	Ending carrying amount	Beginning carrying amount
Within one year (including 1 year)	410,148,181.90	125,675,552.49
One to two years	109,304,181.17	40,089,841.13
Two to three years	37,014,033.22	393,099,727.65
Over three years	393,196,107.55	3,266,115.64
Three to four years	390,960,824.47	1,588,177.54
Four to five years	975,961.08	981,563.00
Over five years	1,259,322.00	696,375.10
Total	949,662,503.84	562,131,236.91

3) Disclosure by Withdrawal Methods for Bad Debts

Unit: RMB

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
Accounts receivable withdrawn bad debt provision separately										
Bad debt provision withdrawn according to groups	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88	562,131,236.91	100.00%	3,788,702.47	0.67%	558,342,534.44
Including:										
Other receivables with bad debt provision based on a combination	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88	562,131,236.91	100.00%	3,788,702.47	0.67%	558,342,534.44

Category	Ending balance					Beginning balance				
	Carrying amount		Bad debt provision		Carrying value	Carrying amount		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Withdrawal proportion		Amount	Proportion	Amount	Withdrawal proportion	
of credit risk characteristics										
Total	949,662,503.84	100.00 %	5,478,057.96	0.58%	944,184,445.88	562,131,236.91	100.00%	3,788,702.47	0.67%	558,342,534.44

Provision for bad debts on a portfolio basis: RMB5,478,057.96

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Other receivables with bad debt provision based on a combination of credit risk characteristics	949,662,503.84	5,478,057.96	0.58%
Total	949,662,503.84	5,478,057.96	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

Withdrawal of bad debt provision by adopting the general mode of expected credit loss:

Unit: RMB

Bad debt provision	First stage	Second stage	Third stage	Total
	Expected credit loss in the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of 1 January 2024	841,350.40	2,947,352.07		3,788,702.47
Balance of 1 January 2024 in the current period				
Withdrawal of the current period	78,350.14	1,677,072.56		1,755,422.70
Verification of the current period		66,067.21		66,067.21
Balance of 31 December 2024	919,700.54	4,558,357.42		5,478,057.96

The basis for the division of each stage and the withdrawal proportion of bad debt provision

See Note V-13. Accounts Receivable.

Changes of carrying amount with significant amount changed of loss provision in the current period

☐Applicable ☒Not applicable

4) Bad Debt Provision Withdrawn, Reversed or Recovered in the Current Period

Withdrawal of bad debt provision:

Unit: RMB

Category	Beginning balance	Changes in the current period				Ending balance
		Withdrawal	Reversed or recovered	Charged-off/Written-off	Other	
Other receivables	3,788,702.47	1,755,422.70		66,067.21		5,478,057.96
Total	3,788,702.47	1,755,422.70		66,067.21		5,478,057.96

Of which the bad debt provision recovered or transferred-back with significant amount during the current period: None.

5) Particulars of the Actual Verification of Other Receivables during the Current Period

Unit: RMB

Item	Written-off amount
Accounts receivable actually written off	66,067.21

Of which the verification of significant other receivables: None.

Notes to the write-off of other receivables:

The amount of accounts receivable written off in this period is RMB66,067.21, and the provision for bad debts is RMB66,067.21, which has been approved in accordance with the company's bad debt management system.

6) Top Five of the Ending Balance of Other Receivables Collected according to the Arrears Party

Unit: RMB

Name of the entity	Nature	Ending balance	Aging	Proportion to total ending balance of other receivables %	Ending balance of bad debt provision
No. 1	Internal portfolio	473,132,684.41	Within four years	49.82%	
No. 2	Internal portfolio	326,890,079.21	Within three years	34.42%	
No. 3	Internal portfolio	91,477,972.61	Within two years	9.63%	
No. 4	Other exchanges	15,883,375.00	Within one year	1.67%	1,588,337.50
No. 5	Other exchanges	14,840,849.57	Within one year	1.56%	445,225.49
Total		922,224,960.80		97.10%	2,033,562.99

7) Presentation in Other Receivables due to the Centralized Management of Funds

None.

3. Long-term Equity Investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Impairment provision	Carrying value	Carrying amount	Impairment provision	Carrying value
Investment to subsidiaries	2,381,355,425.91	127,478,834.25	2,253,876,591.66	2,323,435,425.91		2,323,435,425.91

Investment to joint ventures and associated enterprises	180,300,594.89		180,300,594.89	179,188,555.15		179,188,555.15
Total	2,561,656,020.80	127,478,834.25	2,434,177,186.55	2,502,623,981.06		2,502,623,981.06

(1) Investment to Subsidiaries

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period				Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Withdrawal of impairment provision	Other		
Foshan NationStar Optoelectronics Co., Ltd.	1,212,090,245.94				127,478,834.25		1,084,611,411.69	127,478,834.25
Nanning Liaowang Auto Lamp Co., Ltd.	493,880,163.76						493,880,163.76	
Fozhao (Hainan) Technology Co., Ltd.	200,000,000.00						200,000,000.00	
Foshan Kelian New Energy Technology Co., Ltd.	170,000,000.00						170,000,000.00	
FSL Chanchang Lighting Co., Ltd.	82,507,350.00						82,507,350.00	
Nanjing Fozhao Lighting Components Manufacturing Co., Ltd.	72,000,000.00						72,000,000.00	
Foshan Electrical & Lighting (Xinxiang) Co., Ltd.	35,418,439.76						35,418,439.76	
FSL Zhida Electric Technology Co., Ltd. (FSL Zhida)	25,500,000.00						25,500,000.00	
Foshan Haolaite Lighting Co., Ltd.	16,685,000.00						16,685,000.00	
Foshan Fozhao Zhicheng Technology	15,000,000.00		35,000,000.00				50,000,000.00	

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period				Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Withdrawal of impairment provision	Other		
Co., Ltd.								
Foshan Taimei Times Lamp Co., Ltd.	350,000.00						350,000.00	
Fozhao Huaguang (Maoming) Technology Co., Ltd.			22,920,000.00				22,920,000.00	
Foshan Sigma Venture Capital Co., Ltd.	4,226.45						4,226.45	
Total	2,323,435,425.91		57,920,000.00		127,478,834.25		2,253,876,591.66	127,478,834.25

(2) Investment to Joint Ventures and Associated Enterprises

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of depreciation reserve	Increase/decrease for the current period								Ending balance (Carrying value)	Ending balance of depreciation reserve
			Additional investment	Reduced investment	Gains and losses recognized under the equity method	Adjustment of other comprehensive income	Changes of other equity	Cash bonus or profits announced to issue	Withdrawal of impairment provision	Other		
I. Joint ventures												
II. Associated enterprises												
Shenzhen Primatronix (Nanho) Electronics Ltd.	179,188,555.15				1,112,039.74						180,300,594.89	
Subtotal	179,188,555.15				1,112,039.74						180,300,594.89	
Total	179,188,555.15				1,112,039.74						180,300,594.89	

The recoverable amount is determined based on the net amount of the fair value minus disposal costs

☐Applicable ☒Not applicable

The recoverable amount is determined by the present value of the forecasted future cash flows.

☐Applicable ☒Not applicable

The reason for the discrepancy between the foregoing information and the information used in the impairment tests in prior years or external information

None.

The reason for the discrepancy between the information used in the Company's impairment tests in prior years and the actual situation of those years

None.

(3) Other Notes

None.

4. Operating Revenue and Cost of Sales

Unit: RMB

Item	Reporting Period		Same period of last year	
	Operating revenue	Cost	Operating revenue	Cost
Main operations	3,096,917,731.64	2,377,613,698.44	3,256,292,066.96	2,590,772,641.09
Other operations	148,786,564.36	132,741,166.11	114,208,143.77	79,302,538.77
Total	3,245,704,296.00	2,510,354,864.55	3,370,500,210.73	2,670,075,179.86

5. Investment Income

Unit: RMB

Item	Reporting Period	Same period of last year
Long-term equity investment income accounted by cost method	37,817,762.65	12,959,503.50
Long-term equity investment income accounted by equity method	1,112,039.74	1,833,621.59
Investment income from disposal of long-term equity investment		-686,145.59
Investment income from disposal of trading financial assets	-447,400.00	-13,774,175.00
Dividend income from holding of other equity instrument investment	28,098,296.00	16,633,969.35
Interest income from holding of other investments in debt obligations	28,286,522.80	5,611,238.58
Earnings of debt restructuring	-368,531.60	
Income received from financial products and structural deposits		1,767,053.51
Total	94,498,689.59	24,345,065.94

6. Other

None.

XX. Supplementary Materials**1. Items and Amounts of Non-recurring Gains and Losses**☒Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets	374,276,636.74	
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	51,867,148.37	

Item	Amount	Note
impact on the Company's profit or loss)		
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)	3,881,370.83	
Capital occupation charges on non-financial enterprises that are recorded into current profit or loss	665,872.11	
Reverse of provision for impairment of accounts receivable individually conducting impairment test	16,742,832.57	
Profits arising from business combination when the combined cost is less than the recognised fair value of net assets of the merged company	2,131,597.43	
Gain or loss on debt restructuring	-368,531.60	
Other non-operating income and expenses other than the above	11,943,647.79	
Less: Income tax effects	65,001,245.07	
Non-controlling interests effects (after-tax)	47,708,614.43	
Total	348,430,714.74	--

Others that meets the definition of non-recurring gains and losses:

☐Applicable ☒Not applicable

There are no other profit and loss items in line with the definition of non-recurring gains and losses in the Company.

Explain the reasons if the Company classifies any non-recurring gains and losses mentioned in the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Exceptional Gain/Loss Items*:

☐Applicable ☒Not applicable

2. Return on Equity and Earnings Per Share

Profit as of Reporting Period	Weighted average return on equity (ROE) (%)	EPS (Yuan/share)	
		Basic earnings per share (EPS)-basic	EPS-diluted
Net profit attributable to ordinary shareholders of the Company	6.94%	0.2905	0.2881
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring gains and losses	1.52%	0.0637	0.0631

3. Differences between Accounting Data under Domestic and Overseas Accounting Standards

(1) Differences of Net Profit and Net Assets Disclosed in Financial Reports Prepared under International Financial Reporting Standards (IFRS) and Chinese Accounting Standards (CAS)

☐Applicable ☒Not applicable

(2) Differences between Disclosed Net Profits and Net Assets in Financial Report in accordance with Foreign Accounting Standards and Chinese Accounting Standards (CAS)

☐Applicable ☒Not applicable

(3) Explain Reasons for the Differences between Accounting Data under Domestic and Overseas Accounting Standards; for any Adjustment Made to the Difference Existing in the Data Audited by the Foreign Auditing Agent, Such Foreign Auditing Agent's Name Shall be Clearly Stated

☐Applicable ☒Not applicable

4. Other

None.

Wan Shan, legal representative

Foshan Electrical and Lighting Co., Ltd.

23 April 2025