



**FOSHAN ELECTRICAL AND LIGHTING CO., LTD.**

**INTERIM REPORT 2025**

**August 2025**

## **Part I Important Notes, Table of Contents and Definitions**

The Board of Directors (or the “Board”), 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, Zeng Xiaojing, 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 meeting for the review of this Report and its summary.

Any plans for the future and other forward-looking statements mentioned in this Report and its summary shall NOT be considered as absolute promises of the Company to investors. Therefore, investors are reminded to exercise caution when making investment decisions.

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, and the risk of the recoverability of accounts receivable. Please refer to the section headed “Risks Facing the Company and Countermeasures” in Item X of Part III of this Report.

The Company has no interim dividend plan, either in the form of cash or stock.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

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## **Documents Available for Reference**

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 originals of all the Company's announcements and documents disclosed to the public during the Reporting Period on the media designated by the CSRC for information disclosure.

## Definitions

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

	Renminbi
H1 2025	January 1, 2025 to June 30, 2025
H1 2024	January 1, 2024 to June 30, 2024

## Part II Corporate Information and Key Financial Information

### I Corporate Information

Stock name	FSL, FSL-B	Stock code	000541, 200541
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	佛山电器照明股份有限公司		
Abbr. (if any)	佛山照明		
Company name in English (if any)	FOSHAN ELECTRICAL AND LIGHTING CO.,LTD		
Abbr. (if any)	FSL		
Legal representative	Wan Shan		

### II Contact Information

	Board Secretary	Securities Representative
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### III Other Information

#### 1. Contact Information of the Company

Indicate by tick mark whether any change occurred to the registered address, office address and their zip codes, website address, email address and other contact information of the Company in the Reporting Period.

☐ Applicable ☒ Not applicable

The registered address, office address and their zip codes, website address, email address and other contact information of the Company did not change in the Reporting Period. For details, please refer to the Annual Report 2024.

## 2. Media for Information Disclosure and Place where this Report is Kept

Indicate by tick mark whether any change occurred to the information disclosure media and the place for keeping the Company's periodic reports in the Reporting Period.

☐ Applicable ☒ Not applicable

The website of the stock exchange and the names and websites of the media where the Company disclosed its interim reports, or the place for keeping the Company's interim reports did not change in the Reporting Period. For details, please refer to the Annual Report 2024.

## 3. Other Information

Indicate by tick mark whether any change occurred to other information in the Reporting Period.

☐ Applicable ☒ Not applicable

## IV Key Financial Information

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

☐ Yes ☒ No

	H1 2025	H1 2024	Change (%)
Operating revenue (RMB)	4,385,731,119.78	4,784,545,767.42	-8.34%
Net profit attributable to the listed company's shareholders (RMB)	114,993,752.24	192,229,182.38	-40.18%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	106,076,984.29	178,842,912.77	-40.69%
Net cash generated from/used in operating activities (RMB)	9,845,012.95	384,593,044.61	-97.44%
Basic earnings per share (RMB/share)	0.0749	0.1252	-40.18%



Diluted earnings per share (RMB/share)	0.0748	0.1241	-39.73%
Weighted average return on equity (%)	1.71%	3.02%	-1.31%
	June 30, 2025	December 31, 2024	Change (%)
Total assets (RMB)	17,172,922,065.33	17,159,763,456.64	0.08%
Equity attributable to the listed company's shareholders (RMB)	6,717,892,162.17	6,574,304,305.27	2.18%

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

### 1. Net Profit and Equity Differences under CAS and IFRS

☐ Applicable ☒ Not applicable

No such differences for the Reporting Period.

### 2. Net Profit and Equity Differences under CAS and Foreign Accounting Standards

☐ Applicable ☒ Not applicable

No such differences for the Reporting Period.

## VI Exceptional Gains and Losses

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-47,603.62	
Government grants recognized in current 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	20,828,366.39	

policies, and have a continuing 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 arise in the Company's ordinary course of business)	758,629.50	
Capital occupation charges on a non-financial enterprise that are charged to current profit or loss	1,135,048.55	
Reversed portions of impairment allowances for receivables which are tested individually for impairment	1,563,182.27	
Non-operating income and expense other than the above	9,030.37	
Less: Income tax effects	3,436,802.38	
Non-controlling interests effects (net of tax)	11,893,083.13	
Total	8,916,767.95	

Details of other items that meet the definition of exceptional gain/loss:

☐ Applicable ☒ Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items*:

☐ Applicable ☒ Not applicable

No such cases for the Reporting Period.

## Part III Management Discussion and Analysis

### I 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. It is the controlling shareholder of Nanning Liaowang Auto Lamp Co., Ltd. (“Liaowang Auto Lamp”), Foshan NationStar Optoelectronics Co., Ltd. (“NationStar Optoelectronics”), Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd. (“Hule Electrical Equipment”) and Beijing Airtrust Technology Co., Ltd. (“Beijing Airtrust”) through acquisition programs starting from 2021. At present, the principal business of the Company mainly includes the R&D, production and sale of general lighting products, automotive lighting products, and LED packaging products.

The general lighting mainly covers LED light sources, LED luminaries, 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 also been exploring new fields, including smart lighting, healthy lighting, marine lighting, aviation lighting and animal and plant lighting.

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, 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) Industry development

In the first half of 2025, the lighting industry faced a difficult journey amidst intense market competition. On one hand, the domestic economy is in a critical period of structural adjustment and transformation, with traditional growth drivers and emerging growth drivers continuously shifting, leading to more challenges and difficulties in development. On the other hand, international trade tariff wars have had a significant impact on export business. According to the China Association of Lighting Industry’s *Lighting Industry Export Brief Report for the First Half of 2025*, affected by tariffs, the total export value of Chinese lighting products from January to June 2025 decreased by approximately 6% year-on-year, with exports to the United States dropping by about 16%. The overall export revenue of the lighting industry in the first half of the year is under pressure. In the coming period, the competitive landscape in the lighting industry is expected to continue to intensify. Many small and medium-sized lighting enterprises will be forced to exit the market due to cost and market pressures, accelerating industry reshuffling and restructuring. The industry concentration is expected to further increase. Leading enterprises, leveraging advantages in channels, brands, technology, scale, and capital, will continue to consolidate their market dominance. At the same time, with the integration of 5G, IoT, AI, and lighting technology, industry leaders are actively adjusting their product structures and market strategies, accelerating the transition from offering single products to providing system solutions such as smart cities, smart homes, health lighting, and green lighting. They are expanding into new sub-sectors and high-added-value areas, creating new growth spaces for the industry.

In recent years, driven by the rapid development of new energy vehicles (NEVs) and government policies promoting automotive development and consumption, China’s automotive industry has seen strong production

and sales. According to data from the China Association of Automobile Manufacturers, in the first half of 2025, China's automotive production and sales reached 15,621,000 and 15,653,000 units, respectively, growing by 12.5% and 11.4% year-on-year. Among them, the production and sales of NEVs were 6,968,000 and 6,937,000 units, with a growth of 41.4% and 40.3%, respectively, raising the market share to 44.3%. Thanks to the continued development of the automotive market, the automotive lighting market has enjoyed vast development potential. With the trends of passenger vehicle intelligence, safety, comfort, and energy efficiency, the stability, energy efficiency, intelligence, and safety requirements for automotive lighting systems have been increasingly elevated. The design and integration requirements for automotive lighting system control modules will become higher, with smart technologies like ADB, DLP, and interactive features gradually penetrating. The value of automotive lighting products will continue to rise. Meanwhile, with the gradual maturity of China's semiconductor industry chain, domestic automotive lighting enterprises, with their enhanced R&D capabilities and flexible service offerings, have gradually been integrated into the supply chains of various automakers. The acceleration of domestic substitution continues, and domestic automotive lighting companies are facing broad development opportunities.

The LED packaging industry is undergoing rapid reshuffling under pressure from trade tariff disputes, slowing market demand, and rising costs, with many companies facing the dilemma of increased output without increased revenue. Their profit margins are being squeezed. Despite short-term pressures, some enterprises are achieving structural breakthroughs through global market expansion, diversified applications, and high-end technology, shifting the industry focus from scale expansion to value creation. Technical breakthroughs and innovation in application scenarios have become the core competitive barriers. Meanwhile, as technology advances, niche markets like Mini/Micro LEDs and automotive LEDs are rapidly emerging as core growth engines for the industry. New application scenarios such as virtual production, LED movie screens, plant lighting, human-centric lighting, and smart lighting are deeply integrating with traditional sectors, driving the industry towards high-end, intelligent upgrades and a higher-quality developmental phase.

### **(III) 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, 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 monthly production plan 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**

In the Company's general lighting business, for domestic sales, the Company adopts the model of agency distribution and direct supply to engineering projects, with current sales mainly in household, commerce, and e-commerce 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.

### **(IV) Main driving forces for growth**

The Company is committed to the overall development strategy of “new-type basic platform and large-scale new tracks”, and continuously strengthens the innovation driver and refines the business portfolio. Additionally, it promotes the change of the marketing model, intensifies management improvement, and vigorously explores market segments. Since 2021, the Company has acquired Liaowang Auto Lamp, NationStar Optoelectronics, Hule Electrical Equipment and Beijing Airtrust, significantly enhancing its competitiveness in the automotive lighting, marine lighting and aviation 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. By virtue of its advantages in technology, brand, channel 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, optimizing 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.

## II 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 Center,” “Guangdong Provincial Doctoral Workstation,” “Guangdong Provincial Science and Technology Expert Workstation,” “Postdoctoral Research Station (Branch Station),” “Guangdong Provincial Engineering Technology Research and Development Center for Electric Light Sources,” and the “Guangdong Provincial Industrial Design Center.” 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. As at the end of the Reporting Period, the Company and its subsidiaries have cumulatively obtained over 2,700 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 center, a provincial R&D center, and a Guangxi automotive lighting parts engineering technology research center; and established the Automotive Lighting Research Institute and

multiple R&D centers. 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 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 key national R&D programs, in addition to more than 100 provincial and municipal 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 “National Manufacturing Individual Champion”. Moreover, it has constantly made breakthroughs and surmounted technological challenges in emerging areas such as Mini/Micro LED, third-generation semiconductor power devices, smart health sensors, automotive LED components, and new optoelectronic components.

### **Brand advantage**

As a national brand with 67 years of deep cultivation in the lighting industry, the Company was recognized 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. During the Reporting Period, the Company’s brand influence and value reached new highs. The latest brand value stood at RMB47,507 million, a year-on-year increase of 20.64%, marking a historic high and maintaining its position in the top two of the national industry. The Company has been listed among the “Top 500 Most Valuable Chinese Brands” for 20 consecutive years. 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. Centering on a new brand image of “youth, technology, fashion,” the Company implemented a multidimensional communication strategy, introduced a new brand IP image “Light Xiaoming,” and integrated mainstream media resources like Xinhua News Agency and Southern media, with over 320 million online communication exposures generated in the first half of the year. These efforts 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 three 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. 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. Beijing Airtrust is a joint venture between the Company and Guangzhou Airport Industrial Development Co., Ltd., focusing on aviation lighting business such as runway approach lights. 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.

## 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. 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. With manufacturing bases in Nanning, Liuzhou, Chongqing, Qingdao, Suzhou and Indonesia, Liaowang Auto Lamp has an annual production capacity of more than 5 million sets of automotive lights. 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 manufacturers in China.

## 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 chip manufacturing, midstream LED packaging, and downstream LED application products. This optimization of the industry chain further enhances the Company's competitiveness and influence in the industry.

## III Analysis of Principal Operations

### 1. Overview

During the first half of 2025, in the face of mounting pressure on global economic growth, an increasing number of adverse factors in the international political and economic landscape, and intensifying industry competition, the Company adhered to the work strategy of “Three Leads, Three Stabilizations, Four Transformations, and Five Strengths” and focused closely on the business theme of “Lean Management, Breakthrough, and Climbing Higher”. The Company made every effort to expand markets, strengthen innovation, and enhance quality and efficiency. As a result, the Company recorded operating revenue of RMB 4,385.7311 million and a net profit attributable to the shareholders of the listed company of RMB 114.9938 million.

The highlights of the Company's work during the Reporting Period are as follows:

#### (1) Expanding the market through all possible means

First, it launched the domestic counteroffensive. Leveraging the “Guangdong Special Operations Zone” and “Orange Action” as springboards, the Company accelerated the penetration of hardware distribution channels and built a lean distribution system for commercial products. This enabled the Company to expand into 43 untapped regional markets and add over 1,600 high-quality outlets. It secured over 20 multi-million-RMB projects and won bids for centralized procurement projects from over 30 large enterprises and design institutes. Meanwhile, the e-commerce sector capitalized on the national trade-in subsidy program and live-streaming promotions, driving traffic and sales to achieve a 10.76% year-on-year revenue growth.

Second, it executed the export expansion drive. Seizing the “90-day tariff exemption window,” the Company cleared backlogged orders to ensure on-time delivery. Employing a differentiated strategy, it accelerated expansion into emerging markets, including those along the Belt and Road, securing representation in six previously untapped countries. Additionally, the Company acquired multiple multi-million-RMB customer, won bids for several overseas engineering projects, and drove year-on-year sales growth in Europe, Africa, the Middle East, and Southeast Asia. Concurrently, its product mix continued to improve. Revenue from smart products and key lighting fixtures increased substantially, while revenue from self-owned brands achieved double-digit growth.

Third, it secured breakthroughs in new growth areas. Liaowang Auto Lamp secured six new projects for mid-to-high-end vehicle models, achieving a landmark breakthrough with a luxury automaker and driving revenue growth of 9.52% year-on-year. The Auto Lamp Division further expanded its portfolio with six new module

projects and ventured into the automotive lighting controller segment. In marine lighting, the Company landed the “Zhanjiang Bay No. 1” smart marine ranch project and won the bid for a dynamic rhythm lighting system prototype, marking its entry into the high-end deep-sea rhythm lighting sector. For sports lighting, key projects executed included the National Youth Football Training Base and the lighting renovation for the Shanghai PUSH Basketball Center. Regarding the plant and animal lighting, the Company accelerated the application and promotion of specialized light environments for specialty economic plants and secured projects with several major aquaculture enterprises, resulting in a 46.75% year-on-year sales increase.

## (2) Unwavering commitment to innovation

First, it drove a series of collaborative innovation achievements. Adhering to the principle of complementary strengths, the Company expanded its “Lighting + Cross-Industry Partnership,” focusing on multiple cutting-edge lighting technology fields including health lighting, marine lighting, and intelligent sensing. It engaged in extensive collaboration with renowned universities, research institutions, and partners, integrating R&D resources with industry demands to explore the deep integration of innovative technologies into lighting product development and solution building. Second, it achieved hard-core technological breakthroughs. The Company launched AI Light Code technology, enabling full-scenario intelligent spectral applications for home, commercial, and other environments. It also upgraded the lighting system for the national key project “Jiaolong” submersible, enhancing deep-sea exploration and precise search capabilities, with a maximum depth of 10,500 meters. The MDL intelligent human-vehicle interaction technology was applied to mass-produced new energy vehicle models, marking a breakthrough. The microwave induction LED key technology won the third prize for scientific progress from the China Light Industry Council. The Company introduced the MIP + module + GOB integrated packaging solution, advancing micro-pitch display technology. The Mini LED backlight module can be customized to meet customer needs, leading the upgrade of in-vehicle display technology. Third, it contributed to industry standards. With AS9100D aerospace quality system certification and IECEx international explosion-proof certification, the Company had 186 new authorized patents by the end of the Reporting Period. The Company hosted national mandatory standards revision seminars and released ten standards at various levels, including road tunnel lighting energy efficiency, vehicle lighting, and light signal durability. These efforts have further enhanced the Company’s qualifications and industry influence.

## (3) Multiple measures to improve quality and efficiency

First, the Company enhanced quality and efficiency through digital upgrades. It has launched and implemented projects such as the PLM system and AI smart customer service robots, as well as introduced fully automated photometry and flexible production lines, which have improved production efficiency and shortened order delivery cycles. Second, it reduced costs and controlled expenses with meticulous budgeting. By enforcing full-process budget control, the Company has promoted cost reduction across the entire chain, including management, R&D, design, procurement, production, and supply chain, and established cross-department “elite project teams” to optimize and reduce costs for 34 key product categories, improving product competitiveness. Third, it tightened and solidified the management of “two funds”. The Company has increased the weight of these funds in performance appraisal, managing both the reduction of incremental increases and the clearance of existing stock. Strict order classification and evaluation systems, as well as dealer credit management, have been implemented to curb debt growth, while measures such as legal action and special teams have been used to expedite the recovery of receivables. Fourth, it conducted process optimization to improve efficiency. The Company has completed over 40 institutional revisions, optimized 33 business processes and 78 management processes, and built the structure and operations of the “three major centers” of supply chain, products and solutions, quality and customer service. The trial production cycle for new products has been reduced by over 30%, and product and material SKUs have been streamlined.

## 2. Year-on-year Changes in Key Financial Data

Unit: RMB

	H1 2025	H1 2024	Change (%)	Main reason for change
Operating revenue	4,385,731,119.78	4,784,545,767.42	-8.34%	



	H1 2025	H1 2024	Change (%)	Main reason for change
Cost of sales	3,565,320,556.68	3,870,251,108.01	-7.88%	
Selling expense	182,892,072.03	167,217,797.90	9.37%	
Administrative expense	224,001,579.55	226,332,962.51	-1.03%	
Finance costs	-17,117,656.17	-30,606,244.74	44.07%	Exchange rate fluctuations in the current period
Income tax expense	18,318,812.92	24,632,382.12	-25.63%	
R&D expense	286,580,266.83	288,841,483.79	-0.78%	
Net cash flow from operating activities	9,845,012.95	384,593,044.61	-97.44%	Reduced cash receipts from sales of products in the current period
Net cash flow from investing activities	-18,934,602.88	-831,982,796.40	97.72%	Purchase of a relatively high amount of large depository receipts in the previous period
Net cash flow from financing activities	-131,887,757.84	19,514,293.35	-775.85%	Year-on-year decrease in bank borrowings and year-on-year increase in the repayment of bank borrowings in the current period
Net increase in cash and cash equivalents	-138,553,235.69	-413,495,213.21	66.49%	Year-on-year decrease in net cash flows from operating activities and financing activities, and year-on-year increase in net cash flow from investing activities in the current period
Held-for-trading financing assets	2,288,376.68	43,649,820.47	-94.76%	Delivery upon maturity of wealth management products in the current period

	H1 2025	H1 2024	Change (%)	Main reason for change
Prepayments	32,710,901.40	24,419,779.12	33.95%	Increase in prepayments in the ordinary course of business in the current period
Contract assets	1,126,681.30	1,690,021.95	-33.33%	Receipt of customer payments in the current period
Other current assets	414,826,910.56	261,284,776.85	58.76%	Term deposits made in the current period
Short-term borrowings	199,599,173.96	307,141,147.49	-35.01%	Repayment of bank borrowings and de-recognition of discounted notes receivable with recourse upon maturity in the current period
Financial liabilities held for trading		275,250.00	-100.00%	Changes in the fair value of forward exchange settlement products caused by exchange rate fluctuations
Long-term borrowings	131,440,187.61	222,581,930.54	-40.95%	Repayment of bank borrowings in the current period
Treasury stock		82,165,144.15	-100.00%	Cancellation of treasury stocks in the current period
Investment income from associates and joint ventures	646,719.77	1,444,720.72	-55.24%	Decreased net profit attributable to owners of joint ventures as the parent in the current period
Gain on changes in fair value (“-” for loss)	345,894.65	-601,447.40	157.51%	Changes in the fair value of financial instruments in the current period
Credit impairment loss (“-” for loss)	-12,101,495.69	-38,270,808.58	68.38%	Decreased allowance for expected credit

	H1 2025	H1 2024	Change (%)	Main reason for change
				loss in the current period compared with the same period of last year
Asset impairment loss (“-” for loss)	-22,424,871.33	-36,958,804.89	39.32%	Decreased inventory valuation allowances in the current period compared with the same period of last year
Asset disposal income (“-” for loss)	-64,693.00	-99,108.79	34.73%	Decrease in the loss on disposal of assets in the current period compared with the same period of last year
Non-operating income	2,113,315.35	3,054,859.55	-30.82%	Higher revenue from liquidated damages in the previous period
Non-operating expense	2,087,195.60	486,217.43	329.27%	Increase in fines and late payment penalties in the current period
Other comprehensive income, net of tax	213,491,772.64	-22,766,075.54	1,037.76%	Increased changes in the fair value of investments in other equity instruments in the current period compared with the same period of last year
Other comprehensive income, net of tax attributable to owners of the Company as the parent	213,835,708.05	-22,203,388.92	1,063.08%	Increased changes in the fair value of investments in other equity instruments in the current period compared with the same period of last year
Changes in the fair value of investments in other equity instruments	214,283,065.88	-21,548,515.71	1,094.42%	Increased changes in the fair value of investments in other equity instruments in the current period compared with the same period of last year

	H1 2025	H1 2024	Change (%)	Main reason for change
				year
Differences arising from the translation of foreign currency-denominated financial statements	-447,357.83	-654,873.21	31.69%	Fluctuations of the RMB against foreign currencies
Other comprehensive income, net of tax attributable to non-controlling interests	-343,935.41	-562,686.62	38.88%	Fluctuations of the RMB against foreign currencies

Material changes to the profit structure or sources of the Company in the Reporting Period:

☐Applicable ☒Not applicable

No such changes in the Reporting Period.

### 3. Breakdown of Operating Revenue

Unit: RMB

	H1 2025		H1 2024		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	4,385,731,119.78	100%	4,784,545,767.42	100%	-8.34%
By operating division					
Lighting products and luminaries	2,632,166,173.46	60.02%	2,867,569,798.18	59.93%	-8.21%
Electronic component manufacturing	1,260,619,128.02	28.74%	1,441,392,532.40	30.13%	-12.54%
Export trade and other	492,945,818.30	11.24%	475,583,436.84	9.94%	3.65%
By product category					
General lighting products	1,555,797,106.24	35.47%	1,718,962,585.41	35.93%	-9.49%
LED packaging	1,138,917,060.61	25.97%	1,323,471,292.10	27.66%	-13.94%

	H1 2025		H1 2024		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
and components					
Auto lamps	1,013,526,856.90	23.11%	1,045,063,423.50	21.84%	-3.02%
Trade and other	677,490,096.03	15.45%	697,048,466.41	14.57%	-2.81%
By operating segment					
Domestic	3,419,449,003.11	77.97%	3,747,878,177.49	78.33%	-8.76%
Overseas	966,282,116.67	22.03%	1,036,667,589.93	21.67%	-6.79%

#### 4. Operating Division, Product Category or Operating Segment 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	2,632,166,173.46	2,021,006,401.06	23.22%	-8.21%	-8.25%	0.03%
Electronic component manufacturing	1,260,619,128.02	1,065,770,286.77	15.46%	-12.54%	-13.75%	1.19%
Export trade and other	492,945,818.30	478,543,868.85	2.92%	3.65%	10.82%	-6.28%
By product category						
General lighting products	1,555,797,106.24	1,142,860,150.29	26.54%	-9.49%	-9.93%	0.35%
LED packaging and components	1,138,917,060.61	944,141,765.80	17.10%	-13.94%	-14.15%	0.20%

Auto lamps	1,013,526,856.90	833,677,921.36	17.74%	-3.02%	-3.15%	0.11%
Trade and other	677,490,096.03	644,640,719.23	4.85%	-2.81%	0.58%	-3.20%
By operating segment						
Domestic	3,419,449,003.11	2,742,697,709.96	19.79%	-8.76%	-8.57%	-0.17%
Overseas	966,282,116.67	822,622,846.72	14.87%	-6.79%	-5.49%	-1.17%

Data of principal operations of the latest period adjusted according to the changed statistical caliber in the Reporting Period:

☐ Applicable ☒ Not applicable

#### IV Analysis of Non-Principal Operations

☒ Applicable ☐ Not applicable

Unit: RMB

	Amount	As % of profit before tax	Source/Reason	Recurrent or not
Return on investment	27,447,075.84	16.51%	Dividend income from other equity investments held during the period, and interest income from other debt investments	Yes
Gain/loss on changes in fair value	345,894.65	0.21%	Changes in fair value of financial instruments	Yes
Asset impairments	-22,424,871.33	-13.49%	Inventory valuation allowances	Yes
Non-operating income	2,113,315.35	1.27%	Carryforwards of payables that require no payment and revenue from liquidated damages in the current period	Not
Non-operating expense	2,087,195.60	1.26%	Fines and late payment penalties in the current period	Not
Other income	45,245,132.45	27.22%	Receipt of continuing government grants	Not
Credit impairment loss ("-" for loss)	-12,101,495.69	-7.28%	Allowances for doubtful accounts receivable and	Yes

	Amount	As % of profit before tax	Source/Reason	Recurrent or not
			other receivables	
Asset disposal income (“-” for loss)	-64,693.00	-0.04%	Gains or losses on the disposal of non-current assets	Not

## V Analysis of Assets and Liabilities

### 1. Significant Changes in Asset Composition

Unit: RMB

	June 30, 2025		December 31, 2024		Change in percentage (%)	Main reason for significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	3,084,419,399.18	17.96%	3,209,127,437.31	18.70%	-0.74%	Term deposits made in the current period
Accounts receivable	2,243,390,191.30	13.06%	2,125,667,291.96	12.39%	0.67%	Appropriate extension of payment days for some high-quality customers
Contract assets	1,126,681.30	0.01%	1,690,021.95	0.01%	0.00%	
Inventory	2,025,757,449.08	11.80%	2,025,499,361.38	11.80%	0.00%	
Investment property	827,883,993.63	4.82%	793,487,046.02	4.62%	0.20%	
Long-term equity investments	180,947,314.66	1.05%	180,300,594.89	1.05%	0.00%	
Fixed assets	3,572,275,761.68	20.80%	3,646,594,206.04	21.25%	-0.45%	
Construction in progress	293,945,488.06	1.71%	263,601,705.89	1.54%	0.17%	
Right-of-use assets	18,139,960.72	0.11%	22,342,999.34	0.13%	-0.02%	
Short-term	199,599,173.96	1.16%	307,141,147.49	1.79%	-0.63%	Repayment of

	June 30, 2025		December 31, 2024		Change in percentage (%)	Main reason for significant change
	Amount	As % of total assets	Amount	As % of total assets		
borrowings						bank borrowings and de-recognition of discounted notes receivable with recourse upon maturity in the current period
Contract liabilities	142,244,278.82	0.83%	119,506,301.48	0.70%	0.13%	
Long-term borrowings	131,440,187.61	0.77%	222,581,930.54	1.30%	-0.53%	Repayment of bank borrowings in the current period
Lease liabilities	11,380,772.63	0.07%	15,023,993.11	0.09%	-0.02%	
Notes receivable	792,038,054.34	4.61%	997,281,070.21	5.81%	-1.20%	Maturity of some notes receivable in the current period
Receivables financing	380,276,549.15	2.21%	352,694,866.89	2.06%	0.15%	
Other current assets	414,826,910.56	2.42%	261,284,776.85	1.52%	0.90%	Term deposits made in the current period
Other debt investments	1,155,317,713.39	6.73%	1,140,022,863.72	6.64%	0.09%	
Investments in other equity	747,257,412.11	4.35%	726,663,613.42	4.23%	0.12%	
Intangible assets	383,721,802.95	2.23%	388,587,348.99	2.26%	-0.03%	
Notes payable	1,781,207,077.08	10.37%	1,930,784,817.62	11.25%	-0.88%	Decreased payment of ordinary course of business using notes in the current period



	June 30, 2025		December 31, 2024		Change in percentage (%)	Main reason for significant change
	Amount	As % of total assets	Amount	As % of total assets		
Accounts payable	2,765,954,401.30	16.11%	2,781,965,096.70	16.21%	-0.10%	
Other payables	669,335,888.63	3.90%	495,717,050.97	2.89%	1.01%	The 2024 final dividend in cash was declared and provided for in the current period
Other current liabilities	394,759,280.65	2.30%	377,156,212.40	2.20%	0.10%	

## 2. Major Assets Overseas

☐ Applicable ☒ Not applicable

## 3. Assets and Liabilities at Fair Value

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Accumulated 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)	43,649,820.47	345,894.65			75,000,000.00	116,707,338.44		2,288,376.68
3. Other debt investments	1,140,022,863.72						15,294,849.67	1,155,317,713.39
4. Investments	726,663,613.42	262,796,583.56	500,992,833.73		7,320,000.00	249,522,784.87		747,257,412.11

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Accumulated 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
in other equity instruments								
5. Receivables financing	352,694,866.89						27,581,682.26	380,276,549.15
Total of the above	2,263,031,164.50	263,142,478.21	500,992,833.73		82,320,000.00	366,230,123.31	42,876,531.93	2,285,140,051.33
Financial liabilities	275,250.00					275,250.00		0.00

Details about other changes:

(1) The purchased amount in the Reporting Period of other debt investments referred to the cash management (large depository receipts) by the Company with its own temporarily idle funds, which was classified as financial assets at fair value through other comprehensive income. In the Reporting Period, other changes recorded RMB15,294,849.67 of cumulative recognized interest.

(2) Other changes in receivables financing increased by RMB27,581,682.26 in the current period.

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

☐ Yes ☒ No

#### 4. Restricted Asset Rights as at the Period-End

Unit: RMB

Item	Ending carrying value	Reason for restriction
Monetary assets	524,122,497.12	Security deposits for notes, performance bonds, payments by buyers for pre-sale of properties
Notes receivable	830,930,917.23	In pledge for notes pool, undue notes receivable that have been endorsed or discounted
Receivables financing	7,600,759.79	In pledge for notes pool
Fixed assets	207,316,221.86	As mortgage and guarantee for related party, see XVI 3. Others in Part XIII
Intangible assets	10,263,929.82	

Item	Ending carrying value	Reason for restriction
Other non-current assets	663.57	Frozen funds
Total	1,580,234,989.39	—

## VI 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 (%)
156,790,198.87	88,163,470.03	77.84%

### 2. Major Equity Investments Made in the Reporting Period

☐ Applicable ☒ Not applicable

### 3. Major Non-Equity Investments Ongoing in the Reporting Period

☒ Applicable ☐ Not applicable

Name of project	Way of investment	Fixed asset investment or not	Industry of the investment project	Input in the Reporting Period	Cumulative input as at the period-end	Funding source	Project progress	Predicted return	Cumulative return as at the period-end	Reason for failure to reach the planned progress and predicted return	Date of disclosure (if any)	Disclosure index (if any)
The Jili Industrial Park project (not including land purchase)	Other	Yes	LED packaging	136,605,328.31	778,400,697.35	Self-pooled funds	45.40%			N/A	August 7, 2020	<i>Announcement on Investment in the Construction of NationStar Optoelectronics' Jili Industrial Park Project on www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)</i>
Total	--	--	--	136,605,328.31	778,400,697.35	--	--			--	--	--

#### 4. Financial Investments

##### (1) Securities Investments

☒ Applicable ☐ Not applicable

Security type	Security code	Security name	Initial investment cost	Measurement method	Beginning carrying value	Gain/loss on fair-value changes in the Reporting Period	Accumulated fair-value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in Reporting Period	Ending carrying value	Accounting title	Funding source
Domestically/Overseas listed stock	601187	Xiamen Bank Co., Ltd.	152,957,606.83	Fair value method	323,502,024.60	65,962,292.25	236,506,710.02			9,177,362.40	389,464,316.85	Investments in other equity instruments	Self-funded
Domestically/Overseas listed stock	002074	Gotion High-tech Co., Ltd.	46,404,427.75	Fair value method	363,579,045.02	196,834,291.31	264,486,123.71		249,522,784.87		310,890,551.46	Investments in other equity instruments	Self-funded
Domestically/Overseas listed stock	601777	Qianli Technology	1,306,956.18	Fair value method	1,926,438.30	211,530.48				211,530.48	2,137,968.78	Held-for-trading financial assets	Other
Other	N/A	Foshan branch of Guangdong Development Bank	500,000.00	Fair value method	500,000.00					72,432.86	500,000.00	Investments in other equity instruments	Self-funded
Domestically/Overseas listed stock	000980	ZOTYE Automobile	423,448.92	Fair value method	62,376.61	-7,568.71				-7,568.71	54,807.90	Held-for-trading financial assets	Other

Security type	Security code	Security name	Initial investment cost	Measurement method	Beginning carrying value	Gain/loss on fair-value changes in the Reporting Period	Accumulated fair-value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in Reporting Period	Ending carrying value	Accounting title	Funding source
Trust product	N/A	Hangzhou Industrial & Commercial Trust Co., Ltd.	1,500,000.00	Fair value method	1,543,950.00				1,543,950.00	7,969.05		Held-for-trading financial assets	Self-funded
Total			203,092,439.68		691,113,834.53	263,000,545.33	500,992,833.73		251,066,734.87	9,461,726.08	703,047,644.99	--	--

**(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 investment amount	Gain/loss on fair-value changes in the Reporting Period	Accumulated fair-value changes charged to equity	Purchased in the Reporting Period	Sold in the Reporting Period	Ending investment amount	Ending investment amount as % of the Company's ending equity
General forward	300	0	0.54	0	300	300	0	0.00%
General forward	100	0	1.34	0	100	0	100	0.07%

General forward	650	650	0	0	0	650	0	0.00%
Total	1,050	650	1.88	0	400	950	100	0.07%
Major changes in accounting policies and specific accounting principles adopted for hedges in the Reporting Period compared to the last reporting period	No							
Actual gain/loss in the Reporting Period	The actual gain stood at USD -2,800 in the Reporting Period.							
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 trigger 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</p>							

	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.
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. Changes in the fair value 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's approving derivative investment (if any)	April 30, 2024 & April 23, 2025

## 2) Derivative Investments for Speculative Purposes in the Reporting Period

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

## 5. Use of Funds Raised

☒ 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	December 4, 2023	109,455.18	108,841.55	7,040.14	27,168.62	24.96%	24,504.84	24,504.84	22.51%	82,483.16	The Company had a cash management balance of RMB 599 million utilizing temporarily idle raised funds, and the remaining amount was deposited in the special account for raised funds.	0
Total	--	--	109,455.18	108,841.55	7,040.14	27,168.62	24.96%	24,504.84	24,504.84	22.51%	82,483.16	--	0
		Description of the use of raised funds											
In November 2023, the Company raised RMB 1,094.5518 million through a share issuance to specific investors. After deducting issuance expenses such as underwriting fees, sponsorship fees, audit fees, and legal fees totaling RMB 6.1363 million, the actual net proceeds amounted to RMB1,088.4155 million. As at June 30, 2025, the Company had cumulatively utilized RMB													

271.6862 million of the raised funds, accounting for 24.96% 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-purpose d or partiall y re-purpose d or not	Total promised investme nt amount with raised funds	Adjusted total amount of the investme nt (1)	Input in the Reportin g Period	Accumulati ve investment amount at the end of the Reporting Period (2)	Investme nt progress as at the period-end (3)=(2)/(1)	Time when the project is ready for its intended use	Returns derived in the Reportin g Period	Accumulati ve benefits recorded as at the end of Reporting Period	Meetin g the expecte d returns or not	Significa nt change to project feasibilit y or not
Promised projects														
2023 Issuance of Shares to Specific Targets	Decemb er 4, 2023	FSL's automation and digitalizatio n project	Production and constructio n	Not	36,464.27	35,850.64	900.93	4,436.26	12.37%	Novemb er 2026	N/A	N/A	N/A	Not
2023 Issuance of Shares to Specific Targets	Decemb er 4, 2023	FSLHainan Industrial Park I	Production and constructio n	Yes	25,252.91	13,631.82	3,106.32	13,631.82	100.00%	Ended	N/A	N/A	N/A	Yes
2023 Issuance of Shares to	Decemb er 4, 2023	The smart street lights project	Production and constructio n	Yes	9,179.52	95.77	0	95.77	100.00%	Ended	N/A	N/A	N/A	Yes

Specific Targets														
2023 Issuance of Shares to Specific Targets	December 4, 2023	The vehicle light module production project	Production and construction	Not	24,008.8	24,008.8	897.59	3,564.98	14.85%	May 2027	N/A	N/A	N/A	Not
2023 Issuance of Shares to Specific Targets	December 4, 2023	The R&D center construction project	Research and development project	Yes	14,549.68	14,549.68	2,135.3	5,439.79	37.39%	November 2027	N/A	N/A	N/A	Not
Subtotal of promised projects				--	109,455.18	88,136.71	7,040.14	27,168.62	--	--	N/A	N/A	--	--
Use of over-raised funds														
There were no over raised funds.														
Total				--	109,455.18	88,136.71	7,040.14	27,168.62	--	--	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 Digitalization 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&amp;D Center Construction Project: On June 18, 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&amp;D Center 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&amp;D projects planned for the Company’s R&amp;D center are currently progressing steadily and the purchase of relevant R&amp;D equipment and R&amp;D-related software is under way in succession. However, as some experimental equipment needs to be customized and the R&amp;D equipment is characterized 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&amp;D center 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 April 23, 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, and on May 15, 2025, the Company’s 2024 general meeting of shareholders was held, during which the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i> was</p>												

	<p>reviewed and approved. Due to adjustments made to certain R&amp;D topics and supporting equipment during the implementation of the “R&amp;D Center Construction Project,” the Company extended the investment period of the project by one and a half years to ensure smooth project advancement and the achievement of R&amp;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 April 23, 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, and on May 15, 2025, the Company’s 2024 general meeting of shareholders was held, 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 prioritized 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 customized equipment, the current investment progress has fallen behind schedule. Therefore, the Company extended 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 April 23, 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, and on May 15, 2025, the Company’s 2024 general meeting of shareholders was held, 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 <i>Announcement on the Change and Termination of Certain Fundraising Investment Projects</i>, disclosed on April 25, 2025 on <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>).</p> <p>2. Smart streetlight construction project: On April 23, 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 <i>Proposal on the Change and Termination of Certain Funded Projects</i> 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 <i>Announcement on the Change and Termination of Certain Funded Projects</i>, disclosed on April 25, 2025 on <a href="http://www.cninfo.com.cn">cninfo.com.cn</a>).</p>
Amount, purpose and use progress of over-raised funds	N/A
Unauthorized change of the purpose of raised funds and misappropriation of raised funds	N/A
Change of implementation location of raised funds investment projects	Applicable
	Occurred during the Reporting Period
	1. On April 23, 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

	<p><i>Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects</i> was reviewed and approved. The FSL's Automation and Digitalization Project has added "Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict, Chancheng District, Foshan City" as a new implementation site. Post-adding, the project's implementation sites changed to "39 Zhaoming Avenue, Hecheng Subdistrict, Gaoming District, Foshan City" and "Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict, Chancheng District, Foshan City"</p> <p>2. The Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee on April 23, 2025 and the 2024 general meeting of shareholders on May 15, 2025, during which the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i>. The R&amp;D Center Construction Project added "Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict, Chancheng District, Foshan City" and "54/F, The Pinnacle, 17 West Zhujiang Road, Tianhe District, Guangzhou City" as two new implementation sites. After-adding, the project's implementation sites changed to "39 Zhaoming Avenue, Hecheng Subdistrict, Gaoming District, Foshan City," "Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict, Chancheng District, Foshan City," and "54/F, The Pinnacle, 17 West Zhujiang Road, Tianhe District, Guangzhou City."</p>
Adjustments to the way of implementation of raised funds investment projects	Applicable
	Occurred in the prior year.
	On June 18, 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 digitalization 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.
Advance investments in promised projects funded with raised funds and subsequent swaps	Applicable
	On January 16, 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	As at June 30, 2025, the total amount of unused proceeds was RMB 824.8316 million, of which RMB 225.8316 million was held as bank deposits in designated

unused raised funds	accounts for raised funds, and RMB 599 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	<p>1. On January 16, 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 organized 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.</p> <p>2. On April 23, 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 utilization, the Company plans to adjust the internal investment structure for equipment upgrades under the “FSL’s automation and digitalization project,” and to add a new project implementation site at “Fozhao Building, 8 Zhihui Road, Zhangcha Subdistrict, Chancheng District, Foshan City.”</p> <p>3. On April 23, 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&amp;D Center 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. At the same time, the implementation of the FSL Hainan Industrial Park I Project and the Smart Street Lights Project will be terminated.</p>

**(3) Re-purposed Raised Funds**

☒ Applicable ☐ Not applicable

Unit: RMB’0,000

Financing project name	Way of raising	Re-purposed project	Corresponding original promised project	Total raised funds to be invested in the re-purposed project (1)	Actual input in the Reporting Period	Actual 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	Meeting the expected returns or not	Significant change to re-purposed project feasibility or not
2023 issuance of shares to specific	Issuance of shares to specific objects	Undetermined	FSLHainan Industrial Park I	11,621.09					N/A	N/A	N/A

targets											
2023 issuance of shares specific targets	Issuance of shares to specific objects	Undetermined	The smart street lights project	9,083.75					N/A	N/A	N/A
2023 issuance of shares specific targets	Issuance of shares to specific objects	The R&D center construction project	The R&D center construction project	14,549.68	2,135.3	5,439.79	37.39%	November 2027	N/A	N/A	Not
Total	--	--	--	35,254.52	2,135.3	5,439.79	--	--	N/A	--	--
Explain the reasons, decision-making procedures and information disclosure (by project)			<p>1. FSL's Hainan Industrial Park Phase I Project: On April 23, 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, and on May 15, 2025, the Company's 2024 general meeting of shareholders was held, 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 terminated the implementation of this project (for further details, please refer to the <i>Announcement on the Change and Termination of Certain Fundraising Investment Projects</i> disclosed on April 25, 2025 on cninfo.com.cn).</p> <p>2. Smart streetlight construction project: On April 23, 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 <i>Proposal on the Change and Termination of Certain Funded Projects</i> 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 terminated the implementation of the "Smart Streetlight Construction Project" (For further details, please refer to the <i>Announcement on the Change and Termination of Certain Funded Projects</i> disclosed on April 25, 2025 on cninfo.com.cn).</p> <p>3. R&amp;D Center Construction Project: On April 23, 2025, the Company held the 7th meeting of the 10th Board of Directors and the 5th meeting of the 10th Supervisory Committee, and on May 15, 2025, the Company's 2024 general meeting of shareholders was held, during which the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i> was reviewed and approved. In accordance with the actual construction and investment progress of the project, upon prudent research, the Company adjusted some implementation contents, including the adjustments to some research topics and equipment investment, adjustments to the internal investment structure of the project, extension of the investment timeline of the project. The change neither converted the original fundraising project into a new initiative nor altered the total investment amount of the original fundraising project (For further details, please refer to the <i>Proposal on the Change and Termination of Certain Fundraising Investment Projects</i> disclosed on April 25, 2025 on cninfo.com.cn).</p>								
			N/A								
Explain the circumstances and reasons for failing to achieve the planned progress and expected returns (by project)											

Particulars about significant change to the feasibility of repurposed projects	N/A
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Note: In the “total raised funds to be invested in the re-purposed project”, the total raised funds to be invested in the re-purposed project in correspondence to the previously promised projects of “FSL Hainan Industrial Park I” and “the smart street lights project” refer to the total amount of raised funds that have not yet been invested in the corresponding projects as at the date of the shareholders’ general meeting to review the project termination (May 15, 2025). The final changed amount will be based on the actual amount in the newly confirmed fundraising project..

## VII 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 (RMB'0,000)	Net profit contributed by the asset to the listed company from the beginning of the period to the date of sale (RMB'0,000)	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
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Counterparty	Asset(s) to be sold	Date of sale	Trade Price (RMB'0,000)	Net profit contributed by the asset to the listed company from the beginning of the period to the date of sale (RMB'0,000)	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
Centralized Bidding on Secondary Market	Some shares of Gotion High-tech Co., Ltd.	June 2025	24,966.89	0.00	The Company's sales of Gotion High-tech's shares did not cause material impacts on business continuity and management stability	0.00%	Market price of Gotion High-tech at the time of sales	Not	N/A	Yes	Yes	N/A		N/A

Note: Due to the provisions of the new financial instrument standards implemented by the Company from January 1, 2019, the Company will designate its investments in Gotion High-tech, Xiamen Bank, etc. as non-trading equity instrument investments measured at fair value with changes in fair value included in other comprehensive income. The Company's shareholding reduction mentioned in the table above has no impact on its current profit.

## 2. Sale of Major Equity Investments

☐ Applicable ☒ Not applicable

## VIII 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	6,102,640,322.34	3,823,857,527.19	1,681,244,438.51	23,064,379.12	24,571,004.38
Nanning Liaowang Auto Lamp Co., Ltd.	Subsidiary	Manufacturing	35,055,700.00	2,649,288,973.84	1,062,626,126.71	914,845,763.09	27,011,417.53	23,766,475.75
FSL Chanchang Optoelectronics Co., Ltd.	Subsidiary	Manufacturing	72,782,944.00	1,381,918,556.91	447,722,003.45	746,283,127.52	83,035,937.60	70,501,143.44

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
FSL (Thailand) Lighting Technology Co., Ltd.	Newly established	No significant impact on the Company's production and performance
Beijing Airtrust Aviation Technology Co., Ltd.	Acquired	No significant impact on the Company's production and performance
Airstar (Tianjin) Lighting Co., Ltd.	Acquired	No significant impact on the Company's production and performance

Information about major majority- and minority-owned subsidiaries:

1. 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 Group 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.

2. 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 Liaowang Auto Lamp in its consolidated financial statements from the date when the Company obtained actual control of it.

3. FSL Chanchang Optoelectronics Co., Ltd. (renamed on June 19, 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 and Components Ltd, had obtained license for business corporation on August 23, 2005 through approval by Foreign Trade and Economic Cooperation Bureau of Gaoming District, Foshan with document "MWMY Zi [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 August 23, 2016, the Company and Prosperity Lamps and Components Ltd 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 Optoelectronics Co., Ltd.

## IX Structured Bodies Controlled by the Company

☐ Applicable ☒ Not applicable

## X Risks Facing the Company and Countermeasures

### 1. Risks of macro economic fluctuations and fiercer market competition

Current domestic and international macroeconomic conditions face multiple uncertainties. Domestic economic growth is slowing, while rising trade protectionism abroad, along with frequent tariff barriers and technical trade

measures, may adversely impact the development of the lighting industry. Particularly, as the lighting industry has entered a phase of stock competition, slowing market growth coupled with fierce competition could continue to put pressure on corporate profit margins.

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 intelligent lighting, healthy lighting, ocean 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

The overseas sales of the Company exceed 20%, which are mainly settled in USD. 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, categorize and manage customers, 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.

## **XI 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

## **XII 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, Environment and Society

### I Change of Directors, Supervisors and Senior Management

☐ Applicable ☒ Not applicable

There were no changes in the directors, supervisors, and senior management of the Company during the Reporting Period. For details, see the Annual Report 2024.

### II Interim Dividend Plan

☐ Applicable ☒ Not applicable

The Company has no interim dividend plan, either in the form of cash or stock.

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

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

### IV Environmental information disclosure

Indicate by tick mark whether the Company or any of its major subsidiaries is included in the list of enterprises legally required to disclose environmental information.

☒ Yes ☐ No

Number of enterprises included in the list of enterprises legally required to disclose environmental information (unit)		5
No.	Name of enterprise	Environmental information disclosure report index
1	Foshan Electrical and Lighting Co., Ltd. Gaoming Branch	List of Key Units of Environmental Supervision of Foshan in 2025
2	Liuzhou Guige Lighting Technology Co., Ltd.	List of Key Units of Environmental Supervision of Liuzhou in 2025
3	Foshan NationStar Optoelectronics Co., Ltd.	Department of Ecology and Environment of Guangdong Province-Enterprise Environmental Information Disclosure System
4	Foshan NationStar Semiconductor Co., Ltd.	Department of Ecology and Environment of Guangdong Province-Enterprise Environmental Information Disclosure System

5	Guangdong Fenghua Semiconductor Technology Co., Ltd.	Department of Ecology and Environment of Guangdong Province-Enterprise Environmental Information Disclosure System
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## V Social Responsibility

The Company places a high value on corporate social responsibility and commitment. Adhering to the “create the value of light” corporate mission, the Company vigorously performs its social responsibility and constantly enhances its protection for the interests of stakeholders in order to create a healthy and beautiful life of light for customers, create and improve the space for personal development for employees and help them achieve the value of life, and contribute to the sound and sustainable development of the society.

### 1. Protection of the rights and interests of our shareholders and creditors

We continuously improve our corporate governance structure, regulate our operation and enhance our management on information disclosure and investor relations. We treat all our investors fairly and justly, ensure their rights to know about, participate in and vote on the significant events of the Company, and safeguard the legal rights and interests of all our shareholders, especially our minority shareholders.

### 2. Protection of the rights and interests of our employees

Considering employees the most valuable resource for our survival and development, we constantly improve our employment system, improve the compensation packages for our employees and attach importance to talent cultivation so as to provide opportunities and space for the sustainable development of our employees as well as realize the common development of the employees and the Company. We also pay attention to the health of our employees, attach importance to production safety and labor protection, and improve the working and living conditions for our employees so as to formulate harmonious and stable labor relations.

### 3. Protection of the rights and interests of our customers and consumers

We have been upholding the “Customer First” principle in our provision of quality products and services to customers. We operate honestly and disallow any unfair trade practice against commercial ethics, market rules and the fair competition principle. We also improve our product quality and after-sales services and try to build a win-win relationship with our customers.

### 4. Protection of the rights and interests of our suppliers

We respect and protect the legal rights and interests of our suppliers, carefully protect their secret and proprietary information, encourage and push them to continuously improve the quality of their products and services through creating an environment for open and fair competition among them so as to realize mutual benefits and mutual development of the suppliers and the Company.

### 5. Production safety, environmental protection and sustainable development

The Company sees production safety, environmental protection and energy conservation as an important part of its strategy of sustainable development. It implements accountability systems in relation environmental protection and production safety in strict accordance with the applicable laws and regulations. In addition, it is ISO9001-(a quality management system), IATF16949-(a quality management system), ISO14001-(an environment management system), ISO45001-(a management system for occupational health and safety) and ISO50001-(an energy management system) certified. In 2018, upon the review and publication by the Ministry of Industry and Information Technology, the Company was certified as one of the second batch of National Demonstration Entity of Green Factory.

### 6. Public relations and welfare

The Company fully implements the social responsibility strategy. By carrying out a series of specific actions and projects, it actively gives back to society and promotes sustainable development. 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. During the Reporting Period, responding to the “6•30” initiative to support rural revitalization, the Company organized employee donations over RMB40,000. It launched the “Love for Reading, Nurturing the Future” book donation campaign, making a targeted donation of 121 books to Hengbi Primary School in Hengbi Town, Wuhua County, to help supplement rural educational resources. Through consumption assistance for industrial products, the Company purchased assistance products worth RMB 460,000, converting its procurement into a practical effort to support rural revitalization, promoting the development of the green supply chain and increasing farmers’ incomes. Furthermore, the Company organized the 2025 voluntary blood donation event, successfully collecting 35,200 milliliters of whole blood, demonstrating the volunteer spirit of “dedication, friendship, mutual assistance, and progress” through practical actions and spreading positive energy within society.



## Part V Significant Events

### I Commitments of the Company's De Facto 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 Reason	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
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.	November 18, 2024	Within six months starting from November 20, 2024	Expired
Whether the commitments were timely performed	Yes					
Specific reasons for failing to fulfill	N/A					

commitments on time and plans for next step	
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## **II Occupation of the Company's Capital by the Controlling Shareholder or any of 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 Engagement and Disengagement of Independent Auditor**

Are the interim financial statements audited?

☐ Yes ☒ No

These interim financial statements are unaudited.

## **V Explanations Given by the Board of Directors and the Supervisory Committee Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period**

☐ Applicable ☒ Not applicable

## **VI Explanations Given by the Board of Directors Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of Last Year**

☐ Applicable ☒ Not applicable

## **VII Insolvency and Reorganization**

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

## **VIII Legal Matters**

Significant lawsuits and arbitrations

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

Other 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	Date of disclosure	Disclosure index
97 litigation matters that did not meet major litigation standards	36,600.61	No	56 cases are currently under trial; 41 cases have been closed.	No significant influence on the Company	N/A		N/A

## IX Punishments and Rectifications

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

## X Credit Quality of the Company as well as its Controlling Shareholder and De Facto Controller

☒ Applicable ☐ Not applicable

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

## XI Major Related-party Transactions

### 1. Continuing Related-party Transactions

☒ Applicable ☐ Not applicable

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
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Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
Guangdong Rising Holdings Group Co., Ltd.	Actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	356.40	356.40	1.59%	5,850	Not	Bank transfers or bank acceptance notes	356.40	February 7, 2025	www.cninfo.com.cn
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	204.22	204.22	0.14%			Bank transfers or bank acceptance notes	204.22		
Shenzhen Yuepeng Construction Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	33.31	33.31	1.34%			Bank transfers or bank acceptance notes	33.31		
Primatronix Nanho Technology Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	21.67	21.67	0.10%			Bank transfers or bank acceptance notes	21.67		
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	19.18	19.18	0.02%			Bank transfers or bank acceptance notes	19.18		
Guangdong Rising Hydrogen	Under same actual controller	Purchasing products and receiving labor service	Receiving labor service	Market price	8.16	8.16	0.04%			Bank transfers or bank acceptance	8.16		

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
Energy Co., Ltd.		from related party								notes			
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	8.13	8.13	0.04%			Bank transfers or bank acceptance notes	8.13		
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	6.50	6.50	0.03%			Bank transfers or bank acceptance notes	6.50		
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	6.02	6.02	0.03%			Bank transfers or bank acceptance notes	6.02		
Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	5.74	5.74	0.03%			Bank transfers or bank acceptance notes	5.74		
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	2.21	2.21	0.01%			Bank transfers or bank acceptance notes	2.21		
Zhuhai Doumen	Under same	Purchasing	Receiving	Market price	0.79	0.79	0.00%			Bank	0.79		

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	actual controller	products and receiving labor service from related party	labor service							transfers or bank acceptance notes			
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	0.30	0.30	0.00%			Bank transfers or bank acceptance notes	0.30		
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		
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	0.19	0.19	0.00%			Bank transfers or bank acceptance notes	0.19		
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	393.60	393.60	1.76%	1,500	Not	Bank transfers or bank acceptance notes	393.60	February 7, 2025	www.cninfo.com.cn
Guangdong Rising Urban Services Co.,	Under same actual	Purchasing products and receiving	Receiving labor service	Market price	58.26	58.26	0.26%			Bank transfers or bank	58.26		

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
Ltd. (formerly known as Guangdong Heshun Property Management Co., Ltd.)	controller	labor service from related party								acceptance notes			
Guangdong Rising Cultural Industry Development Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Purchasing products and receiving labor service from related party	10.97	10.97	0.05%			Bank transfers or bank acceptance notes	10.97		
Guangdong Rising Commercial Development Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	6.91	6.91	0.03%			Bank transfers or bank acceptance notes	6.91		
Ramada Pearl Hotel Guangzhou	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	3.57	3.57	0.02%			Bank transfers or bank acceptance notes	3.57		
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	376.26	376.26	0.26%	2,410	Not	Bank transfers or bank acceptance notes	376.26	February 7, 2025	www.cninfo.com.cn
Guangzhou Haixinsha Industrial Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related	Receiving labor service	Market price	137.38	137.38	4.31%	1,700	Not	Bank transfers or bank acceptance	137.38	February 7, 2025	www.cninfo.com.cn

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
		party								notes			
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	135.80	135.80	0.61%			Bank transfers or bank acceptance notes	135.80		
Guangzhou Huajian Business Development Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	11.20	11.20	0.05%			Bank transfers or bank acceptance notes	11.20		
PROSPERITY LAMPS & COMPONENTS LIMITED	Shareholder that holds over 5% shares of the Company	Purchasing products and receiving labor service from related party	Purchase of materials	Market price	4.06	4.06	0.00%	100	Not	Bank transfers or bank acceptance notes	4.06	February 7, 2025	www.cninfo.com.cn
Nanning Ruixiang Industrial Investment Co., Ltd.	Enterprise significantly affected by related natural person	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	0.80	0.80	0.00%		Not	Bank transfers or bank acceptance notes	0.80		
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Selling products	Market price	472.82	472.82	0.11%	2,000	Not	Bank transfers or bank acceptance notes	472.82	February 7, 2025	www.cninfo.com.cn
PROSPERITY LAMPS &	Shareholder that holds	Selling products and	Selling products	Market price	440.53	440.53	0.10%	1,500	Not	Bank transfers or	440.53	February 7, 2025	www.cninfo.com.cn



Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
COMPONENTS LIMITED	over 5% shares of the Company	providing labor service to related party								bank acceptance notes			
Traxon Technologies Limited	Enterprise controlled by related natural person	Selling products and providing labor service to related party	Sale of products	Market price	229.89	229.89	0.05%			Bank transfers or bank acceptance notes	229.89		
Primatronix Nanho Technology Ltd.	Under same actual controller	Selling products and providing labor service to related party	Selling products	Market price	97.31	97.31	0.02%			Bank transfers or bank acceptance notes	97.31		
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Providing labor service	Market price	74.61	74.61	0.02%			Bank transfers or bank acceptance notes	74.61		
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Selling products	Market price	41.16	41.16	0.01%	1,100	Not	Bank transfers or bank acceptance notes	41.16	February 7, 2025	www.cninfo.com.cn
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Under same actual controller	Selling products and providing labor service to related party	Selling products	Market price	3.12	3.12	0.00%			Bank transfers or bank acceptance notes	3.12		

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Transaction amount (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	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Disclosure index
Guangdong Zhongren Group Construction Co., Ltd	Under same actual controller	Selling products and providing labor service to related party	Selling products	Market price	0.30	0.30	0.00%			Bank transfers or bank acceptance notes	0.30		
Primatronix Nanho Technology Ltd.	Under same actual controller	Selling products and providing labor service to related party	Providing labor service	Market price	2.22	2.22	0.00%			Bank transfers or bank acceptance notes	2.22		
Total				--	--	3,173.81	--	16,160	--	--	--	--	--
Large-amount sales return in detail				N/A									
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				In June 2025, the Company forecasted the aggregate amount of its routine connected transactions with related parties including Fenghua Advanced Technology and its majority-owned subsidiaries, Guangsheng Real Estate and its majority-owned subsidiaries, Guangsheng Group and other subsidiaries, Huajian Group and its majority-owned subsidiaries, and Youchang Company and its majority-owned subsidiaries. In terms of related party procurements, the actual transaction amount for H1 2025 was RMB 18.1185 million, representing 15.67% of the forecasted amount for the entire year of 2025; in terms of related party sales, the actual transaction amount for H1 2025 was RMB 13.6196 million, accounting for 25.89% of the estimated total for the year 2025.									
Reason for any significant difference between the transaction price and the market reference price (if applicable)				N/A									

**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	Daily maximum limits (RMB'0,000)	Interest rate range	Beginning balance (RMB'0,000)	Actual amount		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	0.20%-2.40%	148,216.53	292,987.84	316,098.18	125,106.19

Loan business:

Related party	Relationship	Loan limit (RMB'0,000)	Interest rate range	Beginning balance (RMB'0,000)	Actual amount		Ending balance (RMB'0,000)
					Total loans (RMB'0,000)	Total repayment (RMB'0,000)	
Guangdong Rising Finance Co., Ltd.	Controlled by the same controlling shareholder	5,000.00	2.40%-2.75%		2,000.00		2,000.00

Credit or other financial business:

Related party	Relationship	Type of business	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	0

**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

### 1. Details of major infrastructure related-party transactions

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction amount (RMB '0,000)	Method of settlement	Disclosure date	Disclosure index
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller	Purchasing products and receiving labor service from related party	Receiving labor service	Market price	4,917.94	Bank transfers or bank acceptance notes	July 9, 2021, August 17, 2021, and March 12 2022	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	1,834.86	Bank transfers or bank acceptance notes	December 1, 2020	www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)

2. To further optimize its capital structure and enhance the efficiency and effectiveness of capital operations, the Company's majority-owned subsidiary, Foshan NationStar Optoelectronics Co., Ltd. (hereinafter referred to as "NationStar Optoelectronics"), has acquired the subscription rights corresponding to an RMB11.2 million fund share in the Guangdong Rising Baijianwan High-Quality Development Industry Investment Fund Partnership (Limited Partnership), held by Guangdong Rising Capital Investment Co., Ltd., at zero consideration. For more details, please refer to the *Announcement on the Acquisition of Fund Subscription Contribution Shares by the Majority-Owned Subsidiary and Related Party Transactions*, disclosed on May 22, 2025, on the www.cninfo.com.cn.

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	December 1, 2020	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> (announcement of subsidiary NationStar Optoelectronics)
Announcement on a Related-Party Transaction Due to a Call for Public Bids	July 9, 2021	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Announcement on a Related-Party Transaction Due to a Call for Public Bids	August 17, 2021	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Announcement on a Related-Party Transaction Due to a Call for Public Bids	March 12, 2022	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Announcement on the Acquisition of Fund Subscription Contribution Shares by the Majority-Owned Subsidiary and Related Party Transactions	May 22, 2025	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>

## XII Major Contracts and Execution Thereof

### 1. Entrustment, Contracting and Leases

#### (1) Entrustment

☒ Applicable ☐ Not applicable

Explanation of the entrustment

On June 14, 2022, and June 30, 2022, the Company held the 32nd meeting of the 9th Board of Directors and the 2nd Extraordinary General Meeting of Shareholders of 2022, respectively. The meetings reviewed and approved the *Proposal for the Public Bid of the Operation, Leasing and Property Management Services for Kelian Building*, agreeing to publicly bid out the operation, leasing and property management services for Kelian Building, an investment property, to be outsourced to a third-party operator. The Company's majority-owned subsidiary, Foshan Kelian New Energy Industry Technology Co., Ltd. (hereinafter referred to as "Foshan Kelian"), was authorized to manage this process. For more details, please refer to the *Announcement on the Public Tender of Kelian Building Operation, Leasing and Property Management Services by the Majority-Owned Subsidiary* disclosed on June 15, 2022, on the [www.cninfo.com.cn](http://www.cninfo.com.cn). After the public bidding process, Guangdong Huajian Enterprise Group Co., Ltd. (hereinafter referred to as "Huajian Group") was selected as the winning bidder in October 2022. For more information, please refer to the *Announcement on a Related-Party Transaction Due to a Call for Public Bids* disclosed on October 11, 2022, on the [www.cninfo.com.cn](http://www.cninfo.com.cn). In April 2023, Foshan Kelian signed the *Kelian Building Operation and Leasing Service Contract* with Huajian Group, entrusting Huajian Group with the operation and leasing of 70,340.04 square meters of property, including the industrial (R&D center) space in Building 1, commercial (service apartments), commercial (shops), and part of the underground parking lot. The operation and leasing service period is ten years, starting from January 1, 2025.

Projects that resulted in profits or losses exceeding 10% of the Company's total profit for the Reporting Period.

☐ Applicable ☒ Not applicable

There were no trust projects during the Reporting Period that resulted in gains or losses exceeding 10% of the Company's total profits for 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 November 10, 2024 to September 9, 2026, the monthly rent is RMB 293,144.02; from September 10, 2026 to September 9, 2027, the monthly rent is RMB 307,801.22.	September 10, 2024	September 9, 2027	Office
Guangdong Rising Holdings Group Co., Ltd.	NationStar Optoelectronics	Self-numbered 01, 50/F, Guangdong Rising International Tower	RMB 1,296,000.00/year	September 10, 2024	September 9, 2027	Office
Suzhou Xiangcheng High-tech Industrial Development Co., Ltd.	Liaowang Auto Lamp (Suzhou) Co., Ltd.	5# Workshop, 100 Wulingqiao Road, Huangdai Town, Xiangcheng District, Suzhou	From December 15, 2024 to December 14, 2027, the annual rent is RMB 5,093,326.08; from December 15, 2027 to December 14, 2029, the annual	December 15, 2024	December 14, 2029	Office & workshop



			rent is RMB 4,138,327.44. In the first three years, certain conditions can allow for a reduction or exemption of the annual rent. In the fourth and fifth years of the lease, meeting specific conditions can lead to a reduction or exemption of six months' rent for that year.			
Guangdong Fenghua Semiconduct or Technology Co., Ltd.	Guangdong Xintao Microelectronics Co., Ltd.	1/F & 2/F, Phase II Workshop, 10 Nanxiang Second Road, Guangzhou Science City, Huangpu District, Guangzhou, covering a total area of 2,602 square meters and situated on the northern side	RMB 91,070.00/month	March 1, 2025	April 30, 2025	Research & manufacturing
Guangdong Fenghua Semiconduct or Technology Co., Ltd.	Guangdong Xintao Microelectronics Co., Ltd.	1/F & 2/F, Phase II Workshop, 10 Nanxiang Second Road, Guangzhou Science City, Huangpu District, Guangzhou, covering a total area of 2,602 square meters and situated on the northern side	RMB 91,070.00/month, with an increase of 5% every three years	May 1, 2025	April 30, 2025	Research & manufacturing

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)						
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 (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	March 2, 2023, April 19, 2024, April 25, 2025	6,350	June 21, 2023	3,063.49	Mortgaged	Yes	None	April 25, 2022 to December 31, 2025	Not	Not

Technology Co., Ltd.										
Chongqing Guinuo Lighting Technology Co., Ltd.	March 2, 2023, April 19, 2024, April 25, 2025	7,000	February 10, 2023	3,870.05	Mortgaged	Yes	None	May 21, 2024 to May 20, 2025 (Note 1)	Not	Not
Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd.	March 2, 2023, April 19, 2024, April 25, 2025	14,300	March 24, 2023	3,501.5	Mortgaged	Yes	None	April 24, 2022 to December 31, 2025	Not	Not
Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	April 25, 2025	2,000	August 21, 2023	1,360.62	Mortgaged	Yes	None	August 21, 2023 to August 20, 2028	Not	Not
Total approved line for such guarantees in the Reporting Period (C1)		42,300		Total actual amount of such guarantees in the Reporting Period (C2)		11,795.66				
Total approved line for such guarantees at the end of the Reporting Period (C3)		42,300		Total actual balance of such guarantees at the end of the Reporting Period (C4)		11,795.66				
Total guarantee amount (total of the three kinds of guarantees above)										
Total guarantee line approved in the Reporting Period (A1+B1+C1)		42,300		Total actual guarantee amount in the Reporting Period (A2+B2+C2)		11,795.66				
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		42,300		Total actual guarantee balance at the end of the		11,795.66				

	Reporting (A4+B4+C4)	Period
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets	1.76%	

Compound guarantees:

None.

Note 1: Due to the main debt not yet being due, the Company is currently in the process of renewing the guarantee contract.

Note 2: Hule Electrical was included in the consolidated scope on August 1, 2024, and the announcement regarding the guarantee line was disclosed on April 25, 2025.

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 Lighting 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 at June 30, 2025, guarantees between Nanning Liaowang and its subsidiaries and collaterals are set out in “3. Other” under “XVI Commitments and Contingencies” in Part VIII of this Report.

### 3. Cash Entrusted for Wealth Management

☒ Applicable ☐ Not applicable

Unit: RMB'0,000

Type	Funding source	Amount	Undue amount	Unrecovered overdue amount	Provision for impairment on unrecovered overdue amount
Bank financial products	Self-owned funds	7,500	0	0	0
Others	Raised funds	59,900	59,900	0	0
Others	Self-owned funds	79,131.79	79,131.79	0	0

Total	146,531.79	139,031.79	0	0
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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	Principal	Source of principal	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-owned funds	January 6, 2023	January 6, 2026	Other	Subject to actual investment period	3.30%	990	163.64	To be recovered		Yes	Incompliance with prescribed approval procedure	For details, please refer to the Company's announcements disclosed on <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> : Announcement No. 2023-007 on <i>Entrustment of Some Idle Funds for Wealth Management</i> ;
Foshan Branch of Bank of Communications	Bank	Large certificate of deposit	5,000	Self-owned funds	August 31, 2023	August 31, 2026	Other	Subject to actual investment period	2.90%	435	72.9	To be recovered		Yes	Incompliance with prescribed approval procedure	Announcement No. 2024-005 on <i>Using Partial Idle Raised Funds for Cash Management</i> ;
Guangzhou Branch of China Everbright Bank	Bank	Large certificate of deposit	10,000	Self-owned funds	November 3, 2023	November 3, 2026	Other	Subject to actual investment period	2.90%	870	146.19	To be recovered		Yes	Incompliance with prescribed approval procedure	Announcement No. 2024-017 on <i>Entrustment of Some Idle Funds for Wealth Management</i> ;

Trustee	Type of trustee	Type of wealth management product	Principal	Source of principal	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)
															e	No. 2024-047 on the Maturity Redemption and Continued Cash Management of Part of Idle Raised Funds; Announcement No. 2025-003 on Using Partial Idle Raised Funds for Cash Management; and Announcement No. 2025-010 on Entrustment of Some Idle Funds for Wealth Management.
Foshan Hujing Sub-branch of Bank of GuangZhou	Bank	Large certificate of deposit	15,000	Self-owned funds	December 1, 2023	December 1, 2026	Other	Subject to actual investment period	2.95%	1,327.5	219.43	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Hujing Sub-branch of Bank of GuangZhou	Bank	Large certificate of deposit	21,200	Raised funds	February 5, 2024	February 5, 2027	Other	Subject to actual investment period	2.75%	1,749	289.1	To be recovered		Yes	Incompliance with prescribed approval procedure	
Guangzhou Branch of China Everbright Bank	Bank	Large certificate of deposit	5,500	Raised funds	February 5, 2024	February 5, 2027	Other	Subject to actual investment period	2.60%	429	70.91	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Branch of Huaxia Bank	Bank	Large certificate of deposit	14,300	Raised funds	February 5, 2024	February 5, 2027	Other	Subject to actual investment period	2.60%	1,115.4	184.37	To be recovered		Yes	Incompliance with prescribed approval	

Trustee	Type of trustee	Type of wealth management product	Principal	Source of principal	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	
Foshan Branch of China Merchants Bank	Bank	Large certificate of deposit	8,200	Raised funds	February 5, 2024	February 5, 2027	Other	Subject to actual investment period	2.60%	639.6	105.72	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Branch of Huaxia Bank	Bank	Large certificate of deposit	15,000	Self-owned funds	March 8, 2024	March 8, 2027	Other	Subject to actual investment period	2.60%	1,170	193.4	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Branch of China Merchants Bank	Bank	Large certificate of deposit	3,500	Self-owned funds	March 29, 2024	March 29, 2027	Other	Repay the principal and interest when due and subject to actual investment period	2.60%	273	45.13	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Branch of	Bank	Large certificate	3,000	Self-owned	April 30,	April 30,	Other	Subject to actual	2.60%	234	38.68	To be		Yes	Incompliance	

Trustee	Type of trustee	Type of wealth management product	Principal	Source of principal	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)
China Merchants Bank		Term deposit		Self-owned funds	2024	2027		Investment period				recovered			with prescribed approval procedure	
Bank of Hainan	Bank	Term deposit	10,700	Raised funds	February 5, 2025	August 5, 2025	Other	Subject to actual investment period	2.00%	107	86.79	To be recovered		Yes	Incompliance with prescribed approval procedure	
Haikou Guorui Branch of China Merchants Bank	Bank	Term deposit	100	Self-owned funds	October 18, 2024	October 18, 2025	Other	Subject to actual investment period	1.10%	1.1	0.52	To be recovered		Yes	Incompliance with prescribed approval procedure	
Rising Finance	Other professional wealth management institution	Term deposit	531.79	Self-owned funds	April 7, 2025	July 7, 2025	Other	Subject to actual investment period	1.15%	1.53	1.42	To be recovered		Yes	Incompliance with prescribed approval procedure	



Trustee	Type of trustee	Type of wealth management product	Principal	Source of principal	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)
Rising Finance	Other professional wealth management institution	Term deposit	2,000	Self-owned funds	April 3, 2025	October 2, 2025	Other	Subject to actual investment period	2.00%	20	19.22	To be recovered		Yes	Incompliance with prescribed approval procedure	
Foshan Hujing Sub-branch of Bank of Guangzhou	Bank	Term deposit	5,000	Self-owned funds	January 24, 2025	July 23, 2025	Other	Subject to actual investment period	1.75%	43.75	37.88	To be recovered		Yes	Incompliance with prescribed approval procedure	
Rising Finance	Other professional wealth management institution	Term deposit	10,000	Self-owned funds	January 24, 2025	July 23, 2025	Other	Subject to actual investment period	2.00%	100	86.58	To be recovered		Yes	Incompliance with prescribed approval procedure	
Total			139,031.79	--	--	--	--	--		9,505.88	1,761.88	--		--	--	--

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

☐ Applicable ☒ Not applicable

#### 4. Other Significant Contracts

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

### XIII Other Significant Events

☒ Applicable ☐ Not applicable

1. Subscription for A-shares issued by the majority-owned subsidiary, NationStar Optoelectronics, in 2025 to specific subjects

The Company's majority-owned subsidiary, Foshan NationStar Optoelectronics Co., Ltd. (stock abbreviation: NationStar Optoelectronics, stock code: 002449), plans to issue no more than 185,543,150 A-shares (inclusive) to specific subjects, raising a total of no more than RMB981,323,900 (inclusive). The raised funds will be used for the "Ultra-High Definition Display Mini/Micro LED and Display Module Production Project," "Optoelectronic Sensing and Smart Health Devices Industrialization Project," "Smart Home Display and Mini Backlight Module Project," "Smart Automotive Components and Applications Project," "NationStar Optoelectronics R&D Laboratory Project," and "Supplementing Working Capital." The Company plans to use its own funds (excluding the raised funds) to subscribe to the A-shares issued by NationStar Optoelectronics to specific subjects, with an investment amount of RMB116 million. The final number of shares subscribed will be determined based on Nationstar Optoelectronics' actual issue price. The Company will sign a *Share Subscription Agreement* with conditions for effectiveness and issue related commitments. For more details, please refer to the *Announcement on Participating in the Subscription for A-shares Issued by the Majority-Owned Subsidiary, NationStar Optoelectronics, to Specific Entities in 2025* disclosed by the Company on July 11, 2025, on the [www.cninfo.com.cn](http://www.cninfo.com.cn).

### XIV Significant Events of Subsidiaries

☒ Applicable ☐ Not applicable

1. Expropriation of land and above-ground housing of Nanjing Fozhao

The Company held the 24th Meeting of the Ninth Board of Directors on December 15, 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. In December 2021, Nanjing Fozhao 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 at January 7, 2025, Lishui District Demolition and Resettlement Co., Ltd. of Nanjing had taken possession of all land and above-ground buildings of Nanjing Fozhao. As at the disclosure date of this report, both parties are in negotiation and implementation 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. NationStar Optoelectronics' plan to issue A-shares to specific subjects

To seize industry development opportunities, optimize its product structure, increase its technological reserves, enhance its R&D capabilities, and further strengthen its core competitiveness and sustainable development capacity, NationStar Optoelectronics plans to issue no more than 185,543,150 A-shares (inclusive) to specific

subjects. The total amount of raised funds will not exceed RMB981,323,900 (inclusive), which will be used for the “Ultra-High Definition Display Mini/Micro LED and Display Module Production Project,” “Optoelectronic Sensing and Smart Health Devices Industrialization Project,” “Smart Home Display and Mini Backlight Module Project,” “Smart Automotive Components and Applications Project,” “NationStar Optoelectronics R&D Laboratory Project,” and “Supplementing Working Capital.” For more details, please refer to the *2025 Plan for Issuing A-shares to Specific Subjects by Foshan NationStar Optoelectronics Co., Ltd.* and other announcements disclosed by NationStar Optoelectronics on July 11, 2025, on the [www.cninfo.com.cn](http://www.cninfo.com.cn).

## Part VI 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	57,295,457	3.70%				-46,796,039	-46,796,039	10,499,418	0.68%
1.1 Shares held by state	0	0.00%				0	0	0	0.00%
1.2 Shares held by state-owned legal persons	46,695,896	3.02%				-46,695,895	-46,695,895	1	0.00%
1.3 Shares held by other domestic investors	1,671,929	0.11%				-100,144	-100,144	1,571,785	0.10%
Among which: Shares held by domestic legal	1,338,434	0.09%				0	0	1,338,434	0.09%

persons									
Shares held by domestic natural persons	333,495	0.02%				-100,144	-100,144	233,351	0.02%
1.4 Shares held by foreign investors	8,927,632	0.58%				0	0	8,927,632	0.58%
Among which: Shares held by foreign legal persons	0	0.00%				0	0	0	0.00%
Shares held by foreign natural persons	8,927,632	0.58%				0	0	8,927,632	0.58%
2. Unrestricted shares	1,491,482,773	96.30%				33,796,039	33,796,039	1,525,278,812	99.32%
2.1 RMB-denominated ordinary shares	1,196,737,167	77.27%				33,796,039	33,796,039	1,230,533,206	80.12%
2.2 Domestically listed foreign shares	294,745,606	19.03%				0	0	294,745,606	19.19%
2.3 Overseas listed foreign shares	0	0.00%				0	0	0	0.00%
2.4 Other	0	0.00%				0	0	0	0.00%
3. Total shares	1,548,778,230	100.00%				-13,000,000	-13,000,000	1,535,778,230	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 Shenzhen Stock Exchange on December 4, 2023. On June 4, 2025, the 46,695,895 restricted shares subscribed by Rising Holdings Group 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 May 29, 2025 on <http://www.cninfo.com.cn>.

2. The Company's former supervisors Ye Zhenghong and Lin Qing, after departure due to expiration of term, had restrictions lifted on 100,144 restricted shares upon the lapse of six months, in accordance with relevant regulations.

3. 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 November 29, 2024 and December 16, 2024, respectively. The meetings approved the *Proposal on Canceling Repurchase Shares and Reducing Registered Capital*. In view of the Company's termination of the 2023 Restricted Stock Incentive Plan and the impending expiration of the shares originally reserved for the equity incentive plan, the Company agreed to cancel 13 million A-shares stored in the repurchase special securities account and correspondingly reduce the Company's registered capital. On January 10, 2025, the cancellation of the Company's share repurchase was completed. Following this cancellation, the total share capital of the Company has been changed from 1,548,778,230 shares to 1,535,778,230 shares. For details, please refer to the *Announcement on Completion of Share Cancellation and Share Capital Change* disclosed on January 14, 2025 on the [www.cninfo.com.cn](http://www.cninfo.com.cn).

## Approval of share changes:

☒ Applicable ☐ Not applicable

1. During the Reporting Period, the 46,695,895 shares subscribed by Guangsheng Holdings Group in the Company's 2023 issuance were released from sale restrictions and converted into unrestricted shares, with the approval of the Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited.

2. During the Reporting Period, the cancellation of 13,000,000 A-shares repurchased through the Company's dedicated securities account and the corresponding reduction of registered capital were reviewed and approved by the 3rd Meeting of the 10th Board of Directors, the 3rd Meeting of the 10th Supervisory Committee, and the 3rd Extraordinary General Meeting of Shareholders of 2024.

## Transfer of share ownership:

☐ Applicable ☒ Not applicable

## Progress on any share repurchase:

☐ Applicable ☒ Not applicable

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

☐ Applicable ☒ Not applicable

Effects of share changes on the basic 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

During the Reporting Period, the cancellation of 13 million A-shares from the repurchase special securities account resulted in the reduction of total share capital, impacting the basic earnings per share, diluted earnings per share, and net assets per share attributable to ordinary shareholders of the Company for the most recent fiscal year and the most recent reporting period as follows:

Item	2024		H1 2025
	Based on original share capital	Based on new share capital	Based on new share capital
Basic earnings per share (RMB/share)	0.2905	0.2905	0.0749
Diluted earnings per share (RMB/share)	0.2881	0.2905	0.0749
Net assets attributable to shareholders (RMB/share)	4.2808	4.2808	4.3743

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 relieved of the period	Restricted shares increased of the period	Restricted shares amount at the period-end	Restricted reasons	Restricted shares relieved date
Guangdong Rising Holdings Group Co., Ltd.	46,695,895	46,695,895	0	0	Relief of restricted A shares subscribed, which were issued by the Company to specific subjects in 2023	June 4, 2025
Ye Zhenghong	77,561	77,561	0	0	Restricted sale within six months after departure of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Lin Qing	22,583	22,583	0	0	Restricted sale within six months after departure of directors, supervisors and senior management	Relief of restricted shares in accordance with rules on restricted shares for senior management
Total	46,796,039	46,796,039	0	0	--	--

**II. Issuance and Listing of Securities**☐ Applicable ☒ Not applicable



**III. Total Number of Shareholders and Their Shareholdings**

Unit: share

Total number of ordinary shareholders at the period-end		95,998		Total number of preference shareholders with resumed voting rights at the period-end (if any) (see Note 8)				
Shareholding of ordinary shareholders holding more than 5% shares or the top 10 of ordinary shareholders (exclusive of shares lent in refinancing)								
Name of shareholder	Nature of shareholder	Shareholding percentage	Total ordinary shares held at the period-end	Increase/decrease in the Reporting Period	Restricted ordinary shares held	Non-restricted ordinary shares held	Shares in pledge, marked or frozen	
							Status	Shares
Hongkong Wah Shing Holding Company Limited	Foreign corporation	12.85%	197,338,980	0	0	197,338,980	N/A	0
Prosperity Lamps & Components Limited	Foreign corporation	9.57%	146,934,857	0	0	146,934,857	N/A	0
Guangdong Electronics Information Industry Group Ltd.	State-owned corporation	9.35%	143,623,846	11,429,600.00	0	143,623,846	N/A	0
Guangdong Rising Holdings Group Co., Ltd.	State-owned corporation	8.45%	129,826,793	0	0	129,826,793	N/A	0
Central Huijin Asset Management Co.,	State-owned corporation	2.16%	33,161,800	0	0	33,161,800	N/A	0

Ltd.								
Guozheng International Securities (Hong Kong) Co., Ltd.	Foreign corporation	2.07%	31,793,798	-3,348,803.00	0	31,793,798		0
Rising Investment Development Limited	Foreign corporation	1.66%	25,482,252	0	0	25,482,252	N/A	0
Zhang Shaowu	Domestic individual	1.11%	17,000,000	0	0	17,000,000	N/A	0
Zhuang Jianyi	Foreign individual	0.78%	11,903,509	0	8,927,632	2,975,877	N/A	0
China Merchants Securities (HK) Co., Limited	Foreign corporation	0.59%	9,008,991	241,100.00	0	9,008,991		0
Strategic investors or general corporations becoming top-ten shareholders due to placing of new shares (if any) (see Note 3)	Naught							
Related or acting-in-concert parties among the shareholders above	Among the top 10 shareholders, Hongkong Wah Shing Holding Company Limited, Guangdong Rising Holdings Group Co., Ltd., Guangdong Electronics Information Industry Group Ltd. and Rising Investment Development Limited are acting-in-concert parties; and Prosperity Lamps & Components Limited and Zhuang Jianyi are acting-in-concert parties. Apart from that, it is unknown whether there is among the top 10 shareholders any other related parties or acting-in-concert parties as defined in the <i>Administrative Measures for the Acquisition of Listed Companies</i> .							
Above shareholders involved in entrusting/being entrusted with voting rights and giving up voting rights	Naught							

Special account for share repurchases (if any) among the top 10 shareholders (see note 11)	Naught		
Top 10 unrestricted ordinary shareholders (exclusive of shares lent in refinancing and executive lock-up shares)			
Name of shareholder	Unrestricted ordinary shares at the period-end	Type of shares	
		Type	Shares
Hongkong Wah Shing Holding Company Limited	197,338,980	RMB-denominated ordinary stock	188,496,430
		Domestically listed foreign stock	8,842,550
Prosperity Lamps & Components Limited	146,934,857	RMB-denominated ordinary stock	146,934,857
Guangdong Electronics Information Industry Group Ltd.	143,623,846	RMB-denominated ordinary stock	143,623,846
Guangdong Rising Holdings Group Co., Ltd.	129,826,793	RMB-denominated ordinary stock	129,826,793
Central Huijin Asset Management Co., Ltd.	33,161,800	RMB-denominated ordinary stock	33,161,800
Guozheng International Securities	31,793,798	Domestically	31,793,798

(Hong Kong) Co., Ltd.		listed stock	foreign	
Rising Investment Development Limited	25,482,252	Domestically listed stock	foreign	25,482,252
Zhang Shaowu	17,000,000	RMB- denominated ordinary stock		17,000,000
China Merchants Securities (HK) Co., Limited	9,008,991	Domestically listed stock	foreign	9,008,991
Hong Kong Securities Clearing Company Limited	8,312,988	RMB- denominated ordinary stock		8,312,988
Related or acting-in-concert parties among the top 10 unrestricted ordinary shareholders, as well as between the top 10 unrestricted ordinary shareholders and the top 10 ordinary shareholders	Among the top 10 unrestricted ordinary shareholders, Hongkong Wah Shing Holding Company Limited, Guangdong Rising Holdings Group Co., Ltd., Guangdong Electronics Information Industry Group Ltd., and Rising Investment Development Limited are acting-in-concert parties; Apart from that, it is unknown whether there is among the top 10 shareholders any other related parties or acting-in-concert parties as defined in the <i>Administrative Measures for the Acquisition of Listed Companies</i> .			
Top 10 ordinary shareholders involved in securities margin trading (if any) (see note 4)	None			

5% or greater shareholders, top 10 shareholders and Top 10 unrestricted shareholders involved in refinancing shares lending

☐Applicable ☒ Not applicable

Changes in top 10 shareholders and top 10 unrestricted shareholders due to refinancing shares lending/return compared with the prior period

☐Applicable ☒ Not applicable

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

☐ Yes ☒ No

No such cases in the Reporting Period.

#### **IV Change in Shareholdings of Directors, Supervisors and Senior Management**

☐Applicable ☒ Not applicable

No changes occurred to the shareholdings of the directors, supervisors and senior management in the Reporting Period. See the Annual Report 2024 for more details.

#### **V Change of the Controlling Shareholder or the Actual Controller**

Change of the controlling shareholder in the Reporting Period

☐Applicable ☒ Not applicable

No such cases in the Reporting Period.

Change of the actual controller in the Reporting Period

☐Applicable ☒ Not applicable

No such cases in the Reporting Period.

#### **VI Preference Shares**

☐Applicable ☒ Not applicable

No preference shares in the Reporting Period.

## **Part VII Bonds**

☐ Applicable ☒ Not applicable

## Part VIII Financial Statements

### I Auditor's Report

Whether the interim report has been audited?

☐ Yes ☒ No

The interim report of the Company has not been audited.

### 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.

June 30, 2025

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Monetary assets	3,084,419,399.18	3,209,127,437.31
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	2,288,376.68	43,649,820.47
Derivative financial assets		
Notes receivable	792,038,054.34	997,281,070.21
Accounts receivable	2,243,390,191.30	2,125,667,291.96
Accounts receivable financing	380,276,549.15	352,694,866.89
Prepayments	32,710,901.40	24,419,779.12
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract		



Item	Ending balance	Beginning balance
reserve		
Other receivables	69,553,723.47	70,524,265.25
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	2,025,757,449.08	2,025,499,361.38
Including: Data resources		
Contract assets	1,126,681.30	1,690,021.95
Assets held for sale	17,147,339.84	17,147,339.84
Current portion of non-current assets		
Other current assets	414,826,910.56	261,284,776.85
Total current assets	9,063,535,576.30	9,128,986,031.23
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations	1,155,317,713.39	1,140,022,863.72
Long-term receivables		
Long-term equity investments	180,947,314.66	180,300,594.89
Investments in other equity instruments	747,257,412.11	726,663,613.42
Other non-current financial assets		
Investment property	827,883,993.63	793,487,046.02
Fixed assets	3,572,275,761.68	3,646,594,206.04

Item	Ending balance	Beginning balance
Construction in progress	293,945,488.06	263,601,705.89
Productive living assets		
Oil and gas assets		
Right-of-use assets	18,139,960.72	22,342,999.34
Intangible assets	383,721,802.95	388,587,348.99
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill	279,564,092.85	279,438,540.78
Long-term prepaid expense	253,617,342.85	253,024,495.82
Deferred income tax assets	141,555,140.03	135,948,224.91
Other non-current assets	255,160,466.10	200,765,785.59
Total non-current assets	8,109,386,489.03	8,030,777,425.41
Total assets	17,172,922,065.33	17,159,763,456.64
Current liabilities:		
Short-term borrowings	199,599,173.96	307,141,147.49
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		275,250.00
Derivative financial liabilities		
Notes payable	1,781,207,077.08	1,930,784,817.62
Accounts payable	2,765,954,401.30	2,781,965,096.70
Advances from customers	13,633,630.14	13,531,474.15

Item	Ending balance	Beginning balance
Contract liabilities	142,244,278.82	119,506,301.48
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	176,048,047.84	214,651,088.46
Taxes payable	78,673,132.01	107,085,160.39
Other payables	669,335,888.63	495,717,050.97
Including: Interest payable		
Dividends payable	188,359,258.07	
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	154,950,261.52	120,574,788.81
Other current liabilities	394,759,280.65	377,156,212.40
Total current liabilities	6,376,405,171.95	6,468,388,388.47
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	131,440,187.61	222,581,930.54
Bonds payable		

Item	Ending balance	Beginning balance
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	11,380,772.63	15,023,993.11
Long-term payables		
Long-term employee benefits payable		
Provisions	26,914,403.37	27,430,683.82
Deferred income	91,488,890.41	73,739,179.94
Deferred income tax liabilities	189,304,175.41	185,921,269.29
Other non-current liabilities	175,649.83	177,917.63
Total non-current liabilities	450,704,079.26	524,874,974.33
Total liabilities	6,827,109,251.21	6,993,263,362.80
Owners' equity:		
Share capital	1,535,778,230.00	1,548,778,230.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	843,517,955.90	914,336,325.66
Less: Treasury stock		82,165,144.15
Other comprehensive income	425,383,074.84	383,429,155.02
Specific reserve	5,487,071.02	4,782,061.20
Surplus reserves	167,285,701.79	150,097,522.97
General reserve		
Retained earnings	3,740,440,128.62	3,655,046,154.57

Item	Ending balance	Beginning balance
Total equity attributable to owners of the Company as the parent	6,717,892,162.17	6,574,304,305.27
Non-controlling interests	3,627,920,651.95	3,592,195,788.57
Total owners' equity	10,345,812,814.12	10,166,500,093.84
Total liabilities and owners' equity	17,172,922,065.33	17,159,763,456.64

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

## 2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Monetary assets	1,227,301,560.14	1,260,985,441.29
Held-for-trading financial assets	95,600.00	
Derivative financial assets		
Notes receivable	60,849,619.93	71,832,245.04
Accounts receivable	785,383,196.43	745,257,268.31
Accounts receivable financing	29,742,336.71	67,526,522.26
Prepayments	11,827,478.34	71,078,813.72
Other receivables	1,161,580,974.30	944,184,445.88
Including: Interest receivable		
Dividends receivable	4,733,110.26	
Inventories	246,162,081.25	268,069,616.21
Including: Data resources		
Contract assets	1,126,681.30	1,690,021.95

Item	Ending balance	Beginning balance
Assets held for sale		
Current portion of non-current assets		
Other current assets	156,754,438.06	861,413.93
Total current assets	3,680,823,966.46	3,431,485,788.59
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations	1,061,827,379.53	1,047,759,858.61
Long-term receivables		
Long-term equity investments	2,482,240,506.32	2,434,177,186.55
Investments in other equity instruments	700,854,868.31	687,581,069.62
Other non-current financial assets		
Investment property	196,570,234.20	202,079,386.31
Fixed assets	583,618,398.55	599,351,996.15
Construction in progress	7,054,078.30	5,884,955.59
Productive living assets		
Oil and gas assets		
Right-of-use assets	11,329,050.69	8,720,969.67
Intangible assets	58,583,470.90	57,347,999.70
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill		

Item	Ending balance	Beginning balance
Long-term prepaid expense	30,209,636.40	35,546,452.07
Deferred income tax assets	39,740,384.34	38,910,990.65
Other non-current assets	186,159,759.10	120,611,200.89
Total non-current assets	5,358,187,766.64	5,237,972,065.81
Total assets	9,039,011,733.10	8,669,457,854.40
Current liabilities:		
Short-term borrowings	14,556,611.51	
Held-for-trading financial liabilities		275,250.00
Derivative financial liabilities		
Notes payable	1,016,255,068.69	864,782,508.32
Accounts payable	962,461,446.94	860,893,918.87
Advances from customers	13,367,850.30	13,367,850.30
Contract liabilities	75,701,497.82	58,018,288.88
Employee benefits payable	53,763,682.59	57,145,931.55
Taxes payable	43,430,264.94	75,527,406.17
Other payables	499,445,543.51	445,875,922.06
Including: Interest payable		
Dividends payable	184,293,387.60	
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	7,831,175.53	3,581,230.44
Other current liabilities	53,231,986.52	50,682,086.68
Total current liabilities	2,740,045,128.35	2,430,150,393.27

Item	Ending balance	Beginning balance
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	3,956,954.17	5,516,409.11
Long-term payables		
Long-term employee benefits payable		
Provisions		2,110,312.84
Deferred income		
Deferred income tax liabilities	75,985,122.66	68,096,992.10
Other non-current liabilities		
Total non-current liabilities	79,942,076.83	75,723,714.05
Total liabilities	2,819,987,205.18	2,505,874,107.32
Owners' equity:		
Share capital	1,535,778,230.00	1,548,778,230.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	839,893,397.29	909,058,541.44
Less: Treasury stock		82,165,144.15
Other comprehensive income	425,971,708.97	383,570,431.32
Specific reserve	3,194,742.64	3,170,252.81



Item	Ending balance	Beginning balance
Surplus reserves	398,589,771.03	381,401,592.21
Retained earnings	3,015,596,677.99	3,019,769,843.45
Total owners' equity	6,219,024,527.92	6,163,583,747.08
Total liabilities and owners' equity	9,039,011,733.10	8,669,457,854.40

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

### 3. Consolidated Income Statement

Unit: RMB

Item	H1 2025	H1 2024
1. Revenue	4,385,731,119.78	4,784,545,767.42
Including: Operating revenue	4,385,731,119.78	4,784,545,767.42
Interest income		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	4,257,961,593.80	4,531,278,513.54
Including: Cost of sales	3,565,320,556.68	3,870,251,108.01
Interest expense		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		

Item	H1 2025	H1 2024
Reinsurance premium expense		
Taxes and surcharges	35,195,442.18	37,916,939.23
Selling expense	182,892,072.03	167,217,797.90
Administrative expense	224,001,579.55	226,332,962.51
R&D expense	267,669,599.53	260,165,950.63
Finance costs	-17,117,656.17	-30,606,244.74
Including: Interest expense	8,116,483.14	11,047,212.70
Interest income	20,148,088.69	25,938,447.85
Add: Other income	45,245,132.45	60,151,413.19
Return on investment (“-” for loss)	27,447,075.84	38,017,499.24
Including: Share of profit or loss of joint ventures and associates	646,719.77	1,444,720.72
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 changes in fair value (“-” for loss)	345,894.65	-601,447.40
Credit impairment loss (“-” for loss)	-12,101,495.69	-38,270,808.58
Asset impairment loss (“-” for loss)	-22,424,871.33	-36,958,804.89
Asset disposal income (“-” for loss)	-64,693.00	-99,108.79
3. Operating profit (“-” for loss)	166,216,568.90	275,505,996.65
Add: Non-operating income	2,113,315.35	3,054,859.55

Item	H1 2025	H1 2024
Less: Non-operating expense	2,087,195.60	486,217.43
4. Profit before tax (“-” for loss)	166,242,688.65	278,074,638.77
Less: Income tax expense	18,318,812.92	24,632,382.12
5. Net profit (“-” for net loss)	147,923,875.73	253,442,256.65
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	147,923,875.73	253,442,256.65
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to shareholders of the Company as the parent (“-” for net loss)	114,993,752.24	192,229,182.38
5.2.2 Net profit attributable to non-controlling interests (“-” for net loss)	32,930,123.49	61,213,074.27
6. Other comprehensive income, net of tax	213,491,772.64	-22,766,075.54
Attributable to owners of the Company as the parent	213,835,708.05	-22,203,388.92
6.1 Items that will not be reclassified to profit or loss	214,283,065.88	-21,548,515.71
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 Changes in the fair value of investments in other equity instruments	214,283,065.88	-21,548,515.71
6.1.4 Changes in the fair value		

Item	H1 2025	H1 2024
arising from changes in own credit risk		
6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-447,357.83	-654,873.21
6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
6.2.2 Changes in the fair value 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 flow hedges		
6.2.6 Differences arising from the translation of foreign currency-denominated financial statements	-447,357.83	-654,873.21
6.2.7 Other		
Attributable to non-controlling interests	-343,935.41	-562,686.62
7. Total comprehensive income	361,415,648.37	230,676,181.11
Attributable to owners of the Company as the parent	328,829,460.29	170,025,793.46
Attributable to non-controlling interests	32,586,188.08	60,650,387.65
8. Earnings per share		
8.1 Basic earnings per share	0.0749	0.1252
8.2 Diluted earnings per share	0.0748	0.1241

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 the same period of last year being RMB0.00.

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

#### 4. Income Statement of the Company as the Parent

Unit: RMB

Item	H1 2025	H1 2024
1. Operating revenue	1,375,713,664.69	1,799,801,338.92
Less: Cost of sales	1,098,937,232.29	1,378,551,377.80
Taxes and surcharges	13,565,054.39	15,272,851.85
Selling expense	124,554,920.28	110,943,993.00
Administrative expense	78,778,907.88	98,157,531.70
R&D expense	63,700,067.52	83,461,134.06
Finance costs	-5,528,642.24	-18,473,106.96
Including: Interest expense	860,302.39	205,821.60
Interest income	5,633,071.27	8,056,174.38
Add: Other income	3,932,905.05	11,207,995.85
Return on investment ("-" for loss)	31,566,338.46	38,136,678.31
Including: Share of profit or loss of joint ventures and associates	646,719.77	1,444,720.72
Income from the derecognition of financial assets at amortized cost ("-" for loss)		
Net gain on exposure hedges ("-" for loss)		
Gain on changes in fair value ("-" for loss)	134,700.00	99,400.00
Credit impairment loss ("-" for loss)	-3,137,238.29	-22,899,921.83

Item	H1 2025	H1 2024
Asset impairment loss (“-” for loss)	-8,828,838.84	-5,911,919.35
Asset disposal income (“-” for loss)		
2. Operating profit (“-” for loss)	25,373,990.95	152,519,790.45
Add: Non-operating income	26,638.49	1,706,418.89
Less: Non-operating expense	524,656.29	127,113.54
3. Profit before tax (“-” for loss)	24,875,973.15	154,099,095.80
Less: Income tax expense	-550,639.58	18,488,977.50
4. Net profit (“-” for net loss)	25,426,612.73	135,610,118.30
4.1 Net profit from continuing operations (“-” for net loss)	25,426,612.73	135,610,118.30
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	214,283,065.88	-21,548,515.71
5.1 Items that will not be reclassified to profit or loss	214,283,065.88	-21,548,515.71
5.1.1 Changes caused by remeasurements on defined benefit schemes		
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method		
5.1.3 Changes in the fair value of investments in other equity instruments	214,283,065.88	-21,548,515.71
5.1.4 Changes in the fair value arising from changes in own credit risk		
5.1.5 Other		
5.2 Items that will be reclassified		

Item	H1 2025	H1 2024
to profit or loss		
5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method		
5.2.2 Changes in the fair value of investments in other debt obligations		
5.2.3 Other comprehensive income arising from the reclassification of financial assets		
5.2.4 Credit impairment allowance for investments in other debt obligations		
5.2.5 Reserve for cash flow hedges		
5.2.6 Differences arising from the translation of foreign currency-denominated financial statements		
5.2.7 Other		
6. Total comprehensive income	239,709,678.61	114,061,602.59
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

## 5. Consolidated Cash Flow Statement

Unit: RMB

Item	H1 2025	H1 2024
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	4,100,249,556.88	4,381,995,484.08

Item	H1 2025	H1 2024
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	88,415,257.94	82,383,727.52
Cash generated from other operating activities	98,470,018.95	119,388,419.41
Subtotal of cash generated from operating activities	4,287,134,833.77	4,583,767,631.01
Payments for commodities and services	3,072,000,160.70	3,124,222,860.48
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		



Item	H1 2025	H1 2024
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	793,037,980.68	731,015,486.26
Taxes paid	197,243,157.16	151,177,949.87
Cash used in other operating activities	215,008,522.28	192,758,289.79
Subtotal of cash used in operating activities	4,277,289,820.82	4,199,174,586.40
Net cash generated from/used in operating activities	9,845,012.95	384,593,044.61
2. Cash flows from investing activities:		
Proceeds from disinvestment	386,722,784.87	305,000,000.00
Return on investment	12,193,550.27	24,056,243.57
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	43,414.00	22,544,055.06
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	23,042,757.16	
Subtotal of cash generated from investing activities	422,002,506.30	351,600,298.63
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	188,617,109.18	159,583,095.03
Payments for investments	252,320,000.00	1,024,000,000.00
Net increase in pledged loans		

Item	H1 2025	H1 2024
granted		
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		
Subtotal of cash used in investing activities	440,937,109.18	1,183,583,095.03
Net cash generated from/used in investing activities	-18,934,602.88	-831,982,796.40
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings raised	63,768,004.07	200,111,329.57
Cash generated from other financing activities	35,675,972.28	7,224,809.91
Subtotal of cash generated from financing activities	99,443,976.35	207,336,139.48
Repayment of borrowings	184,157,032.76	136,959,822.56
Interest and dividends paid	30,690,680.79	39,360,714.14
Including: Dividends paid by subsidiaries to non-controlling interests	24,282,863.70	29,139,436.44
Cash used in other financing activities	16,484,020.64	11,501,309.43
Subtotal of cash used in financing activities	231,331,734.19	187,821,846.13
Net cash generated from/used in financing activities	-131,887,757.84	19,514,293.35
4. Effect of foreign exchange rates	2,424,112.08	14,380,245.23

Item	H1 2025	H1 2024
changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-138,553,235.69	-413,495,213.21
Add: Cash and cash equivalents, beginning of the period	2,684,382,020.41	3,101,252,943.88
6. Cash and cash equivalents, end of the period	2,545,828,784.72	2,687,757,730.67

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

## 6. Cash Flow Statement of the Company as the Parent

Unit: RMB

Item	H1 2025	H1 2024
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,309,774,743.22	1,714,147,588.24
Tax rebates	43,232,841.35	37,731,938.65
Cash generated from other operating activities	18,841,629.90	39,430,747.84
Subtotal of cash generated from operating activities	1,371,849,214.47	1,791,310,274.73
Payments for commodities and services	1,062,624,948.98	1,212,273,623.36
Cash paid to and for employees	199,120,202.97	231,944,514.55
Taxes paid	93,662,045.51	59,269,827.89
Cash used in other operating activities	93,658,109.42	68,770,731.65
Subtotal of cash used in operating activities	1,449,065,306.88	1,572,258,697.45
Net cash generated from/used in	-77,216,092.41	219,051,577.28

Item	H1 2025	H1 2024
operating activities		
2. Cash flows from investing activities:		
Proceeds from disinvestment	249,522,784.87	
Return on investment	12,328,693.07	24,016,123.90
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets		22,433,746.58
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	215,850.00	35,000,000.00
Subtotal of cash generated from investing activities	262,067,327.94	81,449,870.48
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	70,343,058.99	27,169,498.35
Payments for investments	197,416,600.00	714,920,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities		178,883,363.61
Subtotal of cash used in investing activities	267,759,658.99	920,972,861.96
Net cash generated from/used in investing activities	-5,692,331.05	-839,522,991.48
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings raised	14,556,611.51	
Cash generated from other		

Item	H1 2025	H1 2024
financing activities		
Subtotal of cash generated from financing activities	14,556,611.51	
Repayment of borrowings		
Interest and dividends paid		
Cash used in other financing activities		
Subtotal of cash used in financing activities		
Net cash generated from/used in financing activities	14,556,611.51	
4. Effect of foreign exchange rates changes on cash and cash equivalents	237,020.05	9,378,014.06
5. Net increase in cash and cash equivalents	-68,114,791.90	-611,093,400.14
Add: Cash and cash equivalents, beginning of the period	1,084,153,666.22	1,610,082,668.66
6. Cash and cash equivalents, end of the period	1,016,038,874.32	998,989,268.52

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

## 7. Consolidated Statements of Changes in Owners' Equity

H1 2025

Unit: RMB

Item	H1 2025														
	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		
		Preferred shares	Perpetual bonds	Other											
1. Balance as at the end of the period of prior year	1,548,778,230.00				914,336,325.66	82,165,144.15	383,429,155.02	4,782,061.20	150,097,522.97		3,655,046,154.57		6,574,304,305.27	3,592,195,788.57	10,166,500,093.84
Add: Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Other adjustment															

Item	H1 2025														
	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
Preferred shares		Perpetual bonds	Other												
ts															
2. Balance as at the beginning of the Reporting Period	1,548,778,230.00				914,336,325.66	82,165,144.15	383,429,155.02	4,782,061.20	150,097,522.97		3,655,046,154.57		6,574,304,305.27	3,592,195,788.57	10,166,500,093.84
3. Increase/decrease in the period ("–" for decrease)	-13,000,000.00				-70,818,369.76	-82,165,144.15	41,953,919.82	705,009.82	17,188,178.82		85,393,974.05		143,587,856.90	35,724,863.38	179,312,720.28
3.1 Total comprehensive income							213,835,708.05				114,993,752.24		328,829,460.29	32,586,188.08	361,415,648.37
3.2 Capital increased and reduced by owners	-13,000,000.00				-70,818,369.76	-82,165,144.15							-1,653,225.61	28,999,773.07	27,346,547.46

Item	H1 2025														
	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
Preferred shares		Perpetual bonds	Other												
3.2.1 Ordinary shares increased by owners															
3.2.2 Capital increased by holders of other equity instruments															
3.2.3 Share-based payments included in owners' equity															
3.2.4 Other	- 13,000,000.00				- 70,818,369.76	- 82,165,144.15							- 1,653,225.61	28,999,773.07	27,346,547.46
3.3 Profit distributio											- 184,293,38		- 184,293,38	- 28,348,734.	- 212,642,121



Item	H1 2025														
	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
Preferred shares		Perpetual bonds	Other												
n											7.60		7.60	17	.77
3.3.1 Appropriation to surplus reserves															
3.3.2 Appropriation to general reserve															
3.3.3 Appropriation to owners (or shareholders)											- 184,293,387.60		- 184,293,387.60	- 28,348,734.17	- 212,642,121.77
3.3.4 Other															
3.4 Transfers within owners'							- 171,881,788.23		17,188,178.82		154,693,609.41				

Item	H1 2025														
	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
Preferred shares		Perpetual bonds	Other												
equity															
3.4.1 Increase in capital (or share capital) from capital reserves															
3.4.2 Increase in capital (or share capital) from surplus reserves															
3.4.3 Loss offset by surplus reserves															
3.4.4 Changes in defined benefit schemes															

Item	H1 2025														
	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
Preferred shares		Perpetual bonds	Other												
transferred to retained earnings															
3.4.5 Other comprehensive income transferred to retained earnings							- 171,881,788.23		17,188,178.82		154,693,609.41				
3.4.6 Other															
3.5 Specific reserve								705,009.82					705,009.82	2,487,636.40	3,192,646.22
3.5.1 Increase in the period								11,812,685.82					11,812,685.82	5,958,913.05	17,771,598.87
3.5.2 Used in								11,107,676.00					11,107,676.00	3,471,276.65	14,578,952.65

Item	H1 2025														
	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		
Preferred shares		Perpetual bonds	Other												
the period															
3.6 Other															
4. Balance as at the end of the Reporting Period	1,535,778,230.00				843,517,955.90		425,383,074.84	5,487,071.02	167,285,701.79		3,740,440,128.62		6,717,892,162.17	3,627,920,651.95	10,345,812,814.12

H1 2024

Unit: RMB

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other			Subtotal
		Preferred shares	Perpetual bonds	Other											
1. Balance	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

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
as at the end of the period of prior year															
Add: Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Other adjustments															
2. Balance as at the beginning of the Reporting 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

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
3. Increase/decrease in the period ("–" for decrease)							- 22,203,388.92	3,194,038.76			7,935,794.78		- 11,073,555.38	33,697,912.10	22,624,356.72
3.1 Total comprehensive income							- 22,203,388.92				192,229,182.38		170,025,793.46	60,650,387.65	230,676,181.11
3.2 Capital increased and reduced by owners															
3.2.1 Ordinary shares increased by owners															
3.2.2 Capital increased by															

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
holders of other equity instruments															
3.2.3 Share-based payments included in owners' equity															
3.2.4 Other															
3.3 Profit distribution											- 184,293,387.60		- 184,293,387.60	- 29,139,436.44	- 213,432,824.04
3.3.1 Appropriation to surplus reserves															
3.3.2 Appropria															

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
tion to general reserve															
3.3.3 Appropriation to owners (or shareholders)											184,293,387.60	-	184,293,387.60	-	213,432,824.04
3.3.4 Other															
3.4 Transfers within owners' equity															
3.4.1 Increase in capital (or share capital) from capital reserves															



Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
3.4.2 Increase in capital (or share capital) from surplus reserves															
3.4.3 Loss offset by surplus reserves															
3.4.4 Changes in defined benefit schemes transferred to retained earnings															
3.4.5 Other comprehensive income transferred															

Item	H1 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 reserve	Surplus reserves	General reserve	Retained earnings	Other	Subtotal		
		Preferred shares	Perpetual bonds	Other											
Added to retained earnings															
3.4.6 Other															
3.5 Specific reserve							3,194,038.76						3,194,038.76	2,186,960.89	5,380,999.65
3.5.1 Increase in the period							4,940,359.02						4,940,359.02	3,049,660.90	7,990,019.92
3.5.2 Used in the period							1,746,320.26						1,746,320.26	862,700.01	2,609,020.27
3.6 Other															
4. Balance as at the end of the Reporting Period	1,548,778,230.00				914,336,325.66	82,165,144.15	337,823,638.67	4,407,364.68	107,944,679.06		3,443,244,158.89		6,274,369,252.81	3,519,652,592.96	9,794,021,845.77

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: Li Yizhi

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

H1 2025

Unit: RMB

Item	H1 2025											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
1. Balance as at the end of the period of prior year	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
Add: Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other adjustments												
2. Balance as at the beginning of the Reporting	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

Item	H1 2025											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
Period												
3. Increase/decrease in the period ("–" for decrease)	-13,000,000.00				- 69,165,144.15	- 82,165,144.15	42,401,277.65	24,489.83	17,188,178.82	-4,173,165.46		55,440,780.84
3.1 Total comprehensive income							214,283,065.88			25,426,612.73		239,709,678.61
3.2 Capital increased and reduced by owners	-13,000,000.00				- 69,165,144.15	- 82,165,144.15						
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners'												

Item	H1 2025											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
equity												
3.2.4 Other	-13,000,000.00				- 69,165,144.15	- 82,165,144.15						
3.3 Profit distribution										- 184,293,387.60		- 184,293,387.60
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or shareholders)										- 184,293,387.60		- 184,293,387.60
3.3.3 Other												
3.4 Transfers within owners' equity							- 171,881,788.23		17,188,178.82	154,693,609.41		
3.4.1 Increase in capital (or share capital) from capital reserves												

Item	H1 2025											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings							- 171,881,788.23		17,188,178.82	154,693,609.41		
3.4.6 Other												
3.5 Specific reserve								24,489.83				24,489.83

Item	H1 2025											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
3.5.1 Increase in the period								5,741,655.37				5,741,655.37
3.5.2 Used in the period								5,717,165.54				5,717,165.54
3.6 Other												
4. Balance as at the end of the Reporting Period	1,535,778,230.00				839,893,397.29		425,971,708.97	3,194,742.64	398,589,771.03	3,015,596,677.99		6,219,024,527.92

H1 2024

Unit: RMB

Item	H1 2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
1. Balance as at the end of the period of 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:												

Item	H1 2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
Adjustment for change in accounting policy												
Adjustment for correction of previous error												
Other adjustments												
2. Balance as at the beginning of the Reporting 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
3. Increase/decrease in the period ("-" for decrease)							-21,548,515.71	2,595,771.82		-48,683,269.30		-67,636,013.19
3.1 Total comprehensive income							-21,548,515.71			135,610,118.30		114,061,602.59
3.2 Capital increased and reduced by owners												



Item	H1 2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
3.2.1 Ordinary shares increased by owners												
3.2.2 Capital increased by holders of other equity instruments												
3.2.3 Share-based payments included in owners' equity												
3.2.4 Other												
3.3 Profit distribution										- 184,293,387.60		- 184,293,387.60
3.3.1 Appropriation to surplus reserves												
3.3.2 Appropriation to owners (or										- 184,293,387.60		- 184,293,387.60

Item	H1 2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
shareholders)												
3.3.3 Other												
3.4 Transfers within owners' equity												
3.4.1 Increase in capital (or share capital) from capital reserves												
3.4.2 Increase in capital (or share capital) from surplus reserves												
3.4.3 Loss offset by surplus reserves												
3.4.4 Changes in defined benefit schemes transferred to												

Item	H1 2024											
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	Retained earnings	Other	Total owners' equity
		Preferred shares	Perpetual bonds	Other								
retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve								2,595,771.82				2,595,771.82
3.5.1 Increase in the period								4,106,091.11				4,106,091.11
3.5.2 Used in the period								1,510,319.29				1,510,319.29
3.6 Other												
4. Balance as at the end of the Reporting Period	1,548,778,230.00				909,058,541.44	82,165,144.15	338,309,557.35	3,493,553.56	339,248,748.30	2,776,004,366.60		5,832,727,853.10

Legal representative: Wan Shan

Chief Financial Officer: Zeng Xiaojing

Person-in-charge of the Company's accounting organ: 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. on October 20, 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 China Securities Regulatory Commission 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 Shenzhen Stock Exchange for trade on November 23, 1993. The Company was approved to issue 50 million B shares on July 23, 1995. And, as approved to change into a foreign-invested stock limited company on August 26, 1996 by (1996) WJMZEHZ No. 466 Document issued by the Ministry of Foreign Trade and Economic Cooperation of the People’s Republic of China. On December 11, 2000, as approved by China Securities Regulatory Commission with ZJGS Zi [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. On February 8, 2022, the Company cancelled 37,351,507 shares held in the repurchase special securities account (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. In August 2023, upon approval by the CSRC (Z.J.X.K. Document No. 1974 [2023]), the Company issued 186,783,583 RMB-denominated ordinary shares (A-shares) to 13 specific subjects. These shares were listed on the Shenzhen Stock Exchange on December 4, 2023. 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, Two Hundred and Thirty (RMB1,548,778,230.00). On January 10, 2025, the Company canceled 13 million A-shares held in the repurchase special securities account. Following this cancellation, the Company’s total share capital changed from 1,548,778,230 shares to 1,535,778,230 shares, and the Company’s registered capital changed to RMB1,535,778,230.00).

Credibility code of the Company: 91440000190352575W.

Legal representative: Wan Shan

Corporate domicile: No. 64, Fenjiang North Road, Chancheng District, Foshan, Guangdong Province

Office address: No. 8, Zhihui Road, Chancheng District, Foshan, Guangdong Province

Main business of the company and its subsidiaries (hereinafter referred to as “the Company”): general lighting 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 August 27, 2025.

#### (III) Consolidation scope of financial statements

The consolidation scope of the financial statement during the Reporting Period including the Company and FSL Chanchang Optoelectronics Co., Ltd. (referred to as “Chanchang Company”), Foshan Taimei Times Lamp Co., Ltd. (referred to as “Taimei Company”), Nanjing Fozhao Lighting Components Co., Ltd. (referred to as “Nanjing Fozhao”), FSL (Xinxiang) Lighting Co., Ltd. (referred to as “Xinxiang Company”), Foshan Fozhao Zhicheng Technology Co., Ltd. (referred to as “Zhicheng Company”), FSL Zhida Electric Technology Co., Ltd.

(referred to as “Zhida Company”), Foshan Hortilite Optoelectronics Co., Ltd. (referred to as “Hortilite Company”), Fozhao (Hainan) Technology Co., Ltd. (referred to as “Hainan Technology”), Foshan Kelian New Energy Technology Co., Ltd. (referred to as “Foshan Kelian”), Nanning Liaowang Auto Lamp Co., Ltd. (referred to as “Liaowang Auto Lamp”), Foshan NationStar Optoelectronics Co., Ltd. (referred to as “NationStar Optoelectronics”), Foshan Sigma Venture Capital Co., Ltd. (referred to as “Sigma”), Fozhao Huaguang (Maoming) Technology Co., Ltd. (referred to as “Fozhao Huaguang”) and Beijing Airtrust Aviation Technology Co., Ltd. (referred to as “Beijing Airtrust”) in total 14 subsidiaries and Liuzhou Guige Lighting Technology Co., Ltd. (referred to as “Liuzhou Lighting”), Liuzhou Guige Foreshine Technology Co., Ltd. (referred to as “Liuzhou Foreshine”), Chongqing Guinuo Lighting Technology Co., Ltd. (referred to as “Chongqing Guinuo”), Qingdao Guige Lighting Technology Co., Ltd. (referred to as “Qingdao Lighting”), Indonesia Liaowang Auto Lamp Co., Ltd. (referred to as “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. (referred to as “Guoxing Electronic”), Foshan NationStar Semiconductor Co., Ltd. (referred to as “NationStar Semiconductor”), Nanyang Baoli Vanadium Industry Co., Ltd. (referred to as “Baoli Vanadium Industry”), Guangdong New Electronic Information Ltd. (referred to as “New Electronic”), NationStar Optoelectronics (Germany) Co., Ltd. (referred to as “Germany NationStar”), Guangdong Fenghua Semiconductor Technology Co., Ltd. (referred to as “Fenghua Semiconductor”), Gaozhou NationStar Lighting Technology Co., Ltd. (referred to as “Gaozhou NationStar”), Airstar (Tianjin) Lighting Co., Ltd. (referred to as “Airstar”) and FSL (Thailand) Lighting Technology Co., Ltd. (referred to as “Thailand Company”) in total 16 sub-subsidiary. 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 H1 2025 of Baoli Vanadium were formulated at fair value or costs whichever was lower.

The Company had 31 subsidiaries included in the consolidation scope during the current period. See Notes “IX Changes in the scope of consolidation and “X Interests in other entities” for details.

## 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 China Securities Regulatory Commission 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 *Accounting Standards for Business Enterprises*, which factually and completely present the Company's and the consolidated financial positions, business results and cash flows, as well as other relevant information of the Company.

## 2. Fiscal Year

A fiscal year starts on January 1 and ends on December 31 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 1 year/other payables, and the amount exceeds RMB10 million.
Significant cash flows generated from investment 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.
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 statement of cash flows, represents the Company's cash on hand and deposits that are readily available for disbursement. Cash equivalents identified in the preparation of the statement of cash flows 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 change in fair value (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 flow 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 flow, and the characteristics of contractual cash flow 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 flow 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

2) 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	General lighting, auto lamps and other relevant business with the Company as the parent and the subsidiary Liaowang Auto Lamp 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.
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.

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 1 year (including 1 year)	3%	2%
1 to 2 years	10%	10%
2 to 3 years	30%	30%
3 to 4 years	50%	50%
4 to 5 years	80%	80%
Over 5 years	100%	100%

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	Determination basis
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	Determination basis
Portfolio 1: General lighting and lamps business portfolio	General lighting, automotive lamps and related businesses represented by the parent company and its subsidiary Liaowang Auto Lamp. This portfolio uses the aging of accounts receivable as the credit risk characteristic.
Portfolio 2: LED packaging and components business portfolio	LED packaging, components and other related businesses represented by subsidiary NationStar Optoelectronics. This portfolio uses the aging of accounts receivable as the credit risk characteristic
Portfolio 3: Internal business portfolio	This portfolio involves related-party transactions and internal transactions

## 17. Inventory

### 1. Classification of inventories

Inventories refer to the Company's finished goods or commodities for sale held in daily activities, unfinished goods in manufacturing process, and materials and supplies consumed in process of manufacturing products or providing services, etc. Inventories mainly include 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

### 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 includes 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 labor 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	5-10 years	1%-10%	19.00%-9.50%
Electronic equipment	Straight-line depreciation method	2-8 years	1%-10%	47.50%-11.88%
Other equipment	Straight-line depreciation method	5 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 using the methods presented in the table below 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 research and development projects, which mainly includes: 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, commissioned external research and development expenses, and other expenses, etc.

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. Impairment of Long-term Assets**

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 flow 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**

#### **(1) Accounting treatment of the short-term remuneration**

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.

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 labor 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 labor 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. The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs.

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 labor, 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 favorable 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 favorable 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 favorable 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 tax

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 unrealized 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* (C.Z. [2022] No. 136) jointly issued by the Ministry of Finance and the Ministry of Emergency Management on November 21, 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 recognized 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 recognized. 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

### **(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 2025

☐Applicable ☒Not applicable

#### 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, Haolaite Company, Liaowang Auto Lamp, Chongqing Guinuo, Liuzhou Lighting, Liuzhou Foreshine, Qingdao Lighting, NationStar Optoelectronics, NationStar Semiconductor, Fenghua Semiconductor, Hainan Technology, Hule Electric Equipment, Germany NationStar and Xinxiang Company	15%
Indonesia Liaowang	22%
Other subsidiaries	25%

### 2. Tax Preference

1. The Company passed the review of high-tech enterprises in December 2023 and obtained the certificate of high-tech enterprise (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. Subsidiary Zhida Company passed the review of high-tech enterprises in December 2022 and obtained the certificate of high-tech enterprise (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. In accordance with the relevant provisions of the *Enterprise Income Tax Law of the People's Republic of China*, Zhida Company shall prepay the enterprise income tax rate for 2025 at a tax rate of 15%.

3. Subsidiary Chanchang Company passed the audit of high-tech enterprises in November 2024 and obtained the certificate of high-tech enterprise (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. Subsidiary Haolaite Company passed the review of high-tech enterprises in December 2022 and obtained the certificate of high-tech enterprise (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. In accordance with the relevant provisions of the *Enterprise Income Tax Law of the People's Republic of China*, Haolaite Company shall prepay the enterprise income tax rate for 2025 at a tax rate of 15%.
  5. Subsidiary Liaowang Auto Lamp passed the review of high-tech enterprises in December 2023 and obtained the certificate of high-tech enterprise (Certificate No. GR202345001098). According to relevant regulations, Nanning Liaowang 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 January 1, 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. In accordance with the relevant provisions of the *Enterprise Income Tax Law of the People's Republic of China*, Liuzhou Lighting shall prepay the enterprise income tax rate for 2025 at a tax rate of 15%.
  8. Liuzhou Foreshine, a wholly-owned subsidiary of Liaowang Auto Lamp, passed the review of high-tech enterprise in November 2024 and obtained the certificate of high-tech enterprise (Certificate No.: GR202445000159). According to relevant regulations, Liuzhou Fuxuan 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* (G.C.S. [2023]), enterprises recognized 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. Qingdao Lighting, a wholly-owned subsidiary of Liaowang Auto Lamp, passed the recognition of high-tech enterprise on December 2022 and obtained the certificate of high-tech enterprise (Certificate No.: GR202237100785). According to relevant regulations, Qingdao Lighting will pay enterprise income tax at a reduced rate of 15% for three years starting from 2022. In accordance with the relevant provisions of the *Enterprise Income Tax Law of the People's Republic of China*, Qinghai Lighting shall prepay the enterprise income tax rate for 2025 at a tax rate of 15%.
  10. Subsidiary NationStar Optoelectronics passed the recognition of high-tech enterprises in December 2023 and obtained the certificate of high-tech enterprise (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. NationStar Semiconductor, a wholly-owned subsidiary of NationStar Optoelectronics, passed the recognition of high-tech enterprise on November 2024 and obtained the certificate of high-tech enterprise (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. Fenghua Semiconductor, a majority-owned subsidiary of NationStar Optoelectronics, passed the recognition of high-tech enterprise on December 2024 and obtained the certificate of high-tech enterprise (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, the subsidiary Hainan Technology obtained the qualification as a High and New Technology Enterprise and received the High and New Technology Enterprise Certificate (Certificate No.: GR202446000187). According to relevant regulations, Hainan Technology is entitled to pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

14. In December 2023, Hule Electrical Equipment, a majority-owned subsidiary of Hainan Technology, obtained the qualification as a High and New Technology Enterprise and received the High and New Technology Enterprise Certificate (Certificate No.: GR202333010552). According to relevant regulations, Hule Electrical Equipment is entitled to pay enterprise income tax at a reduced rate of 15% for three years starting from 2023.

15. In October 2024, the subsidiary Xinxiang Company obtained the qualification as a High and New Technology Enterprise and received the High and New Technology Enterprise Certificate (Certificate No.: GR202441001673). According to relevant regulations, Xinxiang Company is entitled to pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

16. NationStar Optoelectronics (Germany), a wholly-owned subsidiary of Haolaite Company, is registered in Germany. According to local tax policies, it is entitled to an enterprise income tax rate of 15%.

17. Subsidiary Fozhao Huaguang, subsidiary Beijing Hangxin, and Shanghai Lelaite (indirectly controlled by subsidiary Hainan Technology) are small and micro enterprises. From January 1, 2025 to December 31, 2025, in accordance with the actual conditions of each province, autonomous region, and municipality directly under the Central Government, and subject to macroeconomic regulation requirements, small and micro enterprises may enjoy a 50% reduction in resource tax, urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), farmland occupation tax, education surcharge, and local education surcharge.

### 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	78,888.57	40,535.66
Bank deposits	1,289,270,845.12	1,221,721,793.26
Other monetary assets (Note 1)	649,539,702.48	512,794,818.03
Deposits placed with finance companies (Note 2)	1,131,061,845.67	1,462,165,277.45
To-be-received interest (Note 3)	14,468,117.34	12,405,012.91
Total	3,084,419,399.18	3,209,127,437.31
Of which: Total amount deposited overseas	53,460,658.31	32,471,593.74

## 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 Consolidate Financial Statements”).

Note 2: Deposits placed with finance companies refer to the amount deposited with Guangdong Rising Finance Co., Ltd.

Note 3: To-be-received interest was interest receivable on undue bank deposits and term deposits as at 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	2,288,376.68	43,649,820.47
Of which:		
Wealth management products		41,661,005.56
Equity instrument investments	2,192,776.68	1,988,814.91
Others	95,600.00	
Of which		
Total	2,288,376.68	43,649,820.47

**3. Derivative Financial Assets**

Naught

**4. Notes Receivable****(1) Notes Receivable Listed by Category**

Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	670,457,905.01	928,954,818.05
Commercial acceptance bill	121,580,149.33	68,326,252.16
Total	792,038,054.34	997,281,070.21

**(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 for which bad debt provision accrued separately										
Notes receivable withdrawn bad debt provision by group	794,523,312.64	100.00%	2,485,258.30	0.31%	792,038,054.34	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21
Of which:										
Bank acceptance bill	670,457,905.01	84.38%	0.00	0.00%	670,457,905.01	928,954,818.05	93.02%	0.00	0.00%	928,954,818.05
Commercial acceptance bill	124,065,407.63	15.62%	2,485,258.30	2.00%	121,580,149.33	69,729,361.39	6.98%	1,403,109.23	2.01%	68,326,252.16
Total	794,523,312.64	100.00%	2,485,258.30	0.31%	792,038,054.34	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21

Withdrawal of bad debt provision by group: Bank acceptance bill and commercial acceptance bill.

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Within one year	794,523,312.64	2,485,258.30	0.31%
Total	794,523,312.64	2,485,258.30	

Notes:

Please refer to Note V-13. Accounts Receivable for details.

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

☐Applicable ☒Not applicable

### (3) Bad Debt Provision Withdrawn, Reversed or Collected during the Reporting Period

Information of bad debt provision withdrawn:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawn	Reversal or recovery	Write-off	Others	
Notes receivable withdrawn bad debt provision by group	1,403,109.23	1,082,149.07				2,485,258.30
Total	1,403,109.23	1,082,149.07				2,485,258.30

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	Amount pledged at the period-end
Bank acceptance bill	447,552,986.75
Total	447,552,986.75



**(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 recognition termination at the period-end
Bank acceptance bill	63,254,781.83	382,982,915.48
Commercial acceptance bill		395,015.00
Total	63,254,781.83	383,377,930.48

**(6) Notes Receivable with Actual Verification for the Reporting Period**

Naught

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

Unit: RMB

Ageing	Ending carrying balance	Beginning carrying balance
Within one year (including one year)	2,074,228,964.74	1,958,007,653.74
One to two years	181,832,703.00	160,745,414.76
Two to three years	63,067,902.06	75,845,969.51
Over three years	119,581,860.75	116,132,806.59
Three to four years	66,613,570.91	74,345,304.65
Four to five years	19,241,607.01	8,949,462.00
Over five years	33,726,682.83	32,838,039.94
Total	2,438,711,430.55	2,310,731,844.60

**(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 for which bad debt provision accrued separately	98,723,680.62	4.05%	72,460,102.73	73.40%	26,263,577.89	146,052,307.68	6.32%	72,871,642.18	49.89%	73,180,665.50
Accounts receivable withdrawal of bad debt provision by portfolio	2,339,987,749.93	95.95%	122,861,136.52	5.25%	2,217,126,613.41	2,164,679,536.92	93.68%	112,192,910.46	5.18%	2,052,486,626.46
Of which:										
(1) Business portfolio of general lighting and auto lamps	1,527,343,308.58	62.63%	105,723,794.99	6.92%	1,421,619,513.59	1,470,492,300.88	63.64%	97,526,907.72	6.63%	1,372,965,393.16
(2) Business portfolio of LED packaging and components	812,644,441.35	33.32%	17,137,341.53	2.11%	795,507,099.82	694,187,236.04	30.04%	14,666,002.74	2.11%	679,521,233.30

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	
Total	2,438,711,430.55	100.00%	195,321,239.25	8.01%	2,243,390,191.30	2,310,731,844.60	100.00%	185,064,552.64	8.01%	2,125,667,291.96

Category name of bad debt provision accrued by item: Accounts receivable for which bad debt provision accrued separately.

There is no significant individual provision for bad debts for accounts receivable in the current period.

Withdrawal of bad debt provision by group: (1) Business portfolio of general lighting and auto lamps; (2) business portfolio of LED packaging and components.

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
(1) Business portfolio of general lighting and auto lamps	1,527,343,308.58	105,723,794.99	6.92%
(2) Business portfolio of LED packaging and components	812,644,441.35	17,137,341.53	2.11%
Total	2,339,987,749.93	122,861,136.52	

Notes:

Please refer to Note V-13. Accounts Receivable for details.

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

☐Applicable ☒Not applicable

### (3) Bad Debt Provision Withdrawn, Reversed or Recovered in the Reporting Period

Information of bad debt provision withdrawn:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period					Ending balance
		Withdrawal	Current-period recovery of prior-period write-offs	Reversal or recovery	Write-off	Others	
Accounts receivable for which bad debt provision accrued separately	72,871,642.18	1,151,642.82		1,563,182.27			72,460,102.73
Accounts receivable withdrawal of bad debt provision	112,192,910.46	10,532,475.78			78,240.72	213,991.00	122,861,136.52

by portfolio							
Total	185,064,552.64	11,684,118.60		1,563,182.27	78,240.72	213,991.00	195,321,239.25

Note: Others refer to bad debt provision accrued for the increased accounts receivable of Beijing Airtrust due to combination in the current period.

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

#### (4) Accounts Receivable with Actual Verification during the Reporting Period

Unit: RMB

Item	Amount verified
Accounts receivable with actual verification	78,240.72

Of which, verification of significant accounts receivable: Naught.

Notes to verification of accounts receivable:

The amount of accounts receivable written off in the current period was RMB 78,240.72, and the bad debt provision was RMB 78,240.72. The approval procedure was performed in accordance with provisions of the bad debt management system of the Company.

#### (5) Top Five Accounts Receivable and Contract Assets in Ending Balance Collected According to the 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	114,168,148.32		114,168,148.32	4.68%	3,425,044.45
No. 2	102,522,801.14		102,522,801.14	4.20%	3,075,684.03
No. 3	89,508,216.10		89,508,216.10	3.67%	6,383,095.03
No. 4	56,240,105.00		56,240,105.00	2.30%	1,794,826.93
No. 5	55,114,971.26		55,114,971.26	2.26%	1,103,099.43
Total	417,554,241.82		417,554,241.82	17.11%	15,781,749.87

## 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	2,253,362.60	1,126,681.30	1,126,681.30	3,380,043.90	1,690,021.95	1,690,021.95
Total	2,253,362.60	1,126,681.30	1,126,681.30	3,380,043.90	1,690,021.95	1,690,021.95

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

There was no significant change in the book value during the Reporting Period.

**(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	
Bad debt provision accrued separately										
Withdrawal of bad debt provision by group	2,253,362.60	100.00%	1,126,681.30	50.00%	1,126,681.30	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95
Of which:										
Business portfolio of general lighting and auto lamps	2,253,362.60	100.00%	1,126,681.30	50.00%	1,126,681.30	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95
Total	2,253,362.60	100.00%	1,126,681.30	50.00%	1,126,681.30	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95

Withdrawal of bad debt provision by group: Business portfolio of general lighting and auto lamps.

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Business portfolio of general lighting and auto lamps	2,253,362.60	1,126,681.30	50.00%
Total	2,253,362.60	1,126,681.30	

Notes:

Please refer to 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 Withdrawn, Reversed or Recovered in the Reporting Period

Unit: RMB

Item	Withdrawal of the Current Period	Reversal or recovery in the Reporting Period	Verification	Reason
Provision for impairment of contract assets	-563,340.65			
Total	-563,340.65			

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

#### (5) Contract Assets Written-off in Current Period

Naught.

### 7. Accounts Receivable Financing

#### (1) Accounts Receivable Financing Listed by Category

Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	380,276,549.15	352,694,866.89



Total	380,276,549.15	352,694,866.89
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## (2) Disclosure by Withdrawal Methods for Bad Debts

Naught.

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

Please refer to Note V-13. Accounts Receivable for details.

Explanation of significant changes in the accounts receivable financing book balance with changes in loss reserves in the current period: Naught

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

Naught.

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

Unit: RMB

Item	Amount pledged at the period-end
Bank acceptance bill	7,600,759.79
Total	7,600,759.79

## (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 recognition termination at the period-end
Bank acceptance bill	543,860,638.36	
Total	543,860,638.36	

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

Naught.

## (7) The Changes of Accounts Receivable Financing in the Reporting Period and the Changes in Fair Value

Naught.

**(8) Other Notes**

Naught.

**8. Other Receivables**

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	69,553,723.47	70,524,265.25
Total	69,553,723.47	70,524,265.25

**(1) Interest Receivable**

Naught.

**(2) Dividends Receivable**

Naught.

**(3) Other Receivables****1) Other Receivables Disclosed by Account Nature**

Unit: RMB

Nature	Ending carrying balance	Beginning carrying balance
Other intercourse	82,431,083.68	77,640,342.04
Performance bond	24,791,707.62	25,244,600.82
Staff borrow and petty cash	4,223,606.87	3,138,997.42
Rent, water & electricity fees	1,837,756.79	1,314,614.82
VAT export tax refunds		5,974,168.41
Total	113,284,154.96	113,312,723.51

**2) Disclosure by Aging**

Unit: RMB

Ageing	Ending carrying balance	Beginning carrying balance
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Ageing	Ending carrying balance	Beginning carrying balance
Within one year (including one year)	41,338,021.49	51,110,555.10
One to two years	30,283,306.99	22,389,136.32
Two to three years	6,766,434.76	6,564,915.91
Over three years	34,896,391.72	33,248,116.18
Three to four years	2,690,801.70	1,383,400.01
Four to five years	4,313,935.81	4,236,860.23
Over five years	27,891,654.21	27,627,855.94
Total	113,284,154.96	113,312,723.51

### 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	30,288,040.46	26.74%	30,288,040.46	100.00%		30,409,096.04	26.84%	30,409,096.04	100.00%	
Withdrawal of bad debt provision by group	82,996,114.50	73.26%	13,442,391.03	16.20%	69,553,723.47	82,903,627.47	73.16%	12,379,362.22	14.93%	70,524,265.25
Among which:										
Other receivables of bad debt provision withdrawn by credit risk characteristic portfolio:	82,996,114.50	73.26%	13,442,391.03	16.20%	69,553,723.47	82,903,627.47	73.16%	12,379,362.22	14.93%	70,524,265.25

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	
Total	113,284,154.96	100.00%	43,730,431.49	38.60%	69,553,723.47	113,312,723.51	100.00%	42,788,458.26	37.76%	70,524,265.25

Category name of bad debt provision accrued by item: Bad debt provision separately accrued.

Significant accounts receivable for which bad debts are accrued separately:

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Provision for impairment	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdrawal
Customer A	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	100.00%	Less likely to be recovered
Total	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00		

Withdrawal of bad debt provision by group: Other receivables of bad debt provision withdrawn by credit risk characteristic portfolio.

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Other receivables of bad debt provision withdrawn by credit risk characteristic portfolio	82,996,114.50	13,442,391.03	16.20%
Total	82,996,114.50	13,442,391.03	

Notes:

Please refer to Note V-13. Accounts Receivable for details.

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

Unit: RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
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	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of January 1, 2025	1,522,971.90	10,819,330.47	30,446,155.89	42,788,458.26
Balance of January 1, 2025 in the current period				
Withdrawal of the current period	-333,607.19	1,353,073.06	-121,055.58	898,410.29
Amount written-off for the current period	31,213.89	12,349.05		43,562.94
Balance of June 30, 2025	1,220,578.60	12,184,752.58	30,325,100.31	43,730,431.49

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

Please refer to Note V-13. Accounts Receivable for details.

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 Reporting Period

Information of bad debt provision withdrawn:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Charged- off/Written- off	Others	
Other receivables	42,788,458.26	898,410.29			43,562.94	43,730,431.49
Total	42,788,458.26	898,410.29			43,562.94	43,730,431.49

Of which the bad debt provision reversed or recovered with significant amount during the Reporting Period:  
Naught.

#### 5) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Naught.

**6) Top 5 of the Ending Balance of the Other Receivables Collected according to the Arrears Party**

Unit: RMB

Name of the entity	Nature	Ending balance	Ageing	Proportion to total ending balance of other receivables (%)	Ending balance of bad debt provision
No. 1	Other intercourse	20,000,000.00	Over five years	17.65%	20,000,000.00
No. 2	Other intercourse	15,883,375.00	Within two years	14.02%	1,588,337.50
No. 3	Other intercourse	14,840,849.57	Within one year	13.10%	445,225.49
No. 4	VAT export tax refunds	10,000,000.00	Within two years	8.83%	1,000,000.00
No. 5	Performance bond	5,000,000.00	Within three years	4.41%	5,000,000.00
Total		65,724,224.57		58.01%	28,033,562.99

**7) Presentation in Other Receivables Due to the Centralized Management of Fund**

Naught.

**9. Prepayments****(1) Listed by Aging**

Unit: RMB

Ageing	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within one year	24,889,681.78	76.09%	18,587,036.85	76.11%
One to two years	3,300,051.28	10.09%	2,101,361.07	8.61%
Two to three years	2,540,825.57	7.77%	1,640,558.43	6.72%
Over three years	1,980,342.77	6.05%	2,090,822.77	8.56%
Total	32,710,901.40		24,419,779.12	

Notes of the reasons of the prepayment aging over one year with significant amount but failed settled in time: Naught.

## (2) Top Five of the Ending Balance of the Prepayments Collected according to the Prepayment Target

Unit: RMB

Name of the entity	Relationship with the Company	Ending balance	Ageing	Proportion to total prepayments (%)
No. 1	Unrelated party	2,192,566.06	Within four years	6.70%
No. 2	Unrelated party	2,024,786.17	Within one year	6.19%
No. 3	Unrelated party	1,080,492.13	Within one year	3.30%
No. 4	Unrelated party	961,670.98	Within one year	2.94%
No. 5	Unrelated party	814,300.00	Within one year	2.49%
Total		7,073,815.34		21.62%

## 10. Inventory

Whether the Company needs to comply with disclosure requirements for real estate industry

No

### (1) Category of Inventory

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Falling price reserves of inventory or depreciation reserves of contract performance cost	Carrying value	Carrying amount	Falling price reserves of inventory or depreciation reserves of contract performance cost	Carrying value
Raw materials	340,191,533.78	21,940,374.41	318,251,159.37	314,930,694.77	22,535,048.55	292,395,646.22
Goods in process	213,986,865.68		213,986,865.68	229,665,213.27		229,665,213.27
Inventory goods	1,252,833,891.25	139,671,260.73	1,113,162,630.52	1,249,130,700.18	126,346,042.26	1,122,784,657.92

Item	Ending balance			Beginning balance		
	Carrying amount	Falling price reserves of inventory or depreciation reserves of contract performance cost	Carrying value	Carrying amount	Falling price reserves of inventory or depreciation reserves of contract performance cost	Carrying value
Goods in transit	273,854,319.48	1,039,688.86	272,814,630.62	291,148,176.11	27,816,444.67	263,331,731.44
Semi-finished goods	103,588,159.96	2,638,690.27	100,949,469.69	103,638,782.42	2,492,313.51	101,146,468.91
Low-value consumables	2,637,603.96		2,637,603.96	1,515,044.74		1,515,044.74
Others	3,955,089.24		3,955,089.24	14,660,598.88		14,660,598.88
Total	2,191,047,463.35	165,290,014.27	2,025,757,449.08	2,204,689,210.37	179,189,848.99	2,025,499,361.38

## (2) Data Resources Recognized as Inventory

Naught.

## (3) Falling Price Reserves of Inventory and Depreciation Reserves of Contract Performance Cost

Unit: RMB

Item	Beginning balance	Increase		Decrease		Ending balance
		Withdrawal	Others	Reversal or write-off	Others	
Raw materials	22,535,048.55	676,683.67		1,271,357.81		21,940,374.41
Inventory goods	126,346,042.26	22,805,561.00		9,480,342.53		139,671,260.73
Goods in transit	27,816,444.67	494,490.58		27,271,246.39		1,039,688.86
Semi-finished goods	2,492,313.51	146,376.76				2,638,690.27
Total	179,189,848.99	24,123,112.01		38,022,946.73		165,290,014.27



Note: In the amount reversed or charged off in the current period, the amount reversed was RMB 1,778,010.83, and the amount charged off was RMB 36,244,935.90.

Provision for depreciation in value of inventories by portfolio

Naught.

Provision standards for depreciation in value of inventories by group

Please refer to Note V-17. Inventory.

#### (4) Notes to the Ending Balance of Inventories Including Capitalized Borrowing Expense

Naught

#### (5) Amortization Amount of Contract Performance Cost during the Reporting Period

Naught

### 11. Held-for-Sale Assets

Unit: RMB

Item	Ending carrying balance	Depreciation reserves	Ending carrying value	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	December 31, 2025
Total	17,147,339.84		17,147,339.84	165,208,303.00	55,718,333.95	

Other notes:

Note: For details, see Part VIII-XVIII. Other Major Events-8. Other: “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

Naught.

### 13. Other Current Assets

Unit: RMB

Item	Ending balance	Beginning balance
Input tax of VAT to be certified and deducted	130,072,096.20	125,298,564.45

Large-value bank certificates of deposit	281,243,990.34	130,975,312.95
Advance payment of enterprise income tax	1,544,945.99	2,524,237.91
Others	1,965,878.03	2,486,661.54
Total	414,826,910.56	261,284,776.85

#### 14. Investments in Debt Obligations

Naught

**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 changes in fair value	Accumulated impairment provision recognized in other comprehensive income	Note
Purchase held-to-maturity investments in 2023	417,634,469.18	6,021,698.99			423,656,168.17	400,000,000.00			Large deposit certificate of a bank
Purchase held-to-maturity investments in 2024	722,388,394.54	9,273,150.68			731,661,545.22	707,000,000.00			Large deposit certificate of a bank
Total	1,140,022,863.72	15,294,849.67			1,155,317,713.39	1,107,000,000.00			

Changes in the impairment provision for other investments in debt obligations during the current period

Naught.

**(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 deposit certificate of Everbright Bank	100,000,000.00	3.30%	3.30%	January 6, 2026		100,000,000.00	3.30%	3.30%	January 6, 2026	
Large deposit certificate of Bank of Communications	50,000,000.00	2.90%	2.90%	August 31, 2026		50,000,000.00	2.90%	2.90%	August 31, 2026	
Large deposit certificate of Everbright Bank	100,000,000.00	2.90%	2.90%	November 3, 2026		100,000,000.00	2.90%	2.90%	November 3, 2026	
Large deposit certificate of Bank of Guangzhou	150,000,000.00	2.95%	2.95%	December 1, 2026		150,000,000.00	2.95%	2.95%	December 1, 2026	
Large deposit certificate of Bank of Guangzhou	212,000,000.00	2.75%	2.75%	February 5, 2027		212,000,000.00	2.75%	2.75%	February 5, 2027	
Large deposit certificate of Everbright Bank	55,000,000.00	2.60%	2.60%	February 5, 2027		55,000,000.00	2.60%	2.60%	February 5, 2027	
Large deposit certificate of Huaxia Bank	143,000,000.00	2.60%	2.60%	February 5, 2027		143,000,000.00	2.60%	2.60%	February 5, 2027	
Large deposit certificate of China	82,000,000.00	2.60%	2.60%	February 5, 2027		82,000,000.00	2.60%	2.60%	February 5, 2027	

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
Merchants Bank										
Large deposit certificate of Huaxia Bank	150,000,000.00	2.60%	2.60%	March 8, 2027		150,000,000.00	2.60%	2.60%	March 8, 2027	
Large deposit certificate of China Merchants Bank	35,000,000.00	2.60%	2.60%	March 29, 2027		35,000,000.00	2.60%	2.60%	March 29, 2027	
Large deposit certificate of China Merchants Bank	30,000,000.00	2.60%	2.60%	April 30, 2027		30,000,000.00	2.60%	2.60%	April 30, 2027	
Total	1,107,000,000.00					1,107,000,000.00				

### (3) Status of Accrued Depreciation Reserves

Naught.

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

Please refer to Note V-20. Other Debt Investments.

### (4) Status of Other Investments in Debt Obligations Written-off in Current Period

Naught.

**16. Other Equity Instrument Investments**

Unit: RMB

Name of project	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	Ending balance	Reason for assigning to measure in fair value and the changes included in other comprehensive income
Gotion High-tech Co., Ltd.	363,579,045.02	186,135,432.31		264,486,123.71			310,890,551.46	Equity instruments not held for trading
Xiamen Bank Co.,Ltd.	323,502,024.60	65,962,292.25		236,506,710.02		9,177,362.40	389,464,316.85	Equity instruments not held for trading
China Guangfa Bank Co.,Ltd.	500,000.00					72,432.86	500,000.00	Equity instruments not held for trading
Foshan Nanhai District United Guangdong New Light Source Industry Innovation Center	3,000,000.00						3,000,000.00	Equity instruments not held for trading
Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center	6,082,543.80						6,082,543.80	Equity instruments not held for trading

Name of project	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	Ending balance	Reason for assigning to measure in fair value and the changes included in other comprehensive income
(L.P.)								
Guangdong Rising Finance Co., Ltd.	30,000,000.00					477,925.41	30,000,000.00	Equity instruments not held for trading
Rising Baijianwan High-Quality Development Industry Investment Fund Partnership (Limited Partnership)							7,320,000.00	Equity instruments not held for trading
Total	726,663,613.42	252,097,724.56		500,992,833.73		9,727,720.67	747,257,412.11	

Derecognition in the current period

Naught.

Disclosure of non-trading equity instrument investment by items

Unit: RMB

Name of project	Dividend income recognized	Accumulative gains	Accumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for assigning to measure in fair value and the changes included in other comprehensive income	Reason for other comprehensive income transferred to retained earnings
Gotion High-tech Co., Ltd.		264,486,123.71		171,881,788.23	Not satisfied with the condition of trading equity instrument	Sales of shares
Xiamen Bank Co., Ltd.	9,177,362.40	236,506,710.02			Not satisfied with the condition of trading equity instrument	Not applicable
Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center (L.P.)		1,505,569.32			Not satisfied with the condition of trading equity instrument	Not applicable
Guangdong Rising Finance Co., Ltd.	477,925.41	1,122,913.74			Not satisfied with the condition of trading equity instrument	Not applicable
Total	9,655,287.81	503,621,316.79		171,881,788.23		

## Other notes:

1. NationStar Optoelectronics is a limited partner of Beijing Guangrong Lianmeng Semiconductor Lighting Industry Investment Center (Limited Partnership). As at June 30, 2025, NationStar Optoelectronics has received a total distribution of principal and interest amounting to RMB 5,423,025.52 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.

2. NationStar Optoelectronics is a limited partner in Guangdong Rising Baiqianwan High-Quality Development Industry Investment Fund Partnership (Limited Partnership), holding a 2.24% stake, corresponding to a subscribed capital contribution of RMB11.2 million. As of June 30, 2025, NationStar Optoelectronics had paid in RMB7.32 million.



**17. Long-term Receivables**

Naught.

**18. Long-term Equity Investment**

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of impairment provision	Increase/decrease								Ending balance (carrying value)	Ending balance of impairment provision
			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	Others		
I. Joint Ventures												
II. Associated Enterprises												
Shenzhen Primatronix (Nanho) Electronics Ltd.	180,300,594.89				646,719.77						180,947,314.66	
Sub-total	180,300,594.89				646,719.77						180,947,314.66	
Total	180,300,594.89				646,719.77						180,947,314.66	

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 expected future cash flow

☐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

Naught.

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

Naught.

## 19. Other Non-current Financial Assets

Naught.

## 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	822,894,661.93	61,486,213.33		884,380,875.26
2. Increased amount of the period	53,799,926.84			53,799,926.84
(1) Outsourcing				
(2) Transfer from inventories/fixed assets/construction in progress	53,799,926.84			53,799,926.84
(3) Increase for business combination				
3. Decreased amount of the period	503,561.13			503,561.13
(1) Disposal				

Item	Houses and buildings	Land use right	Construction in Progress	Total
(2) Other transfer	503,561.13			503,561.13
4. Ending balance	876,191,027.64	61,486,213.33		937,677,240.97
II. Accumulative depreciation and accumulative amortization				
1. Beginning balance	77,917,683.10	12,976,146.14		90,893,829.24
2. Increased amount of the period	17,913,167.15	1,108,124.73		19,021,291.88
(1) Withdrawal or amortization	16,011,084.84	1,108,124.73		17,119,209.57
(2) Transfer from inventories/fixed assets/construction in progress	1,902,082.31			1,902,082.31
3. Decreased amount of the period	121,873.78			121,873.78
(1) Disposal				
(2) Other transfer	121,873.78			121,873.78
4. Ending balance	95,708,976.47	14,084,270.87		109,793,247.34
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				

Item	Houses and buildings	Land use right	Construction in Progress	Total
4. Ending balance				
IV. Carrying value				
1. Ending carrying value	780,482,051.17	47,401,942.46		827,883,993.63
2. Beginning carrying value	744,976,978.83	48,510,067.19		793,487,046.02

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 expected future cash flow

☐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

Naught.

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

Naught.

## (2) Investment Property Adopting the Fair Value Measurement Mode

☐Applicable ☒Not applicable

## (3) Projects Converted to Investment Properties and Measured at Fair Value

Naught.

## (4) Investment Property Failed to Accomplish Certification of Property

As at December 2025, the relevant property certificates for the LED Workshop, R&D Workshop 18, some Hainan Fuli parking spaces, and the leased portion of the Hainan production base are still in progress. The Company believes that obtaining such property certificates is not subject to any substantive legal obstacles and has no significant adverse impact on the Company's normal operations.

## 21. Fixed Assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	3,571,748,769.66	3,646,134,662.80
Disposal of fixed assets	526,992.02	459,543.24

Total	3,572,275,761.68	3,646,594,206.04
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**(1) List of Fixed Assets**

Unit: RMB

Item	Buildings and structures	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note 1)	Total
I. Original carrying value						
1. Beginning 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
2. Increased amount of the period	25,094,628.33	154,385,555.00	495,044.25	4,310,575.63	2,386,563.79	186,672,367.00
(1) Purchase	24,326,613.99	18,388,373.99	495,044.25	3,285,319.53	447,132.73	46,942,484.49
(2) Transfer from Construction in progress	218,383.68	135,568,512.16		877,629.20	1,896,971.37	138,561,496.41
(3) Increase for business combination				147,626.90		147,626.90
(4) Other (Note 2)	549,630.66	428,668.85			42,459.69	1,020,759.20
3. Decreased amount of the period	7,558,964.37	3,599,608.52	6,327.53	492,852.54	506,308.72	12,164,061.68
(1) Disposal or scrap	24,254.78	3,504,923.58	2,669.47	21,589.00	452,239.42	4,005,676.25
(2) Equipment transformation					51,282.05	51,282.05
(3) Other (Note 2)	7,534,709.59	94,684.94	3,658.06	471,263.54	2,787.25	8,107,103.38
4. Ending balance	2,464,302,048.10	5,507,744,151.42	41,882,183.48	86,667,315.35	101,250,941.01	8,201,846,639.36
II. Accumulated						

Item	Buildings and structures	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note 1)	Total
amortization						
1. Beginning 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
2. Increased amount of the period	55,795,012.28	189,649,936.18	1,733,624.94	5,325,667.39	2,672,338.12	255,176,578.91
(1) Withdrawal	55,673,138.50	189,242,700.73	1,733,624.94	5,231,533.42	2,632,001.41	254,512,999.00
(2) Increase for business combination				94,133.97		94,133.97
(3) Other (Note 2)	121,873.78	407,235.45			40,336.71	569,445.94
3. Decreased amount of the period	1,936,895.05	3,372,740.41	3,621.48	468,647.14	500,476.37	6,282,380.45
(1) Disposal or scrap	14,807.54	3,336,481.43		20,941.33	446,947.77	3,819,178.07
(2) Equipment transformation					50,769.23	50,769.23
(3) Other (Note 2)	1,922,087.51	36,258.98	3,621.48	447,705.81	2,759.37	2,412,433.15
4. Ending balance	776,314,704.19	3,668,289,915.05	31,146,212.72	64,201,773.97	81,762,993.91	4,621,715,599.84
III. Depreciation reserves						
1. Beginning balance		8,375,870.55		3,454.52	2,944.79	8,382,269.86
2. Increased amount of the period						
(1) Withdrawal						
3. Decreased amount of the						

Item	Buildings and structures	Machinery equipment	Transportation equipment	Electronic equipment	Other (Note 1)	Total
period						
(1) Disposal or scrap						
4. Ending balance		8,375,870.55		3,454.52	2,944.79	8,382,269.86
IV. Carrying value						
1. Ending carrying value	1,687,987,343.91	1,831,078,365.82	10,735,970.76	22,462,086.86	19,485,002.31	3,571,748,769.66
2. Beginning 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

Note 1: Fixed Assets - Other refer to cooling system and sewage treatment station of NationStar Optoelectronics and instruments and implement of Liaowang Auto Lamp.

Note 2: Changes in the original carrying value and accumulated amortization are mainly due to the addition of ancillary facilities to buildings and structures, reclassifications between investment property and fixed assets due to changes in building usage during the current period, and outward transfer of input VAT during the current period.

## (2) List of Temporarily Idle Fixed Assets

Naught.

## (3) Fixed Assets Leased out by Operation Lease

Naught.

## (4) Fixed Assets Failed to Accomplish Certification of Property

Other notes:

The Company's Fuwan Energy Saving Lamp Workshop 2, Glass Workshop 8, Glass Workshop 9, Fluorescent Lamp Workshop, Standard Workshop A, Hainan Production Base (self-use part), 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 carried forward fixed assets. As at June 30, 2025, the relevant property certificates are still in progress. The Company believes that obtaining such property certificates is not subject to any substantive legal obstacles and has no significant adverse impact on the Company's normal operations.

## (5) Impairment Test of Fixed Assets

☐Applicable ☒Not applicable

**(6) Proceeds from Disposal of Fixed Assets**

Unit: RMB

Item	Ending balance	Beginning balance
Equipment	526,992.02	459,543.24
Total	526,992.02	459,543.24

**22. Construction in Progress**

Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	293,945,488.06	263,601,705.89
Total	293,945,488.06	263,601,705.89

**(1) List of Construction in Progress**

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves	Carrying value	Carrying amount	Depreciation reserves	Carrying value
Construction in progress	295,540,307.20	1,594,819.14	293,945,488.06	265,196,525.03	1,594,819.14	263,601,705.89
Total	295,540,307.20	1,594,819.14	293,945,488.06	265,196,525.03	1,594,819.14	263,601,705.89

**(2) Changes in Significant Construction in Progress during the Reporting Period**

Unit: RMB

Name of project	Budget	Beginning balance	Increased amount	Transferred in fixed assets	Other decreased amounts	Ending balance	Proportion of accumulative investment in constructions to budget	Job schedule	Accumulative amount of interest capitalization	Of which: Amount of capitalised interests for the Reporting Period	Capitalization rate of interests for the Reporting Period	Capital resources
The Project	1,714,546.70	203,811,312.45	120,379,063.	75,605,828.61	11,187,154.31	237,397,393.	45.40%	45.40%	645,610.61			Self-financing



Name of project	Budget	Beginning balance	Increased amount	Transferred in fixed assets	Other decreased amounts	Ending balance	Proportion of accumulative investment in constructions to budget	Job schedule	Accumulative amount of interest capitalization	Of which: Amount of capitalised interests for the Reporting Period	Capitalization rate of interests for the Reporting Period	Capital resources
of the Geely Industrial Park	0.00		88			41						and borrowing
Total	1,714,546.70 0.00	203,811,312.45	120,379,063.88	75,605,828.61	11,187,154.31	237,397,393.41			645,610.61			

### (3) List of the Withdrawal of the Depreciation Reserves for Construction in Progress

Naught.

### (4) Impairment Test of Construction in Progress

☐Applicable ☒Not applicable

### (5) Engineering Materials

Naught.

### 23. Productive Living Assets

Naught.

### 24. Oil and Gas Assets

Naught.

### 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	31,539,171.10	1,096,398.96	75,471.70	32,711,041.76

Item	Houses and buildings	Machinery equipment	Other	Total
2. Increased amount of the period	1,249,716.67			1,249,716.67
(1) Leased in	1,249,716.67			1,249,716.67
3. Decreased amount of the period	1,054,446.31			1,054,446.31
(1) Disposal	1,054,446.31			1,054,446.31
4. Ending balance	31,734,441.46	1,096,398.96	75,471.70	32,906,312.12
II. Accumulated amortization				
1. Beginning balance	9,940,040.61	383,976.64	44,025.17	10,368,042.42
2. Increased amount of the period	5,099,604.70	274,099.74	18,867.90	5,392,572.34
(1) Withdrawal	5,099,604.70	274,099.74	18,867.90	5,392,572.34
3. Decreased amount of the period	994,263.36			994,263.36
(1) Disposal	994,263.36			994,263.36
4. Ending Balance	14,045,381.95	658,076.38	62,893.07	14,766,351.40
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	17,689,059.51	438,322.58	12,578.63	18,139,960.72
2. Beginning carrying value	21,599,130.49	712,422.32	31,446.53	22,342,999.34

**(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	Non-patent technology	Software	Trademark	Other (Note)	Total
I. Original carrying value							
1. Beginning 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
2. Increased amount of the period				5,001,661.27	2,950,600.00		7,952,261.27
(1) Purchase				5,001,661.27			5,001,661.27
(2) Internal R&D							
(3) Increase for business combination					2,950,600.00		2,950,600.00
3. Decreased amount of the period		1,547.17					1,547.17
(1) Disposal							
(2) Other		1,547.17					1,547.17
4. Ending balance	369,823,060.63	38,097,977.69		87,323,219.05	29,970,600.00	3,470,000.00	528,684,857.37
II. Accumulated amortization							
1. Beginning balance	72,311,396.30	25,018,656.50		33,546,324.78	1,125,833.35	144,583.35	132,146,794.28
2. Increased amount of the period	3,858,565.32	994,694.77		6,389,503.87	1,400,176.69	173,500.02	12,816,440.67
(1) Withdrawal	3,858,565.32	994,694.77		6,389,503.87	1,400,176.69	173,500.02	12,816,440.67
3. Decreased amount of the period		180.53					180.53

Item	Land use right	Patent	Non-patent technology	Software	Trademark	Other (Note)	Total
(1) Disposal							
(2) Other		180.53					180.53
4. Ending balance	76,169,961.62	26,013,170.74		39,935,828.65	2,526,010.04	318,083.37	144,963,054.42
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	293,653,099.01	12,084,806.95		47,387,390.40	27,444,589.96	3,151,916.63	383,721,802.95
2. Beginning 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

Note: Intangible Assets—"Other" mainly refers to software copyrights.

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

Naught.

## (3) Land Use Right with Certificate of Title Uncompleted

Naught.

## (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		
Foshan NationStar Optoelectronics Co., Ltd.	405,620,123.64					405,620,123.64
Nanning Liaowang Auto Lamp Co., Ltd.	16,211,469.82					16,211,469.82
Beijing Airtrust Aviation Technology Co., Ltd.		125,552.07				125,552.07
Total	421,831,593.46	125,552.07				421,957,145.53

**(2) Goodwill Impairment Provisions**

Unit: RMB

Name of the invested units or events generating goodwill	Beginning balance	Increase		Decrease		Ending balance
		Withdrawal		Disposal		
Foshan NationStar Optoelectronics Co., Ltd.	142,393,052.68					142,393,052.68
Total	142,393,052.68					142,393,052.68

**28. Long-term Prepaid Expense**

Unit: RMB

Item	Beginning balance	Increased amount	Amortization amount of the period	Other decreased amount	Ending balance
Mould	180,708,464.33	48,318,682.13	31,204,596.70	21,037,782.33	176,784,767.43
Expense on maintenance and decoration	64,783,900.72	17,911,930.93	14,674,584.46	1,723.46	68,019,523.73
Boarding box	313,010.00		103,633.88		209,376.12
Others	7,219,120.77	3,389,160.58	2,004,605.78		8,603,675.57
Total	253,024,495.82	69,619,773.64	47,987,420.82	21,039,505.79	253,617,342.85

Other notes

Other decrease amount was mainly due to 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 impairment of assets	453,198,893.30	69,193,986.12	437,165,619.65	66,540,210.84
Unrealized profit of internal transactions	47,409,166.20	7,111,374.93	67,232,648.57	10,084,897.28
Deductible loss	222,913,091.73	36,729,051.10	205,026,280.47	33,375,483.69
Depreciation of fixed assets	41,027,390.87	6,154,108.63	45,661,228.34	6,849,184.25
Accrued liabilities	26,914,403.37	4,037,160.50	27,430,683.82	4,114,602.59
Changes in the fair value of trading financial assets	368,641.02	55,296.15	636,322.31	95,448.35
Estimated expense	77,864,074.81	12,884,866.41	59,384,034.04	8,907,605.11

Lease liabilities and others	31,915,351.06	5,389,296.19	34,868,832.74	5,980,792.80
Total	901,611,012.36	141,555,140.03	877,405,649.94	135,948,224.91

**(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 from business consolidation not under the same control	146,948,206.73	22,188,702.59	151,028,108.51	22,654,216.26
Changes in fair value of other investments in equity instruments	495,142,833.72	74,271,425.06	445,258,977.65	66,788,846.65
Changes in the fair value of trading financial assets	1,043,668.13	156,550.22	736,537.65	110,480.65
One-off depreciation of fixed assets	594,843,119.81	89,226,467.98	615,396,814.10	92,309,522.12
Right-of-use assets and others	18,771,766.87	3,461,029.56	22,342,999.38	4,058,203.61
Total	1,256,749,595.26	189,304,175.41	1,234,763,437.29	185,921,269.29

**(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		141,555,140.03		135,948,224.91
Deferred income tax liabilities		189,304,175.41		185,921,269.29

**(4) List of Unrecognized Deferred Income Tax Assets**

Naught.

**(5) Deductible Losses of Unrecognized Deferred Income Tax Assets will Due in the Following Years**

Naught.

**30. Other Non-current Assets**

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves	Carrying value	Carrying amount	Depreciation reserves	Carrying value
Contract assets	467,940.84	33,626.88	434,313.96	389,288.95	20,492.17	368,796.78
Long-term assets to be disposed	165,522,692.24		165,522,692.24	103,788,056.44		103,788,056.44
Prepaid long-term assets acquisition funds	36,085,714.00		36,085,714.00	36,085,714.00		36,085,714.00
Advance payment for equipment and project	51,956,326.93		51,956,326.93	59,359,531.60		59,359,531.60
Prepayment for equity acquisition	10,000,000.00	10,000,000.00		10,000,000.00	10,000,000.00	
Others	1,161,418.97		1,161,418.97	1,163,686.77		1,163,686.77
<b>Total</b>	<b>265,194,092.98</b>	<b>10,033,626.88</b>	<b>255,160,466.10</b>	<b>210,786,277.76</b>	<b>10,020,492.17</b>	<b>200,765,785.59</b>

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	524,122,497.12	524,122,497.12	Restricted	Bill deposit,	512,340,403.99	512,340,403.99	Restricted	Bill deposit,



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
Assets			use	guarantee deposit, pre-sale house payment, etc.			use	guarantee deposit, pre-sale house payment, etc
Notes receivable	830,930,917.23	830,930,917.23	Pledge, endorsed or discounted but not yet due	Pledge of bill pool, bills receivable endorsed or discounted and not due	951,909,082.20	951,909,082.20	Pledge, endorsed or discounted but not yet due	Pledge of bill pool, bills receivable endorsed or discounted and not due
Fixed assets	348,161,016.79	207,316,221.86	Pledge	Mortgage guarantee of related parties	348,161,016.79	211,977,100.96	Pledge	Mortgage guarantee of related parties
Intangible assets	15,551,408.00	10,263,929.82	Pledge	Mortgage guarantee of related parties	15,551,408.00	10,341,686.87	Pledge	Mortgage guarantee of related parties
Accounts receivable financing	7,600,759.79	7,600,759.79	Pledged	Pledge of bill pool	25,328,943.24	25,328,943.24	Pledged	Pledge of bill pool
Other non-current assets	663.57	663.57	Frozen	Frozen funds	2,931.37	2,931.37	Frozen	Frozen funds
Other debt investments					103,309,041.10	103,309,041.10		Frozen large-denomination certificates of deposit
Total	1,726,367,262.50	1,580,234,989.39			1,956,602,826.69	1,815,209,189.73		

## 32. Short-term Borrowings

### (1) Category of Short-term Borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Pledged loans		39,850,000.00
Mortgage loans	8,000,000.00	28,000,000.00
Credit borrowings	177,042,562.45	234,995,981.93
Acceptance bill discount	14,556,611.51	4,282,836.39
Interest from short-term borrowings		12,329.17
Total	199,599,173.96	307,141,147.49

Note of the category for short-term loans:

Notes discounted but not yet due at the end of the period do not meet the conditions for derecognition. Therefore, they are recognized as short-term borrowings.

### (2) List of the Short-term Borrowings Overdue but not Returned

Naught.

## 33. Trading Financial Liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Held-for-trading financial liabilities		275,250.00
Including:		
Other		275,250.00
Total		275,250.00

## 34. Derivative Financial Liabilities

Naught.

**35. Notes Payable**

Unit: RMB

Category	Ending balance	Beginning balance
Bank acceptance bill	1,781,207,077.08	1,930,784,817.62
Total	1,781,207,077.08	1,930,784,817.62

The total amount of the due but not paid notes payable at the end of the period was of RMB0.00.

**36. Accounts Payable****(1) List of Accounts Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Accounts payable	2,765,954,401.30	2,781,965,096.70
Total	2,765,954,401.30	2,781,965,096.70

**(2) Significant Accounts Payable Aging over One Year or Overdue**

Unit: RMB

Item	Ending balance	Reason for not repayment or carry-over
Unit A	81,073,448.55	It has not reached the settlement period
Total	81,073,448.55	

**37. Other Payables**

Unit: RMB

Item	Ending balance	Beginning balance
Dividends payable	188,359,258.07	
Other payables	480,976,630.56	495,717,050.97
Total	669,335,888.63	495,717,050.97

**(1) Interest Payable**

Naught.

**(2) Dividends Payable**

Unit: RMB

Item	Ending balance	Beginning balance
Ordinary share dividends	184,293,387.60	
Other	4,065,870.47	
Total	188,359,258.07	

**(3) Other Payables****1) Other Payables Listed by Nature**

Unit: RMB

Item	Ending balance	Beginning balance
Transaction amount	208,201,244.02	208,777,778.90
Performance bond	85,303,654.73	96,583,554.73
Relevant expense of sales	79,290,940.23	87,551,768.43
Payments for demolition	34,831,884.30	34,898,417.30
Payment for equity transfer	16,366,572.00	16,366,572.00
Others	56,982,335.28	51,538,959.61
Total	480,976,630.56	495,717,050.97

**2) Significant Other Accounts Payable Aging over One Year or Overdue**

Unit: RMB

Item	Ending balance	Reason for not repayment or carry-over
Unit A	79,046,577.48	It has not reached the settlement period
Total	79,046,577.48	

**38. Advances from Customers****(1) List of Advances from Customers**

Unit: RMB

Item	Ending balance	Beginning balance
Advance payments received	265,779.84	163,623.85
Land reserve payment	13,367,850.30	13,367,850.30
Total	13,633,630.14	13,531,474.15

**(2) Significant Advances from Customers Aging over One Year or Overdue**

Naught.

**39. Contract Liability**

Unit: RMB

Item	Ending balance	Beginning balance
Advances on sales	142,244,278.82	119,506,301.48
Total	142,244,278.82	119,506,301.48

Significant contract liabilities aging over one year: Naught.

**40. Payroll Payable****(1) List of Payroll Payable**

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
I. Short-term salary	200,892,219.93	682,061,966.06	714,249,652.25	168,704,533.74
II. Post-employment benefit-defined contribution plans	1,620,912.77	71,397,561.93	71,302,971.74	1,715,502.96
III. Termination benefits	12,137,955.76	2,921,356.41	9,431,301.03	5,628,011.14
Total	214,651,088.46	756,380,884.40	794,983,925.02	176,048,047.84

**(2) List of Short-term Salary**

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Salary, bonus, allowance, subsidy	197,310,106.14	592,022,731.39	623,904,434.50	165,428,403.03
2. Employee welfare	39,061.65	33,286,660.66	33,292,052.71	33,669.60
3. Social insurance	662,261.81	29,115,632.55	29,176,810.23	601,084.13
Of which: Medical insurance premiums	566,202.62	26,359,592.93	26,423,567.44	502,228.11
Work-related injury insurance	96,059.19	2,756,039.62	2,753,242.79	98,856.02
4. Housing fund	509,881.17	21,867,279.88	21,778,251.34	598,909.71
5. Labor union budget and employee education budget	2,370,909.16	5,769,661.58	6,098,103.47	2,042,467.27
Total	200,892,219.93	682,061,966.06	714,249,652.25	168,704,533.74

**(3) List of Defined Contribution Plans**

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
1. Basic pension benefits	1,165,716.90	65,724,442.96	65,684,954.97	1,205,204.89
2. Unemployment insurance	37,636.78	2,648,111.22	2,646,728.33	39,019.67
3. Annuity	417,559.09	3,025,007.75	2,971,288.44	471,278.40
Total	1,620,912.77	71,397,561.93	71,302,971.74	1,715,502.96

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
VAT	22,061,381.45	20,024,672.48
Corporate income tax	38,596,999.98	70,202,563.56
Personal income tax	1,885,724.05	10,342,055.07
City maintenance and construction tax	2,128,620.26	1,622,938.34
Property tax	8,056,557.86	1,631,337.72
Land use tax	2,412,804.10	313,705.15
Stamp tax	1,437,782.97	1,757,727.88
Education surcharge	1,098,284.53	695,000.38
Local education surcharge	602,863.68	458,383.14
Others	392,113.13	36,776.67
Total	78,673,132.01	107,085,160.39

#### 42. Liabilities Held for sale

Naught.

#### 43. Non-current Liabilities Due within One Year

Unit: RMB

Item	Ending balance	Beginning balance
Current portion of long-term borrowings	146,435,517.57	112,386,714.93
Current portion of lease liabilities	8,514,743.95	8,188,073.88
Total	154,950,261.52	120,574,788.81

**44. Other Current Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
Reversed notes that are endorsed and undue	383,377,930.48	368,196,176.60
Endorsed but not yet terminated recognition	1,050,000.00	1,050,000.00
Pending changeover output VAT and others	10,331,350.17	7,910,035.80
Total	394,759,280.65	377,156,212.40

**45. Long-term Borrowings****(1) Category of Long-term Borrowings**

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage loans	38,731,836.84	39,680,861.51
Credit borrowings	239,143,868.34	295,287,783.96
Less: Current portion of long-term borrowings	146,435,517.57	112,386,714.93
Total	131,440,187.61	222,581,930.54

**46. Bonds Payable**

Naught.

**47. Lease Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
Leasing liabilities	21,685,561.49	25,185,296.61
Less: Unrecognized financing expenses	1,790,044.91	1,973,229.62



Less: current portion of lease liabilities	8,514,743.95	8,188,073.88
Total	11,380,772.63	15,023,993.11

Other notes:

Analysis of maturity fate of lease liabilities

Item	Ending balance	Beginning balance
One to two years	6,743,657.94	7,538,905.81
Three to five years	2,261,917.77	4,826,977.55
Over five years	2,375,196.92	2,658,109.75
Total	11,380,772.63	15,023,993.11

#### 48. Long-term Accounts Payable

Naught.

#### 49. Long-term Employee Benefits Payable

Naught.

#### 50. Provisions

Unit: RMB

Item	Ending balance	Beginning balance	Formed reason
Pending litigation		2,110,312.84	Contract dispute
Product quality assurance	26,914,403.37	25,320,370.98	Provision for product quality guarantee expenses
Total	26,914,403.37	27,430,683.82	

#### 51. Deferred Income

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance	Formed reason
Government	73,739,179.94	31,526,945.90	13,777,235.43	91,488,890.41	Government

grants					allocations
Total	73,739,179.94	31,526,945.90	13,777,235.43	91,488,890.41	

Other notes:

Unit: RMB

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 income
Government grants related to assets	68,183,747.38	27,697,519.13		9,681,661.12			86,199,605.39	
Small-pitch LED Packaging Technology Innovation for Display and Key Packaging Equipment Technology Transformation Project	9,322,107.78	9,444,242.88		1,619,089.44			17,147,261.22	Related to assets
Technology Renovation Project for the Production Line of Micro and Flip-chip LED Chips.	2,001,695.76	12,225,583.00		862,079.46			13,365,199.30	Related to assets
Government Subsidy for Annual Fixed Asset Investment in Advanced Manufacturing and Oil & Gas Extraction Projects	8,677,987.50			222,512.52			8,455,474.98	Related to assets
Small-pitch and Outdoor LED Display Device Expansion Project and Technical Transformation Project	10,003,945.76			2,032,275.84			7,971,669.92	Related to assets
The Project of the Innovation in Packaging Technology and Technological Transformation of Key Packaging Equipment of LEDs with High Color Rendering Index for Illumination	6,052,565.77			785,363.70			5,267,202.07	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 income
The Second Batch of Ultra-long-term Special Government Bond Project Subsidies for 2024.	5,162,500.00			262,500.00			4,900,000.00	Related to assets
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	1,600,000.00		159,660.04			2,640,339.96	Related to assets
Equipment subsidy for Gaozhou Production Base Construction Project		2,504,336.13		22,407.54			2,481,928.59	Related to assets
Intelligent Technology Reform Project of LED Packaging Workshop in Geely Industrial Park (Phase I)	620,755.00	1,683,357.12					2,304,112.12	Related to assets
2023 Automotive Lamp Production Digitalization Workshop Technology Improvement Project	2,129,000.00			123,000.00			2,006,000.00	Related to assets
Research on the Third-generation Semiconductor Power Device and Module Packaging Technology	1,871,395.37			167,493.66			1,703,901.71	Related to assets
The First Batch of 2022 Special Funds for Industrial Technological Transformation by the Finance Bureau of Liang Jiang New Area	1,792,000.00			128,000.00			1,664,000.00	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 income
The Second Batch of Support Funds for the “Technological Transformation of Thousands of Enterprises” in the Guangxi Zhuang Autonomous Region for 2021	1,366,666.54			100,000.02			1,266,666.52	Related to assets
The Project of Resource Conservation and Environmental Protection	1,425,234.20			343,999.98			1,081,234.22	Related to assets
The 2019 Second Batch of Special Funds of RMB3 million for the Industrial and Information Development of the City	1,200,000.00			150,000.00			1,050,000.00	Related to assets
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	966,666.97			199,999.98			766,666.99	Related to assets
The Project of the First Batch of Support Funds for Enterprises in Liuzhou City for 2017 for Liuzhou Guige	900,000.00			150,000.00			750,000.00	Related to assets
Research and Development and Industrialization Project of Potassium Nitride-based Rf Devices in the Field of Next Generation Mobile Communication	743,787.06			56,798.76			686,988.30	Related to assets
The 2019 14th Batch of Industrial Support Funds of RMB1.5 million	600,000.00			75,000.00			525,000.00	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 income
The First Batch of Special Funds for Small and Medium-sized Enterprises in 2022	490,000.00			35,000.00			455,000.00	Related to assets
2021 Automotive Industry Enterprise Intelligent Transformation and Upgrading Project Funding	419,333.18			34,000.02			385,333.16	Related to assets
Liuzhou Guige's Third Batch of Guangxi Innovation-driven Development Special Asset Projects in 2018	424,000.00			48,000.00			376,000.00	Related to assets
Liuzhou Guige 2017 Liudong New District Enterprise Potential Development and Renovation Fund	450,000.00			75,000.00			375,000.00	Related to assets
Project Funds from the Liuzhou High-tech Industrial Development Zone Management Committee	384,000.16			31,999.98			352,000.18	Related to assets
Guangdong Provincial Semiconductor Microdisplay Enterprise Key Laboratory (2020)	359,125.20			37,718.70			321,406.50	Related to assets
Research and Development and Industrialization of Multi-mode Low-power Wide-area IoT Node Chips and Packaging Technologies Based on NB-IoT	323,894.00			18,915.90			304,978.10	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 income
Others	9,297,087.13	240,000.00		1,940,845.58			7,596,241.55	Related to assets
Government grants related to income	5,555,432.56	3,829,426.77		4,095,574.31			5,289,285.02	
Research Project on Key Technologies of the Third Generation of High Efficiency and Frequency Semiconductor Electronic Power Module	1,639,002.82			33,235.86			1,605,766.96	Related to income
The Research on the Key Technology of 4K/8K Full-color Micro-LED Displays with Ultra High Definition (UHD)	1,344,000.00						1,344,000.00	Related to income
The Research on Full-colour and Integrated Packaging of Micro-LED Display with High Brightness and Contrast	990,013.59			59,918.46			930,095.13	Related to income
MDL Project	840,000.00						840,000.00	Related to income
Others	742,416.15	3,829,426.77		4,002,419.99			569,422.93	Related to income

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 income
<b>Total</b>	73,739,179.94	31,526,945.90		13,777,235.43			91,488,890.41	



**52. Other Non-current Liabilities**

Unit: RMB

Item	Ending balance	Beginning balance
Pending changeover output VAT	174,986.26	174,986.26
Other	663.57	2,931.37
Total	175,649.83	177,917.63

**53. Share Capital**

Unit: RMB

	Beginning balance	Increase/decrease (+/-)					Ending balance
		New issues	Bonus shares	Bonus issue from profit	Others	Sub-total	
Total shares	1,548,778,230.00				- 13,000,000.00	- 13,000,000.00	1,535,778,230.00

Note: Other refers to the Company's cancellation of 13 million A-shares held in the repurchase special securities account on January 10, 2025, with a corresponding reduction in registered capital. Following this cancellation, the Company's total share capital changed from 1,548,778,230 shares to 1,535,778,230 shares.

Other notes:

Unit: RMB

Item/Investor	Beginning balance		Increase	Decrease	Ending balance	
	Invested amount	Proportion			Invested amount	Proportion
Restricted shares	57,295,457.00	3.70%		46,796,039.00	10,499,418.00	0.68%
Unrestricted shares	1,491,482,773.00	96.30%	46,796,039.00	13,000,000.00	1,525,278,812.00	99.32%
Total	1,548,778,230.00	100.00%	46,796,039.00	59,796,039.00	1,535,778,230.00	100.00%

**54. Other Equity Instrument**

Naught.

**55. Capital Reserves**

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Capital premium (premium on stock)	907,090,354.12		70,818,369.76	836,271,984.36
Other capital reserves	7,245,971.54			7,245,971.54
Total	914,336,325.66		70,818,369.76	843,517,955.90

Other notes, including a description of the increase or decrease for the current period and the reasons for the change:

Capital premium (premium on stock) decreased by RMB 70,818,369.76 in the current period, which were mainly due to

1. The Company cancelled its stock shares on January 10, 2025, resulting in a RMB 69,165,144.15 decrease in the capital reserve;
2. The acquisition of non-controlling interests in the majority-owned subsidiary Haolaite, resulting in a RMB 1,653,225.61 decrease in the capital reserve.

**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	

Other notes, including a description of the increase or decrease for the current period and the reasons for the change:

Decrease in treasury shares (A-shares) by RMB 82,165,144.15 during the current period is attributable to the Company's cancellation of 13 million A-shares held in the repurchase special securities account on January 10, 2025, with a corresponding reduction in registered capital.

**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	383,442,631.00	252,097,724.56		171,881,788.23	37,814,658.68	42,401,277.65		425,843,908.65
Changes in fair value of other investments in equity instruments	383,442,631.00	252,097,724.56		171,881,788.23	37,814,658.68	42,401,277.65		425,843,908.65
II. Other comprehensive income that may be reclassified to profit or loss	-13,475.98	-791,293.24				-447,357.83	-343,935.41	-460,833.81
Differences arising from translation of foreign currency-denominated financial statements	-13,475.98	-791,293.24				-447,357.83	-343,935.41	-460,833.81
Total of other comprehensive income	383,429,155.02	251,306,431.32		171,881,788.23	37,814,658.68	41,953,919.82	-343,935.41	425,383,074.84

Other notes, including the note to the adjustment of the initial recognition amount of hedged item transferred from the effective gain/loss on cash flow hedges:

Naught.

## 58. Specific Reserve

Unit: RMB

Item	Beginning balance	Increase	Decrease	Ending balance
Production safety reserve	4,782,061.20	11,812,685.82	11,107,676.00	5,487,071.02
Total	4,782,061.20	11,812,685.82	11,107,676.00	5,487,071.02

Other notes, including a description of the increase or decrease for the current period and the reasons for the 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* (C.Z. [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 reserve	108,417,252.01	17,188,178.82		125,605,430.83
Discretionary surplus reserve	41,680,270.96			41,680,270.96
Total	150,097,522.97	17,188,178.82		167,285,701.79

Notes including changes and reasons thereof:

The increase in surplus reserve by RMB 17,188,178.82 during the current period is attributable to the disposal of equity securities classified as investments in other equity instruments, whereby the cumulative fair value changes previously recognized in other comprehensive income were transferred to retained earnings, with simultaneous allocation to surplus reserve.

## 60. Retained Profits

Unit: RMB

Item	Reporting Period	Same period of last year
Beginning balance of retained earnings before adjustments	3,655,046,154.57	3,435,308,364.11

Item	Reporting Period	Same period of last year
Beginning balance of retained earnings after adjustments	3,655,046,154.57	3,435,308,364.11
Add: Net profit attributable to owners of the Company as the parent	114,993,752.24	446,184,021.97
Less: Withdrawal of statutory surplus reserves		42,152,843.91
Dividend of ordinary shares payable	184,293,387.60	184,293,387.60
Add: Other (Note)	154,693,609.41	
Ending retained earnings	3,740,440,128.62	3,655,046,154.57

Note: It refers to the transfer of cumulative fair value changes previously recognized in other comprehensive income to retained earnings upon sales of shares during the current period.

List of adjustment of beginning retained earnings:

- (1) RMB0.00 beginning retained profits was affected by retrospective adjustment conducted according to the *Accounting Standards for Business Enterprises* and relevant new regulations.
- (2) RMB0.00 beginning retained earnings was affected by 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 of sales	Operating revenue	Cost of sales
Main operations	4,185,528,329.95	3,379,096,211.37	4,641,840,263.11	3,770,172,987.42
Other operations	200,202,789.83	186,224,345.31	142,705,504.31	100,078,120.59
Total	4,385,731,119.78	3,565,320,556.68	4,784,545,767.42	3,870,251,108.01

Breakdown information of operating revenue and cost of sales:

Unit: RMB

Category of contracts	Total	
	Operating revenue	Cost of sales
Business type	4,385,731,119.78	3,565,320,556.68
Of which:		
General lighting products	1,555,797,106.24	1,142,860,150.29
LED packaging and component products	1,138,917,060.61	944,141,765.80
Vehicle lamp products	1,013,526,856.90	833,677,921.36
Trade and other products	677,490,096.03	644,640,719.23
By operating places		
Of which:		
Domestic	3,419,449,003.11	2,742,697,709.96
Overseas	966,282,116.67	822,622,846.72
Total	4,385,731,119.78	3,565,320,556.68

Information related to transaction value assigned to residual performance obligations:

The amount of revenue corresponding to performance obligations that have been contracted but not yet performed or not completed at the end of the Reporting Period was RMB221,676,101.25.

## 62. Taxes and Surtaxes

Unit: RMB

Item	Reporting Period	Same period of last year
Urban maintenance and construction tax	9,073,146.40	11,477,398.90
Education surcharge	4,078,286.18	5,817,380.58
Property tax	12,564,073.03	12,240,976.04
Land use tax	2,949,828.19	1,862,982.54
Vehicle and vessel use tax	9,346.88	11,539.44

Item	Reporting Period	Same period of last year
Stamp duty	3,884,049.49	4,090,236.94
Local education surcharge	2,594,481.89	2,386,760.07
Environmental protection tax	33,538.16	19,936.01
Others	8,691.96	9,728.71
Total	35,195,442.18	37,916,939.23

### 63. Administrative Expense

Unit: RMB

Item	Reporting Period	Same period of last year
Employee benefits	131,837,173.33	130,927,710.77
Depreciation charge	45,950,398.92	39,408,441.47
Office expenses	13,106,605.91	18,519,960.05
Amortization of intangible assets	5,039,291.89	4,114,485.79
Engineering decoration cost	3,561,866.59	4,801,504.22
Intermediary agency engagement fee	3,523,533.02	5,246,590.63
Utilities	3,483,871.72	3,149,472.00
Rent of land and management charge	3,044,193.90	4,141,330.16
Labor cost	2,184,951.46	2,666,214.20
Security fund for the disabled		30,023.52
Others	12,269,692.81	13,327,229.70
Total	224,001,579.55	226,332,962.51

**64. Selling Expense**

Unit: RMB

Item	Reporting Period	Same period of last year
Employee benefits	76,018,915.08	72,432,535.06
Business propagandizing fees and advertising fees	59,495,362.31	53,863,531.30
Sales promotion fees	11,457,954.80	6,294,529.20
Office expenses	6,887,070.56	6,876,969.60
Business travel charges	5,779,947.18	5,507,517.26
Commercial insurance premium	2,471,904.93	3,232,729.39
Others	20,780,917.17	19,009,986.09
<b>Total</b>	<b>182,892,072.03</b>	<b>167,217,797.90</b>

**65. Development Costs**

Unit: RMB

Item	Reporting Period	Same period of last year
Personnel and labor costs	145,282,615.31	126,235,339.99
Direct investment expenses	81,124,028.88	82,440,945.66
Depreciation expenses and long-term prepaid expenses	25,237,404.37	22,649,859.13
Cost of outsourcing external R&D	3,418,767.96	3,917,155.30
Amortization charge of intangible assets	20,760.96	28,166.42
Design fees	12,264.15	1,696,516.00
Other Fees	12,573,757.90	23,197,968.13
<b>Total</b>	<b>267,669,599.53</b>	<b>260,165,950.63</b>

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 Cost

Unit: RMB

Item	Reporting Period	Same period of last year
Interest costs	8,116,483.14	11,047,212.70
Less: Interest income	20,148,088.69	25,938,447.85
Foreign exchange gains or losses	-2,889,508.01	-17,140,676.80
Handling charge and others	-2,196,542.61	1,425,667.21
Total	-17,117,656.17	-30,606,244.74

## 67. Other Income

Unit: RMB

Sources	Reporting Period	Same period of last year
The Deductible Input Tax for Advanced Manufacturing Enterprises	19,970,901.49	30,052,926.81
The Projects of the Production Expansion and Technological Transformation of Components of Small-spacing and Outdoor LED Displays	4,561,671.74	2,032,275.84
VAT refunded as soon as it is levied	3,514,199.48	
Manufacturing Operation Management MOM Software Research Project for NationStar Manufacturing Scenarios	1,420,000.00	
CAE software Research Project for Multi-physics Field Coupling Simulation of NationStar LED Products	1,206,700.00	1,890,966.85
National Manufacturing Single Champion Award	1,200,000.00	
Social insurance subsidies	1,032,640.64	67,954.64
The “Strong Start” Economic Initiative for Q1 by Nanning New and High-tech Industrial Development Zone	1,010,000.00	

Sources	Reporting Period	Same period of last year
Manufacturing Operation Management MOM Prototype Software Research Project for NationStar Manufacturing Scenarios	933,200.00	1,880,000.00
The Tax Incentives for the Poor	864,650.00	5,435,946.87
Technology Renovation Project of Mini and Flip-chip LED Chip Production Lines	862,079.46	
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	785,363.70	785,363.70
Return of handling charges for withholding and remittance	581,015.09	479,040.08
LED Technology for Efficient Cultivation in Modern Agriculture and Its Demonstrative Application	455,981.82	143,251.56
Funds for New Industrialization from the Autonomous Region	430,000.00	
Enterprise R&D Reward and Subsidy	403,326.00	
The Project of Resource Conservation and Environmental Protection	343,999.98	671,246.82
The Subsidy for Metal-organic Chemical Vapor Deposition (MOCVD)		4,800,912.92
The Research on the Key Technology of 4K/8K Full-color Micro-LED Displays with Ultra-High Definition (UHD)		2,911,576.13
Support Fund for the Digital Intelligent Transformation of the Manufacturing Industry		592,548.00
Small-pitch LED Packaging Technology Innovation for Display and Key Packaging Equipment Technology Transformation Project		548,355.48
Chancheng District Government Quality Award		500,000.00
Reward Funds for Smart Factory Demonstration Enterprises and Digital Workshops		500,000.00
Epitaxial Growth and Chip Fabrication Techniques for High-Performance Deep Ultraviolet LED		400,000.00

Sources	Reporting Period	Same period of last year
Quality Management Maturity Level 5A Enterprise Bonus		400,000.00
Incentive for standard products of Foshan City		360,000.00
Others	5,669,403.05	5,699,047.49
Total	45,245,132.45	60,151,413.19

#### 68. Net Gain on Exposure Hedges

Naught.

#### 69. Gains from Changes in Fair Value

Unit: RMB

Sources	Reporting Period	Same period of last year
Financial assets held for trading	345,894.65	-601,447.40
Total	345,894.65	-601,447.40

#### 70. Investment Income

Unit: RMB

Item	Reporting Period	Same period of last year
Long-term equity investment income accounted by equity method	646,719.77	1,444,720.72
Investment income from disposal of trading financial assets	420,703.90	2,911,077.39
Dividend income from holding of other equity instrument investment	9,727,720.67	19,990,672.99
Interest income of investment in other debt obligations during holding period	15,294,849.67	13,671,028.14
Investment income from financial products and structural deposits	1,357,081.83	

Item	Reporting Period	Same period of last year
Total	27,447,075.84	38,017,499.24

**71. Credit Impairment Loss**

Unit: RMB

Item	Reporting Period	Same period of last year
Bad debt loss on notes receivable	-1,082,149.07	-266,311.20
Bad debt loss on accounts receivable	-10,120,936.33	-37,243,385.45
Bad debt loss on other receivables	-898,410.29	-761,111.93
Total	-12,101,495.69	-38,270,808.58

**72. Asset Impairment Loss**

Unit: RMB

Item	Reporting Period	Same period of last year
I. Loss on inventory valuation and contract performance cost	-22,345,101.18	-29,752,322.32
XI. Loss on impairment of contract Assets	550,205.94	808,278.52
XII. Others	-629,976.09	-8,014,761.09
Total	-22,424,871.33	-36,958,804.89

**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	-64,693.00	-99,108.79
Total	-64,693.00	-99,108.79

**74. Non-operating Income**

Unit: RMB

Item	Reporting Period	Same period of last year	Amount recorded in the current non-recurring profit or loss
Income from scrap of non-current assets	19,461.06	320,853.22	19,461.06
Of which: income from scrap of fixed assets	19,461.06	320,853.22	19,461.06
Income from default money	202,108.27	1,460,120.49	202,108.27
Confiscated income	32,100.00	54,273.27	32,100.00
Others	1,859,646.02	1,219,612.57	1,859,646.02
Total	2,113,315.35	3,054,859.55	2,113,315.35

**75. Non-operating Expense**

Unit: RMB

Item	Reporting Period	Same period of last year	Amount recorded in the current non-recurring profit or loss
External donation	30,000.00		30,000.00
Losses from damage and scrap of non-current assets	2,371.68	156,010.36	2,371.68
Of which: Loss on disposal of fixed assets	2,371.68	156,010.36	2,371.68
Penalty and fine for delaying payment	795,772.15	204,491.05	795,772.15
Others	1,259,051.77	125,716.02	1,259,051.77
Total	2,087,195.60	486,217.43	2,087,195.60

**76. Income Tax Expense****(1) List of Income Tax Expense**

Unit: RMB

Item	Reporting Period	Same period of last year
Current income tax expense	26,724,735.72	31,645,407.23
Deferred income tax expense	-8,405,922.80	-7,013,025.11
Total	18,318,812.92	24,632,382.12

**(2) Adjustment Process of Accounting Profit and Income Tax Expense**

Unit: RMB

Item	Reporting Period
Profit before taxation	166,242,688.65
Current income tax expense accounted at statutory/applicable tax rate	24,936,403.30
Influence of applying different tax rates by subsidiaries	-682,404.70
Influence of income tax before adjustment	9,763,870.79
Influence of non-taxable income	-2,313,090.68
Influence of non-deductible costs, expenses and losses	3,601,618.95
The effect of using deductible losses of deferred income tax assets that have not been recognized in the previous period	-6,265,165.00
Influence of unrecognized deductible temporary differences and deductible losses	7,808,743.76
Impact of additional deduction of R&D expenses	-17,706,682.23
Other	-824,481.27
Income tax expenses	18,318,812.92

**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
Margin	11,435,215.76	22,370,050.64
Deposit interest	16,644,598.41	22,332,393.90
Income from subsidy	37,237,015.27	20,458,063.38
Income from waste	9,810,965.91	14,076,991.86
Rental income from property and equipment, utility	2,207,358.66	2,272,907.82
Others	21,134,864.94	37,878,011.81
Total	98,470,018.95	119,388,419.41

Notes to cash generated from operating activities:

Naught.

Cash used in other investing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Administrative expense paid in cash	72,987,101.29	61,546,270.39
Selling expense paid in cash	49,217,298.77	46,645,367.15
Finance costs paid in cash	6,712,280.00	1,012,751.95
Cash deposit	13,458,767.82	52,147,104.25
Others	72,633,074.40	31,406,796.05
Total	215,008,522.28	192,758,289.79

Notes to cash used in other operating activities:

Naught

## (2) Cash Related to Investing Activities

Cash generated from other investing activities

Item	Reporting Period	Same period of last year
Proceeds from foreign exchange settlement	215,850.00	
Reclassification of net cash paid for acquisition of subsidiaries	22,826,907.16	
Total	23,042,757.16	

Significant cash received related to investing activities:

Naught.

Cash used in other investing activities:

Naught.

Significant cash used related to investing activities:

Naught.

## (3) Cash Related to Financing Activities

Cash generated from other financing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Recapture margin	35,675,972.28	7,224,809.91
Total	35,675,972.28	7,224,809.91

Notes to cash generated from other financing activities:

Naught.

Cash used in other financing activities

Unit: RMB

Item	Reporting Period	Same period of last year
Payment for cash deposit of bank acceptance bills	14,576,319.88	10,803,556.41
Payment for financing	1,090,901.93	211,897.22



intermediary fees, etc		
Others	816,798.83	485,855.80
<b>Total</b>	<b>16,484,020.64</b>	<b>11,501,309.43</b>

Notes to cash used in other financing activities:

Naught.

Changes in liabilities arising from financing activities

☒Applicable ☐ Not applicable

Unit: RMB

Item	Beginning balance	Increase		Decrease		Ending balance
		Cash	Non-cash	Cash	Non-cash	
Short-term borrowings	307,141,147.49	62,556,611.51	58,226.88	125,929,392.21	44,227,419.71	199,599,173.96
Long-term loans	222,581,930.54	1,211,392.56	56,115,823.33	58,706,402.73	89,762,556.09	131,440,187.61
Other payables - equity transfer payments	5,000,000.00					5,000,000.00
Non-current liabilities due within one year	120,574,788.81		94,941,196.02		60,565,723.31	154,950,261.52
Leasing liabilities	15,023,993.11		5,029,867.67	4,029,890.75	4,643,197.40	11,380,772.63
<b>Total</b>	<b>670,321,859.95</b>	<b>63,768,004.07</b>	<b>156,145,113.90</b>	<b>188,665,685.69</b>	<b>199,198,896.51</b>	<b>502,370,395.72</b>

#### (4) Explanation for Presentation of Cash Flows on a Net Basis

Naught.

#### (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 2025, the Company and its subsidiaries received RMB 1,757.7021 million in various types of acceptance bills issued and endorsed by customers, and RMB1,073.63 million in various types of acceptance bills endorsed and

transferred to suppliers. In addition, the Company and its subsidiaries received a total of RMB 168.0125 million 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	Reporting Period	Same period of last year
1. Reconciliation of net profit to net cash generated from/used in operating activities:		
Net profit	147,923,875.73	253,442,256.65
Add: Provision for impairment of assets	34,526,367.02	75,229,613.47
Depreciation of fixed assets, oil-gas assets, and productive living assets	271,632,208.57	263,094,158.49
Depreciation of right-of-use assets	5,392,572.34	4,097,193.56
Amortization of intangible assets	12,719,631.55	10,549,312.38
Amortization of long-term deferred expenses	47,987,420.82	79,925,639.97
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains: negative)	64,693.00	99,108.79
Losses from scrapping of fixed assets (gains: negative)	-17,089.38	-164,842.86
Losses from changes in fair value (gains: negative)	-345,894.65	601,447.40
Finance costs (gains: negative)	3,163,870.70	-6,093,464.10
Investment loss (gains: negative)	-27,447,075.84	-38,017,499.24
Decrease in deferred income tax assets (increase: negative)	-3,720,364.18	-18,244,273.75
Increase in deferred income tax liabilities ("-" for decrease)	-4,685,558.62	-4,067,382.64
Decrease in inventory ("-" for increase)	-21,335,937.11	227,917,770.99
Decrease in operating receivables ("-" for	-316,641,457.57	-250,051,969.33

Supplemental information	Reporting Period	Same period of last year
increase)		
Increase in operating payables (“-” for decrease)	-140,077,259.25	-219,105,024.82
Others	705,009.82	5,380,999.65
Net cash generated from/used in operating activities	9,845,012.95	384,593,044.61
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	2,545,828,784.72	2,687,757,730.67
Less: Beginning balance of cash	2,684,382,020.41	3,101,252,943.88
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-138,553,235.69	-413,495,213.21

**(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	22,500,000.00
Including:	
Beijing Airtrust Aviation Technology Co., Ltd.	22,500,000.00

Less: Cash and cash equivalents held by subsidiary at the acquisition date	45,326,907.16
Including:	
Beijing Airtrust Aviation Technology Co., Ltd.	45,326,907.16
Including:	
Amounts reclassified to “Cash generated from other investing activities” (Note)	22,826,907.16
Net cash paid for acquisition of subsidiaries	

Note: In the capital increase of Beijing Airtrust during the year, the net amount of cash or cash equivalents paid for business combinations during the current period minus the cash and cash equivalents held by the subsidiary on the date of acquisition was negative. Therefore, the amount has been reclassified to the “Cash generated from other investing activities” item for presentation purposes.

### (3) Net Cash Received from Disposal of the Subsidiaries

Naught.

### (4) Cash and Cash Equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	2,545,828,784.72	2,684,382,020.41
Including: Cash on hand	78,888.57	40,535.66
Bank deposits available on demand	2,416,824,912.95	2,680,618,712.62
Other monetary assets on demand	128,924,983.20	3,722,772.13
III. Ending balance of cash and cash equivalents	2,545,828,784.72	2,684,382,020.41

### (5) Presentation of Cash and Cash Equivalents that Are Subject to Certain Restrictions on Their Usage

Naught.

### (6) Monetary Funds Other than Cash and Cash Equivalents

Unit: RMB

Item	Reporting Period	Same period of last year	Reason for not classifying the item as cash and cash equivalents
Bill deposit, guarantee deposit, pre-sale house payment, etc	524,122,497.12	492,360,246.76	Specific purpose
To-be-received interest	14,468,117.34	11,490,996.27	Interest receivable on undue bank deposits and term deposits as at the end of the Reporting Period
Total	538,590,614.46	503,851,243.03	

### (7) Notes on Other Significant Activities

Naught.

### 80. Notes to Items of the Statements of Changes in Owners' Equity

Notes to names under the item of "Other" in the adjusted ending balance for the same period of last year and the corresponding amount:

Naught.

### 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			367,309,187.45
Including: USD	44,550,940.34	7.1586	318,922,361.52
EUR	153,393.47	8.4024	1,288,873.29
HKD	51,815.60	0.91195	47,253.24
IDR	57,989,708,959.98	0.000443	25,689,441.07
THB	97,238,065.96	0.21968	21,361,258.33
Accounts receivable			337,018,218.95
Including: USD	46,423,417.64	7.1586	332,326,677.52

Item	Ending foreign currency balance	Exchange rate	Ending balance converted to RMB
EUR	380,323.79	8.4024	3,195,632.61
HKD			
IDR	3,376,769,338.96	0.000443	1,495,908.82
Long-term borrowings			
Including: USD			
EUR			
HKD			
Other receivables			553,770.29
Of which: USD	3,707.19	7.1586	26,538.29
THB	2,400,000.00	0.21968	527,232.00
Accounts payable			15,390,058.91
Including: USD	1,605,671.68	7.1586	11,494,361.29
EUR	213,470.59	8.4024	1,793,665.29
IDR	4,744,993,974.50	0.000443	2,102,032.33
Other current assets			66,446.83
Of which: IDR	149,992,849.76	0.000443	66,446.83

**(2) Notes to Overseas Entities Including: for Significant Overseas 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. Leases

**(1) The Company Served as the Lessee:**

☒Applicable ☐ Not applicable

Item	Amount
------	--------

Item	Amount
Simplified short-term lease charges recognized in the cost of the related assets or in current profit or loss	1,197,410.44
Total cash outflows related to leases	3,988,335.90

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

Naught.

## (2) The Company Served as the Lessor:

Operating leases with the Company as lessor

☒Applicable ☐ Not applicable

Unit: RMB

Item	Lease income	Of which: income related to variable lease payments not included in lease receipts
House lease and others	9,208,133.08	0.00
Total	9,208,133.08	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

Naught.

## (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

Naught.

**84. Others**

Naught.

**VIII. Research and Development Expenses**

Unit: RMB

Item	Reporting Period	Same period of last year
Personnel and labor costs	145,282,615.31	126,235,339.99
Direct investment expenses	81,124,028.88	82,440,945.66
Depreciation expenses and long-term prepaid expenses	25,237,404.37	22,649,859.13
Cost of outsourcing external R&D	3,418,767.96	3,917,155.30
Amortization charge of intangible assets	20,760.96	28,166.42
Design fees	12,264.15	1,696,516.00
Other fees	12,573,757.90	23,197,968.13
Total	267,669,599.53	260,165,950.63
Including: research and development expenditures that are expensed	267,669,599.53	260,165,950.63

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. Change of Consolidation Scope

### 1. Business Combination Involving Entities Not Under Common 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
Beijing Airtrust Aviation Technology Co., Ltd.	May 1, 2025	22,500,000.00	45%	Capital increase through cash contribution	May 1, 2025	Re-electing directors, completing property transfer procedures, etc. and actually controlling the acquired company		-585,722.64	-646,259.56

#### (2) Combination Cost and Goodwill

Unit: RMB

Combination cost	Beijing Airtrust Aviation Technology Co., Ltd.
-Cash	22,500,000.00
Total combination costs	22,500,000.00
Less: share in the fair value of identifiable net assets acquired	22,374,447.93
The amount of goodwill/combination cost less than the share in the fair value of identifiable net assets acquired	125,552.07

**(3) Identifiable Assets and Liabilities of the Acquiree on the Acquisition Date**

Unit: RMB

	Beijing Airtrust Aviation Technology Co., Ltd.	
	Fair value on purchase date	Carrying value on purchase date
Assets:		
Monetary assets	45,326,907.16	45,326,907.16
Accounts receivable	58,831.97	58,831.97
Inventories	1,267,251.77	1,302,397.51
Fixed assets	53,492.93	39,515.53
Intangible assets	2,950,600.00	
Prepayments	119,698.00	119,698.00
Other receivables	1,143,035.99	1,143,035.99
Other current assets	4,741.73	4,741.73
Long-term prepaid expense	822,174.76	822,174.76
Deferred income tax assets	1,886,550.94	1,886,550.94
Total assets	53,633,285.25	50,703,853.59
Liabilities:		
Borrowings		
Accounts payable	195,197.50	195,197.50
Deferred income tax liabilities	585,886.33	
Other payables	3,223,105.00	3,223,105.00
Taxes payable	-91,898.97	-91,898.97
Total liabilities	3,912,289.86	3,326,403.53
Net assets	49,720,995.39	47,377,450.06
Less: Non-controlling interests	27,346,547.46	26,057,597.53

	Beijing Airtrust Aviation Technology Co., Ltd.	
	Fair value on purchase date	Carrying value on purchase date
Net assets acquired	22,374,447.93	21,319,852.53

Method for determining the fair value of identifiable assets and liabilities:

When the Company increased its capital in Beijing Airtrust Aviation Technology 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 Beijing Airtrust Aviation Technology Co., Ltd. based on the assessment results.

#### **(4) Gain or Loss from Remeasurement of Equity Interests Held before the Acquisition Date at Fair Value**

Whether there were several transactions to realize business combinations and acquire controls during the Reporting Period

☐ Yes ☒ No

#### **(5) Notes to Failure to Reasonably Determine the Combination Consideration or the Fair Value of Identifiable Assets and Liabilities of the Acquiree on the Acquisition Date or at the End of the Current Period**

Naught.

#### **(6) Other Notes**

Naught.

### **2. Business Combination under the Same Control**

Naught.

### **3. Counter Purchase**

Basic information of the transactions, basis of the counter purchase, basis and whether assets and liabilities retained by the listed company constitute business, determination of the combination cost, the amount and calculation of the equity amount adjusted in treatment for the equity transaction:

Naught.

### **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 are several disposals of the investment to the subsidiary and lost controls?

☐ 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. Beijing Airtrust, the Company's majority-owned company, holds 100% equity interest in Airstar and exercises control over it. The Company obtained control over Airstar through a capital increase in Beijing Airtrust. Airstar has been included in the consolidation scope since May 2025.
2. FSL (Thailand) Lighting Technology Co., Ltd. completed its overseas investment filing in June of the current period. Simultaneously, Haolaite Company and Chanchang Company injected capital into Thailand Company. Thailand Company has been included in the consolidation scope since June 2025.

## 6. Others

Naught.

## X. Equity in Other Entities

### 1. Equity in Subsidiary

#### (1) Subsidiaries

Unit: RMB

Name of the subsidiary	Registered capital	Main operating place	Registration place	Nature of business	Holding percentage		Way of gaining
					Direct	Indirect	
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
Nanjing Fozhao Lighting Components Manufacturing	41,683,200.00	Nanjing	Nanjing	Production and sales	100.00%		Acquired

Name of the subsidiary	Registered capital	Main operating place	Registration place	Nature of business	Holding percentage		Way of gaining
					Direct	Indirect	
Co., Ltd.							
FSL Zhida Electric Technology Co., Ltd.	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	100.00%		Newly established
NationStar Optoelectronics (Germany) Co., Ltd.	1,436,419.00	Germany	Germany	Trade		100.00%	Business combination under the same control
FSL (Thailand) Lighting Technology Co., Ltd.	21,393,145.55		Thailand	Production and sales		100.00%	Newly established
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

Name of the subsidiary	Registered capital	Main operating place	Registration place	Nature of business	Holding percentage		Way of gaining
					Direct	Indirect	
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 Lamp Co., Ltd.	40,873,066.42	Indonesia	Indonesia	Manufacturing of vehicle lamps		53.79%	Acquired
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 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

Name of the subsidiary	Registered capital	Main operating place	Registration place	Nature of business	Holding percentage		Way of gaining
					Direct	Indirect	
Guangdong New Electronic 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
Beijing Airtrust Aviation Technology Co., Ltd.	50,000,000.00	Beijing	Beijing	Production and sales	45.00%		Acquired
Airstar (Tianjin) Lighting Co., Ltd.	5,000,000.00	Tianjin	Tianjin	Production and sales		45.00%	Acquired

Notes to holding proportion in subsidiary different from voting proportion:

Naught.

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:

Naught.

Significant structural entities and controlling basis in the scope of combination:

Naught.

Basis of determining whether the Company is the agent or the principal:

Naught.

Other notes;

Guoxing Electronic Manufacture, NationStar Semiconductor, Baoli Vanadium Industry, New Electronics, Fenghua Semiconductor and Gaozhou NationStar are subsidiaries of NationStar Optoelectronics.

**(2) Significant Non-wholly-owned Subsidiary**

Unit: RMB

Name of the subsidiary	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%	10,982,488.44	4,065,870.47	491,046,739.52
Foshan NationStar Optoelectronics Co., Ltd.	78.52%	19,433,755.88	24,282,863.70	3,004,357,842.15

Holding proportion of non-controlling interests in subsidiary different from voting proportion:

Naught.



**(3) The Main Financial Information of Significant Not Wholly-owned Subsidiary**

Unit: RMB

Name of the subsidiary	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Nanning Liaowang Auto Lamp Co., Ltd.	1,653,822,3 84.87	995,466,58 8.97	2,649,288,9 73.84	1,529,865,3 54.86	56,797,49 2.27	1,586,662,8 47.13	1,797,594,0 99.17	1,017,666,8 28.52	2,815,260,9 27.69	1,674,102,2 78.76	92,743,70 0.71	1,766,845,9 79.47
Foshan NationStar Optoelectronics Co., Ltd.	3,709,105,0 28.91	2,393,535,2 93.43	6,102,640,3 22.34	1,993,434,9 21.60	285,347,8 73.55	2,278,782,7 95.15	3,841,259,5 63.85	2,408,019,7 05.26	6,249,279,2 69.11	2,096,915,1 66.37	328,202,4 53.19	2,425,117,6 19.56

Unit: RMB

Name of the subsidiary	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 Co., Ltd.	914,845,763.09	23,766,475.75	23,010,159.22	48,082,149.88	835,320,128.96	28,661,214.92	27,445,527.70	15,328,786.43
Foshan NationStar Optoelectronics Co., Ltd.	1,681,244,438.51	24,571,004.38	24,571,004.38	-6,708,763.72	1,853,708,942.97	56,242,432.00	56,242,432.00	140,461,398.36

**(4) Significant Restrictions on Using the Assets and Liquidating the Liabilities of the Company**

Naught.

**(5) Financial Support or Other Supports Provided to Structural Entities Incorporated into the Scope of Consolidated Financial Statements**

Naught.

**2. The Transaction of the Company with Its Owner's Equity Share Changed but Still Controlling the Subsidiary****(1) Changes in the Owner's Equity Share in Subsidiaries**

Name of subsidiary	Shareholding percentage before the change		Shareholding percentage after the change	
	Direct	Indirect	Direct	Indirect
Foshan Haolaite Lighting Co., Ltd.	51.00%	10.53%	100.00%	

**(2) Impact of the Transaction on Minority Shareholders' Interests and Equity Attributable to the Parent Company**

Unit: RMB

	Foshan Haolaite Lighting Co., Ltd.
Purchase cost/disposal consideration	24,916,600.00
--Cash	24,916,600.00
--Fair value of non-cash assets	
Total purchase cost/disposal consideration	24,916,600.00
Less: Share of subsidiary's net assets calculated based on equity acquired/disposed	26,569,825.61
Difference	-1,653,225.61
Of which: Adjustment to capital reserve	-1,653,225.61
Adjustment to surplus reserve	
Adjustment to retained earnings	

**3. Equity in Joint Ventures or Associated Enterprises****(1) Significant Joint Ventures or Associated Enterprises**

Naught.

**(2) Main Financial Information of Significant Joint Ventures**

Naught.

**(3) Main Financial Information of Significant Associated Enterprises**

Naught.

**(4) Summary Financial Information of Insignificant Joint Ventures or Associated Enterprises**

Unit: RMB

	Ending balance/Reporting Period	Beginning balance/Same period of last year
Associated enterprises:		
Total carrying value of investment	180,947,314.66	180,300,594.89
The total of following items according to the shareholding proportions		
--Net profit	646,719.77	1,112,039.74
--Total comprehensive income	646,719.77	1,112,039.74

**(5) Note to the Significant Restrictions on the Ability of Joint Ventures or Associated Enterprises to Transfer Funds to the Company**

Naught.

**(6) The Excess Loss of Joint Ventures or Associated Enterprises**

Naught.

**(7) The Unrecognized Commitment Related to Investment to Joint Ventures**

Naught.

**(8) Contingent Liabilities Related to Investment to Joint Ventures or Associated Enterprises**

Naught.

**4. Significant Common Operation**

Naught.

**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:

Naught.

## 6. Others

Naught.

## 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

Accounting items	Beginning balance	Amount of newly subsidy	Amount recorded into non-operating income in the Reporting Period	Amount carried forward other income in the Reporting Period	Other changes in the Reporting Period	Ending balance	Related to assets/income
Deferred income	68,183,747.38	27,697,519.13		9,681,661.12		86,199,605.39	Related to assets
Deferred income	5,555,432.56	3,829,426.77		4,095,574.31		5,289,285.02	Related to income

### 3. Government Grants Recognized in Profit or Loss for the Current Period

☒Applicable ☐ Not applicable

Unit: RMB

Accounting items	Reporting Period	Same period of last year
Other income	23,389,446.31	24,166,249.43

## XII. Risks Associated with Financial Instruments

### 1. Various Types of Risks Arising from Financial Instruments

The primary financial instruments of the Company include equity investments, held-for-trading financial assets, receivables financing, bills receivable, accounts receivable, other receivables, other current assets, other debt

investments, accounts payable, bills payable, other payables, short-term borrowings, long-term borrowings, etc. The details of each financial instrument see relevant items of Note VII.

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.

### **(1) Credit Risk**

Credit risk was one party of the contract failed to fulfil 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.

### **(2) 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 centralised controlled by the Financial Department of the Company. The liquidity risk is centralized controlled by the Financial Management Department of the Company. The Financial Management Department through supervising the balance of the cash and securities can be convert to cash at any time and the rolling prediction of cash flow in future 12 months to ensure the Company have sufficient cash to pay the liabilities under the case of all reasonable prediction.

### **(3) Market Risk**

Market risk was referred to risk of the fair value or future cash flow 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 at June 30, 2025, the Company's assets and liabilities were in RMB, except for the balances of USD, EUR, HKD, IDR and THB 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 refers to fluctuation risk of the fair value or future cash flow 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 long- and short-term financing needs of the Company with preferential loan interest rates. As at June 2025, the Company's fixed interest rate loan balance was RMB 477,474,879.14, accounting for 100% of the total loan 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 at December 2025, 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 RMB1,095,686.08 (December 31, 2024: increasing or decreasing comprehensive income by approximately RMB 1,059,041.21).

## 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

Naught.

### (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 methods	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Basis for determining derecognition
Bills endorsement	Accounts receivable financing	380,352,993.54	Yes	Due to the low credit risk and deferred payment risk of bank acceptance bills in accounts receivable financing, and the transfer of interest rate risk related to the bills to the bank, it can be concluded that almost all risks and rewards of ownership of the bills have been transferred
Bills discounting	Accounts receivable financing	163,507,644.82	Yes	Almost all risks and rewards related to the ownership of the bills have been transferred
Bills discounting	Notes receivable	63,254,781.83	Yes	Almost all risks and rewards related to the ownership of the bills have been transferred
Bills endorsement	Notes receivable	383,377,930.48	No	Retaining almost all risks and rewards, including default risks associated with them
Cloud Credit	Accounts	1,050,000.00	No	Retaining almost all risks and rewards, including

endorsement	receivable			default risks associated with them
Cloud Credit discount	Accounts receivable	14,556,611.51	No	Retaining almost all risks and rewards, including default risks associated with them
Total		1,006,099,962.18		

**(2) Financial Assets Derecognized due to Transfer**
☒ Applicable ☐ Not applicable

Unit: RMB

Item	Ways of transferring financial assets	Derecognized financial asset amount	Gains or losses related to derecognition
Accounts receivable financing	Bills endorsement	380,352,993.54	
Accounts receivable financing	Bills discounting	163,507,644.82	-793,787.18
Notes receivable	Bills endorsement	63,254,781.83	
Total		607,115,420.19	-793,787.18

**(3) Continued Involvement in the Transfer of Assets Financial Assets**
☒ Applicable ☐ Not applicable

Unit: RMB

Item	Asset transfer methods	Amount of assets formed due to continuous involvement	Amount of liabilities formed due to continuous involvement
Notes receivable		383,377,930.48	383,377,930.48
Of which: Bank's acceptance bill	Bills endorsement	382,982,915.48	382,982,915.48
Commercial acceptance bill	Bill endorsement	395,015.00	395,015.00
Accounts receivable	Cloud Credit endorsement	1,050,000.00	1,050,000.00
Accounts receivable	Cloud Credit discount	14,556,611.51	14,556,611.51
Total		398,984,541.99	398,984,541.99

### XIII. The Disclosure of Fair Value

#### 1. Ending Fair Value of Assets and Liabilities at Fair Value

Unit: RMB

Item	Ending fair value			
	Level 1 Fair value measurement	Level 2 Fair value measurement	Level 3 Fair value measurement	Total
I. Consistent fair value measurement	--	--	--	--
1. Trading financial assets	2,288,376.68			2,288,376.68
(1) Financial assets at fair value through profit or loss	2,288,376.68			2,288,376.68
1) Equity instrument investment	2,192,776.68			2,192,776.68
2) Other	95,600.00			95,600.00
2. Other Investments in Debt Obligations		1,155,317,713.39		1,155,317,713.39
3. Other equity instrument investment	700,354,868.31		46,902,543.80	747,257,412.11
4. Accounts receivable financing			380,276,549.15	380,276,549.15
Total assets measured at fair value on a recurring basis	702,643,244.99	1,155,317,713.39	427,179,092.95	2,285,140,051.33
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 and other debt investment subscribed by the Group 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. Consistent Fair Value Measurement Items at Level 3, Adjustment between the Beginning Carrying Value and the Ending Carrying Value and Sensitivity Analysis on Unobservable Parameters**

Naught.

**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**

Naught.

**7. Changes in Valuation Techniques in the Reporting Period and Reasons for the Changes**

Naught.

**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. Others**

Naught.

## XIV. Related Party and Related-party Transactions

### 1. Information on the Company as the Parent

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	12.85%	12.85%
Guangdong Rising Holdings Group Co., Ltd.	Guangzhou	Investment	RMB10 billion	8.45%	8.45%
Guangdong Electronics Information Industry Group Ltd.	Guangzhou	Production and sales	RMB1,162 million	9.35%	9.35%
Rising Investment Development Limited	Hong Kong	Investment	RMB420 million and HKD1 million	1.66%	1.66%
Total				32.31%	32.31%

#### Notes to the Company as the parent

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 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*, Hongkong Wah Shing, Electronics Group, and Rising Investment are concerted actors of Rising Holdings Group, and Rising Holdings Group is the actual controller of the Company. As at June 30, 2025, the total proportion of shares held by Rising Holdings Group and its concerted actors was 32.31%.

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 of the Company’s subsidiaries.

### 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 of other related parties	Relationship with the Company
PROSPERITY LAMPS & COMPONENTS LTD	Shareholder owning over 5% shares
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller
Guangzhou Haixinsha Industrial Co., Ltd.	Under same actual controller
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller
Guangdong Yixin Changcheng Construction Group	Under same actual controller
Shenzhen Yuepeng Construction Co., Ltd.	Under same actual controller
Primatronix Nanho Technology Ltd.	Under same actual controller
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Under same actual controller
Guangdong Rising Cultural Industry Development Co., Ltd.	Under same actual controller
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller
Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller
Guangdong Zhongren Group Construction Co., Ltd.	Under same actual controller
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Under same actual controller
Guangdong Semiconductor Device Factory	Under same actual controller
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Under same actual controller
Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	Under same actual controller

Name of other related parties	Relationship with the Company
Guangdong Zhongjin Lingnan Engineering Technology 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 Huajian Engineering Construction Co., Ltd.	Under same actual controller
Guangdong Rising Finance Co., Ltd.	Under same actual controller
Guangdong Rising Commercial Development Co., Ltd.	Under same actual controller
Guangdong Rising Mining Group Co., Ltd.	Under same actual controller
Guangzhou Wanshun Investment Management Co., Ltd.	Under same actual controller
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Under same actual controller
Jiangmen Dongjiang Environmental Company Limited	Under same actual controller
Ramada Pearl Hotel Guangzhou	Under same actual controller
Guangzhou Huajian Business Development Co., Ltd.	Under same actual controller
Guangdong Rising Urban Services Co., Ltd.	Under same actual controller
Guangdong Rising Hydrogen Energy Co., Ltd.	Under same actual controller
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Under same actual controller
Guangdong Rising Research and Development Institute Co. Ltd.	Under same actual controller
Prosperity (China) Electrical Company Limited	Enterprise controlled by related natural person
Traxon Technologies Limited	Enterprise controlled by related natural person
Nanning Ruixiang Industrial Investment Co., Ltd.	Enterprise significantly affected by related natural person

## 5. Transactions with Related Parties

### (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	Nature of transaction	Reporting Period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Guangdong Xintao Microelectronics Co., Ltd.	Purchase of materials	2,042,234.00	58,500,000.00	No	
Guangdong Rising Holdings Group Co., Ltd.	Receiving of labor service	1,333,182.30			
Shenzhen Yuepeng Construction Co., Ltd.	Receiving of labor service	333,072.46			1,886,492.75
Primatronix Nanho Technology Ltd.	Receiving of labor service	216,716.81			114,801.77
Shenzhen Yueding Precise Machinery Co., Ltd.	Purchase of materials	191,766.31			
Guangdong Rising Hydrogen Energy Co., Ltd.	Receiving of labor service	81,637.17			
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Receiving of labor service	81,304.53			271,319.56
Shenzhen Yueding Precise Machinery Co., Ltd.	Receiving of labor service	64,955.76			

Related party	Nature of transaction	Reporting Period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Guangdong Electronics Information Industry Group Ltd.	Receiving of labor service	60,156.76			
Guangdong Fenghua New Energy Co., Ltd.	Receiving of labor service	57,430.97			
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Receiving of labor service	22,058.15			14,375.09
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Receiving of labor service	7,907.50			4,528.30
Foshan Fulong Environmental Technology Co., Ltd.	Receiving of labor service	3,021.30			70,467.96
Jiangmen Dongjiang Environmental Company Limited	Receiving of labor service	2,169.81			2,169.81
Guangdong Electronics Information Industry Group Ltd.	Purchase of materials	1,911.50			
Primatronix Nanho Technology Ltd.	Purchase of materials				16,672.57

Related party	Nature of transaction	Reporting Period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Receiving of labor service	3,935,965.99	15,000,000.00	No	1,362,571.29
Guangdong Rising Urban Services Co., Ltd.	Receiving of labor service	582,602.76			
Guangdong Rising Cultural Industry Development Co., Ltd.	Receiving of labor service	109,742.88			5,740.00
Guangdong Rising Commercial Development Co., Ltd.	Receiving of labor service	38,879.99			42,887.72
Ramada Pearl Hotel Guangzhou	Receiving of labor service	35,725.28			
Guangdong Fenghua Advanced Technology Holding Co., Ltd.	Purchase of materials	3,762,628.44	24,100,000.00	No	2,264,120.89
Guangzhou Haixinsha Industrial Co., Ltd.	Receiving of labor service	1,373,791.75	17,000,000.00	No	513,226.63
Guangdong Huajian Enterprise Group Co., Ltd.	Receiving of labor service	1,358,026.48			
Guangzhou Huajian Business Development	Receiving of labor service	112,044.02			87,421.36

Related party	Nature of transaction	Reporting Period	The approval trade credit	Whether exceed trade credit or not	Same period of last year
Co., Ltd.					
Prosperity Lamps & Components Limited	Purchase of materials	40,604.45	1,000,000.00	No	
Guangdong Zhongnan Construction Co., Ltd.	Receiving of labor service	49,179,363.76		No	8,266,347.72
Guangdong Zhongren Group Construction Co., Ltd.	Receiving of labor service	18,348,623.85		No	2,407,583.18
Guangdong Yixin Changcheng Construction Group	Receiving of labor service			No	47,493,226.47
Total		83,377,524.98	115,600,000.00	No	64,823,953.07

Information of sales of goods and provision of labor service

Unit: RMB

Related party	Nature of transaction	Reporting Period	Same period of last year
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Sale of products	4,728,179.44	4,572,650.62
PROSPERITY LAMPS & COMPONENTS LIMITED	Sale of products	4,405,252.25	5,732,428.94
Traxon Technologies Limited	Sale of products	2,298,878.91	
Primatronix Nanho Technology Ltd.	Sale of products	973,112.50	
Guangdong Xintao Microelectronics Co., Ltd.	Sale of products	411,591.87	



Related party	Nature of transaction	Reporting Period	Same period of last year
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Sale of products	31,156.00	
Guangdong Zhongren Group Construction Co., Ltd.	Sale of products	2,953.27	
Guangdong Rising Mining Group Co., Ltd.	Sale of products		99,577.88
Guangzhou Wanshun Investment Management Co., Ltd.	Sale of products		59,565.75
Shandong Zhongjin Lingnan Copper Co., Ltd.	Sale of products		9,102.65
Guangdong Yixin Changcheng Construction Group	Sale of products		121,035.60
Primatronix Nanho Technology Ltd.	Rendering of services	22,166.04	
Total		12,873,290.28	10,594,361.44

#### Notes to acquisition of goods and reception of labor service

1. The pricing policy for related-party transactions between the Company and its related parties is as follows:

The pricing of related-party transactions should be market-oriented and subject to the market prices when such a transaction occurs. The relevant funds should be paid on time according to the actual transaction.

2. The related-party transactions between the Company and its subsidiaries and between subsidiaries have been offset during report consolidation.

#### (2) Connected Transactions with the Company as Entrustee/Contractor or Entruster/Contractee

The Company as entrustee/contractor:

Naught.

The Company as entruster/contractee:

Unit: RMB

Name of the entruster/contractee	Name of the entrustee/contractor	Type	Start date	Due date	Pricing basis	Income recognized in this Current Period
Foshan NationStar Optoelectronics Co., Ltd.	Guangdong Zhongren Group Construction Co., Ltd		December 30, 2020	December 31, 2022		
Foshan Electrical and Lighting Co., Ltd.	Guangdong Yixin Changcheng Construction Group		May 28, 2021	December 29, 2022		
Foshan Electrical and Lighting Co., Ltd.	Guangdong Yixin Changcheng Construction Group		March 1, 2022	December 11, 2022		
Foshan Kelian New Energy Technology Co., Ltd.	Guangdong Zhongnan Construction Co., Ltd.		June 23, 2021	December 23, 2022		
Foshan Kelian New Energy Technology Co., Ltd.	Guangdong Huajian Enterprise Group Co., Ltd.		January 1, 2025	December 31, 2033		

## Notes:

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 December 30, 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.

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 May 28, 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 at the date of this Report, the project has passed the completion acceptance check.

3. On March 1, 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 June 23, 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 process for Building 1.

5. On April 21, 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 January 1, 2025.

**(3) Information on Connected Lease**

The Company was lessor:

Unit: RMB

Name of lessee	Type of assets leased	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	746,120.71	647,933.71

The Company served as the lessee:

Unit: RMB

Name of lessor	Type of assets leased	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 Commercial Development Co., Ltd.	Buildings and structures					31,706.00	166,520.05	13,312.48	3,420.80	1,057,213.99	291,156.20
Guangdong Rising Holdings Group Co., Ltd.	Buildings and structures					2,406,864.12		221,988.14			
Nanning Ruixiang Industrial Investment Co.,	Buildings and structures	8,000.00				6,000.00					

Name of lessor	Type of assets leased	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
Ltd.											

**(4) Connected Guarantee**

Naught.

**(5) Interbank Borrowing and Lending of Capital by Connected Party**

Naught.

**(6) Information on Assets Transfer and Debt Restructuring by Related Party**

Naught.

**(7) Information on Remuneration for Key Management Personnel**

Unit: RMB

Item	Reporting Period	Same period of last year
Chairman of the Board	463,921.43	412,195.28
General Manager	446,431.33	481,683.12
Chairman of the Supervisory Committee	426,785.10	615,288.82
Secretary of the Board	500,892.14	418,182.04
Chief Financial Officer	368,082.70	475,438.92
Others	4,023,167.19	2,568,209.82
Total	6,229,279.89	4,970,998.00

**(8) Other Connected Transactions**

In accordance with the *Financial Service Agreement* newly signed by the Company in 2025, the total maximum daily deposit balance of the Company and its holding 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 holding subsidiaries shall not exceed RMB2 billion. As at June 30, 2025, the deposit balance of the Company and its holding subsidiaries deposited in Guangdong Rising Finance Co., Ltd. is RMB 1251.0619million. The outstanding interest receivable is RMB5.1018 million.

**6. Receivables from and Payables to Related Parties****(1) Accounts Receivable**

Unit: RMB

Name of project	Related party	Ending balance		Beginning balance	
		Carrying amount	Provision for impairment	Carrying amount	Provision for impairment
Monetary capital- accrued interest	Guangdong Rising Finance Co., Ltd.	5,004,016.43		5,153,062.03	
Other current assets-accrued interest	Guangdong Rising Finance Co., Ltd.	97,777.78		105,555.56	
Accounts	Prosperity Lamps &	3,225,236.48	96,757.09	2,558,600.74	76,758.02

Name of project	Related party	Ending balance		Beginning balance	
		Carrying amount	Provision for impairment	Carrying amount	Provision for impairment
receivable	Components Limited				
Accounts receivable	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	2,344,510.48	46,890.21	5,584,276.94	111,685.54
Accounts receivable	Guangdong Yixin Changcheng Construction Group	2,332,537.86	820,038.74	2,332,537.86	623,014.72
Accounts receivable	Guangdong Zhongnan Construction Co., Ltd.	911,495.28	171,244.55	3,453,458.25	422,680.16
Accounts receivable	Shantou Rising Infrastructure Construction Investment Co., Ltd.	746,660.40	22,399.81	1,555,346.68	46,660.40
Accounts receivable	Guangdong Zhuyuan Construction Engineering Co., Ltd.	510,276.71	51,027.67	510,276.71	51,027.67
Accounts receivable	Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	504,147.00	97,306.70	504,147.00	50,414.70
Accounts receivable	Guangdong Xintao Microelectronics Co., Ltd.	405,382.81	8,107.66	355,473.15	7,109.46
Accounts receivable	Guangdong Zhongren Group Construction Co., Ltd.	158,114.20	15,577.82	239,918.22	23,991.82
Accounts receivable	Guangdong Zhongjin Lingnan Engineering Technology Co., Ltd.	138,827.00	13,882.70	138,827.00	13,882.70
Accounts receivable	Guangdong Huajian Engineering Construction Co.,	44,297.00	39,024.51	44,297.00	35,437.60

Name of project	Related party	Ending balance		Beginning balance	
		Carrying amount	Provision for impairment	Carrying amount	Provision for impairment
	Ltd.				
Accounts receivable	Guangdong Rising Holdings Group Co., Ltd.	15,206.96	1,520.70	15,206.96	1,520.70
Accounts receivable	Shandong Zhongjin Lingnan Copper Co., Ltd.	10,286.00	1,028.60	10,286.00	308.58
Notes receivable	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	3,242,258.87			
Prepayments	Prosperity (China) Electrical Company Limited	39,428.00		39,428.00	
Prepayments	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	148.68		148.68	
Prepayments	Guangdong Rising Urban Services Co., Ltd.			60,317.70	
Prepayments	Guangdong Rising Holdings Group Co., Ltd.			13,959.24	
Other receivables	Guangdong Huajian Enterprise Group Co., Ltd.	2,587,607.38	223,989.02	2,587,607.38	203,049.97
Other receivables	Guangdong Semiconductor Device Factory	816,441.49	816,441.49	816,441.49	816,441.49
Other receivables	Guangdong Rising Holdings Group Co., Ltd.	587,979.04	17,622.46	586,288.04	17,588.64
Other receivables	Nanning Ruixiang Industrial Investment Co., Ltd.	5,000.00	500.00	5,000.00	500.00



Name of project	Related party	Ending balance		Beginning balance	
		Carrying amount	Provision for impairment	Carrying amount	Provision for impairment
Other receivables	Guangdong Zhongren Construction Group Co., Ltd.	304.31	30.43	304.31	30.43
Other receivables	Guangdong Guangsheng Commercial Development Co., Ltd.			74,761.92	6,868.51
Total		23,727,940.16	2,443,390.16	26,745,526.86	2,508,971.11

**(2) Accounts Payable**

Unit: RMB

Name of project	Related party	Ending carrying balance	Beginning carrying balance
Notes payable	Guangdong Xintao Microelectronics Co., Ltd.	1,253,375.42	
Notes payable	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	1,037,580.11	119,158.00
Notes payable	Guangdong Electronics Information Industry Group Ltd.	150,000.00	
Notes payable	Primatronix Nanho Technology Ltd.		74,812.50
Accounts payable	Guangdong Zhongren Group Construction Co., Ltd.	81,073,448.55	99,422,072.40
Accounts payable	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	2,656,061.79	3,976,905.41
Accounts payable	Shenzhen Yuepeng Construction Co., Ltd.	1,381,887.30	1,381,887.30
Accounts payable	Guangdong Electronics Information Industry Group Ltd.	569,200.00	638,973.44
Accounts payable	Guangdong Xintao Microelectronics Co., Ltd.	387,206.24	2,560,606.36

Name of project	Related party	Ending carrying balance	Beginning carrying balance
Accounts payable	Guangzhou Haixinsha Industrial Co., Ltd.	240,676.00	1,003,260.00
Accounts payable	Shenzhen Yuedin Precise Machinery Co., Ltd.	191,766.31	
Accounts payable	Guangzhou Shengfeng Catering Management Service Co., Ltd.	104,139.13	99,516.27
Accounts payable	Guangdong Fenghua New Energy Co., Ltd.	50,800.00	53,946.92
Accounts payable	Prosperity Lamps & Components Limited	40,604.45	
Accounts payable	Guangdong Rising Cultural Industry Development Co., Ltd.	32,733.16	14,567.75
Accounts payable	Primatronix Nanho Technology Ltd.	11,898.00	95,998.00
Accounts payable	Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	2,667.91	
Accounts payable	Nanning Ruixiang Industrial Investment Co., Ltd.	2,000.00	
Accounts payable	Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.		7,352.40
Other payables	Nanning Ruixiang Industrial Investment Co., Ltd.	79,046,577.48	91,046,577.48
Other payables	Guangdong Zhongnan Construction Co., Ltd.	60,172,552.20	38,499,432.70
Other payables	Guangdong Yixin Changcheng Construction Group	44,951,543.71	52,340,650.63
Other payables	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	5,035,015.07	5,035,015.07
Other payables	Guangdong Huajian Enterprise Group Co., Ltd.	4,565,714.65	5,215,652.63
Other payables	Shenzhen Yuepeng Construction Co., Ltd.	549,689.05	499,150.37
Other payables	Guangzhou Shengfeng Catering	379,000.00	347,000.00

Name of project	Related party	Ending carrying balance	Beginning carrying balance
	Management Service Co., Ltd.		
Other payables	Guangdong Rising Holdings Group Co., Ltd.	279,184.78	
Other payables	Primatronix Nanho Technology Ltd.	13,624.00	13,624.00
Other payables	Guangdong Xintao Microelectronics Co., Ltd.	8,429.40	8,429.40
Other payables	Guangdong Electronics Information Industry Group Ltd.	5,000.00	
Contract liabilities, other current liabilities	Prosperity Lamps & Components Limited	56,542.00	59,428.00
Contract liabilities, other current liabilities	Primatronix Nanho Technology Ltd.		218,729.24
Other current liabilities	Nanning Ruixiang Industrial Investment Co., Ltd.	2,000,000.00	
Other current liabilities	Guangdong Fenghua Advanced Technology Holding Co., Ltd.	960,985.42	693,580.58
Other current liabilities	Guangdong Zhongnan Construction Co., Ltd.	907,211.60	
Other current liabilities	Guangzhou Haixinsha Industrial Co., Ltd.	801,331.52	464,919.17
Other current liabilities	Guangdong Zhongren Group Construction Co., Ltd.		150,000.00
Total		288,918,445.25	304,041,246.02

## 7. Commitments of the Related Parties

No.	Commitment	Promisor	Date of commitment making	Term of commitment	Fulfillment
1	About avoidance of horizontal competition	Electronics Group and Hong Kong Rising Investment	December 04, 2015	Long-term	Ongoing

		Rising Group Holdings	November 04, 2021	Long-term	Ongoing
		Rising Group, Capital, Hongkong Shing Holdings Rising and Wah	October 27, 2021	Long-term	Ongoing
2	About reduction and regulation of related-party transactions	Electronics Group and Hong Kong Rising Investment	December 4, 2015	Long-term	Ongoing
		Rising Group Holdings	November 4, 2021	Long-term	Ongoing
		Rising Group, Capital, Hongkong Shing Holdings Rising and Wah	October 27, 2021	Long-term	Ongoing
3	About independence	Electronics Group and Hong Kong Rising Investment	December 4, 2015	Long-term	Ongoing
		Rising Group Holdings	November 4, 2021	Long-term	Ongoing
4	About effective performance of measures to fill up returns	Rising Group, Capital, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment and Shenzhen Rising Investment	October 27, 2021	Long-term	Ongoing
5	About compensation for possible violations of laws and regulations by NATIONSTAR OPTOELECTRONICS	Rising Group, Electronics Group, and Rising Capital Holdings	October 27, 2021	Long-term	Ongoing
6	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	Rising Group, Electronics Group, and Rising Capital Holdings	October 27, 2021	Long-term	Ongoing
		Director and senior management office	October 27,	Long-term	Ongoing

		of FSL	2021		
7	About the clarity of the underlying assets of this major asset restructuring	Electronics Group	October 27, 2021	Long-term	Ongoing
		Rising Holdings Group and Rising Capital	October 27, 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	October 27, 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	March 14, 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	March 14, 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	March 14, 2023	Long-term	Ongoing
12	Notification Letter Regarding the Increase in Foshan Lighting Shares	Electronics Group	November 18, 2024	Within six months starting from 20 November 2024.	Completed

## 8. Other

Naught.

## XV. Share-based Payment

### 1. Overview of Share-based Payments

☐Applicable ☒Not applicable

### 2. Equity-settled Share-based Payments

☐Applicable ☒Not applicable

### 3. The Stock Payment Settled in Cash

☐Applicable ☒Not applicable

### 4. Share-Based Payment Expenses for the Period

☐Applicable ☒Not applicable

### 5. Modification and Termination of Share-based Payment

Naught.

### 6. Others

Naught.

## XVI. Commitments and Contingency

### 1. Significant Commitments

Significant commitments on the balance sheet date

Commitment on 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. 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 RMB1,548 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 at 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

#### 1) 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 the “Yinghe Company”) and the Company entered into the *Bulb Lamp Intelligent Manufacturing Workshop Project Construction Contract* in 2021. The project failed to meet the final acceptance inspection criteria, and after repeated negotiations between both parties, no agreement was reached. Therefore, Yinghe Company filed a lawsuit with the Chancheng District People’s Court of Foshan City in December 2023 with the amount of RMB104,403,700 involved in litigation. 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. In March 2025, the Company applied for compulsory enforcement, and the case was accepted for filing in June 2025.

#### 2) 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, has a dispute with the Company over a sales contract. The Company initiated arbitration with the Guangzhou Arbitration Commission with the subject matter of the arbitration amounting to RMB18,420,100. In December 2024, both parties signed a *Settlement Agreement*. As at the date of this report, China Construction Fourth Engineering Division has fulfilled partial obligations, and the case is pending for trial. The Company has made a provision for bad debts of RMB5,855,300 based on expected credit losses.

#### 3) Litigation between Sub-subsidiary Chongqing Guinuo and Hasco VISION Technology (Chongqing) Co., Ltd. and Hasco VISION Technology (Shanghai) Co., Ltd.

Hasco VISION Technology (Chongqing) Co., Ltd. and Hasco VISION Technology (Shanghai) Co., Ltd., as customers of sub-subsidiary Chongqing Guinuo, have disputes with the sub-subsidiary Chongqing Guinuo over sales contracts. Chongqing Guinuo has filed a lawsuit with Yubei District People’s Court, Chongqing, with the subject matter of the lawsuit amounting to RMB17,381,700. 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 appeal trial commenced in April

2025, and in June 2025, the Chongqing No.1 Intermediate People's Court issued the second-instance ruling, upholding the original judgment.

4) Litigation between the Company & Its Subsidiary Foshan 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 August 6, 2017, while the actual completion date was August 19, 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. In April 2025, the Company was served with the first-instance judgment by Foshan Chancheng District People's Court: Foshan Kelian shall pay liquidated damages plus accrued interest for delayed completion to Centurynet; FSL shall bear joint and several liability. The Company subsequently appealed and the second-instance trial commenced in June 2025. As at the date of this Report, the case is still in the second instance procedure.

5) Litigation between Sub-subsidiary Chongqing Guinuo and Hasco VISION Technology (Chongqing) Co., Ltd.

The sub-subsidiary Chongqing Guinuo, has a dispute with Hasco VISION Technology (Chongqing) Co., Ltd. (hereinafter referred to as "Hasco VISION") over a lease contract. Hasco VISION has filed a lawsuit with Yubei District People's Court, Chongqing in December 2023, with the subject matter of the lawsuit amounting to 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. In July 2025, Yubei District People's Court, Chongqing notified that the trial would be held in August 2025. After the two parties reached a preliminary settlement consensus, Chongqing Guinuo applied for a postponement of the trial. As at the date of this report, the case is still in the procedure of the first instance.

6) Litigation between the Company and Industrial and Commercial Bank of China, Foshan Branch

In April 2023, the company engaged in foreign exchange options business with Industrial and Commercial Bank of China Limited, Foshan Branch (hereinafter referred to as "ICBC Foshan"). A dispute arose due to transaction differences, and as per the agreement, ICBC Foshan was required to compensate for a difference of RMB15,883,400. In April 2025, the Company filed a lawsuit with the People's Court of Chancheng District, Foshan. The case was heard in the first instance in June 2025. As at the date of this report, the case is still in the first-instance procedure.

7) Land acquisition penalty matter involving Nanjing Fozhao Lighting Components Manufacturing Co., Ltd.

On July 10, 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 December 15, 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 December 16, 2021, Nanjing Fozhao promised to complete the lease clearance and house handover before May 31, 2022. However, the last housing rental enterprise was actually relocated on September 9, 2024, and the demolition company completed the land and house reception of the last housing rental enterprise on January 7, 2025. Currently, the two parties are negotiating and implementing issues such as contract fulfillment responsibilities and payment of the remaining compensation.

8) Litigation matters between subsidiary NationStar Optoelectronics and Lighthouse Technologies (Huizhou) Limited and Lighthouse Technologies Limited

NationStar Optoelectronics sued Lighthouse Technologies (Huizhou) Limited (hereinafter referred to as “Huizhou Lighthouse”) and Lighthouse Technologies Limited (hereinafter referred to as “Lighthouse”) for a sales contract dispute involving an amount of RMB25,882,900. Among them, the account receivable involved is RMB25,352,200 and the interest is RMB530,700. The specific basic situation and progress of the case are as follows:

Huizhou Lighthouse has been overdue in paying NationStar Optoelectronics’s goods since April 2024, with a total overdue amount of RMB25,352,200. In view of this, NationStar Optoelectronics filed a lawsuit with the People’s Court of Chancheng District, Foshan City, Guangdong Province in November 2024. The trial commenced in March 2025. In June 2025, NationStar Optoelectronics was served with the first-instance judgment ordering: (1) Huizhou Lighthouse to pay NationStar Optoelectronics RMB25,352,200 in outstanding principal plus interest accruing at 130% of the LPR from the date of default until full payment; (2) Lighthouse jointly and severally liable for the said debt; (3) all litigation and preservation costs borne jointly and severally. As of the disclosure date of this report, no appeal information of the other party has been received. In response to the above matters, NationStar Optoelectronics filed a claim with the insurance company under the "2023-2024 Domestic Trade Credit Insurance (Short-term) Insurance Contract" and received an insurance payment of RMB22.817 million on May 16, 2025.

(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

(1) As at June 30, 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.	Pledge	6,350.00	3,063.49
2	Chongqing Guinuo Lighting Technology Co., Ltd. (Note 2)	Chongqing Branch of Industrial Bank	Chongqing Guinuo Lighting Technology Co., Ltd.	Pledge	7,000.00	3,870.05
3	Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology	Nanning Branch of Industrial	Liuzhou Guige Lighting Technology Co.,	Pledge	14,300.00	3,501.50

No.	Principal debtor	Principal debtee (Lender)	Guarantor	Type of guarantee	Guarantee Amount	Guarantee balance
	Co., Ltd., and Liuzhou Guige Lighting Technology Co., Ltd. (Note 3)	Bank	Ltd.			
	Total	-	-	-	27,650.00	10,435.04

Note 1: Liaowang Auto Lamp and Nanning Branch of Industrial Bank signed the *Master Agreement for Domestic Letter of Credit Financing* numbered M0120240409000444, borrowing RMB 20 million from Nanning Branch of Industrial Bank (term from April 15, 2024 to April 9, 2025), which has been settled on April 9, 2025; Liaowang Auto Lamp and Nanning Branch of Industrial Bank entered into the *Maximum Financing Agreement* (X.Y.G.CH.B.R.Z.Z. [2022] No. (01)) to conduct a bill transaction of RMB30.6349 million. 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 RMB69.1391 million. The mortgage amount is valid from April 25, 2022 to December 31, 2025 and the guarantee amount is RMB 63.5 million. The mortgaged real estate is 1) Y.G. (2017) N.N.SH.B.D.CH.Q.Z. No.0065501; 2) E.G. (2017) N.N.SH.B.D.CH.Q.Z. No.0065499; 3) S.G. (2017) N.N.SH.B.D.CH.Q.Z. No.0065498; 4) S.G. (2017) N.N.SH.B.D.CH.Q.Z. 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 RMB 50 million (from June 21, 2023 to June 20, 2026). As at June 30, 2025, RMB 38.7005 million had been used. Chongqing Guinuo and Chongqing Branch of Industrial Bank entered into the *Maximum Mortgage Contract* (X.Y.Y.L.J.G.N.D. [2023] No. 001) and the *Maximum Mortgage Contract* (X.Y.Y.K.G.G.N.D. [2024] No. 001) to conduct a bill transaction of RMB 70 million. Chongqing Guinuo 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 RMB 240 million. The mortgage amount is valid from May 21, 2024 to May 20, 2025 and the guarantee amount is RMB70 million. The mortgaged real estate is a) Y.Y. (2020) L.J.X.Q.B.D.C.Q. No.000436821, b) E.Y. (2020) L.J.X.Q.B.D.C.Q. No.000437330, c) S.Y. (2020) L.J.X.Q.B.D.C.Q. No.000437429 and d) S.Y. (2020) L.J.X.Q.B.D.C.Q. No.000437448.

Note 3: Liuzhou Photoelectric entered into the *Maximum Financing Agreement* numbered X.Y.G.CH.B.R.Z.Z. (2022) No. (02) with Nanning Branch of Industrial Bank, incurring a note business of RMB35.0150 million. Liuzhou Guige Photoelectric 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 RMB139.9437 million. The mortgage amount is valid from April 24, 2022 to December 31, 2025 and the guarantee amount is RMB 143 million. 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 Center 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 June 30, 2025, 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 Electrical Equipment Manufacture Co., Ltd.	Agricultural Bank of China Limited, Jiaxing Nanhu	Zhejiang Hule Electrical Equipment Manufacturing Co., Ltd.	Mortgaged	2,000.00	1,360.62

	(Note 1)	Sub-branch				
	Total	——	——	——	2,000.00	1,360.62

Hule Electrical Equipment entered into *Maximum Mortgage Contract* (No. 33100620230099053) with Jiaying 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 RMB 31.18 million. The guaranteed amount is RMB 20 million. The mortgage contract is valid from August 21, 2023 to August, 20 2028. The mortgaged properties are: a) Property Ownership Certificate No. 00479600, Nanhu District, Jiaying; b) Property Ownership Certificate No. 00479599, Nanhu District, Jiaying.

## XVII. Events after Balance Sheet Date

### 1. Significant Non-adjusted Events

Naught.

### 2. Profit Distribution

Naught.

### 3. Sales Return

Naught.

### 4. Notes to Other Events after Balance Sheet Date

Naught.

## XVIII. Other Significant Matters

### 1. The Accounting Errors Correction in Previous Period

Naught.

### 2. Debt Restructuring

No such cases in the Reporting Period.

### 3. Assets Replacement

Naught.

### 4. Pension Plans

In accordance with provisions of *Measures for Enterprise Annuity* (R.SH.B.L. No. 36), *Measures for Managing Enterprise Annuity Fund* (R.SH.B.L. 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. The trustee of the enterprise annuity fund should appoint custodians, account managers, and investment managers with the qualification of managing enterprise annuity 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 June 1, 2022. The management of the enterprise annuity fund is subject to the supervision and inspection of relevant state departments.

## 5. Discontinued Operations

Naught.

## 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, based on the requirements of regulatory laws and regulations, company management, etc., operating segments will be determined, 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. 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	2,754,454,796.20	1,681,244,438.51	-49,968,114.93	4,385,731,119.78
II. Cost of sales	2,137,285,391.26	1,477,504,380.21	-49,469,214.79	3,565,320,556.68
III. Income from investments to joint ventures and associates	646,719.77			646,719.77
IV. Credit impairment loss	-8,545,614.22	-3,560,903.16	5,021.69	-12,101,495.69
V. Asset impairment loss	-14,480,541.18	-7,944,330.15		-22,424,871.33

VI. Depreciation and amortization cost	166,817,846.91	171,295,116.37	-381,130.00	337,731,833.28
VII. Total profits	145,087,132.84	23,888,549.11	-2,732,993.30	166,242,688.65
VIII. Income tax expense	19,071,097.85	-682,455.27	-69,829.66	18,318,812.92
IX. Net profits	126,016,034.99	24,571,004.38	-2,663,163.64	147,923,875.73
X. Total assets	11,973,607,913.80	6,102,640,322.34	-903,326,170.81	17,172,922,065.33
XI. Total liabilities	4,630,707,143.21	2,278,782,795.15	-82,380,687.15	6,827,109,251.21

**(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**

Naught.

**(4) Other notes**

Naught.

**7. Other Significant Transactions and Events with Influence on Investors' Decision-making**

Naught.

**8. Other**

**(1) Demolition Matters of Nanjing Fozhao**

The Company held the 24th Meeting of the 9th Board of Directors on December 15, 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. In December 2021, Nanjing Fozhao 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. After the demolition work is completed, Nanjing Fozhao plans to carry out liquidation and cancellation. As at January 7, 2025, Lishui District Demolition and Resettlement Co., Ltd. of Nanjing had taken possession of all land and above-ground buildings of Nanjing Fozhao. As at the disclosure date of this report, both parties are in negotiation and implementation 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) Participation in the Subscription of the Private Placement of A-shares by the Controlling Subsidiary NationStar Optoelectronics in 2025**

The Company's controlling subsidiary, Foshan NationStar Optoelectronics Co., Ltd. (stock abbreviation: NationStar Optoelectronics, stock code: 002449), in order to seize industry development opportunities, optimize its product structure, enhance its technology reserves, strengthen its R&D capabilities, and further improve its

core competitiveness and sustainable development capacity, proposes to issue no more than 185,543,150 A-shares (inclusive) through a private placement, raising total proceeds of no more than RMB981.3239 million (inclusive), to be used for the “Ultra-high Definition Mini/Micro LED and Display Module Manufacturing Project”, the “Optoelectronic Sensor and Intelligent Health Device Industrialization Project”, the “Smart Home Display and Mini Backlight Module Construction Project”, the “Intelligent Automotive Device and Application Project”, the “NationStar Optoelectronics R&D Laboratory Project”, as well as for replenishment of working capital. The Company will subscribe for the private placement of A-shares by NationStar Optoelectronics with its own funds (excluding the raised funds), with a subscription amount of RMB116 million, and the final number of shares to be subscribed will be determined based on the actual issue price of NationStar Optoelectronics. The Company has entered into a conditional *Share Subscription Agreement* with NationStar Optoelectronics and provided the relevant undertakings. For details, please refer to the *Announcement on Participation in the Subscription of the Private Placement of A-shares by the Controlling Subsidiary NationStar Optoelectronics in 2025* disclosed by the Company on July 11, 2025 on the website of CNINFO.

## XIX. Notes of Main Items in the Financial Statements of the Company as the Parent

### 1. Accounts Receivable

#### (1) Disclosure by Aging

Unit: RMB

Ageing	Ending carrying balance	Beginning carrying balance
Within one year (including one year)	683,951,617.48	611,829,771.52
One to two years	61,650,292.34	87,098,817.76
Two to three years	60,276,000.42	61,831,224.89
Over three years	87,183,426.90	89,329,641.58
Three to four years	56,049,883.91	68,133,250.97
Four to five years	14,180,221.08	5,227,888.30
Over five years	16,953,321.91	15,968,502.31
Total	893,061,337.14	850,089,455.75

#### (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	

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 for which bad debt provision accrued separately	73,111,546.63	8.19%	54,742,012.11	74.87%	18,369,534.52	97,598,472.58	11.48%	55,270,828.47	56.63%	42,327,644.11
Accounts receivable withdrawal of bad debt provision by portfolio	819,949,790.51	91.81%	52,936,128.60	6.46%	767,013,661.91	752,490,983.17	88.52%	49,561,358.97	6.59%	702,929,624.20
Of which:										
(1) Business portfolio of general lighting and auto lamps	737,414,861.99	82.57%	52,936,128.60	7.18%	684,478,733.39	674,720,665.62	79.37%	49,561,358.97	7.35%	625,159,306.65
(2) Internal business portfolio	82,534,928.52	9.24%			82,534,928.52	77,770,317.55	9.15%			77,770,317.55
Total	893,061,337.14	100.00%	107,678,140.71	12.06%	785,383,196.43	850,089,455.75	100.00%	104,832,187.44	12.33%	745,257,268.31

Category name of bad debt provision accrued by item: Accounts receivable for which bad debt provision accrued separately.

Unit: RMB

Name	Beginning balance		Ending balance			
	Carrying amount	Bad debt provision	Carrying amount	Bad debt provision	Withdrawal proportion	Reason for withdraw
Customer A	11,187,337.20	11,187,337.20	11,187,337.20	11,187,337.20	100.00%	Litigation involved
Customer B	12,462,884.41	12,462,884.41	11,846,436.54	11,846,436.54	100.00%	Dishonest and high-risk entities; recovery is deemed unlikely.
Total	23,650,221.61	23,650,221.61	23,033,773.74	23,033,773.74		

Category name of bad debt provision accrued by group: (1) Business portfolio of general lighting and auto lamps; (2) internal business portfolio.

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
(1) Business portfolio of general lighting and auto lamps	737,414,861.99	52,936,128.60	7.18%
(2) Internal business portfolio	82,534,928.52		
Total	819,949,790.51	52,936,128.60	

Notes:

Please refer to Note V-13. Accounts Receivable for details.

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

☐Applicable ☒Not applicable

### (3) Bad Debt Provision Withdrawn, Reversed or Recovered in the Reporting Period

Information of bad debt provision withdrawn:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period					Ending balance
		Withdrawal	Current-period recovery of prior-period write-offs	Reversal or recovery	Write-off	Others	
Accounts receivable for which bad debt provision accrued separately	55,270,828.47	516,389.91		1,045,206.27			54,742,012.11
Accounts receivable withdrawal of bad debt provision by portfolio	49,561,358.97	3,453,009.16			78,239.53		52,936,128.60
Total	104,832,187.44	3,969,399.07		1,045,206.27	78,239.53		107,678,140.71

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



**(4) Accounts Receivable with Actual Verification during the Reporting Period**

Unit: RMB

Item	Amount verified
Accounts receivable with actual verification	78,239.53

Of which, verification of significant accounts receivable: Naught.

Notes to verification of accounts receivable:

The amount of accounts receivable written off in the current period was RMB 78,239.53, and the bad debt provision was RMB 78,239.53. The approval procedure was performed in accordance with provisions of the bad debt management system of the Company.

**(5) Top Five Accounts Receivable and Contract Assets in Ending Balance Collected according to the 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	114,168,148.32		114,168,148.32	12.75%	3,425,044.45
No. 2	102,522,801.14		102,522,801.14	11.45%	3,075,684.03
No. 3	52,437,451.67		52,437,451.67	5.86%	15,657,156.84
No. 4	46,489,677.86		46,489,677.86	5.19%	
No. 5	28,889,921.19		28,889,921.19	3.23%	866,697.64
Total	344,508,000.18		344,508,000.18	38.48%	23,024,582.96

**2. Other Receivables**

Unit: RMB

Item	Ending balance	Beginning balance
Dividends receivable	4,733,110.26	
Other receivables	1,156,847,864.04	944,184,445.88

Total	1,161,580,974.30	944,184,445.88
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**(1) Interest Receivable**

Naught.

**(2) Dividends Receivable****1) Category of Dividends Receivable**

Unit: RMB

Item	Ending balance	Beginning balance
Nanjing Liaowang Auto Lamp Co., Ltd.	4,733,110.26	
Total	4,733,110.26	

**2) Significant Dividends Receivable Aged over 1 Year**

Naught.

**3) Disclosure by Withdrawal Methods for Bad Debts**☐Applicable ☒Not applicable**4) Bad Debt Provision Withdrawal, Reversed or Recovered in the Current Period**

Naught.

**5) Dividends Receivable with Actual Verification during the Reporting Period**

Naught.

**(3) Other Receivables****1) Other Receivables Disclosed by Account Nature**

Unit: RMB

Nature	Ending carrying balance	Beginning carrying balance
Other intercourse	1,154,388,886.04	936,571,845.70
Performance bond	5,458,921.47	5,349,914.65
Rent, water & electricity fees	1,834,411.66	1,283,664.90

Nature	Ending carrying balance	Beginning carrying balance
Staff borrow and petty cash	856,748.32	482,910.18
VAT export tax refunds		5,974,168.41
Total	1,162,538,967.49	949,662,503.84

## 2) Disclosure by Aging

Unit: RMB

Ageing	Ending carrying balance	Beginning carrying balance
Within one year (including one year)	445,299,195.82	410,148,181.90
One to two years	226,638,116.09	109,304,181.17
Two to three years	77,163,436.17	37,014,033.22
Over three years	413,438,219.41	393,196,107.55
Three to four years	410,859,611.40	390,960,824.47
Four to five years	999,286.01	975,961.08
Over five years	1,579,322.00	1,259,322.00
Total	1,162,538,967.49	949,662,503.84

## 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	
Withdrawal of bad debt provision by individual item										
Withdrawal of bad debt provision by	1,162,538,967.49	100.00%	5,691,103.45	0.49%	1,156,847,864.04	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88

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	
Withdrawal of bad debt provision by individual item										
group										
Of which:										
Other receivables of bad debt provision withdrawn by credit risk characteristic portfolio:	1,162,538,967.49	100.00%	5,691,103.45	0.49%	1,156,847,864.04	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88
Total	1,162,538,967.49	100.00%	5,691,103.45	0.49%	1,156,847,864.04	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88

Withdrawal of bad debt provision by group: Withdrawal of bad debt provision based on credit risk characteristic portfolio

Unit: RMB

Name	Ending balance		
	Carrying amount	Bad debt provision	Withdrawal proportion
Other receivables of bad debt provision withdrawn by credit risk characteristic portfolio:	1,162,538,967.49	5,691,103.45	0.49%
Total	1,162,538,967.49	5,691,103.45	

Notes:

Please refer to Note V-13. Accounts Receivable for details.

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

Unit: RMB

Bad debt provision	Phase I	Phase II	Phase III	Total
	Expected credit loss of the next 12 months	Expected loss in the duration (credit impairment not occurred)	Expected loss in the duration (credit impairment occurred)	
Balance of January 1, 2025	919,700.54	4,558,357.42		5,478,057.96
Balance of January 1, 2025 in the Current Period				
Withdrawal of the Current Period	-184,090.12	397,135.61		213,045.49
Balance of June 30, 2025	735,610.42	4,955,493.03		5,691,103.45

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

Please refer to Note V-13. Accounts Receivable for details.

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 Reporting Period

Information of bad debt provision withdrawn:

Unit: RMB

Category	Beginning balance	Changes in the Reporting Period				Ending balance
		Withdrawal	Reversal or recovery	Charged-off/Written-off	Others	
Other receivables	5,478,057.96	213,045.49				5,691,103.45
Total	5,478,057.96	213,045.49				5,691,103.45

Of which the bad debt provision reversed or recovered with significant amount during the Reporting Period: Naught.

#### 5) Particulars of the Actual Verification of Other Receivables during the Reporting Period

Naught.

**6) Top 5 of the Ending Balance of the Other Receivables Collected according to the Arrears Party**

Unit: RMB

Name of the entity	Nature	Ending balance	Ageing	Proportion to total ending balance of other receivables (%)	Ending balance of bad debt provision
No. 1	Internal group	496,425,090.60	Within four years	42.70%	
No. 2	Internal group	327,453,965.21	Within three years	28.17%	
No. 3	Internal group	276,269,469.08	Within one year	23.76%	
No. 4	Other intercourse	15,883,375.00	Within two years	1.37%	1,588,337.50
No. 5	Other intercourse	14,840,849.57	Within one year	1.28%	445,225.49
Total		1,130,872,749.46		97.28%	2,033,562.99

**7) Presentation in Other Receivables Due to the Centralized Management of Fund**

Naught.

**3. Long-term Equity Investment**

Unit: RMB

Item	Ending balance			Beginning balance		
	Carrying amount	Depreciation reserves	Carrying value	Carrying amount	Depreciation reserves	Carrying value
Investment to subsidiaries	2,428,772,025.91	127,478,834.25	2,301,293,191.66	2,381,355,425.91	127,478,834.25	2,253,876,591.66
Investment to joint ventures and associated enterprises	180,947,314.66		180,947,314.66	180,300,594.89		180,300,594.89
Total	2,609,719,340.57	127,478,834.25	2,482,240,506.32	2,561,656,020.80	127,478,834.25	2,434,177,186.55

**(1) Investment to Subsidiaries**

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of impairment provision	Increase/decrease				Ending balance (carrying value)	Ending balance of impairment provision
			Additional investment	Reduced investment	Withdrawal of impairment provision	Others		
Foshan NationStar Optoelectronics Co., Ltd.	1,084,611,411.69	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.	25,500,000.00						25,500,000.00	
Foshan Haolaite Lighting Co., Ltd.	16,685,000.00		24,916,600.00				41,601,600.00	
Foshan Fozhao Zhicheng Technology Co., Ltd.	50,000,000.00						50,000,000.00	
Foshan Taimei Times Lamps and Lanterns 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	

Investee	Beginning balance (carrying value)	Beginning balance of impairment provision	Increase/decrease				Ending balance (carrying value)	Ending balance of impairment provision
			Additional investment	Reduced investment	Withdrawal of impairment provision	Others		
Beijing Hangxin Air Navigation Technology Co., Ltd.			22,500,000.00				22,500,000.00	
Total	2,253,876,591.66	127,478,834.25	47,416,600.00				2,301,293,191.66	127,478,834.25



**(2) Investment to Joint Ventures and Associated Enterprises**

Unit: RMB

Investee	Beginning balance (carrying value)	Beginning balance of impairment provision	Increase/decrease								Ending balance (carrying value)	Ending balance of impairment provision
			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	Others		
I. Joint ventures												
II. Associated enterprises												
Shenzhen Primatronix (Nanho) Electronics Ltd.	180,300,594.89				646,719.77						180,947,314.66	
Sub-total	180,300,594.89				646,719.77						180,947,314.66	
Total	180,300,594.89				646,719.77						180,947,314.66	

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 expected future cash flow

☐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  
Naught.

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

Naught.

### (3) Other Notes

Naught.

## 4. Operating Revenue and Cost of Sales

Unit: RMB

Item	Reporting Period		Same period of last year	
	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Main operations	1,340,130,009.75	1,070,064,893.17	1,741,973,631.59	1,333,137,814.58
Other operations	35,583,654.94	28,872,339.12	57,827,707.33	45,413,563.22
Total	1,375,713,664.69	1,098,937,232.29	1,799,801,338.92	1,378,551,377.80

## 5. Investment Income

Unit: RMB

Item	Reporting Period	Same period of last year
Income from long-term equity investments accounted for using cost method	7,386,452.51	3,184,010.70
Income from long-term equity investments accounted for using equity method	646,719.77	1,444,720.72
Investment income from disposal of trading financial assets	215,850.00	342,400.00
Dividend income from holding of other equity instrument investment	9,249,795.26	19,494,518.75
Interest income of investment in other debt obligations during holding period	14,067,520.92	13,671,028.14
Total	31,566,338.46	38,136,678.31

**6. Others**

Naught.

**XX. Supplementary Materials****1. Exceptional Gains and Losses**☒Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-47,603.62	
Government grants recognized in current 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)	20,828,366.39	
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 arise in the Company's ordinary course of business)	758,629.50	
Capital occupation charges on a non-financial enterprise that are charged to current profit or loss	1,135,048.55	
Reversed portions of impairment allowances for receivables which are tested individually for impairment	1,563,182.27	
Non-operating income and expense other than the above	9,030.37	
Less: Income tax effects	3,436,802.38	
Non-controlling interests effects (net of tax)	11,893,083.13	

Item	Amount	Note
Total	8,916,767.95	--

Details of other items that meet the definition of exceptional gain/loss:

☐ Applicable ☒ Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies as recurrent an *exceptional gain/loss item listed 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 (ROE) and Earnings Per Share (EPS)

Profit in the Reporting Period	Weighted average ROE	EPS (RMB/share)	
		Basic EPS (RMB/share)	Diluted EPS (RMB/share)
Net profit attributable to the Company's ordinary shareholders	1.71%	0.0749	0.0748
Net profit before exceptional gains and losses attributable to the Company's ordinary shareholders	1.57%	0.0691	0.0690

## 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 and Chinese Accounting Standards

☐ Applicable ☒ Not applicable

### (2) Differences of Net profit and Net Assets Disclosed in Financial Reports Prepared under Overseas and Chinese Accounting Standards

☐ 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**

Naught.

## Part IX Other Reported Data

### I. Other Major Social Safety Issues

Whether the Company and its subsidiaries were involved in other major social safety issues:

☐ Yes ☒ No ☐ Not applicable

Whether administrative penalties were imposed during the Reporting Period:

☐ Yes ☒ No ☐ Not applicable

### II. Register of Activities Including Research Visits, Communications, Interviews, etc. during the Reporting Period

☒ Applicable ☐ Not applicable

Date of reception	Venue	Method of reception	Type of attendee	attendees	Main discussion topics and materials provided	Index of basic information of the research activity
May 23, 2025	www.p5w.net	Online communication via platform	Others	Online investors	For details, please refer to the Investor Relations Activity Record (No. 2025-01)	The Investor Relations Activity Record (No. 2025-01) was disclosed on www.cninfo.com.cn on May 24, 2025
May 27, 2025	Meeting Room 910 of the Company	On-site research	Institutions	Guangzhou Private Equity Council, Zhongdaqing Private Fund, Guangzhou Ruimin Investment, Luxiang Investment, Guangzhou Chunhui Private Fund, Guangdong Xiaoyu Private Fund, China Futures, CITIC Securities	For details, please refer to the Investor Relations Activity Record (No. 2025-02)	The Investor Relations Activity Record (No. 2025-02) was disclosed on www.cninfo.com.cn on May 27, 2025

### III. Capital Transactions between the Listed Company and Majority-Owned Shareholders or Other Related Parties

☒ Applicable ☐ Not applicable

Unit: RMB'0,000

Counterparty	Nature of transaction	Beginning balance	Amount during the Reporting Period	Amount paid during the Reporting Period	Ending balance	Interest income	Interest expense
Guangdong Rising Finance Co., Ltd.	Operating transaction	148,216.53	292,987.84	316,098.18	125,106.19	219.71	
Guangdong Rising Finance Co., Ltd.	Operating transaction	515.31	866.74	871.87	510.18	866.74	
Guangdong Rising Finance Co., Ltd.	Operating transaction	3,000			3,000		
Rising Baijianwan High-Quality Development Industry Investment Fund Partnership (Limited Partnership)	Operating transaction		732.00		732.00		
Guangdong Rising Holdings Group Co., Ltd.	Operating transaction	1.52			1.52		
Guangdong Yixin Changcheng Construction Group	Operating transaction	233.25			233.25		
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Operating transaction	558.43	534.28	858.26	234.45		
Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	Operating transaction	50.41			50.41		
Guangdong Zhongnan Construction Co., Ltd.	Operating transaction	345.35		254.2	91.15		
Primatronix Nanho Technology Ltd.	Operating transaction	4.43			4.43		
Guangdong Zhongjin Lingnan Engineering	Operating	13.88			13.88		

Technology Co., Ltd.	transaction						
Guangdong Xintao Microelectronics Co., Ltd.	Operating transaction	35.55	127.65	122.66	40.54		
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Operating transaction	51.03	3.52	3.52	51.03		
Shandong Zhongjin Lingnan Copper Co., Ltd.	Operating transaction	1.03			1.03		
Guangdong Zhongren Group Construction Co., Ltd.	Operating transaction	23.99	0.33	8.51	15.81		
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Operating transaction	155.53		80.86	74.67		
Primatronix Nanho Technology Ltd.	Operating transaction		112.31	112.31			
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Operating transaction		703.92	379.69	324.23		
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Operating transaction	0.01			0.01		
Guangdong Rising Urban Services Co., Ltd.	Operating transaction	6.03	37.2	43.23			
Guangdong Rising Holdings Group	Operating transaction	1.4	175.88	177.28			
Guangdong Rising Commercial Development Co., Ltd.	Operating transaction	7.48	0.13	7.61			
Guangdong Zhongren Group Construction Co., Ltd.	Operating transaction	0.03			0.03		
Guangdong Huajian Enterprise Group Co., Ltd.	Operating transaction	258.76			258.76		



Guangdong Rising Holdings Group Co., Ltd.	Operating transaction	58.63	0.17		58.80		
Guangdong Semiconductor Device Factory	Operating transaction	81.64			81.64		
		0.56	34.49	20.38	14.67		
Foshan Electrical & Lighting (Xinxiang) Co., Ltd.	Non-operating transaction	9,147.8	28,270.51	9,791.36	27,626.95		
FSL Chanchang Lighting Co., Ltd.	Non-operating transaction	324.17	1,099.49	352.77	1,070.89		
Foshan Taimei Times Lamp Co., Ltd.	Non-operating transaction		52.12	51.84	0.28		
Foshan Fozhao Zhicheng Technology Co., Ltd.	Non-operating transaction	40.3	43.92	84.22			
FSL Zhida Electric Technology Co., Ltd.	Non-operating transaction		327.1		327.1		
Foshan Haolaite Lighting Co., Ltd.	Non-operating transaction	47,313.27	2,849.41	520.17	49,642.51		
Foshan Kelian New Energy Technology Co., Ltd.	Non-operating transaction	290.17	32.73	129.28	193.62		
Fozhao Huaguang (Maoming) Technology Co., Ltd.	Non-operating transaction	32,689.01	56.39		32,745.4		
Fozhao (Hainan) Technology Co., Ltd.	Non-operating transaction		11.37		11.37		
Nanning Liaowang Auto Lamp Co., Ltd.	Non-operating transaction		5.82		5.82		
Beijing Airtrust Aviation Technology Co., Ltd.	Non-operating transaction	243,425.50	329,065.32	329,968.20	242,522.62	1,086.45	

Total	--	148,216.53	292,987.84	316,098.18	125,106.19	219.71	
Relevant decision-making processes	The relevant related-party transactions have been approved by the Board of Directors, shareholders' meeting, or other decision-making processes.						
Fund security guarantee measures	Emergency response plan for deposit business risks.						

Foshan Electrical and Lighting Co., Ltd.

Legal representative: Wan Shan

27 August 2025