



FOSHAN ELECTRICAL AND LIGHTING CO., LTD.

ANNUAL REPORT 2025

April 2026

ANNUAL REPORT 2025

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”) as well as the directors 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.

Yu Zhongmin, the Company’s legal representative, Zeng Xiaojing, the Company’s Chief Financial Officer, 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.

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

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

The Board has approved a final dividend plan as follows: based on the total share capital of 1,535,778,230 shares at the disclosure date of the 2025 Annual Report, a cash dividend of RMB0.5 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves. Where any change occurs to the total shares entitled to the final dividend due to any share repurchase, grant of equity incentives, etc. when the final dividend plan is implemented, the dividend per share shall

remain the same while the total payout amount shall be adjusted accordingly.

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

Table of Contents

Part I Important Notes, Table of Contents and Definitions.....	2
Part II Corporate Information and Key Financial Information.....	7
Part III Management Discussion and Analysis.....	13
Part IV Environmental, Social and Governance Information.....	55
Part V Significant Events.....	81
Part VI Share Changes and Shareholder Information.....	128
Part VII Bonds.....	139
Part VIII Financial Statements.....	140

Documents Available for Reference

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

1. The financial statements signed and stamped by the Company's legal representative, Chief Financial Officer, and the person-in-charge of the Company's accounting organ.
2. The original copy of the Independent Auditor's Report signed and stamped by the certified public accountants and stamped by the CPA firm.
3. The originals of all the Company's announcements and documents disclosed to the public during the Reporting Period on the media designated by the 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 Electric	Zhejiang Hule Electric Equipment Manufacture Co., Ltd.
Airtrust	Guangdong Airtrust Aviation Equipment Co., Ltd. (formerly known as “Beijing Airtrust Technology Co., Ltd.”)
Fenghua Semiconductor	Guangdong Fenghua Semiconductor Technology Co., Ltd. (formerly known as “Guangdong Yuejing High-tech Co., Ltd.”)
CSRC	China Securities Regulatory Commission
SZSE	Shenzhen Stock Exchange
Meeting of shareholders	Meeting of shareholders of Foshan Electrical and Lighting Co., Ltd.
Board of Directors	The board of directors 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
Reporting Period	The period from January 1, 2025 to December 31, 2025
Last year	The period from January 1, 2024 to December 31, 2024

Part II Corporate Information and Key Financial Information

I Corporate Information

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

II Contact Information

	Board Secretary	Securities Representative
Name	Huang Zhenhuan	Huang Yufen
Address	No. 8, Zhihui Road, Chancheng District, Foshan City, Guangdong Province, P.R.China	No. 8, Zhihui Road, Chancheng District, Foshan City, Guangdong Province, P.R.China
Tel.	(0757) 82810239	(0757) 82966028
Fax	(0757) 82816276	(0757) 82816276
Email address	fslsh@chinafsl.com	fslhyf@163.com

III Media for Information Disclosure and Place where this Report Is Lodged

Stock exchange website where this Report is disclosed	http://www.cninfo.com.cn
Media and website where this Report is disclosed	Securities Daily, and http://www.cninfo.com.cn
Place where this Report is lodged	Board Office (the Strategic Investment Department), FSL Office Building,

	No. 8, Zhihui Road, Chancheng District, Foshan City, Guangdong Province, P.R.China
--	--

IV Change to Company Registered Information

Unified social credit code	91440000190352575W
Change to principal activity of the Company since going public (if any)	Unchanged
Every change of controlling shareholder since incorporation (if any)	<p>In April 2006, the State-owned Assets Supervision and Administration Commission (SASAC) of Foshan Municipal People's Government, the former controlling shareholder of the Company, transferred 13.47% of shares it held in the Company to OSRAM Prosperity Holding Company Limited (later renamed as "OSRAM Holding Company Limited"), and at the same time, SASAC of Foshan Municipal People's Government transferred 10.50% of shares it held in the Company to Prosperity Lamps & Components Limited. Upon completion of such transfer, the biggest shareholder of the Company was OSRAM Prosperity Holding Company Limited, and the Company had no any controlling shareholder or actual controller. In December 2015, OSRAM of Germany transferred 100% equity it held in OSRAM Holding Company Limited (OSRAM Holding Company Limited held 13.47% of shares of the Company, being the biggest shareholder of the Company and later renamed as "Hongkong Wah Shing Holding Company Limited") to Electronics Group. In addition, Electronics Group and its parties acting in concert (Rising Capital, Shenzhen Rising Investment and Hong Kong Rising Investment), held 23.144% of the shares of the Company through increasing their shareholding of the Company. Electronics Group and its parties acting in concert became the controlling shareholder of the Company and Electronics Group is a wholly-owned subsidiary of Rising Holdings Group. In December 2021, wholly-owned subsidiaries of Rising Holdings Group, Rising Capital and Shenzhen Rising Investment transferred 5.94% of shares they held in the Company to Rising Holdings Group through transfer by agreement for no compensation. Therefore, Rising Holdings Group and its parties acting in concert held 30% of shares in the Company. In February 2022, the Company repurchased and retired certain shares, and Rising Holdings Group and its parties acting in concert held 30.82% of shares in the Company. In November 2023, the Company carried out a private placement of 186,783,583 shares of A-stock to specific parties, of which Rising Holdings Group subscribed for 46,695,895 shares. As such, Rising Holdings Group and its parties acting in concert held 30.12% of shares in the Company. From June 3, 2024 to November 8, 2024, Electronics Group and Hong Kong Wah Shing increased their shareholdings in the Company by 18,342,550 shares, accounting for 1.18% of the Company's total share capital. As of December 31, 2024, Rising Holdings Group and its parties acting in concert held 31.30% of shares in the Company. In 2025, the Company repurchased shares for retirement and Electronics Group increased its shareholding in the Company. As of December 31, 2025, Rising Holdings Group and its parties acting in concert held 32.31% of shares in the Company.</p>

V Other Information

The independent audit firm hired by the Company:

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

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

Applicable Not applicable

Name of sponsor	Office address	Name of representative	Period of supervision
Guotai Haitong Securities Co., Ltd. (formerly known as “Guotai Junan Securities Co., Ltd.”)	No. 618, Shangcheng Road, China (Shanghai) Pilot Free Trade Zone	Xu Zhenyu, and Yang Haoyue	From December 4, 2023 to December 31, 2025

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

Applicable Not applicable

VI Key Financial Information

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

Yes No

	2025	2024	2025-on-2024 change (%)	2023
Operating revenue (RMB)	8,796,808,970.58	9,048,237,647.14	-2.78%	9,057,292,003.90
Net profit attributable to the listed company’s shareholders (RMB)	214,845,871.24	446,184,021.97	-51.85%	290,357,652.22
Net profit attributable to the listed company’s shareholders before exceptional gains and losses (RMB)	83,903,640.69	97,753,307.23	-14.17%	274,838,768.63
Net cash generated from/used in operating activities (RMB)	297,149,393.01	598,115,335.88	-50.32%	1,174,389,978.98
Basic earnings per share (RMB/share)	0.1399	0.2905	-51.84%	0.2128
Diluted earnings per share (RMB/share)	0.1398	0.2881	-51.48%	0.2108
Weighted average return on equity (%)	3.21%	6.94%	-3.73%	5.51%
	December 31, 2025	December 31, 2024	Change of December 31, 2025 on December	December 31, 2023

			31, 2024 (%)	
Total assets (RMB)	17,167,245,635.67	17,159,763,456.64	0.04%	16,934,439,915.02
Equity attributable to the listed company's shareholders (RMB)	6,834,820,501.84	6,574,304,305.27	3.96%	6,285,442,808.19

Indicate whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

Yes No

Indicate whether the lowest of the Company's audited gross profit, net profit, and net profit before exceptional gains and losses for the Reporting Period is negative.

Yes No

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

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

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

Applicable Not applicable

No difference for the Reporting Period.

VIII Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	2,145,097,615.85	2,240,633,503.93	2,146,468,712.59	2,264,609,138.21
Net profit attributable to the listed company's shareholders	64,757,120.39	50,236,631.85	26,013,078.35	73,839,040.65
Net profit attributable to the listed company's shareholders before exceptional gains and losses	61,595,567.60	44,481,416.69	15,947,121.16	-38,120,464.76
Net cash generated from/used in operating activities	-114,950,715.22	124,795,728.17	31,289,232.66	256,015,147.40

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

Yes No

IX Exceptional Gains and Losses

Applicable Not applicable

Unit: RMB

Item	2025	2024	2023	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	138,973,197.06	374,276,636.74	11,286,004.48	Mainly the expropriation compensation for land use rights and buildings of subsidiary Nanjing Fozhao in the period
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)	50,583,661.71	51,867,148.37	52,146,676.20	
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)	1,424,910.15	3,881,370.83	-10,070,899.66	
Capital occupation charges on a non-financial enterprise that are charged to current profit or loss	1,503,705.43	665,872.11	224,271.91	
Reversed portions of impairment allowances for receivables which are tested individually for impairment	12,965,744.52	16,742,832.57	573,448.92	
Gain equal to the amount by which investment costs for the Company to obtain subsidiaries, associates and joint ventures are lower than the Company's enjoyable fair value of identifiable equity of investees when making investments		2,131,597.43		
Gain or loss on debt restructuring	610,478.39	-368,531.60		
Non-operating income and expense other than the above	87,950.30	11,943,647.79	4,424,223.10	
Less: Income tax effects	46,874,285.60	65,001,245.07	5,440,558.97	
Non-controlling interests effects (net of tax)	28,333,131.41	47,708,614.43	37,624,282.39	
Total	130,942,230.55	348,430,714.74	15,518,883.59	--

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 Liaowang Auto Lamp, NationStar Optoelectronics, Hule Electric, and 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, 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 OEM market, 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, communications, display and lighting products, general lighting, automotive lighting, sterilization and purification, plant lighting, and other fields.

ii. Business models

1. Procurement model

The Company's procurement department should ensure that the procured materials and products meet the prescribed requirements and that procurement activities are under control. Besides, it should consider the needs of each department and the reasonable stock quantity before carrying out any procurement, 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.

iii. Main driving forces for growth

The Company is committed to the 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 Electric, and 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 Industry Overview for the Reporting Period

1. Lighting

In 2025, amid a complex and severe macro environment, China's lighting industry entered a critical stage of deep adjustment and structural reshaping. From the demand side, the continued adjustment of the domestic real estate market and changes in the investment structure led to weak market growth; in terms of the export trade environment, the continuous fluctuations in international trade policies and the frequent geopolitical conflicts led to a significant decline in the industry's export value. The dual squeeze of internal and external demand accelerated the survival of the fittest within the industry. Small and medium-sized enterprises faced a survival crisis due to shrinking orders and persistently high costs, and market concentration continued to increase amid the growing pains. However, against the backdrop of overall market weakness, multiple segments demonstrated strong development momentum. Specialized segments, such as smart lighting, healthy lighting, and automotive lighting, maintained solid growth because they aligned with long-term trends such as the development of intelligent technologies, rising health awareness, and growing personalized demand. All these imposed higher requirements on LED light quality, reliability, intelligent control, and interdisciplinary integration, becoming important engines driving technological innovation and value enhancement in the industry. The logic of industry competition accelerated its shift from homogeneous competition in prices to differentiated competition in technology, ecosystems, and scenario-based solutions. Leading enterprises with advantages in brand, technology, and capital continuously extended their business boundaries by optimizing

product structures, actively expanding into high-value-added fields, and continuously broadening application scenarios, demonstrating stronger operational resilience amid overall industry pressure.

2. Automotive lighting

The rapid expansion of China's new energy vehicle industry has profoundly reshaped the competitive landscape across the entire automotive supply chain. As one of the core supporting components, automotive lighting is confronted with both unprecedented opportunities for transformation and the practical challenge of downward price pressure. On the one hand, market demand continues to expand. Driven by policies, technologies, costs and consumer trends, the industry is accelerating its technological upgrading, with intelligence emerging as a core competitive strength. Matrix LED headlamps, adaptive driving beam (ADB) systems, laser headlamps, digital pixel (DPL) lamps, and smart lighting technologies deeply integrated with ADAS systems are gaining rapid adoption. Vehicle lighting is becoming increasingly interconnected with the Internet of Vehicles and human-machine interaction systems. Innovative features such as dynamic welcome lighting and interactive projection lamps are emerging continuously, transforming automotive lamps from traditional functional components into key enablers of vehicle intelligence and brand differentiation. On the other hand, cost-reduction demands from automakers have been passed down the supply chain, putting downward pressure on headlight pricing and squeezing overall gross margins across the industry. Meanwhile, domestic automotive lighting manufacturers have steadily increased their market share by virtue of their fast response, strong cost control capabilities and continuous technological accumulation. Leveraging their cost-performance advantages and technological progress, they have also actively explored overseas markets and participated in global competition. Against this backdrop of coexisting challenges and opportunities, the automotive lighting industry is entering a new stage of high-quality development.

3. LED packaging

The LED packaging industry is forging ahead amid a mix of challenges and opportunities. On the one hand, the industrial competitive landscape is undergoing accelerated restructuring. Buffeted by volatile external demand and an uncertain trading environment, the industry has entered a phase of transitional adjustment marked by overall volume consolidation and margin pressure. Many enterprises are facing a situation where revenue grows without a corresponding rise in profits, while market consolidation and integration gather pace. Resources are increasingly concentrated among industry leaders with superior technological, scale and financial strengths, leading to a profound reshaping of the competitive structure. On the other hand, technological

innovation continues to fuel application upgrades. The integration of LED technology with frontier technologies such as the Internet of Things, artificial intelligence and big data is deepening steadily, driving advancements toward more customized, scenario-based and user-centric solutions. High-value-added segments, including automotive LEDs, UV LEDs and infrared sensing, are demonstrating robust growth resilience. Continuous breakthroughs in Mini/Micro-LED technologies are lowering costs and raising penetration rates in high-end applications such as ultra-high-definition displays, in-vehicle screens and virtual production, unlocking new market potential. At the same time, in response to shifting global market demand—particularly the rapid rise of demand in emerging markets—industry enterprises are actively expanding into overseas markets to increase their market share.

III Core Competitiveness Analysis

The Company has been dedicated to the R&D, manufacturing and sale of lighting products since its establishment. Through measures such as continuous investment in R&D and innovation, branding, channel development, as well as 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

The Company has established a multi-dimensional qualification system represented by its status as a National High-Tech Enterprise, a National Intellectual Property Demonstration Enterprise, and a Guangdong Manufacturing Champion Demonstration Enterprise in LED bulbs and LED intelligent green luminaries. It has also been listed as one of the Top 100 Innovative Enterprises in Guangdong Province and one of the Top 100 Manufacturing Enterprises in Guangdong Province, underscoring its strong technological innovation capabilities and industry-leading position. 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. The Company and its subsidiaries have established 35 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," forming a comprehensive innovation system that supports cutting-edge technology research and development as well as the commercialization of research findings. The Company has taken the lead in undertaking a number of

national, provincial and ministerial-level 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, achieving continuous breakthroughs in core technologies. Backed by its outstanding R&D and innovation capabilities, the Company has been awarded major scientific and technological honors such as the First Prize for Scientific and Technological Progress in China's Machinery Industry, the Second Prize of the China Invention and Entrepreneurship Achievement Award, and the Second Prize for Scientific and Technological Progress from the China National Light Industry Council. It has also won a host of authoritative international and domestic design awards, including the German iF Design Award, the German Red Dot Design Award, the US MUSE Design Awards Gold Winner, and the Industrial Design Award of the BRICS Industrial Innovation Competition. These achievements fully demonstrate its innovative strength in integrating technology and design. The Company has established a presence in optics, spectroscopy, electronics, IoT, and AI, and has developed systematic technological barriers with independent intellectual property, providing solid support for product innovation and industrial upgrading. As at the end of the Reporting Period, the Company and its subsidiaries have cumulatively obtained over 2,900 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 Wuhan University, University of Electronic Science and Technology of China, and Wuhan University of Technology 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. As a National High-Tech Enterprise and a provincial-level specialized, refined, distinctive, innovative enterprise, Hule Electrical Equipment boasts industry-leading technologies independently developed for marine LED lighting and navigation signal lights. Its products feature excellent resistance to high and low temperatures, low electromagnetic interference, and strong sealing and protection

performance. The marine products have obtained certification from the China Classification Society (CCS), and are also accredited by major international classification societies, including ABS, BV, LR, and RINA, fully meeting the application standards for all scenarios of ship lighting. NationStar Optoelectronics has created 14 research platforms at or above the 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)", and "National Manufacturing Individual Champion". Closely following cutting-edge technology trends across the industry, it has successfully launched a series of frontier products, such as MIP display devices and GOB panels, achieving multiple breakthroughs in specialized fields.

Brand advantage

As a China Time-Honored Brand with 68 years of deep cultivation in the lighting industry, the Company has built industry-leading core brand advantages by relying on its profound brand heritage and long-term strategic commitment, forming a key pillar supporting the steady development of the enterprise. Guided by the "Technology-FSL" strategy, the Company has pursued a development path focused on specialization and high-end positioning, achieving a continuous rise in brand value. With a brand value of RMB47,507 million, it firmly ranks second in the industry and has long been listed among the "Top 500 Most Valuable Chinese Brands" and "Top 500 Asia Brands." By launching the brand IP "Light Xiaoming" and a series of cultural and creative content, as well as renewing its VI system, product packaging and retail stores, the Company has infused its time-honored brand with a vibrant contemporary character, presenting a youthful, technological and fashionable brand image. Leveraging mainstream media, including Xinhua News Agency and Southern Plus, together with new media platforms such as WeChat, Xiaohongshu and Douyin, the Company has rolled out featured columns, including "Light of Excellence" and "Mingming Knows It All". Through storytelling and scenario-based communication, it has continuously strengthened brand recognition in both professional and consumer markets, steadily advancing its transformation from an industry brand to a public-facing brand. After years of accumulation, FSL has become one of the most influential and popular industrial brands in China. Its profound brand heritage, extensive market recognition, and strong brand appeal have become the core support and enduring competitiveness for the steady growth of the Company's market performance. 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. With over 40 years of expertise in the ship lighting sector, Hule Electrical Equipment has established itself as a leading player in China's ship lighting market. Its products are widely applied across various vessels and offshore engineering scenarios, enjoying high recognition within the industry. 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. Liaowang Auto Lamp is a major manufacturer in the domestic 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. Hule Electric is one of the major manufacturers in the domestic ship lighting industry, and has established long-term and stable cooperative relationships with large domestic shipbuilding enterprises. 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. With manufacturing bases in Nanning, Liuzhou, Chongqing, Qingdao, and Suzhou, Liaowang Auto Lamp has an annual production capacity of more than 5 million sets of automotive lights. Hule Electric 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. 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 an 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. Through independent investment and external mergers and acquisitions, the Company has expanded its industrial presence to automotive lighting, marine lighting, sports lighting, aviation lighting and other sectors, forming a vertically integrated industrial chain covering upstream to downstream and a horizontally diversified layout spanning general to professional applications. This has further enhanced the Company's competitiveness and presence in the industry.

IV Analysis of Principal Operations

1. Overview

In 2025, the domestic and international environment was complex and challenging. Domestically, affected by the continued adjustment of the real estate market and changes in the investment structure, market demand remained weak amid increasingly fierce market competition. International trade was hampered by escalating geopolitical tensions, rampant protectionism and frequent trade barriers. The external trade environment grew increasingly complex, resulting in a notable full-year decline in industry export volume. Coupled with unfavorable factors such as rising raw material prices, all enterprises faced pressure in production and operations. In the face of this situation, 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". Guided by the "Climbing Plan 2.0" and the "Industrial

Leap Plan", the Company continued to focus on market expansion, technology empowerment, lean operations, deepening reform, and risk prevention and control. Overall, the scale of business operations has been stabilized. In 2025, the Company recorded operating revenue of RMB8.797 billion and a net profit attributable to its shareholders of RMB0.215 billion .

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

(1) Market expansion driven by all-around efforts to build a diversified development system

First, the domestic counteroffensive was deepened and upgraded. First, the domestic counteroffensive was deepened and upgraded. The Company stepped up efforts to penetrate the retail market, expanded more high-quality outlets through the "special operations zone" model, won bids from multiple large corporate groups and design institutes, and implemented a number of multi-million-RMB projects, resulting in an 8% year-on-year increase in revenue from the commercial lighting business. By fully leveraging the national subsidy program, integrating cross-platform resources, launching AI tools, and optimizing its product portfolio structure, the e-commerce sector achieved a year-on-year revenue growth of over 20%. Second, the export expansion drive broke new ground and expanded the global footprint. The Company accelerated market expansion in regions including the Belt and Road and Europe, and won bids for overseas lighting projects such as the University of Ethiopia. Revenue from the lighting business in the European market and the Southeast Asia market rose by 9% and 19% year-on-year, respectively, gradually establishing a diversified overseas market system. Third, breakthrough initiatives in new growth areas were further advanced. In terms of automotive lighting, focusing on the mid-to-high-end market, the Company secured more than 10 new projects for mid-to-high-end vehicle models and new module projects, respectively, leading to a year-on-year revenue increase of 5.63% for the automotive lighting business. In marine lighting, the Company won the bid for a microalgae carbon sequestration project, successfully delivered and launched the "Zhanjiang Bay No. 1" aquaculture light control system, and simultaneously expanded into the overseas shipbuilding and ship lighting market, resulting in substantial year-on-year revenue growth. In sports lighting, the Company secured projects including the National Youth Football Training Base and Gaozhou Olympic Sports Center, achieving new breakthroughs. In age-friendly lighting, it was shortlisted in the brand libraries of several professional elderly care enterprises. Its independently developed age-friendly smart home system won the Gold Award at the National Competition for Elderly-Oriented Design Competition, and two products were selected into the *2025 Catalog for the Promotion of Elderly Products* by the Ministry of Industry and Information Technology, making the Company the only

lighting enterprise included in the catalog. In packaging devices, the Company continued to deepen cooperation with leading enterprises in security, display panels, home appliances and other sectors, while exploring the development potential of display applications in emerging fields such as automotive glass, cabin ambient lighting, power banks, central control screens and instrument panels, achieving diversified expansion of product application scenarios.

(2) Deepened technology-enabled innovation to activate the core drivers of development

First, the Company advanced a number of collaborative innovation achievements. It deepened industry-university-research cooperation, focusing on smart lighting, healthy lighting, marine lighting, aviation lighting and other fields, and carried out extensive cooperation with renowned universities, research institutions and partners. By integrating scientific research resources with industrial demands, it jointly established collaborative innovation centers and developed professional lighting products in response to market needs. Second, the Company delivered a host of hardcore technological breakthroughs. It launched AI Light Code technology, enabling full-scenario intelligent spectral applications in residential, commercial and other settings. It upgraded the lighting system for the national key project "Jiaolong" submersible, enhancing its deep-sea exploration and precise search capabilities at a depth of 10,000 meters. The MDL intelligent human-vehicle interaction technology was applied to mass-produced new energy vehicle models, marking a breakthrough. The patent "A Quantum Dot Light-Emitting Device and Manufacturing Method Therefor" won the China Patent Excellence Award. The microwave induction LED key technology won the third prize for scientific progress from the China Light Industry Council. LED intelligent green luminaries were recognized as a "Guangdong Manufacturing Champion Demonstration Enterprise," and six products, including "High-Performance MIP Display Devices," were awarded "Guangdong Famous & High-Quality High-Tech Products". Third, the Company contributed to industry standards. It added 455 new authorized patents and obtained certification for the AS9100D aerospace quality system and IECEx international explosion-proof certification. It hosted national mandatory standards revision seminars and issued 20 standards focusing on energy efficiency improvement and consumer product quality grading, continuously strengthening its qualifications and industry presence.

(3) Lean operations to enhance quality and efficiency, consolidating a solid foundation for development

First, the Company coordinated cost reduction and efficiency enhancement. Starting with the optimization of product design schemes, it promoted cost reduction for core products and improved the product structure,

further enhancing product competitiveness. Second, the supply chain was rectified and optimized to boost efficiency. The Company implemented hierarchical and categorized management and performance evaluation for the supply chain, improved the supply chain management system, and leveraged supply chain financial instruments to optimize capital flow efficiency. It strictly enforced the bidding and competitive pricing system, effectively lowering procurement costs. Third, intelligent transformation and digital upgrading drove efficiency gains. Combining application scenarios such as smart customer services, the Company launched the construction of AICG projects, rolled out systems including the PLM system and financial sharing services, and carried out more than 120 automation upgrades, continuously improving production efficiency.

(4) New brand image to enhance brand influence

First, the Company upgraded its brand image. It launched the new brand IP "Light Xiaoming", completed a full renewal of brand visuals including the VI system, product packaging and retail terminals, and developed cultural and creative products to enrich brand connotation, presenting a youthful, technological and fashionable brand image. Second, the Company strengthened brand communication. Leveraging mainstream media, including Xinhua News Agency and Southern Plus, together with new media platforms such as WeChat, Xiaohongshu and Douyin, the Company told the FSL story through featured columns, including "Light of Excellence" and "Mingming Knows It All" in a storytelling and scenario-based manner, continuously deepening brand recognition in both professional and consumer markets. Third, the Company took concrete measures for brand protection. It established a special task force for anti-counterfeiting and launched online and offline campaigns against trademark infringement and counterfeit products through a multi-dimensional model combining civil liability, administrative penalties and criminal crackdowns. This has further improved the integrated brand protection system coordinated by legal, business and technical teams.

2. Revenue and Cost Analysis

(1) Breakdown of Operating Revenue

Unit: RMB

	2025		2024		Change (%)
	Operating revenue	As % of total operating revenue (%)	Operating revenue	As % of total operating revenue (%)	
Total	8,796,808,970.58	100%	9,048,237,647.14	100%	-2.78%
By operating division					
Lighting products and luminaries	5,404,657,063.97	61.44%	5,498,230,129.51	60.77%	-1.70%

Electronic component manufacturing	2,505,250,956.82	28.48%	2,709,267,008.01	29.94%	-7.53%
Export trade and other	886,900,949.79	10.08%	840,740,509.62	9.29%	5.49%
By product category					
General lighting products	3,029,903,446.48	34.45%	3,226,311,712.83	35.66%	-6.09%
LED packaging and components	2,261,567,606.54	25.71%	2,467,584,592.15	27.27%	-8.35%
Auto lamps	2,225,917,346.52	25.30%	2,107,363,678.88	23.29%	5.63%
Trade and other	1,279,420,571.04	14.54%	1,246,977,663.28	13.78%	2.60%
By operating segment					
Domestic	6,967,139,709.49	79.20%	7,069,352,913.60	78.13%	-1.45%
Overseas	1,829,669,261.09	20.80%	1,978,884,733.54	21.87%	-7.54%
By sales model					
Distribution	2,969,809,086.18	33.76%	3,235,221,661.38	35.76%	-8.20%
Other	5,826,999,884.40	66.24%	5,813,015,985.76	64.24%	0.24%

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

Applicable Not applicable

Unit: RMB

	Operating revenue	Cost of sales	Gross profit margin	YoY change in operating revenue (%)	YoY change in cost of sales (%)	YoY change in gross profit margin (%)
By operating division						
Lighting products and luminaries	5,404,657,063.97	4,296,857,498.75	20.50%	-1.70%	0.77%	-1.95%
Electronic component manufacturing	2,505,250,956.82	2,146,396,355.82	14.32%	-7.53%	-8.05%	0.48%
Export trade and other	886,900,949.79	798,165,228.22	10.01%	5.49%	3.78%	1.48%
By product category						
General lighting products	3,029,903,446.48	2,254,839,510.04	25.58%	-6.09%	-5.86%	-0.18%
LED packaging and components	2,261,567,606.54	1,907,376,612.45	15.66%	-8.35%	-7.25%	-1.00%
Auto lamps	2,225,917,346.52	1,930,734,570.62	13.26%	5.63%	10.37%	-3.73%
Trade and other	1,279,420,571.04	1,148,468,389.68	10.24%	2.60%	-1.54%	3.78%
By operating segment						
Domestic	6,967,139,709.49	5,665,162,928.65	18.69%	-1.45%	-0.40%	-0.85%
Overseas	1,829,669,261.09	1,576,256,154.14	13.85%	-7.54%	-6.14%	-1.28%
By sales model						
Distribution	2,969,809,086.18	2,205,638,531.52	25.73%	-8.20%	-8.02%	-0.15%
Other	5,826,999,884.40	5,035,780,551.27	13.58%	0.24%	1.33%	-0.93%

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

Applicable Not applicable

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

Yes No

Operating division	Item	Unit	2025	2024	Change (%)
Lighting products and luminaries	Unit sales	0,000 units	75,143	71,322	5.36%
	Output	0,000 units	75,398	71,889	4.88%
	Inventory	0,000 units	12,395	12,140	2.10%
Electronic component manufacturing	Unit sales	0,000 units	15,725,035	15,692,588	0.21%
	Output	0,000 units	17,719,096	15,693,050	12.91%
	Inventory	0,000 units	5,499,300	3,505,239	56.89%

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

Applicable Not applicable

Due to intensified market competition during the Reporting Period, the Company implemented product structure optimization. Sales volume growth was temporarily lower than production growth, leading to an increase in inventory.

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

Applicable Not applicable

(5) Breakdown of Cost of Sales

By operating division and product category:

Unit: RMB

Operating division	Item	2025		2024		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
Lighting products and luminaries	Raw materials	3,355,258,726.31	46.34%	3,438,364,079.35	46.67%	-2.42%
Lighting products and luminaries	Labor cost	486,886,961.52	6.72%	428,258,110.88	5.81%	13.69%
Lighting products and luminaries	Depreciation and other	454,711,810.92	6.28%	397,433,697.50	5.39%	14.41%
Electronic component manufacturing	Raw materials	1,529,344,318.35	21.12%	1,654,069,012.61	22.45%	-7.54%
Electronic component manufacturing	Labor cost	150,137,883.37	2.07%	157,574,627.02	2.14%	-4.72%
Electronic component manufacturing	Manufacturing costs	466,914,154.10	6.45%	522,784,348.66	7.10%	-10.69%
Trade	Other	536,592,294.40	7.41%	592,011,916.96	8.04%	-9.36%
Other	Other	261,572,933.82	3.61%	177,055,108.51	2.40%	47.74%

Total		7,241,419,082.79	100.00%	7,367,550,901.49	100.00%	-1.71%
-------	--	------------------	---------	------------------	---------	--------

Unit: RMB

Product category	Item	2025		2024		Change (%)
		Cost of sales	As % of total cost of sales (%)	Cost of sales	As % of total cost of sales (%)	
General lighting products	Raw materials	1,809,615,634.00	24.99%	1,928,152,601.20	26.17%	-6.15%
General lighting products	Labor cost	259,660,029.30	3.59%	263,720,327.80	3.58%	-1.54%
General lighting products	Depreciation and other	185,563,846.74	2.56%	203,309,638.26	2.76%	-8.73%
General lighting products	Subtotal	2,254,839,510.04	31.14%	2,395,182,567.26	32.51%	-5.86%
Auto lamps	Raw materials	1,443,387,302.06	19.93%	1,403,947,879.47	19.06%	2.81%
Auto lamps	Labor cost	223,034,968.24	3.08%	158,140,979.51	2.15%	41.04%
Auto lamps	Depreciation and other	264,312,300.32	3.65%	187,279,582.58	2.54%	41.13%
Auto lamps	Subtotal	1,930,734,570.62	26.66%	1,749,368,441.56	23.75%	10.37%
LED packaging and components	Raw materials	1,422,515,058.64	19.64%	1,504,607,255.48	20.42%	-5.46%
LED packaging and components	Labor cost	114,934,531.59	1.59%	129,901,398.23	1.76%	-11.52%
LED packaging and components	Depreciation and other	369,927,022.22	5.11%	422,049,865.45	5.73%	-12.35%
LED packaging and components	Subtotal	1,907,376,612.45	26.34%	2,056,558,519.16	27.91%	-7.25%
Trade and other	Raw materials	745,677,344.36	10.30%	847,737,272.77	11.51%	-12.04%
Trade and other	Labor cost	39,395,315.76	0.54%	34,070,032.36	0.46%	15.63%
Trade and other	Depreciation and other	101,822,795.74	1.41%	107,578,959.87	1.46%	-5.35%
Trade and other	Subtotal	886,895,455.86	12.25%	989,386,265.00	13.43%	-10.36%
Other	Other	261,572,933.82	3.61%	177,055,108.51	2.40%	47.74%

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period Yes No

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

(7) Major Changes to the Business Scope or Product or Service Range in the Reporting Period Applicable Not applicable**(8) Major Customers and Suppliers**

Major customers:

Total sales to top five customers (RMB)	1,968,096,052.47
Total sales to top five customers as % of total sales of the Reporting Period (%)	22.38%
Total sales to related parties among top five customers as % of total sales of the Reporting Period (%)	0.00%

Information about top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As % of total sales revenue (%)
1	Customer A	679,633,771.41	7.73%
2	Customer B	459,241,377.19	5.22%
3	Customer C	398,998,308.93	4.54%
4	Customer D	279,291,040.49	3.17%
5	Customer E	150,931,554.45	1.72%
Total	--	1,968,096,052.47	22.38%

Other information about major customers:

Applicable Not applicable

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

Major suppliers:

Total purchases from top five suppliers (RMB)	569,646,423.47
Total purchases from top five suppliers as % of total purchases of the Reporting Period (%)	11.02%
Total purchases from related parties among top five suppliers as % of total purchases of the Reporting Period (%)	0.00%

Information about top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As % of total purchases (%)
1	Supplier A	168,039,572.94	3.25%
2	Supplier B	107,515,406.03	2.08%
3	Supplier C	101,966,533.00	1.97%
4	Supplier D	100,229,123.80	1.94%
5	Supplier E	91,895,787.70	1.78%
Total	--	569,646,423.47	11.02%

Other information about major suppliers:

Applicable Not applicable

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

Indicate whether the Company's trading revenue accounted for more than 10% of its total operating revenue during the Reporting Period.

Applicable Not applicable

3. Expense

Unit: RMB

	2025	2024	Change (%)	Main reason for any significant change
Selling expense	357,637,822.70	349,356,200.73	2.37%	
Administrative expense	481,252,499.96	484,757,347.38	-0.72%	
Finance costs	-13,152,507.21	-55,499,247.20	76.30%	Currency fluctuations in the period
R&D expense	539,265,201.03	548,670,366.07	-1.71%	

4. R&D Investments

 Applicable Not applicable

Names of main R&D projects	Project objectives	Project progress	Objectives to be achieved	Expected impact on the future development of the Company
Development and Application of the AI Spectral Expert Model	This project aims to leverage AI spectral automatic adaptation technology to build a full-chain technical system of "multi-scenario standard spectral library + AI spectral large model + AI interactive integrated products," achieving precise real-time spectral output, addressing the pain points of difficult spectral adaptation, low efficiency, and insufficient intelligence in traditional lighting, and covering lighting needs across multiple fields.	Completed	Build a multi-scenario spectral library, develop a web-based AI spectral model, and apply the technology to multiple lighting products.	Enhance the intelligence and health attributes of lighting, promote the personalized and green development of smart lighting, create AI + lighting demonstration solutions, and strengthen market competitiveness.
R&D of High-weather-resistance Tri-Proof Bracket Lights	This project aims to create products that can provide reliable, efficient, and safe lighting in harsh environments through complex processes integrating multiple disciplines, including optics, electronics, materials, mechanics, thermodynamics, and safety engineering.	Completed	Comprehensively enhance the weather resistance, lighting performance, and energy-saving performance of luminaries.	Enhance brand influence and the market competitiveness of high-weather-resistance lighting products.
Research on Age-friendly Lighting Design Innovation and Key Technology Application	This project aims to take technological innovation as the driving force, focus on home, community, elderly care and other scenarios, and build a core system of "light health + AI intelligent monitoring".	Completed	Break through the barriers between traditional lighting and age-friendly needs, build a closed-loop service system, and achieve business implementation.	Develop an age-friendly lighting product system to help the Company expand into the silver economy market.
Research on the Design Scheme of Cabin Scenario Lighting Systems for Civil Aircraft	This project aims to address the pain points of traditional aircraft cabin lighting, which has a single function and can not meet passengers' needs for comfort, mood regulation, and healthy circadian rhythm management, by upgrading the civil aircraft cabin lighting system solution.	Completed	Complete the design of multiple cabin scenario solutions, achieve technological and integration breakthroughs, and advance cabin lighting from basic lighting to smart, healthy scenarios.	Enhance the Company's technological capabilities in the field of civil aircraft cabin lighting and expand into new application scenario

				markets.
R&D of High Reliability Airport Aiming Point Luminaries	This project aims to develop heliport luminaries that comply with civil aviation industry standards, enrich the product line structure, and meet the precise aiming, stable warning requirements of helicopter airports in daytime, nighttime and complex weather conditions.	Trial production	Develop products with stable performance and multiple protection functions, filling the Company's gap in the heliport segment.	Enrich the product line of airfield luminaries, enhance market competitiveness, and drive the growth of the airport lighting business.
Development of High-Performance Airport Taxiway Edge Lights	This project aims to develop a low-cost, highly reliable airfield luminary that complies with civil aviation standards, enhances taxiing guidance safety and efficiency, and meets the market's growing demands for this lighting product in terms of cost, performance, and reliability.	In progress	Reduce product life-cycle costs and meet the requirements of green airports.	Enhance product quality and our strengths in the field of airport lighting.
Development of High-Power Sports Lighting Products	This project aims to overcome the technical challenges of sports lighting involving high standards and high stability, and to provide high-quality lighting products for professional and public sports venues.	In progress	Complete the in-house R&D and manufacturing of high-power sports lighting products, enhancing product performance.	Enhance the Company's technical strength in sports lighting and increase its market share in the sports lighting market.
Development of Deep-Sea Luminaries and Their Semi-Automated Manufacturing Process	This project aims to research the water-sealing and corrosion-resistant technology for deep-sea lighting products. It aims to break through the technical barriers of deep-sea pressure-resistant packaging and environmental reliability, developing reliable, easy-to-maintain deep-sea lighting products with high brightness, uniform illumination, and a high color rendering index.	In progress	Launch a series of deep-sea lighting products, advancing efforts to localize the development of deep-sea lighting products and promoting their application.	Enhance technological capabilities in deep-sea lighting and increase market share.
Directed Aggregation and Intelligent Equipment Technology for Deep-Sea Fishery Resources	This project undertakes the research and development task of the sub-topic "Development and Application of High-Efficiency Fish Luring Lights and Control Systems for Deep-Sea Fisheries in the South China Sea," as part of the national key R&D program. It also collaborates in the integration and application demonstration of new deep-sea fishery resource capture technologies in the South China Sea.	In progress	This project aims to develop fish aggregation lamps for aquatic environments to support industrialization.	The project will enhance the Company's technological strength in fish aggregation lighting to support industrialization.
R&D of High-Reliability Ship Lighting Luminaries	This project aims to use highly efficient LED light sources and high-efficiency diffuser plates to provide uniform and soft light, avoid problems of glare and dazzling brightness, and improve the lighting working environment for crew members.	Completed	Improve the ship lighting product portfolio and enhance the quality of ship lighting products.	Enhance the Company's technological capabilities and product competitiveness in ship lighting.
Analysis, Testing of Specific Microalgae	This project aims to focus on the analysis and testing of specific microalgae light formulas and to study the suitable illumination parameters for	In progress	Enhance the light efficiency and carbon sequestration capacity of microalgae, and implement intelligent	Promote the innovative upgrading of the microalgae industry

Light Formulas, and R&D of Intelligent Cultivation Systems	Spirulina, Scenedesmus, and Chlorella pyrenoidosa.		cultivation technology.	and optimize the application of intelligent cultivation systems.
Development of Highly Efficient LED Tunnel Lights	This project focuses on current technical pain points of the LED tunnel light industry, including low heat dissipation efficiency, poor color rendering, and excessively high color temperature. Leveraging innovative packaging and light source technologies, the R&D of a new type of LED tunnel light is conducted to break through the performance limitations of existing products.	Completed	Achieve ultra-strong heat dissipation, high efficiency, and high color rendering for tunnel lights, enhancing environmental adaptability.	Break through industry technical bottlenecks, reduce operation and maintenance costs, and enhance the competitiveness of the Company's products.
Development of Energy Storage Smart Light Poles	This project aims to develop a new type of smart light pole integrating a highly safe, modular energy storage system, addressing the limitations on the application of smart light poles in areas with unstable power grids or no mains electricity, and responding to the need for upgrades to smart city lighting systems.	Completed	Break through bottlenecks in energy storage safety to ensure the independent and stable operation of light poles.	Expand smart light pole application scenarios, enhance product reliability and environmental attributes, and strengthen market competitiveness.
Innovative Aerial Virtual Imaging System	This project aims to develop an innovative aerial virtual imaging system, focusing on cutting-edge technological breakthroughs in the field of interactive display, and to develop core imaging optics products to secure a leading position in the industry.	In progress	Develop cutting-edge imaging optical products and maintain technological leadership.	Create orders for new product categories and expand business boundaries.
Research and Industrialization of MDL Intelligent Interactive Display Technology	This project aims to carry out research and industrialization of MDL intelligent interactive display technology, with a focus on continuous innovation and breakthroughs in interactive display technologies. It will enhance product performance and market competitiveness through a phased approach to technology research and development and iterative mass production.	Trial production	Achieve technological leadership in MDL and implement its application in automotive lighting.	Consolidate technological leadership and increase market share in the automotive lighting market.
Digital Interactive Luminaries II	The project aims to upgrade and iterate interactive display technology, transitioning from white light to red light display, thereby expanding application scenarios and usage scope.	Mass production	Enhance luminous performance and complete the implementation and conversion into mass production.	Enhance the Company's market competitiveness, support the Company in seizing first-mover advantages, and drive business growth.
LED Technology for Efficient Cultivation in Modern	To meet the industrial demand to improve light efficiency and reduce energy consumption in LED plant lighting, as well as the physiological requirements of high light efficiency	Trial production	This project aims to develop an LED technology system for efficient cultivation in modern agriculture through research on efficient LED	The project will support the demonstration application of plant lighting products in

Agriculture and Its Demonstrative Application	during crop breeding processes, an LED technology system for efficient cultivation in modern agriculture will be developed to promote the industrial application of LED technology in crop breeding and the efficient production of high-value crops, thereby driving the high-quality development of smart agriculture.		epitaxial regulation for modern agricultural cultivation, design and fabrication processes of high light efficiency LED chips, as well as design and packaging processes of high light efficiency LED devices. The goal is to provide chip and device support for the manufacturing of specialized LED luminary systems dedicated to efficient cultivation in modern agriculture.	high-value crops.
The Development and Application Demonstration of Deep Ultraviolet LED Modules and Equipment for Public Health and Other Fields	This project aims to promote the integration between the public health safety sector and the deep ultraviolet LED industry by conducting research on high-security and intelligent deep ultraviolet LED disinfection equipment and system solutions for the public health domain. It strives to drive the large-scale application of purification and disinfection in the public health and logistics sectors.	Trial production	This project aims to develop a low thermal resistance and highly reliable universal deep ultraviolet (UV) LED light source for pathogen disinfection, addressing the technological and market demands of deep UV LED virus inactivation. It integrates intelligent identification and driving control technologies tailored to specific application scenarios. The project also involves the application of pathogen disinfection equipment in the field of public health, driving the upgrading and development of industries related to public disinfection. Its goal is to effectively prevent, control, and eliminate the hazards of sudden public health emergencies.	This project will drive the upgrading and development of industries related to public disinfection using deep ultraviolet technology.
Development of Key Technologies for Ultra-High-Definition Micro-LED Display Panels Based on the MIP Packaging Architecture	This project aims to overcome the key technologies for ultra-high-definition Micro-LED display panels based on the MIP packaging architecture, so as to fill the domestic technological gap in high-end MIP devices and provide core support for the large-scale industrialization of Micro-LED.	In progress	This project focuses on research into high-density, highly efficient MIP integrated packaging technology, high-quality color mixing technology for MIP packaged devices, and high-reliability MIP display panel packaging and defective pixel detection and repair technology. It aims to establish the full-process chain integrating Micro-LED chips, MIP device packaging, and MIP display panel integration,	Deepen the MIP technology layout and focus on collaborative innovation across the ultra-high-definition display industry chain.

			accelerate the resolution of key technical challenges in the Micro-LED industry chain, and seize the commanding heights of global next-generation display technology.	
Research and Application of Key Technologies for Indoor Fine-Pitch LED Display Devices and Modules for Next-Generation Displays	Based on the new opportunities created by 5G+4K/8K ultra-high-definition display platform for indoor small-pitch display application scenarios, this project carries out the research on key technologies of indoor fine-pitch LED display devices, seizes the technological heights in the field of new displays, forms a demonstration of new displays, and consolidates the core competitiveness of enterprises.	Trial production	This project leverages its technological advantages in display packaging to further break through the performance limitations of LED display devices and optimize the packaging processes of display modules to improve their utilization. It aims to promote the application and adoption of fine-pitch display devices in high-definition display terminal products, and seize the technological high ground in the field of new display technologies.	The project will increase product market share and consolidate core competitiveness
Research and Application of Key Packaging Technologies for GOB Display Panels	This project carries out systematic research on the key technologies for GOB display panel packaging, and is committed to developing high-performance GOB display panels, helping enterprises achieve technological upgrading and transformation at a lower cost, and continuously injecting new vitality and momentum into the industry market.	Trial production	This project, by tackling core and critical processes such as high-weather-resistance GOB display panel packaging curing processes, highly waterproof and moisture-resistant GOB display panel packaging processes, and highly anti-yellowing GOB display panel packaging processes, breaks through the constraints of traditional SMD technology and has established a GOB packaging technology system, providing solid technical support for the iterative upgrade of small-pitch display products.	Increase product market share and consolidate core competitiveness.
Research and Application of Ambient Modules for Home Appliance Scenarios and Multifunctional Display Modules	This project focuses on tackling the key technologies of ambient modules for home appliance scenarios and multifunctional display modules, aiming to promote the innovation and upgrade of intelligent display and control products such as ambient modules for home appliance scenarios and multifunctional display modules toward thinner, more integrated, and multifunctional development, support the performance iteration of home	Trial production	By conducting research on a new display module integrating hand proximity sensing, lighter and thinner display modules, high-definition displays comparable to flexible OLED screens, colorful LED display modules, and integrated intelligent display modules, this project developed LED	Increase product market share and consolidate core competitiveness.

	appliance products, and create a smarter, more convenient, and more comfortable quality life for users.		display modules with more vivid colors, richer content display, and stronger interactivity, effectively enhancing the intelligence level of display modules and user experience, strengthening the competitiveness of core technologies, and providing strong support for product upgrades and scenario-based applications of smart home appliances.	
Research on and Application of Key Packaging Technologies for Miniaturized Optocouplers for Emerging Applications	This project focuses on the research and application of packaging and applications for miniaturized transistor optocoupler products, aiming to develop miniaturized optocoupler products with independent intellectual property rights. It further seeks to enhance the Company's technological capabilities and market competitiveness in the optocoupler field, and to support the domestic substitution of high-end optocoupler devices.	Trial production	This project conducts research on long-distance reverse wire bonding processes, anti-wire collapse processes, and anti-delamination processes for miniaturized optocoupler products. It develops the 10XX series optocoupler products in LSOP4 packages and the 35X series optocoupler products in SOP4 packages, thereby further improving the Company's optocoupler product portfolio and strengthening its core competitiveness in the optocoupler device sector.	Increase product market share and consolidate core competitiveness.
Research and Application of Key Packaging Technologies for High-Power Ceramic LEDs for Automotive Use	This project aims to accelerate breakthroughs in key packaging technologies for high-power ceramic LEDs for automotive applications, develop new products with both market value and industrial security significance, and continuously strengthen leadership in the LED packaging industry.	At the stage of mass production	This project focuses on the research of multiple key technologies related to high-power ceramic LEDs for automotive applications, with the goal of developing high-power ceramic LEDs featuring low thermal resistance, high brightness, and long lifespan. The implementation of this project will continuously enhance the quality of high-power ceramic LED products for automotive applications, and further enrich the Company's automotive LED product portfolio.	The project will improve the market share of the product, and strengthen core competitiveness.
Research and Application of Packaging for High-Density, High-Weather-	This project focuses on key packaging technology breakthroughs for indoor small-pitch display devices, aiming to develop high-performance indoor small-pitch display devices, overcome	Mass production	This project, through research on key materials for high-performance indoor full-color LED display devices, process	Increase product market share and consolidate core competitiveness.

Resistance LED Display Devices for Indoor Applications	technical bottlenecks of traditional products in resolution, reliability, and display performance, and enhance product market competitiveness and application value within the industry.		flow design for indoor full-color devices, and reliability research on indoor full-color LED devices, develops high-performance indoor small-pitch display devices with independent intellectual property rights, so as to precisely align with the development trend of the 5G+8K ultra-high-definition display industry and effectively expand the application scope of the indoor display market.	
Development of Highly Efficient Automotive-Grade Epitaxial Chip Technology Based on a Novel Light Extraction Structure	This project plans to carry out research on high-luminous-efficiency automotive-grade epitaxial chip technology based on a novel light extraction structure, aiming to develop a series of automotive-grade LED chips and promote the industrialization and commercialization of high-luminous-efficiency automotive-grade epitaxial chip technology.	Trial production	This project aims to develop a series of automotive-grade LED chips that, while ensuring luminous intensity, achieve a smaller-form-factor design for LED automotive lighting chips, and ensure their performance and reliability under various operating conditions, ultimately realizing the industrialization of the related technologies.	Increase product market share and consolidate core competitiveness.
Research and Development of High-Power DFN Power Device Packaging	This project focuses on the research and development of high-power DFN power device packaging technology, with an emphasis on developing high-performance high-power DFN power devices, enhancing product performance and market competitiveness, and supporting the upgrade of the Company's products toward higher integration, miniaturization, and greater reliability, thereby laying a solid technical foundation for the strategic transition from single-chip devices to multi-chip integration.	Mass production	This project focuses on research into the packaging framework, wire bonding process, and reliability of high-power DFN power devices, developing high-power DFN power devices in multiple specifications such as DFN7*7, 8*8, and 12*12, further enriching the Company's product portfolio and enhancing our core technological competitiveness and market influence.	Increase product market share and consolidate core competitiveness.

Details about R&D personnel:

	2025	2024	Change (%)
Number of R&D personnel	1,562	2,045	-23.62%
R&D personnel as % of total employees	13.05%	16.76%	-3.71%
Educational background			
Bachelor's degree	943	1,176	-19.81%
Master's degree	157	155	1.29%
Doctoral degree and above	13	13	0.00%
Junior college and below	449	701	-35.95%

Age structure			
Below 30	533	763	-30.14%
30~40	643	792	-18.81%
40 and beyond	386	490	-21.22%

Details about R&D investments:

	2025	2024	Change (%)
R&D investments (RMB)	560,437,274.57	590,807,947.33	-5.14%
R&D investments as % of operating revenue	6.37%	6.53%	-0.16%
Capitalized R&D investments (RMB)	0.00	0.00	0.00%
Capitalized R&D investments as % of total R&D investments	0.00%	0.00%	0.00%

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

Applicable Not applicable

The decrease and changes in the composition of the Company's R&D personnel during the Reporting Period were primarily driven by its continuous optimization of internal resource allocation and the optimization of the structure of the R&D team.

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

Applicable Not applicable

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

Applicable Not applicable

5. Cash Flows

Unit: RMB

Item	2025	2024	Change (%)
Subtotal of cash generated from operating activities	8,661,695,964.00	8,884,435,924.99	-2.51%
Subtotal of cash used in operating activities	8,364,546,570.99	8,286,320,589.11	0.94%
Net cash generated from/used in operating activities	297,149,393.01	598,115,335.88	-50.32%
Subtotal of cash generated from investing activities	1,172,591,759.99	1,059,888,697.14	10.63%
Subtotal of cash used in investing activities	856,344,658.04	1,775,272,864.22	-51.76%
Net cash generated from/used in investing activities	316,247,101.95	-715,384,167.08	144.21%
Subtotal of cash generated from financing activities	380,674,200.72	445,145,960.64	-14.48%

Subtotal of cash used in financing activities	853,845,132.00	768,748,792.52	11.07%
Net cash generated from/used in financing activities	-473,170,931.28	-323,602,831.88	-46.22%
Net increase in cash and cash equivalents	134,977,279.31	-416,870,923.47	132.38%

Explanation of why any of the data above varies significantly:

Applicable Not applicable

(1) Net cash generated from operating activities decreased by 50.32% year on year, primarily driven by the decreased cash proceeds from sale of commodities and the increased taxes paid during the period.

(2) Net cash generated from investing activities increased by 144.21% year on year, primarily driven by a higher amount of large-denomination certificates of deposit purchased during the prior period and the disposal of Gotion High-tech shares during the period.

(3) Net cash generated from financing activities decreased by 46.22% year on year, primarily driven by the increase in the bank acceptance bill margin for the bill pool business during the period.

(4) Net increase in cash and cash equivalents increased by 132.38% year on year, primarily driven by the increased net cash generated from investing activities.

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

Applicable Not applicable

V Analysis of Non-Core Businesses

Applicable Not applicable

Unit: RMB

	Amount	As % of profit before tax	Main source/reason	Recurrent or not
Return on investment	61,774,334.25	22.73%	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	922,115.30	0.34%	Gain/loss on changes in fair value of financial instruments during the period	Yes
Asset impairments	-129,947,636.14	-47.81%	Inventory valuation allowances and goodwill impairment allowances during the period	Yes
Non-operating income	4,777,173.86	1.76%	Carryforwards of payables that require no payment during the period	No
Non-operating expense	4,468,274.46	1.64%	Payment of late fees during the period	No
Other income	99,643,539.11	36.66%	Receipt of continuing government grants during the	No

			period	
Credit impairment loss (“-” for loss)	-12,955,005.06	-4.77%	Allowances for doubtful accounts receivable and other receivables during the period	Yes
Asset disposal income (“-” for loss)	138,721,265.11	51.04%	Gains or losses on the disposal of non-current assets during the period	No

VI Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	December 31, 2025		January 1, 2025		Change in percentage (%)	Main reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Monetary assets	3,455,743,091.17	20.13%	3,209,127,437.31	18.70%	1.43%	Disposal of Gotion High-tech shares during the period
Accounts receivable	2,173,325,283.78	12.66%	2,125,667,291.96	12.39%	0.27%	
Contract assets	450,672.52	0.00%	1,690,021.95	0.01%	-0.01%	
Inventory	2,163,660,652.65	12.60%	2,025,499,361.38	11.80%	0.80%	
Investment property	810,582,038.87	4.72%	793,487,046.02	4.62%	0.10%	
Long-term equity investments	184,806,652.92	1.08%	180,300,594.89	1.05%	0.03%	
Fixed assets	3,586,917,576.90	20.89%	3,646,594,206.04	21.25%	-0.36%	
Construction in progress	223,949,659.06	1.30%	263,601,705.89	1.54%	-0.24%	
Right-of-use assets	23,771,544.09	0.14%	22,342,999.34	0.13%	0.01%	
Short-term borrowings	635,015,074.86	3.70%	307,141,147.49	1.79%	1.91%	Use of supply chain finance bills to pay suppliers during the period
Contract liabilities	140,787,246.73	0.82%	119,506,301.48	0.70%	0.12%	
Long-term borrowings	192,915,075.78	1.12%	222,581,930.54	1.30%	-0.18%	
Lease liabilities	15,354,724.02	0.09%	15,023,993.11	0.09%	0.00%	
Notes receivable	732,835,152.15	4.27%	997,281,070.21	5.81%	-1.54%	Maturity of some accounts receivable during the period
Receivables financing	415,949,788.02	2.42%	352,694,866.89	2.06%	0.36%	
Current portion of non-current assets	429,862,721.67	2.50%	0.00	0.00%	2.50%	Reclassification of large-denomination certificates of deposit under other debt investments during the period that have a term of over one year but

						will mature within one year
Other debt investments	720,083,694.31	4.19%	1,140,022,863.72	6.64%	-2.45%	Reclassification of large-denomination certificates of deposit under other debt investments during the period that have a term of over one year but will mature within one year
Other equity investments	471,794,043.90	2.75%	726,663,613.42	4.23%	-1.48%	Disposal of Gotion High-tech shares during the period
Intangible assets	383,525,440.66	2.23%	388,587,348.99	2.26%	-0.03%	
Notes payable	2,179,070,444.41	12.69%	1,930,784,817.62	11.25%	1.44%	Payments made to suppliers during the period
Accounts payable	2,443,871,780.95	14.24%	2,781,965,096.70	16.21%	-1.97%	Payments made to suppliers during the period
Other payables	372,152,039.73	2.17%	495,717,050.97	2.89%	-0.72%	
Share capital	1,535,778,230.00	8.95%	1,548,778,230.00	9.03%	-0.08%	
Capital reserves	843,517,955.90	4.91%	914,336,325.66	5.33%	-0.42%	

Indicate whether overseas assets account for a higher proportion of total assets.

Applicable Not applicable

2. Assets and Liabilities at Fair Value

Applicable Not applicable

Unit: RMB

Item	Opening amount	Gain/loss on fair-value changes during the period	Cumulative fair-value changes charged to equity	Impairment allowance for the period	Purchased during the period	Sold during the period	Other changes	Closing amount
Financial assets								
1. Held-for-trading financial assets (exclusive of derivative financial assets)	43,649,820.47	922,115.30			75,000,000.00	116,802,938.44		2,768,997.33
2. Other debt investments	1,140,022,863.72					20,000,000.00	29,923,552.26	1,149,946,415.98
3. Other	726,663,61	295,849,60	725,988,32		11,200,000.	561,919,17		471,794,04

equity investments	3.42	5.60	7.84		00	5.12		3.90
4. Receivables financing	352,694,866.89						63,254,921.13	415,949,788.02
Subtotal of financial assets	2,263,031,164.50	296,771,720.90	725,988,327.84		86,200,000.00	698,722,113.56	93,178,473.39	2,040,459,245.23
Total of the above	2,263,031,164.50	296,771,720.90	725,988,327.84		86,200,000.00	698,722,113.56	93,178,473.39	2,040,459,245.23
Financial liabilities	275,250.00					275,250.00		

Details about other changes:

The purchased amount in the Reporting Period of other debt investments referred to the cash management (large-denomination certificates) by the Company with its own temporarily idle funds and idle raised funds, which was classified as financial assets at fair value through other comprehensive income. An amount of RMB20,000,000.00 was sold in the Reporting Period, and other changes were RMB29,923,552.26 of cumulative recognized interest.

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

Yes No

3. Restricted Asset Rights as at the Period-End

Unit: RMB

Item	Closing carrying value	Reason for restriction
Monetary assets	631,081,782.33	Security deposits for bills, performance bonds, payments by buyers for pre-sale of properties
Notes receivable	540,078,294.10	In pledge for the bill pool, undue notes receivable that have been endorsed or discounted
Fixed assets	198,427,841.71	As mortgage and guarantee for related party, see “3. Other information” under “XVI Commitments and Contingencies” of “Part VIII Financial Statements” in this Report
Intangible assets	10,030,658.70	
Receivables financing	7,000,000.00	In pledge for the bill pool
Other current assets	6,658,273.00	Frozen funds
Other non-current assets	3,528,951.23	Frozen funds
Accounts receivable	945,000.00	Undue accounts receivable that have been transferred
Total	1,397,750,801.07	/

VII Investments Made

1. Total Investment Amount

Applicable Not applicable

Investment amount during the Reporting Period (RMB)	Investment amount in the same period of last year (RMB)	Change (%)
380,967,047.92	386,039,888.94	-1.31%

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

Unit: RMB

Name of project	Way of investment	Fixed asset investment or not	Industry of the investment project	Input during the period	Cumulative input as of the period-end	Funding source	Project progress	Predicted return	Cumulative return as of the period-end	Reason for failure to reach the planned progress and predicted return	Date of disclosure (if any)	Disclosure index (if any)
The Jili Industrial Park project (not including land purchase)	Other	Yes	LED packaging	219,032,377.09	860,827,746.13	Self-posed funds	50.21%			N/A	August 7, 2020	Announcement on Investment in the Construction of NationStar Optoelectronics' Jili Industrial Park Project on www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)
Total	--	--	--	219,032,377.09	860,827,746.13	--	--	0.00	0.00	--	--	--

4. Financial Investments

(1) Securities Investments

Applicable Not applicable

Unit: RMB

Security	Sec	Securi	Initial	Meas	Beginn	Gain/L	Accum	Purc	Sold in	Gain/l	Ending	Acco	Fun
----------	-----	--------	---------	------	--------	--------	-------	------	---------	--------	--------	------	-----

type	urity code	ity name	investment cost	urement method	ing carrying value	loss on fair-value changes in Reporting Period	ulated fair-value changes charged to equity	hase d in Reporting Period	Reporting Period	loss in Reporting Period	carrying value	untin g title	din g source
Domestically/Overseas listed stock	601187	Xiamen Bank	152,957,606.83	Fair value method	323,502,024.60	97,509,475.50	268,053,893.27			17,207,554.50	421,011,500.10	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	750,429.56				750,429.56	2,676,867.86	Held-for-trading financial assets	Other
Other	None	Foshan branch of Guangdong Development Bank	500,000.00	Fair value method	500,000.00					110,338.26	500,000.00	Investments in other equity instruments	Self-funded
Domestically/Overseas listed stock	000980	ZOT YE Automobile	423,448.92	Fair value method	62,376.61	29,752.86				29,752.86	92,129.47	Held-for-trading financial assets	Other
Domestically/Overseas listed stock	002074	Gotion High-tech	83,014,485.13	Fair value method	363,579,045.02	198,340,130.10	457,934,434.57			561,919,175.12	957,765.10	Investments in other equity instruments	Self-funded
Trust product	None	Hangzhou Industrial & Com	1,500,000.00	Fair value method	1,543,950.00					1,551,919.05	7,969.05	Held-for-trading financial	Self-funded

		merc al Trust										cial asset s	
Total	239,70 2,497.0 6	--	691,11 3,834.5 3	296,62 9,788.0 2	725,98 8,327.8 4	0.00	563,47 1,094.1 7	19,063 ,809.3 3	424,28 0,497.4 3	--	--		

(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	Opening amount	Gain/Loss on fair-value changes during the period	Accumulated fair-value changes recorded in equity	Purchased during the period	Sold during the period	Closing amount	Closing investment amount as % of the Company's closing equity
General forward	500	0	1.88	0	500	500	0	0.00%
General forward	650	650	0	0	0	650	0	0.00%
Total	1,150	650	1.88	0	500	1,150	0	0.00%
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/loss stood at USD 15200 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							

<p>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>	<p>Risk analysis of the forward foreign exchange settlement: 1. Market risk: Given the unpredictability of economic changes at home and abroad, the foreign exchange hedging business faces market risk, to some extent. 2. Foreign currency risk: When the foreign currency trend greatly deviates from the Company's judgment of such trend, the expenses after locking the exchange rate might exceed that before doing so, resulting in losses to the Company. 3. Internal control risk: Imperfect internal control policies probably triggers risks to the foreign exchange hedging business, as it is highly professional and complex. 4. Trading default risk: If the counterparty of foreign exchange hedging defaults by failing to pay hedging earnings to the Company as agreed, the actual exchange loss of the Company will not be offset. 5. Collection forecast risk: Marketing departments forecast collection based on the actual and expected orders of customers. In practice, customers may adjust such orders. As a result, the Company's collection forecast will not be accurate, leading to delivery risks.</p> <p>Adopted risk control measures: 1. The Company will strengthen the research and analysis of the exchange rate. When the exchange rate fluctuates greatly, it will adjust the business strategy in a timely manner to stabilize the export business and avoid exchange losses to the utmost. 2. The Company has established the Management System for Foreign Exchange Hedging and majority-owned subsidiary NationStar Optoelectronics has also formulated the Management System for Forward Forex Settlement and Sale and Forex Option Transactions, clearly defining the operating principles, approval authority, responsible department and responsible person, internal operation procedures, information isolation measures, internal risk reporting system, risk management procedures, and information disclosure related to the foreign exchange hedging business. 3. In order to prevent any delay in the foreign exchange hedging, the Company will strengthen the management of accounts receivable, actively collect receivables, and avoid any overdue receivables. In the meantime, the Company plans to increase the export purchases and purchase corresponding credit insurance so as to reduce the risk of default and customer default. 4. The Company's foreign exchange hedges must be strictly based on the Company's foreign exchange earnings prediction. Besides, the Company shall strictly control the scale of its foreign exchange hedges, and manage all risks that the Company may face within a controllable range. 5. The internal audit department of the Company shall check the actual signing and execution situation of all trading contracts on a regular or irregular basis.</p>
<p>Changes in market prices or fair value of derivative investments in Reporting Period (fair value analysis should include measurement method and related assumptions and parameters)</p>	<p>The Company carries out recognition and measurement in accordance with the Accounting Standard for Business Enterprises No. 22—Recognition and Measurement of Financial Instruments, the Accounting Standard for Business Enterprises No. 24—Hedges, the Accounting Standard for Business Enterprises No. 37—Presentation of Financial Instrument 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.</p>
<p>Legal matters involved (if applicable)</p>	<p>N/A</p>
<p>Disclosure date of announcement on board's approving derivative investment</p>	<p>April 30, 2024 and April 23, 2025</p>

(if any)	
----------	--

2) Derivative Investments for Speculative Purposes in the Reporting Period

Applicable Not applicable

No such cases during the Reporting Period.

VIII Sale of Major Assets and Equity Investments

1. Sale of Major Assets

Applicable Not applicable

Trans action party	Asset sold	Date of sale	Trans action price (RM B'0,000)	Net profit contributed to the Company from the period begin to the date of sale (RM B'0,000)	Effect on the Company	Ratio of the net profit contributed by the sale of the asset to the Company's total profit (%)	Pricing principle	Related-party transaction or not	Relationship between the transaction party and the Company (applicable for related-party transactions)	Ownership of the asset involved has been all transferred or not	Creditor's rights and liabilities involved have been all transferred or not	Executed as scheduled or not; if not, give reasons and measures taken	Disclosure date	Index to disclosed information
Centralized bidding on the secondary market	Shares of Gotion High-tech Co., Ltd.	June and August 2025	56,191.92	95.78	The sale would not affect the Company's business continuity or management stability.	0.00%	Market price of Gotion High-tech at the time of sales	No	N/A	Yes	Yes	N/A	N/A	N/A
Lishui	The state-	December	18,385.59	9,031.59	The sale	41.29%	Based on	No	N/A	Yes	Yes	N/A	December	Announce

District Demolition and Resetlement Co., Ltd. of Nanjing	owned land use rights and buildings of Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd.	2025			would not affect the Company's business continuity or management stability.		the asset valuation report issued by the valuation company						16, 2021 and December 19, 2025	ment on the Expropriation of Land Use Rights and Buildings of a Wholly-Owned Subsidiary, and Announcement on Progress of the Expropriation of Land Use Rights and Buildings of a Wholly-Owned Subsidiary
--	--	------	--	--	---	--	--	--	--	--	--	--	--------------------------------	--

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. Net profit contributed to the Company from the period-begin to the date of sale was dividends received during the period.

2. Sale of Major Equity Investments

Applicable Not applicable

IX Major Subsidiaries

Applicable Not applicable

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

Unit: RMB

Name	Relationship with the Company	Principal activity	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Foshan NationStar Optoelectronics Co., Ltd.	Subsidiary	Manufacturing	618,477,169.00	6,105,441,389.20	3,789,171,500.92	3,281,481,214.08	-19,843,454.51	-13,008,857.18
Nanning Liaowang Auto Lamp Co., Ltd.	Subsidiary	Manufacturing	35,055,700.00	3,125,070,295.34	1,065,188,131.36	2,031,625,617.87	28,857,374.44	28,088,406.31
FSL Chanchang Optoelectronics Co., Ltd.	Subsidiary	Manufacturing	72,782,944.00	1,337,704,773.71	483,321,742.13	1,467,712,911.27	122,756,553.22	105,751,105.31
Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd.	Subsidiary	Manufacturing	41,683,200.00	196,037,024.03	158,513,409.39	1,486,738.61	126,512,942.85	91,212,772.69

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
Guangdong Airtrust Aviation Equipment	Acquired	No significant impact on the Company's

Co., Ltd.		production and performance
Airstar (Tianjin) Lighting Co., Ltd.	Acquired	No significant impact on the Company's production and performance
FSL (Thailand) Lighting Technology Co., Ltd.	Incorporated	No significant impact on the Company's production and performance
Shanghai Lelaite Electrical Equipment Co., Ltd.	Transferred	No significant impact on the Company's production and performance
Nanyang Baoli Vanadium Industry Co., Ltd.	De-registered	No significant impact on the Company's production and performance
Airstar (Tianjin) Lighting Co., Ltd.	De-registered	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.

4. Pursuant to the equity agreement signed between the Company and Prosperity Lamps and Components Ltd on August 27, 2008, Prosperity Lamps and Components Ltd transferred 100% of its equity interest in Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd. (formerly known as “Prosperity (Nanjing) Lighting Equipment Co., Ltd., which was renamed “Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd.” on November 15, 2010) to the Company in full. As a result, Nanjing Fozhao Lighting Equipment Manufacturing Co., Ltd. has become a wholly-owned subsidiary of the Company. The Company has included it in the scope of its consolidated financial statements since the acquisition date.

X Structured Bodies Controlled by the Company

Applicable Not applicable

XI Prospects

i. Development strategies

The Company is committed to implementing the development strategy of “new-type basic platform and large-scale new tracks.” It will continue to focus on technology and services as the core, emphasizing brand and value. The Company will upgrade its R&D and innovation system oriented toward intelligence, health, and green development, build a business system covering products, solutions, and services, improved its marketing system spanning distribution, direct sales, and international operations, develop a differentiated core competitiveness system, and promote the Company to become a leading domestic provider of intelligent and healthy lighting environment services.

ii. Operational plan for 2026

1. Upgrade marketing and build a collaborative system for omnichannel growth

First, the Company will upgrade its mature business. Focusing on scenario-based development and value upgrading, it will promote channel penetration and terminal empowerment, improve the grid management layout, continue to enhance the sales and operational capabilities of terminal stores, and effectively improve the conversion rate of results. It will expand channels such as home decoration companies and designers to build a full-coverage contact ecosystem. By tapping into demand from new consumption and urban renewal scenarios, the Company will expand key customers, including smart city and industrial decoration customers, implement refined strategies for segmented scenarios, and fully transform into a professional commercial engineering lighting service provider. It will accelerate the release of production capacity at the Thailand factory. On the basis of stabilizing its share in existing advantageous regions and among key major customers, the Company

will intensify efforts to expand into emerging markets, promote the upgrade from "Product Exports" to "Brand and Industry Globalization," and build a diversified and resilient overseas market landscape. In response to the trends of electrification, networking and intelligence, the automotive lighting business will integrate internal R&D resources, tackle technologies such as laser and intelligent human-vehicle interaction, upgrade to mid-to-high-end segments of automotive lamps and modules, and expand more influential new energy vehicle customers. Second, the Company will expand its business into new growth areas. In ship lighting, the Company will accelerate the improvement of product systems, including marine engineering and explosion-proof electrical products, explore the overseas shipbuilding market, and actively develop resources for military and ocean-going projects. In sports lighting, it will focus on core technologies and strive to secure national-level sports event projects. In aviation lighting, based on airport navigation aids, it will focus on breakthroughs in large aircraft cabin lighting. In age-friendly lighting, it will strengthen the development of benchmark projects and participation in standard-setting. In plant and animal lighting, the Company will deeply cultivate light formula technologies, cooperate with leading aquaculture enterprises and modern agricultural projects, and form unique competitiveness in segmented sectors.

2. Advance technologies and build self-reliant leadership advantages

First, the Company will consolidate the areas of excellence in technology. Closely aligning with market demand, it will vigorously promote product iteration and upgrading, drive the development of products towards intelligence, greenization and healthiness, strengthen the research on common and key technologies, and actively launch new technologies and products to the market, thus consolidating the "technological moat." Second, the Company will strengthen standard leadership. It will take the initiative to lead and participate in the formulation and revision of international, national, local and industry standards at all levels, focus on key fields such as smart lighting, marine lighting, smart street lights and sports lighting, concentrate efforts on tackling common and key technical standards, promote the improvement of industry standards, and further enhance the Company's industry influence in the industry. Third, the Company will strengthen collaborative cooperation. It will deepen industry-university-research cooperation with universities, research institutes and leading industry enterprises, jointly build an innovation consortium, coordinate the R&D forces and resources of the research institute and various subsidiaries to realize the sharing of innovative resources. It will achieve more "from zero to one" breakthroughs in the reserve of original technologies and the solution of "bottleneck" problems, and

complete the "from one to N" expansion in achievement transformation, so that technological innovation can be truly converted into product competitiveness and market influence.

3. Upgrade products and strengthen the foundation of value

First, the Company will anchor on needs to set the direction. It will accurately capture industry trends, identify customers' real needs, and scientifically assess market directions, continuously enhancing the foresight, relevance, and feasibility of product planning and promoting a high degree of alignment between the product matrix and market demand, so as to build a solid product foundation for market expansion. Second, the Company will strengthen dynamic management and control throughout the entire product lifecycle. It will establish a dynamic operating mechanism of cultivating new products, revitalizing core products, and phasing out low-efficiency products, so that product iteration has a clear direction and resource allocation has clear priorities, thereby enhancing the overall competitiveness of our products. Third, the Company will strictly control quality. It will improve the quality control system throughout the entire chain of products, from raw material procurement, production and processing, inspection and testing, and warehousing and logistics to finished product delivery, empowering full lifecycle product management through digital and intelligent means and achieving full-process data traceability for products from raw material procurement to after-sales service, so as to enhance overall operational efficiency and product quality.

4. Improve operational efficiency and enhance competitive advantages

First, the Company will deepen the transformation of its mindset. Focusing on key areas such as technology, management, and mechanisms, it will prioritize advancing the innovation system, rapid response mechanisms, and business model transformation, continuously enhancing its overall operational efficiency and innovation vitality. Second, the Company will strengthen lean operations. It will improve process collaboration efficiency, steadily advance digital and intelligent empowerment in a progressive, scalable manner, driving deep integration of digital intelligence across the full value chain of R&D, production, supply, sales and management. Third, the Company will insist on value-driven cohesion. It will improve the remuneration and performance system in line with the market and linked to benefits, optimize the remuneration structure with key indicators such as overall labor productivity and per capita profit creation as guiding factors, increase incentives for core backbone personnel and value creators, and build a strong synergy among all employees to work hard and pursue entrepreneurship.

iii. Potential 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, sports 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 competitiveness 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. The prices of the aforementioned raw materials are closely related to the prices of commodities such as metals and oil. 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 could adversely affect the Company's production and operation.

Countermeasures: The Company will pay attention to market dynamics, collect industry information, analyze and pre-judge supply of main raw materials and price trends, so as to make excellent sourcing plans. By strengthening centralized procurement through negotiations, refining suppliers, perfecting supply chain management, optimizing product design, 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 prices and 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.

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

Applicable Not applicable

Date	Place	Way of communication	Type of visitor	Visitor	Main discussions and materials provided	Index to communication information
May 23, 2025	www.p5w.net	Through an online platform	Other	Online investors	Investor Relations Activities Log Sheet No. 2025-01	www.cninfo.com.cn
May 27, 2025	The Company	One-on-one meeting	Institution	Eight institutions: Guangzhou Private Equity Council, Zhongdaqing Private Fund, Guangzhou Ruimin Investment, Luxiang Investment, Guangzhou Chunhui Private Fund, Guangdong Xiaoyu Private Fund, China Futures, and CITIC Securities	Investor Relations Activities Log Sheet No. 2025-02	www.cninfo.com.cn
September 19, 2025	www.p5w.net	Through an online platform	Other	Online investors	Investor Relations Activities Log	www.cninfo.com.cn

					Sheet No. 2025-03	
November 7, 2025	The headquarters of the Company's subsidiary, NationStar Optoelectronics	One-on-one meeting	Institution	Over 30 institutional investors, media representatives, etc., including Foshan Listed Companies Association, Rising Holdings Group, Northeast Securities, Guosen Securities, Guotai Haitong Securities, Sinolink Securities, Guolian Minsheng Securities, GF Securities, Huaxi Securities, Industrial Securities, China Merchants Securities, CITIC Securities, and Huatai Securities	Investor Relations Activities Log Sheet No. 2025-04	www.cninfo.com.cn

XIII Implementation of Market Value Management Mechanism and Valuation Enhancement Plan

Indicate whether the Company has established a market value management mechanism.

Yes No

Indicate whether the Company has disclosed its valuation enhancement plan.

Yes No

XIV Implementation of the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”

Indicate whether the Company has disclosed the Action Plan for “Dual Enhancement of Development Quality and Investor Returns”.

Yes No

Part IV Environmental, Social and Governance Information

I General Information of Corporate Governance

During the Reporting Period, in strict accordance with relevant requirements of Company Law, Securities Law, Code of Corporate Governance of Listed Companies in China and Rules of Stock Listing of Shenzhen Stock Exchange as well as other relevant laws, rules and regulations, the Company continuously perfected the corporate governance structure and the governance rules. So far, the Company has set up governance structure of responsible Shareholders' Meeting, the Board of Directors, and managers. Besides, it has set up special committees of the Board of Directors and work rules for independent directors. Also, the Company strengthened its internal control and risk management to promote its sound operation. It strengthened information disclosure of principal shareholders and persons acting-in-concert, and prohibited shareholders from abusing their shareholder rights. The Company separated from the principal shareholder in personnel, assets, business, financial affairs and organizational, and was absolutely independent.

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

Yes No

No such cases during the Reporting Period.

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

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

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

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

Company.

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

4. As for the institutions, the Company set up the independent and entire organizations and institutions, and the construction as well as the operating of the corporate governance institutions is executed strictly executed according to the Articles of Association, and the production and operating as well as the offices are entirely independent from the controlling shareholder and the actual controller with any situation of working under one roof with the controlling shareholder or the actual controller.

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

III Horizontal Competition

Applicable Not applicable

IV Directors and Senior Management

1. General Information

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Opening shareholding (share)	Increase during the period (share)	Decrease during the period (share)	Other increase/decrease (share)	Closing shareholding (share)	Reason for share changes
Yu Zhongmin	Male	53	Chairman of the Board	Incumbent	September 29, 2025		0	0	0	0	0	
Zhuang Jianyi	Male	74	Vice Chairman of the Board	Incumbent	December 25, 2015		11,903,509	0	0	0	11,903,509	
Zhang Xuequa	Male	48	Director	Incumbent	February 26, 2024		73,052	0	0	0	73,052	

n												
Zhang Xuequan	Male	48	General Manager	Incumbent	December 21, 2023							
Wang Weidong	Male	57	Director	Incumbent	February 9, 2026		0	0	0	0	0	0
Huang Yue	Male	40	Director	Incumbent	September 29, 2025		0	0	0	0	0	0
Li Xiyuan	Male	65	Independent Director	Incumbent	September 13, 2021		0	0	0	0	0	0
Zhang Renshou	Male	60	Independent Director	Incumbent	September 13, 2021		0	0	0	0	0	0
Dou Linping	Male	66	Independent Director	Incumbent	August 24, 2020		0	0	0	0	0	0
Chen Yu	Male	53	Deputy General Manager	Incumbent	May 13, 2014		66,066	0	0	0	66,066	
Zeng Xiaojin	Female	47	Deputy General Manager	Incumbent	May 14, 2024		0	0	0	0	0	0
Zeng Xiaojin	Female	47	Chief Financial Officer	Incumbent	July 10, 2025							
Li Zehua	Male	40	Deputy General Manager	Incumbent	September 12, 2025		0	0	0	0	0	0
Wang Ye	Male	49	Deputy General Manager	Incumbent	August 30, 2024		5,600	0	0	0	5,600	
Huang Zhenhuan	Male	38	Board Secretary	Incumbent	May 19, 2021		0	0	0	0	0	0
Wan Shan	Male	56	Chairman of the Board	Former	February 26, 2024	September 28, 2025	0	0	0	0	0	0
Hu Fengcai	Male	60	Director	Former	June 30, 2022	December 31, 2025	0	0	0	0	0	0
Chen Mingjie	Male	42	Director	Former	February 26, 2024	September 12, 2025	0	0	0	0	0	0
Li Zehua	Male	40	Director	Former	May 14, 2024	September 28, 2025	0	0	0	0	0	0
Zhang Yong	Male	51	Executive Vice President	Former	February 5, 2024	September 12, 2025	77,596	0	0	0	77,596	
Tang Qionglan	Female	55	Chief Financial Officer	Former	January 26, 2016	July 10, 2025	75,940	0	0	0	75,940	
Total	--	--	--	--	--	--	12,201,763.00	0	0	0	12,201,763.00	--

Indicate whether any director or senior management left office before the expiration of their office terms during

the Reporting Period.

Yes No

1. In July 2025, Ms. Tang Qionglan resigned as Chief Financial Officer due to reaching the statutory retirement age.
2. In September 2025, Mr. Zhang Yong resigned as Executive Vice President due to a job transfer.
3. In September 2025, Mr. Chen Mingjie resigned from his positions as Director and on relevant special committees of the Company due to a job transfer.
4. In September 2025, Mr. Li Zehua resigned from his positions as Director and on relevant special committees of the Company due to a job transfer.
5. In September 2025, Mr. Wan Shan resigned from his positions as Chairman of the Board, Director, and on relevant special committees of the Company due to a job transfer.
6. In December 2025, Mr. Hu Fengcai resigned from his positions as Director and on relevant special committees of the Company due to reaching the statutory retirement age.

Change of directors and senior management:

Applicable Not applicable

Name	Office title	Type of change	Date of change	Reason for change
Tang Qionglan	Chief Financial Officer	Leaving office	July 10, 2025	Retirement
Chen Mingjie	Director	Leaving office	September 12, 2025	Job transfer
Zhang Yong	Executive Vice President	Leaving office	September 12, 2025	Job transfer
Wan Shan	Chairman of the Board	Leaving office	September 28, 2025	Job transfer
Li Zehua	Director	Leaving office	September 28, 2025	Job transfer
Hu Fengcai	Director	Leaving office	December 31, 2025	Retirement
Zeng Xiaojing	Chief Financial Officer	Appointed	July 10, 2025	Job transfer
Li Zehua	Deputy General Manager	Appointed	September 12, 2025	Job transfer
Yu Zhongmin	Chairman of the Board	Elected	September 29, 2025	Job transfer
Huang Yue	Director	Elected	September 29, 2025	Job transfer

2. Biographical Information

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

i. Work experience of the directors

Mr. Yu Zhongmin: Born in September 1972, a member of the Communist Party of China. He holds a bachelor's degree and is an engineer. He previously served as Deputy Director of the Party Office, Deputy General Manager of the Enterprise Management Department, Deputy Director of the General Manager's Office and concurrently Director of the Foreign Affairs Office, Director of the General Manager's Office, Member of the Party Committee, and Vice President of Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.; Deputy Secretary

of the Party Committee, Director, and President of Dongjiang Environmental Company Limited; and Secretary of the Party Committee and Chairman of Guangdong Guangsheng Real Estate Group Co., Ltd. He currently serves as Secretary of the Party Committee and Chairman of the Board of Foshan Electrical and Lighting Co., Ltd.

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

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

Mr. Wang Weidong: Born in 1968, a member of the Communist Party of China, no foreign residency, Bachelor's degree, EMBA and MBA of Lingnan College of Sun Yat-sen University, Senior Human Resources Manager, Senior Political Worker, and Economist. He used to be Executive Director and General Manager (legal representative) of Guangdong Zhenxing Property Management Co., Ltd.; Deputy General Manager and Party

Committee Member of Guangdong Zhenxing Industry Development Group Co., Ltd.; Deputy General Manager and Party Committee Member of Guangzhou Huanan Printing Factory; Assistant General Manager, Director of the Comprehensive Department, Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Commission, and Chairman of the Trade Union of Guangdong Rising Asset Management Co., Ltd.; Chairman and General Manager of Hunan Chushengyuan Property Development Co., Ltd., and Chairman of Hunan Rising Real Estate Holdings Co., Ltd.; Director of the Stability Maintenance Department, Director of the Party and Personnel Department, Director of the Party Committee Office, Deputy Secretary of the Party Committee of the Headquarters, and Director of the Human Resources Department of Guangdong Rising Assets Management Co., Ltd. (now renamed Guangdong Rising Holdings Group Co., Ltd.); Director of Rising Nonferrous Metals Share Co., Ltd.; Deputy Secretary of the Party Committee, Director, Chairman of the Trade Union, and Secretary of the Party Committee of the Headquarters of Shenzhen Zhongjin Lingnan Nonfermet Co., Ltd.; and Party Committee Member, Secretary of the Discipline Inspection Commission, and Chairman of the Supervisory Committee of Foshan NationStar Optoelectronics Co., Ltd. He is currently Outside Director of Guangdong Rising Mining Group Co., Ltd., and has served as Director of the Company since February 2026.

Mr. Huang Yue: Born in January 1985, a member of the Communist Party of China, with a postgraduate degree. He previously served as Manager of the Asset Management Department and Manager of the Financial Business Department of Guangdong Technology Financial Group Co., Ltd., Deputy Head of the Investment Management Department of Guangdong Rising Capital Investment Co., Ltd., Chairman of Guangdong Shengchuang Private Equity Investment Fund Management Co., Ltd., and Head of the Strategic Investment Department and Deputy General Manager of the Expansion Business Division of Guangdong Electronics Information Industry Group Co., Ltd. He currently serves as Secretary to the Board of Directors and Head of the Strategic Investment Department of Guangdong Electronics Information Industry Group Co., Ltd., and has served as a Director of the Company since September 2025.

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

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

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

Mr. Dou Linping: Male, born in August 1959, with no right of permanent residence in a foreign country, holds a Bachelor's degree, and is a Senior Engineer. Previously, he has served as Deputy Chief of the Design Section of Beijing Luminaries Factory, Director of the Office of Design Standards and then Vice Director of Beijing Luminaries Research Institution, Deputy Secretary-General and Managing Director of China Association of Lighting Industry, and Managing Director and Secretary-General of China Illuminating Engineering Society. At present, he serves as Vice Director-General of China Solid State Lighting Alliance, Director of the Urban,

Cultural and Tourism Lighting Professional Committee of CSA, and Independent Director of Beijing New Space Technology Co., Ltd. He has been an Independent Director of the Company since August 2020.

ii. Work experience of the senior management

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

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

Ms. Zeng Xiaojing: Female, born in October 1978, a member of the Communist Party of China, with a university degree, and a certified accountant. She has previously served as the Deputy Head of the Finance Section at Guangdong Petroleum Enterprise Group Yunfu City Company; Deputy Director of the Finance and Asset Department and Head of Financial Computerization Management at Sinopec Guangdong Yunfu Petroleum Branch; Chief Accountant and Deputy Director of the Finance Department at Guangdong Yunfu Salt Industry General Company; Head of the Finance Section and Manager of the Finance Management Department at Guangdong Yunfu Salt Industry Group Co., Ltd.; Deputy General Manager (Deputy Director), Executive Director, Legal Representative, and Party Branch Secretary at Guangdong Yunfu Salt Industry Group Co., Ltd. (Yunfu Salt Industry Bureau); and Deputy General Manager, Executive Director (Legal Representative), General Manager, and Party Committee Secretary at Guangdong Zhaoqing Salt Industry Group Co., Ltd. She has been Deputy General Manager of the Company since May 2024, and concurrently Chief Financial Officer of the Company since July 2025.

Mr. Li Zehua: Male, born in October 1985, a member of the Communist Party of China. He holds a Master's degree in Law and has obtained the legal professional qualification certificate. He used to serve as Deputy Director and Director of the Office, Director of the Party-Masses Department, Director of the Human Resources Department, Director of the Securities and Legal Affairs Department, Director of the Investment Management Department, Board Secretary, and Chief Legal Counsel at Dongjiang Environmental Company Limited; a Party Committee Member and Deputy General Manager of Guangdong Electronics Information Industry Group Ltd.; Chairman of the Board of Shenzhen Yuebao Electronic Technology Co., Ltd.; and Director of Foshan Electrical and Lighting Co., Ltd. Currently, he is Deputy General Manager of Foshan Electrical and Lighting Co., Ltd., Director of Foshan NationStar Optoelectronics Co., Ltd., and Chairman of the Board of Foshan Hortilite Optoelectronics Co., Ltd.

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

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

Indicate whether the controlling shareholder or actual controller concurrently serves as the Chairman of the Board or General Manager of the Company.

Applicable Not applicable

Offices held concurrently in shareholding entities:

Applicable Not applicable

Name	Shareholding entity	Office held in the shareholding entity	Start of tenure	End of tenure	Remuneration or allowance from the shareholding entity
Hu Fengcai	Guangdong Rising Holdings Group Co., Ltd.	Full-time director accredited to the listed company by capital operation department		December 31, 2025	Yes
Huang Yue	Guangdong Electronics Information Industry Group Ltd.	Board Secretary and Head of Strategic Investment Department			Yes
Zhuang Jianyi	Prosperity Lamps & Components Limited	Chairman of the Board			Yes

Offices held concurrently in other entities:

Applicable Not applicable

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
Zhuang Jianyi	Thinkon Semiconductor Jinzhou Corp.	Director			No
Li Xiyuan	Guangzhou Port	Director			Yes

	Group Co., Ltd.				
Li Xiyuan	Guangzhou High Tech Industry Group Co., Ltd.	Director			Yes
Li Xiyuan	Zhongshan Cuiheng Group Co., Ltd.	Director			Yes
Li Xiyuan	Dongguan Development (Holdings) Co., Ltd.	Independent Director			Yes
Li Xiyuan	Shenzhen Tagen Group Co., Ltd.	Independent Director			Yes
Zhang Renshou	Guangzhou University	Accounting Professor		June 30, 2025	Yes
Zhang Renshou	Jiangmen Rural Commercial Bank Company Limited	Independent Director			Yes
Zhang Renshou	Guangdong Provincial Expressway Development Co., Ltd.	Independent Director			Yes
Zhang Renshou	Thinkon Semiconductor Jinzhou Corp.	Independent Director			Yes
Dou Linping	China Solid State Lighting Alliance	Vice Chairman			No
Dou Linping	Hengdian Group Tospo Lighting Co., Ltd.	Independent Director		April 20, 2025	Yes
Dou Linping	Beijing New Space Technology Co., Ltd.	Independent Director			Yes

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

Applicable Not applicable

3. Remuneration of Directors and Senior Management

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

During the Reporting Period, the Remuneration & Appraisal Committee under the Board of Directors decided the 2024 remunerations for the leadership in accordance with the Measures for Managing the Remuneration of the Leadership Team Members and the performance appraisal indicators, taking into account the main operating indicators, the accomplishment of key tasks, and the fulfillment of job responsibilities during the period, before submitting the remuneration plan to the Board of Directors for approval.

Remuneration of directors and senior management for the Reporting Period:

Unit: RMB'0,000

Name	Gender	Age	Office title	Incumbent/Former	Total before-tax remuneration from the Company	Any remuneration from related party
Yu Zhongmin	Male	53	Chairman of the Board	Incumbent	20.14	No
Zhuang Jianyi	Male	74	Vice Chairman of the Board	Incumbent	0	Yes
Zhang Xuequan	Male	48	Director and General Manager	Incumbent	179.69	No
Huang Yue	Male	40	Director	Incumbent	0	Yes
Li Xiyuan	Male	65	Independent Director	Incumbent	18	No
Zhang Renshou	Male	60	Independent Director	Incumbent	18	No
Dou Linping	Male	66	Independent Director	Incumbent	18	No
Chen Yu	Male	53	Deputy General Manager	Incumbent	166.95	No
Li Zehua	Male	40	Deputy General Manager	Incumbent	18.39	No
Zeng Xiaojing	Female	47	Deputy General Manager and Chief Financial Officer	Incumbent	117.32	No
Wang Ye	Male	49	Deputy General Manager	Incumbent	311.16	No
Huang Zhenhuan	Male	38	Board Secretary	Incumbent	77.27	No
Wan Shan	Male	56	Chairman of the Board	Former	121	No
Chen Mingjie	Male	42	Director	Former	129.06	No
Hu Fengcai	Male	60	Director	Former	0	Yes
Zhang Yong	Male	51	Executive Vice President	Former	141.8	No
Tang Qionglan	Female	55	Chief Financial Officer	Former	121.92	No
Total	--	--	--	--	1,458.7	--

Performance appraisal basis for the actual remuneration received by all directors and senior management at the end of the Reporting Period	The remuneration of non-independent directors and senior management personnel who receive remuneration from the Company is appraised in accordance with their annual performance appraisal indicators and the provisions of the Company's Measures for Managing the Remuneration of the Leadership Team Members.
Performance appraisal for the actual remuneration received by all directors and senior management at the end of the Reporting Period	During the Reporting Period, the Remuneration and Appraisal Committee of the Board of Directors formulated the remuneration plan for non-independent directors and senior management receiving remuneration from the Company in accordance with relevant regulations and procedures for 2024. Therefore, the Company completed the remuneration appraisal for non-independent directors and senior management receiving remuneration from the Company for 2024 during the Reporting Period. The remuneration appraisal for 2025 will be conducted after the operating audit results are

	released, based on a comprehensive appraisal of the appraisal indicators and the remuneration rules. The 2025 remuneration appraisal has not yet been completed.
Deferred payment arrangements for the actual remuneration received by all directors and senior management at the end of the Reporting Period	In accordance with the Company's Measures for Managing the Remuneration of the Leadership Team Members, the term-based incentives and additional rewards for non-independent directors and senior management receiving remuneration from the Company are deferred. During the Reporting Period, the remuneration received by non-independent directors and senior management from the Company included a portion of term-based incentives from previous years.
Payment termination and recovery of the actual remuneration received by all directors and senior management at the end of the Reporting Period	None

Other information:

Applicable Not applicable

1. Due to the failure to pass the 2025 annual appraisal of the non-independent directors and senior management receiving remuneration from the Company during the Reporting Period, the remuneration received by the Company's directors and senior management for the year 2025 includes the performance-based remuneration for 2024 that was not paid, as well as some term-based incentive remuneration for the period from 2020 to 2023 that was vested in the current period. It does not include the performance-based remuneration for 2025 that has not yet been settled upon appraisal.

2. The above total remuneration represents the pre-tax remuneration received by directors and senior management from the Company in 2025, including base salary, performance-based pay, social insurance contributions, housing fund, enterprise annuity, and other forms of remuneration obtained from the Company.

V Performance of Duty by Directors during the Reporting Period

1. Attendance of Directors at Board Meetings and Meetings of Shareholders

Attendance of directors at board meetings and meetings of shareholders							
Director	Total number of board meetings the director was eligible to attend	Board meetings attended on site	Board meetings attended by way of telecommunication	Board meetings attended through a proxy	Board meetings the director failed to attend	Whether the director failed to attend two consecutive board meetings	Meetings of shareholders attended
Yu Zhongmin	5	1	4	0	0	No	1
Zhuang Jianyi	11	3	8	0	0	No	3
Zhang Xuequan	11	3	8	0	0	No	3
Chen Mingjie	6	2	4	0	0	No	1
Hu Fengcai	11	3	8	0	0	No	3
Li Zehua	6	2	4	0	0	No	1

Li Xiyuan	11	3	8	0	0	No	3
Zhang Renshou	11	3	8	0	0	No	3
Dou Linping	11	3	8	0	0	No	3
Wan Shan	6	2	4	0	0	No	1
Huang Yue	5	1	4	0	0	No	1

Explanation on any director failing to attend two consecutive board meetings:

None.

2. Objections Raised by Directors on Matters of the Company

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

Yes No

No such cases during the Reporting Period.

3. Other Information about the Performance of Duty by Directors

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

Yes No

Suggestions from directors adopted or not adopted by the Company:

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

VI Performance of Duty by Special Committees under the Board during the Reporting Period

Committee	Members	Meetings convened	Convened date	Contents reviewed	Opinion and advice	Other activities	Objections (if any)
-----------	---------	-------------------	---------------	-------------------	--------------------	------------------	---------------------

		ned				ities	
Strategy and Investment Committee of the 10th Board of Directors	Yu Zhongmin, Zhuang Jianyi, Zhang Xuequan, Dou Linping	1	July 8, 2025	1. Proposal on Participation in the Subscription of A-Shares Issued to Specific Entities by the Majority-owned Subsidiary, NationStar Optoelectronics, in 2025	Approved		
Nomination Committee of the 10th Board of Directors	Zhang Xuequan, Li Xiyuan, Dou Linping, Zhang Renshou	3	July 8, 2025	1. Proposal on the Appointment of Chief Financial Officer	Approved		
			September 10, 2025	1. Proposal on the Nomination of Candidates for Non-Independent Directors of the 10th Board of Directors 2. Proposal on the Nomination of Deputy General Manager	Approved		
			September 26, 2025	1. Proposal on the Election of Chairman of the 10th Board of Directors	Approved		
Audit, Compliance and Risk Management Committee of the 10th Board of Directors	Zhang Renshou, Li Xiyuan, Dou Linping, Huang Yue	6	March 24, 2025	1. Proposal on the 2024 Financial Statement Audit Work Plan and Progress	Approved		
			April 16, 2025	1. 2024 Financial Statement Audit and Internal Control Audit Report 2. 2024 Annual Financial Statements 3. 2025 Financial Budget Report 4. Proposal on the Provision for Asset Impairment and the Write-off of Assets 5. 2024 Internal Control Self-Assessment Report 6. Assessment Report on the Performance of the Accounting Firm 7. Report of the Board's Audit, Compliance and Risk Management Committee on the Performance of Supervisory Duties by the Accounting Firm in 2024 8. Proposal on the Modification or Termination of Certain Raised Funds Invested Projects 9. Proposal on Adjusting the Internal Investment Structure, Adding Implementation Locations, and Postponing the Implementation of Some Raised Funds Invested Projects 10. Special Report on the Deposit and Use of Raised Funds in 2024 11. 2024 Compliance and Risk Report 12. Audit Department's 2024 Work Report and 2025 Work Plan 13. First Quarterly Report 2025 14. Special Report on the Deposit and Actual Use of Raised Funds in the First Quarter of 2025 15. Audit Department's First Quarterly Work Summary for 2025	Approved		

			July 8, 2025	1. Proposal on the Appointment of Chief Financial Officer	Approved		
			August 22, 2025	1. 2025 Interim Report and its Summary 2. Special Report on the Deposit and Use of Raised Funds in the First Half of 2025 3. Audit Department's Summary for the First Half of 2025 and Work Plan 4. Proposal on the Revision of the Internal Audit Rules	Approved		
			October 27, 2025	1. Third Quarterly Report 2025 2. Proposal on the Reappointment of Accounting Firm for 2025 3. Special Report on the Deposit and Actual Use of Raised Funds in the Third Quarter of 2025 4. Audit Department's Work Summary for the First Three Quarters of 2025 and Work Plan	Approved		
			December 17, 2025	1. Proposal on the Use of Part of Idle Proceeds from Fundraising for Cash Management	Approved		
Remuneration and Appraisal Committee of the 10th Board of Directors	Dou Linping, Zhang Renshou, Li Xiyuan, Huang Yue	2	August 22, 2025	1. Proposal on Appraisal for the 2024 Performance-Based Remuneration for Deputy General Managers (Professional Managers)	Approved		
			September 26, 2025	1. Proposal on the 2024 Performance Appraisal Results and Remuneration Payment Plan for Company Leaders 2. Proposal on the Performance Appraisal Indicators for Company Leaders for 2025	Approved, and the relevant committee members abstained from voting		

VII Performance of Duty by the Audit Committee

Indicate whether the Audit Committee found any risk to the Company during its supervision in the Reporting Period.

Yes No

The Audit Committee raised no objections in the Reporting Period.

VIII Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the parent company at the period-end	4,929
Number of in-service employees of major subsidiaries at the period-end	7,042
Total number of in-service employees at the period-end	11,971
Total number of paid employees during the Reporting Period	11,971

Number of retirees to whom the parent company or its major subsidiaries need to pay retirement pensions	217
Functions	
Function	Number of employees
Production	8,360
Sales	898
Technical	1,882
Financial	137
Administrative	694
Total	11,971
Educational backgrounds	
Educational background	Number of employees
Junior college and below	9,291
Bachelor's degree	2,383
Master's degree	283
Doctoral degree and above	14
Total	11,971

2. Employee Remuneration Policy

The Company adheres to a remuneration approach based on job value, supported by individual capability, and centered on performance contribution, and has established a comprehensive compensation management system featuring "position-based pay, performance-based remuneration, and dynamic adjustment." Balancing fairness, competitiveness, and incentives in remuneration, it enhances the ability to attract, retain, and motivate core talent, achieving the common development of the Company and employees. With position-based pay as the core premise, the Company uses scientific job value assessments to clarify the responsibilities, authority, and value grades of each position, sets up a clear salary grade system, and ensures that the remuneration level for different positions matches their job value. Performance-based remuneration serves as the core incentive. Compensation is closely linked to individual performance, departmental performance, and overall performance of the Company. Incentive modules such as performance bonuses and special awards are established to give key rewards to employees with outstanding performance and excellent results, fully motivating employees' work enthusiasm and creativity. Dynamic adjustments serve as an important safeguard. The Company regularly optimizes and adjusts the compensation system in light of industry compensation levels, market supply and demand for talent, the Company's operating performance, and improvements in employees' individual capabilities. This not only ensures the market competitiveness of employees' compensation levels, but also aligns compensation with the Company's development, further enhancing employees' sense of belonging and well-being.

3. Employee Training Plans

Centered on the core approach of "strategic orientation, business-driven development, tiered and categorized management, and digital empowerment," the Company has formulated systematic and normalized training plans in light of its long-term development strategy, business development pain points, and employees' growth needs, striving to enhance the overall competence and professional capabilities of all employees and inject talent-driven momentum into high-quality development. The Company's training initiatives focus on two core priorities. First, the Company strengthens capacity building for digital transformation. In line with its digital development strategy, the Company delivers tiered and targeted digital skills training to employees across different roles, covering digital tool application, digital mindset development, and business digitalization implementation. Such training drives the deep integration of digital technology and business operations, enhances the digital literacy and innovation capabilities of all employees, and supports the Company in achieving its digital transformation objectives. Second, the Company advances the development of its internal trainer team by identifying outstanding cadres, technical experts, and management talents to form a professional internal training corps. It has refined the training, assessment, and incentive mechanisms for internal trainers, who help pass on the Company's core technologies, best practices, and corporate culture through instruction, experience sharing, and case workshops. Concurrently, the Company has established a training platform integrating internal and external resources and introduced high-quality external programs to offer diversified courses covering management competence, professional skills, and professional conduct. These measures cater to the growth needs of employees at all levels and across various positions, foster a learning-oriented organization, and promote common growth of employees and the Company.

4. Labor Outsourcing

Applicable Not applicable

IX Profit Distribution and Bonus Issue

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

Applicable Not applicable

The Company's Articles of Association have clearly stipulated the conditions for profit distribution, the priority of cash dividends, the minimum dividend payout ratio, and the decision-making procedures for formulating and adjusting profit distribution policies. Meanwhile, it has formulated the Management Rules for

Profit Distribution and the Return for Shareholder Plan for the Coming Three Years (2024-2026), specifying the arrangements and forms of dividends, the cash dividend planning and the distribution intervals, etc. which has further improved the decision-making and supervision procedures for dividend distribution. According to the Company's profit distribution rules, the profit distributed in cash shall not be less than 30% of the distributable profit achieved in the year.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of meeting of shareholders	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
If the Company has no dividend plan, it should disclose the specific reasons and the next steps it intends to take to enhance investor returns	N/A
Non-controlling interests are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or changing the cash dividend policy, the conditions and procedures involved are in compliance with applicable regulations and transparent	Not involved

Indicate whether the Company fails to put forward a cash dividend proposal for shareholders despite the facts that the Company has made profits in the Reporting Period and the profits of the parent company distributable to shareholders are positive.

Applicable Not applicable

Final dividend plan and bonus issue for the Reporting Period:

Applicable Not applicable

Bonus shares for every 10 shares (share)	0
Dividend for every 10 shares (RMB) (tax inclusive)	0.5
Total shares as the basis for the profit distribution proposal (share)	1,535,778,230
Cash dividends (RMB) (tax inclusive)	76,788,911.50
Cash dividends in other forms (such as share repurchase) (RMB)	0.00
Total cash dividends (including those in other forms) (RMB)	76,788,911.50
Distributable profit (RMB)	3,188,821,949.84
Total cash dividends (including those in other forms) as % of total profit distribution	100.00%
Cash dividend policy	
Where it is difficult to determine the development stage of the Company but it has plans for considerable spending, in profit distribution, cash dividends shall reach at least 20% in the total profit to be distributed.	

Details about the final dividend and bonus issue proposal

<p>As audited by WUYIGE Certified Public Accountants LLP, the consolidated net profit attributable to shareholders of the parent company for 2025 is RMB214,845,871.24, and the cumulative consolidated retained earnings as of the end of 2025 is RMB4,035,582,297.14 . The parent company recorded a net profit of RMB3,361,835.06 for 2025, of which 10%, i.e. RMB336,183.51, was appropriated as statutory surplus reserve. Plus the opening retained earnings of RMB3,019,769,843.45, and a transfer of RMB350,319,842.44 to retained earnings from the sale of shares in Gotion High-tech held by the Company during the period and the cumulative fair value changes previously included in other comprehensive income, minus the profit distributions of RMB184,293,387.60 for 2024, the cumulative retained earnings of the parent company as of the end of 2025 is RMB3,188,821,949.84. The Board of Directors has recommended a final dividend plan for 2025 as follows: based on the total share capital of 1,535,778,230 shares at the disclosure date of the 2025 Annual Report, a cash dividend of RMB0.50 (tax inclusive, dividends for B-shareholders to be paid in an equivalent amount of HKD) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves. And the remaining retained earnings shall be carried forward for distribution in subsequent years. Where any change occurs to the total shares entitled to the final dividend due to any share repurchase, grant of equity incentives, etc. when the final dividend preplan is implemented, the dividend per share shall remain the same while the total payout amount shall be adjusted accordingly.</p>

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

Applicable Not applicable

No such cases during the Reporting Period.

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

1. Internal control formulation and implementation

During the Reporting Period, the Company, in accordance with the Basic Standards for Internal Control and its supporting guidelines, as well as the actual situation, further revised and improved the relevant internal control systems, and established a relatively effective internal control system, so as to effectively prevent and discover risks in the process of operation and management in time, and provide guarantee for the legal compliance and asset safety of operation and management. The Company's Board of Directors has established an Audit, Compliance, and Risk Management Committee, responsible for supervising, reviewing, and communicating the Company's internal and external audits, internal control system reviews, risk management, and compliance management. The internal audit department of the Company is responsible for the internal audit supervision of the Company, including supervising and inspecting the implementation of the internal control system of the Company, regularly or irregularly conducting routine audits or special audits on finance, internal control, major projects and their businesses, and putting forward suggestions for improving internal control to control and prevent risks. If the audit department finds major defects in internal control in the process of supervision and inspection, it has the right to report directly to the Audit, Compliance and Risk Management Committee of the Board of Directors.

According to the identification of major defects in the Company's internal control, there were no major defects in the internal control of financial reports and non-financial reports in 2025.

2. Material Internal Control Weaknesses Identified for the Reporting Period

Yes No

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

Name of company	Integration plan	Integration progress	Problems encountered in integration	Solutions taken	Settlement progress	Follow-up settlement plan
Guangdong Airtrust Aviation Equipment Co., Ltd. (formerly known as Beijing Airtrust Aviation Technology Co., Ltd.)	First, the Company strengthened empowerment through technological R&D. Leveraging the mature technological expertise accumulated by its Lighting Research Institute in the lighting sector, it provided technical development guidance for aviation lighting products of Airtrust, covering structural design, optical applications, electronic control and other key areas, thereby helping Airtrust enhance its R&D strength and product competitiveness. Second, the Company promoted the integration of management systems by introducing its lean production management system, assisting Guangdong Airtrust in optimizing production and operational processes to achieve cost reduction and efficiency gains across the entire value chain.	During the Reporting Period, Airtrust's production base was successfully established in the Company's Gaoming Production Park, achieving deep integration with R&D and production resources and forming a development pattern of efficient coordination between R&D and production. The integration and synergy effects between both parties continued to emerge. Going forward, the Company will focus on market expansion in aviation lighting, providing support for the overall growth of the Company's operating results.	None	None	None	None

Anomalies found in the management and control of subsidiaries:

Yes No

XIII Assessment Report or Independent Auditor's Report on Internal Control

1. Internal Control Assessment Report

Disclosure date of the internal control assessment report	April 17, 2026
Index to the disclosed internal control assessment report	See www.cninfo.com.cn for the Internal Control Assessment Report 2025
Assessed entities' combined assets as % of consolidated total assets	100.00%
Assessed entities' combined operating revenue as % of consolidated operating revenue	100.00%

Identification standards for internal control weaknesses		
Type	Weaknesses in internal control over financial reporting	Weaknesses in internal control not related to financial reporting
Nature standard	<p>A weakness with any of the following characteristics should be considered a material weakness:</p> <ol style="list-style-type: none"> 1. The weakness involves fraud by directors or senior management; 2. The control environment is ineffective; 3. The registered public accountant identifies a material misstatement in the financial statements for the period, and internal control failed to detect the misstatement during its operation; or 4. The Audit Committee and internal audit function's oversight of internal control is ineffective. <p>A weakness should be considered a serious weakness if it meets any of the following conditions:</p> <ol style="list-style-type: none"> 1. An identified serious weakness has not been corrected within a reasonable period; 2. Restatement of previously published financial statements; 3. The internal audit function is ineffective; <p>or</p> <ol style="list-style-type: none"> 4. The control over the selection and application of accounting policies in accordance with generally accepted accounting principles is ineffective. <p>A weakness should be considered a general weakness if it is a control weakness other than the material and serious weaknesses mentioned above.</p>	<p>A weakness should be considered a material weakness if it meets any of the following characteristics:</p> <ol style="list-style-type: none"> 1. It has been penalized for serious violations of national laws, administrative regulations, and normative documents; 2. Due to a severe lack of the "Three Key Areas and Major Decisions" decision-making procedure, resulting in undemocratic decision-making processes, which caused serious decision-making errors and significant economic losses for the Company; 3. The negative impact caused by illegal or non-compliant behavior is widespread, widely attracts public attention, and causes irreparable damage to the Company's reputation; 4. Important business operations in the Company's production and management lack policy controls or policy system failure; or 5. The internal control assessment result is a material weakness, and effective remediation has not been completed within twelve months. <p>A weakness with any of the following characteristics should be recognized as a serious weakness:</p> <ol style="list-style-type: none"> 1. Owing to partly lack of the decision-making process on significant events and the undemocratic decision-making process which caused the decision-making mistake that led the Company face with certain economic losses; 2. The negative influences owing to the unlawful acts and the irregularities h involve with wide range and cause public concern among the partial regions which bring certain harms to the reputation of the Company; 3. The system of the major business involved with the production and operating of the Company is incomplete or partially invalid; or 4. The results of the internal control assessment turn out to include any serious weakness and such a weakness fails to be rectified effectively within six months. <p>A weakness should be considered a general weakness if it meets any of the following characteristics:</p> <ol style="list-style-type: none"> 1. Due to the incomplete implementation of the "Three Key Areas and Major Decisions" decision-making procedure, resulting in undemocratic decision-making processes and decision-making errors, causing the Company to suffer relatively small economic losses; 2. The negative impact caused by non-

		compliant behavior affects certain regions and attracts limited public attention, causing minor damage to the Company's reputation; 3. The general business policies related to the Company's production and operations are incomplete or partially ineffective; or 4. The remediation of any general weakness has not been completed within six months.
Quantitative standard	Based on the data of the 2024 consolidated financial statements, the quantitative criterion of confirming the degree of the misstatement (including the false negatives) from of the consolidated financial statements of the listed company is as follows: Material weakness: Misstatement $\geq 1.0\%$ of the total assets amount; serious weakness: 0.5% of the total assets amount \leq misstatement $< 1.0\%$ of the total assets amount; general weakness: Misstatement $< 0.5\%$ of the total assets amount.	According to the quantitative criterion of the internal control weaknesses of the financial statements, the quantitative criterion of weaknesses in internal control not related to financial reporting confirmed by the Company is as follows: Material weakness: Misstatement $\geq 1.0\%$ of the total assets amount; serious weakness: 0.5% of the total assets amount \leq misstatement $< 1.0\%$ of the total assets amount; general weakness: Misstatement $< 0.5\%$ of the total assets amount.
Number of material weaknesses in internal control over financial reporting		0
Number of material weaknesses in internal control not related to financial reporting		0
Number of serious weaknesses in internal control over financial reporting		0
Number of serious weaknesses in internal control not related to financial reporting		0

2. Independent Auditor's Report on Internal Control

Applicable Not applicable

Opinion paragraph in the independent auditor's report on internal control	
WUYIGE Certified Public Accountants LLP considered that: Foshan Electrical and Lighting Co., Ltd. maintained effective internal control of the financial report in all significant aspects according to the Basic Standards for Internal Control and relevant regulations.	
Independent auditor's report on internal control disclosed or not	Disclosed
Disclosure date	April 17, 2026
Index to such report disclosed	See www.cninfo.com.cn for the Auditor's Report on Internal Control
Type of the auditor's opinion	Unmodified unqualified opinion
Material weaknesses in internal control not related to financial reporting	No

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

Yes No

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

Yes No

Indicate whether the Company was issued any modified opinion by the independent auditor on its internal control for the Reporting Period or last year.

Yes No

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

None.

XV Environmental Information Disclosure

Indicate whether the listed company or any of its major subsidiaries is included in the list of companies that are required by law to disclose environmental information.

Yes No

Number of companies included in the list of companies that are required by law to disclose environmental information		5
No.	Company	Index to the report on required environmental information
1	Gaoming branch of Foshan Electrical and Lighting Co., Ltd.	List of Key Environmental Supervision Units in Foshan City, 2025
2	Liuzhou Guige Lighting Technology Co., Ltd.	List of Key Environmental Supervision Units in Liuzhou City, 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

XVI Social Responsibility

For details about the Company's fulfillment of social responsibilities in 2025, please refer to the Environmental, Social, and Governance (ESG) Report 2025 disclosed by the Company on www.cninfo.com.cn on April 17, 2026.

XVII Efforts in Poverty Alleviation and Rural Revitalization

The Company takes promoting industrial development, strengthening technological support, and practicing green concepts as its core pathways, breaks through the single-donation model, and actively explores new models for rural revitalization through measures such as industrial assistance, paired assistance, and consumption-based assistance, thereby contributing to the development of livable, business-friendly, and beautiful rural areas.

First, the Company deepens industrial momentum to promote simultaneous improvement in employment and the economy. Driven by the dual engines of industrial implementation and technological innovation, the Company, together with its subsidiary NationStar Optoelectronics, invested nearly RMB 53 million to build a smart outdoor and sports lighting production base in Gaozhou, Maoming, with an annual output value of approximately RMB 60 million, generating stable tax revenue for the local area and driving local employment. In 2025, the base was awarded the title of "Industrial Collaboration Demonstration Enterprise of Foshan (Maoming) Industrial Transfer Cooperation Park", effectively energizing local economic development through the engine of industry.

Second, the Company strengthens technological empowerment to support quality improvement and efficiency enhancement in agriculture. In response to the production challenges in agriculture, animal husbandry, and the marine industry, the Company has precisely developed adaptive technologies and products, injecting technological momentum into the revitalization of rural industries. In the agricultural sector, it has successfully developed highly efficient LED supplemental lighting equipment for plants and a customizable intelligent spectral control system, meeting the needs of high-value crops such as roses, blueberries, and Chinese medicinal herbs at different growth stages. The relevant technologies have been demonstrated and applied at the Maoming dragon fruit base, achieving increased crop yields and extended production periods. In the livestock sector, the Company has launched the husbandry lighting series of heating bulbs, the husbandry lighting series of waterproof light tubes, and intelligent lighting systems, addressing issues such as high energy consumption in breeding and difficulties in environmental control. Among them, the husbandry lighting series of heating bulbs achieved energy savings of more than 14% and doubled service life, effectively improving breeding efficiency. In the marine industry sector, it promotes the commercialization of patented technologies such as ship lighting and aquaculture lighting, completes the R&D and domestic application of 10,000-meter-

class LED deep-sea lighting equipment, and has developed an intelligent lighting system for marine ranches, supporting the development of marine resources.

Third, the Company deepens urban-rural integration and effectively advances consumption-based assistance and infrastructure improvement. On the one hand, it builds bridges for the mutual exchange of urban and rural resources, deepens the long-term mechanism for consumption-based assistance, and promotes resource sharing and complementary advantages through methods such as targeted procurement of agricultural products from assistance regions and providing agricultural-support products as employee benefits. In 2025, the Company implemented consumption-based assistance of more than RMB 1.70 million in assistance areas such as Wuhua County in Meizhou, Qiandongnan in Guizhou, and Conghua in Guangzhou, achieving a win-win in both economic and social benefits. On the other hand, focusing on the improvement of rural infrastructure, it donated 145 sets of intelligent solar street lights to assistance areas such as Batou Village, Hengpi Town, Wuhua County, Meizhou City, and Luohu Middle School, Dongyuan County, Heyuan City. With a clean, low-carbon, and easy-to-maintain lighting solution, the Company effectively improved villagers' nighttime travel conditions and the campus lighting environment, safeguarding rural well-being with the warmth of technology.

Part V Significant Events

I Fulfillment of Commitments

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

Applicable Not applicable

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

ents made in acquisition documents or shareholding alteration documents	Group and Hong Kong Rising Investment	ion and regulation of related-party transactions	Company's shares, they shall 1. Strictly abide by the regulatory documents of the CSRC and the SZSE, the Company's Articles of Association, etc. and not harm the interests of the Company or other shareholders of the Company in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with the Company or the Company's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents. Where the aforesaid commitments are broken and a loss is thus caused for the Company, its subsidiaries or the Company's other shareholders, they shall be obliged to compensate.	4, 2015		
Commitments made in acquisition documents or shareholding alteration documents	Rising Holdings Group	About reduction and regulation of related-party transactions	1. Strictly abide by the regulatory documents of the CSRC and the SZSE, the Company's <i>Articles of Association</i> , etc. and not harm the interests of the Company or other shareholders of the Company in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with the Company or the Company's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents.	November 4, 2021	Long-term	Ongoing
Commitments made in acquisition documents or shareholding alteration documents	Electronics Group and Hong Kong Rising Investment	About independence	In order to ensure the independence of the Company in business, personnel, asset, organization and finance, Electronics Group and Hong Kong Rising Investment have made the following commitments: 1. They will ensure the independence of the Company in business: (1) They promise that the Company will have the assets, personnel, qualifications and capabilities for its operating activities to be conducted independently as well as the ability of independent, sustainable operation in the market. (2) They promise not to intervene in FSL's business activities other than the execution of their rights as FSL's shareholders. (3) They promise that they and their related parties will not be engaged in business that is substantially in competition with FSL's business. And (4) They promise that they and their related parties will try their best to reduce related-party transactions between them and FSL; for necessary and unavoidable related-party transactions, they promise to operate fairly following the market-oriented principle and at fair prices, and execute the transaction procedure and the duty of information disclosure pursuant to the applicable laws, regulations and regulatory documents. 2. They will ensure the independence of FSL in personnel: (1) They promise that FSL's GM, deputy GMs, CFO,	December 4, 2015	Long-term	Ongoing

			<p>Company Secretary of Board of Directors and other senior management personnel will work only for and receive remuneration from FSL, not holding any positions in them or their other controlled subsidiaries other than director and supervisor. (2) They promise FSL’s absolute independence from their related parties in labor, human resource and salary management. And (3) They promise to follow the legal procedure in their recommendation of directors, supervisors and senior management personnel to FSL and not to hire or dismiss employees beyond FSL’s Board of Directors and General Meeting. 3. They will ensure the independence and completeness of FSL in asset: (1) They promise that FSL will have a production system, an auxiliary production system and supporting facilities for its operation; legally have the ownership or use rights of the land, plants, machines, trademarks, patents and non-patented technology in relation to its production and operation; and have independent systems for the procurement of raw materials and the sale of its products. (2) They promise that FSL will have independent and complete assets all under FSL’s control and independently owned and operated by FSL. And (3) They promise that they and their other controlled subsidiaries will not illegally occupy FSL’s funds and assets in any way, or use FSL’s assets to provide guarantees for the debts of themselves or their other controlled subsidiaries with. 4. They will ensure the independence of FSL in organization: (1) They promise that FSL has a sound corporate governance structure as a joint-stock company with an independent and complete organization structure. (2) They promise that the operational and management organs within FSL will independently execute their functions according to laws, regulations and FSL’s Articles of Association. 5. They will ensure the independence of FSL in finance: (1) They promise that FSL will have an independent financial department and financial accounting system with normative, independent financial accounting rules. (2) They promise that FSL will have independent bank accounts and not share bank accounts with its related parties. (3) They promise that FSL’s financial personnel do not hold concurrent positions in its related parties. (4) They promise that FSL will independently pay its tax according to law. And (5) They promise that FSL can make financial decisions independently and that they will not illegally intervene in FSL’s use of its funds.</p>			
<p>Commitments made in acquisition documents or shareholding alteration documents</p>	<p>Rising Holdings Group</p>	<p>About independence</p>	<p>To maintain the independence of the Company, Rising Holdings Group has made the following commitments: 1. It will ensure the personnel independence of the Company. It promises to ensure personnel independence with the Company, and GM, deputy GMs, CFO, Company Secretary of Board of Directors and other senior management personnel of the Company will not hold positions other than directors and supervisors in the enterprises wholly owned, controlled or actually controlled by it and its subsidiaries (hereinafter referred to as “subsidiaries”), and will not receive salaries from it or its subsidiaries. It promises to ensure personnel independence with the Company, and GM, deputy GMs, CFO, Secretary of the Board of Directors and other senior management personnel of the Company will not hold positions other than directors and supervisors in the enterprises wholly owned, controlled or actually controlled by it and its subsidiaries (hereinafter referred to as “subsidiaries”), and will not receive salaries from it or its subsidiaries. 2. It will ensure the asset independence of the Company. (1) It promises that the Company has independent and complete assets. (2) It promises that it and its subsidiaries will not illegally occupy the Company’s funds and assets in any way. 3. It will ensure the financial independence of the</p>	<p>November 4, 2021</p>	<p>Long-term</p>	<p>Ongoing</p>

			Company: (1) It promises that the Company will have an independent financial department and financial accounting system. (2) It promises that the Company will have a standardized and independent financial accounting system. (3) It promises that the Company will have independent bank accounts and not share bank accounts with it. (4) It promises that the Company's financial personnel do not hold concurrent positions in it or its subsidiaries. And (5) It promises that the Company can make financial decisions independently and that they will not illegally intervene in the Company's use of its funds. 4. It will ensure the independence of the Company in organization: (1) It promises that the Company can operate independently with an independent and complete organization structure. (2) It promises that the office and production and business premises of the Company are separated from those of Rising Holdings Group. And (3) It promises that the Board of Directors, the Supervisory Committee and various functional departments of the Company operate independently, and there is no subordinate relationship with the functional departments of Rising Holdings Group. And 5, It will ensure the independence of the Company in business: (1) It promises that the Company will have independence in business. And (2) It promises that the Company will have the assets, personnel, qualifications and capabilities for its operating activities to be conducted independently as well as the ability of independent, sustainable operation in the market.			
Commitments made in acquisition documents or shareholding alteration documents	FSL	About avoidance of horizontal competition	1. They shall conduct supervision and restraint on the production and operating activities of themselves and their relevant enterprises so that besides the enterprise above that is in horizontal competition with NationStar Optoelectronics for now, if the products or business of them or their relevant enterprises become the same with or similar to those of NationStar Optoelectronics or its subsidiaries in the future, they shall take the following measures: (1) If NationStar Optoelectronics thinks necessary, they and their relevant enterprises shall reduce and wholly transfer their relevant assets and business; and (2) If NationStar Optoelectronics thinks necessary, it is given the priority to acquire first, by proper means, the relevant assets and business of them and their relevant enterprises. 2. All the commitments made by them to eliminate or avoid horizontal competition with FSL are also applicable to their directly or indirectly controlled subsidiaries. They are obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments. 3. If they or their directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for NationStar Optoelectronics, they shall compensate NationStar Optoelectronics on a rational basis.	October 7, 2021	Long-term	Ongoing
Commitments made in acquisition documents or shareholding alteration documents	FSL	About reduction and regulation of related-party transactions	1. FSL and enterprises under its control (except NationStar Optoelectronics and its subsidiaries) will reduce and standardize related transactions with NationStar Optoelectronics and its subsidiaries. 2. In case of any inevitable or reasonably justified related party transactions, FSL and enterprises under its control (except NationStar Optoelectronics and its subsidiaries) will strictly abide by the market principles, conduct related party transactions with NationStar Optoelectronics fairly and reasonably based on the general principles of equality, mutual benefit, equal value and compensation, and perform legal procedures in accordance with laws, regulations, normative documents and relevant regulations of NationStar Optoelectronics.	October 7, 2021	Long-term	Ongoing
Commitment	FSL	About	To promote NationStar Optoelectronics' implementation of	October	Long-	Ongoing

<p>ents made in acquisition documents or shareholding alteration documents</p>		<p>maintaining independence of the listed company</p>	<p>standardized management and the lawful and compliant exercise of shareholder rights and corresponding obligations, practical and effective measures will be taken to ensure the independence of NationStar Optoelectronics in terms of personnel, assets, finance, organization, and business. The undersigned commits to the following: (I) Ensure the independence of NationStar Optoelectronics' personnel: 1. Ensure that senior management personnel of NationStar Optoelectronics, including the General Manager (President), Deputy General Managers, Chief Financial Officer, Secretary of Board of Directors, and others, do not hold any position other than Director or Supervisor in Foshan Lighting or other enterprises controlled by Foshan Lighting (excluding NationStar Optoelectronics and its controlled enterprises, the same below), and do not receive salaries from Foshan Lighting or other enterprises controlled by Foshan Lighting. 2. Ensure the independence of labor, personnel relations, and the salary management system between NationStar Optoelectronics and Foshan Lighting or other enterprises controlled by Foshan Lighting. (II) It will ensure the independence of NationStar Optoelectronics in asset 1. FSL promises that NationStar Optoelectronics will have independent and complete operating assets related to operation; 2. FSL promises that the funds, assets and other resources of NationStar Optoelectronics will not be illegally occupied. (III) It will ensure the independence of NationStar Optoelectronics in finance 1. It promises that NationStar Optoelectronics will have an independent financial department, and independent financial accounting system and financial accounting rules. 2. It promises that NationStar Optoelectronics will have independent bank accounts and not share bank accounts with FSL and other enterprises under its control; 3. It promises that the financial personnel of NationStar Optoelectronics do not work part-time and receive salaries in FSL and other enterprises under its control; 4. It promises that NationStar Optoelectronics will independently pay its tax according to law; And (5) It promises that NationStar Optoelectronics can make financial decisions independently and that it will not illegally intervene in NationStar Optoelectronics' use of its funds. (IV) It will ensure the independence of NationStar Optoelectronics in organization It promises that the listed company has a sound corporate governance structure as a joint-stock company with an independent and complete organization structure. (V) It will ensure the independence of NationStar Optoelectronics in business It promise that NationStar Optoelectronics remains independent in procurement, production, sales and intellectual property rights, and that NationStar Optoelectronics will have the assets, personnel, qualifications and capabilities for it operating activities to be conducted independently as well as the ability of independent, sustainable operation in the market.</p>	<p>er 7, 2021</p>	<p>term</p>	<p>ng</p>
<p>Commitments made during asset restructuring</p>	<p>FSL</p>	<p>About the truthfulness, accuracy and completeness of the inform</p>	<p>1. FSL has provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries providing professional services of auditing, valuation, legal and financial consultancy for this trading. FSL promises that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading</p>	<p>October 27, 2021</p>	<p>Long-term</p>	<p>Ongoing</p>

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

			disclosed by us in this trading is suspected of false records, misleading statements or material omissions, and we are filed for investigation by the judicial organ or by the CSRC, the shares with interests in the listed company will not be transferred until the investigation conclusion is formed.			
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment and Shenzhen Rising Investment	About effective performance of measures to fill up returns	1. They promise not to interfere in the operation and management activities of the listed company beyond their authority and not to encroach on the interests of the listed company. 2. From the date of issuance of these commitments to the completion of this trading of the listed company, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, they promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. 3. They promise to earnestly fulfill the measures to fill up returns formulated by the listed company and any commitments made by them. If they violate these commitments and causes losses to the listed company or investors, they are willing to bear the compensation responsibility for the listed company or investors according to law. As one of the subjects responsible for the measures to fill up returns, if they violate the above commitments or refuse to fulfill the above commitments, they agree that the securities regulatory agencies such as the CSRC and the SZSE will punish them or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.	October 27, 2021	Long-term	Ongoing
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	About avoidance of horizontal competition	1. They shall conduct supervision and restraint on the production and operating activities of themselves and their relevant enterprises so that besides the enterprise above that is in horizontal competition with FSL for now, if the products or business of them or their relevant enterprises become the same with or similar to those of FSL or its subsidiaries in the future, they shall take the following measures: (1) If FSL thinks necessary, they and their relevant enterprises shall reduce and wholly transfer their relevant assets and business; and (2) If FSL thinks necessary, it is given the priority to acquire first, by proper means, the relevant assets and business of them and their relevant enterprises. 2. All the commitments made by them to eliminate or avoid horizontal competition with the Company are also applicable to their directly or indirectly controlled subsidiaries. They are obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments. 3. If they or their directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for FSL, they shall compensate FSL on a rational basis.	October 27, 2021	Long-term	Ongoing
Commitments made during asset restructuring	Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	About regulation and reduction of related-party transactions	They have made a commitment that during their direct or indirect holding of FSL's shares, they shall 1. Strictly abide by the regulatory documents of the CSRC and the SZSE, FSL's Articles of Association, etc. and not harm the interests of the Company or other shareholders of FSL in their production and operating activities by taking advantage of their position as the controlling shareholder and actual controller; 2. Make sure that they or their other controlled subsidiaries, branch offices, jointly-run or associated companies (the "Relevant Enterprises" for short) will try their best to avoid or reduce related-party transactions with FSL or FSL's subsidiaries; 3. Strictly follow the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or	October 27, 2021	Long-term	Ongoing

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

asset restructuring		underlying assets of this major asset restructuring	party interests or restrictions and there is no pending or potential litigation, arbitration and any other administrative or judicial procedure that may lead to the seizure, freezing, expropriation or restriction of transfer of the above-mentioned equity by the relevant judicial or administrative organs. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Electronics Group.			
Commitments made during asset restructuring	Rising Holdings Group and Rising Capital	About the clarity of the underlying assets of this major asset restructuring	Contents of Commitment: Rising Holdings Group and Rising Capital promise that the shares of NationStar Optoelectronics it held is clear in ownership and is not subject to any dispute or potential dispute, and there is no situation affecting its legal existence; the above shares are not subject to any other pledges, guarantees or third-party interests or restrictions and there is no pending or potential litigation, arbitration and any other administrative or judicial procedure that may lead to the seizure, freezing, expropriation or restriction of transfer of the above-mentioned equity by the relevant judicial or administrative organs. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group and Rising Capital.	October 27, 2021	Long-term	Ongoing
Commitments made during asset restructuring	NationStar Optoelectronics	About statement and commitment of truthfulness, accuracy and completeness of information provided	NationStar Optoelectronics has provided the necessary, true, accurate, complete and effective documents, materials or oral statements and explanations for this trading at this stage, and there is no concealment, falsehood or material omission. The copies or photocopies of the documents provided are consistent with the original materials or originals. The signatures and seals on the documents and materials provided are authentic, and NationStar Optoelectronics has fulfilled the legal procedures required for such signatures and seals and obtained legal authorization. All the facts stated and explained are consistent with the facts that happened. As this transaction proceeds, the Company shall provide needed information and documents as required by applicable laws, regulations, rules and requirements of CSRC and the stock exchange, and continue to guarantee the truthfulness, accuracy, completeness and validity of the information and documents provided. The Company promises and guarantees the truthfulness, accuracy and completeness of the information provided or disclosed with respect to this transaction. It guarantees that there are no misrepresentations, misleading statements or material omissions. And it shall be individually and jointly liable for that.	October 27, 2021	Long-term	Ongoing
Commitments made during asset restructuring	Sigma	About the clarity of the ownership of the underlying assets of this major asset restructuring	Among 79,753,050 shares of tradable shares with unlimited selling conditions of NationStar Optoelectronics held by Sigma, 39,876, 500 shares were pledged for Guangdong Electronics Information Industry Group Ltd. As of the date of issuance of this commitment, the pledge of the above shares has been released. However, the <i>Maximum Pledge Contract for Stocks of Listed Companies</i> (No.: XXYZZ (BY) No. 201906280001-2) signed by Sigma and Guangzhou Branch of Industrial Bank Co., Ltd. has not been dissolved. There is no entrusted shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group. Guangdong Electronics Information Industry Group Ltd. has promised that it will not add any new loans to Guangzhou Branch of Industrial Bank Co., Ltd. as a borrower during the validity period of the guarantee, and that it will not substantially assume any guarantee responsibility due to the <i>Maximum Pledge Contract for Stocks of Listed Companies</i> . Except as aforesaid, the asset ownership of Sigma is clear, there is no dispute or potential dispute, and there is no situation affecting the legal existence. There is no entrusted	October 27, 2021	Long-term	Ongoing

			shareholding or trust shareholding, restriction or prohibition of transfer of the above-mentioned equity controlled by Rising Group and Rising Capital.			
Commitments made during asset restructuring	Sigma	About no ownership dispute in equity	1. Sigma promises that all its registered capital has been paid in. 2. Sigma promises that all existing shareholders contribute their own funds to hold shares, there is no situation such as holding shares on behalf of them, and there is no dispute or potential dispute between shareholders over their shares.	October 27, 2021	Long-term	Ongoing
Commitments made during asset restructuring	Sigma	About statement and commitment of truthfulness, accuracy and completeness of information provided	1. FSL has provided relevant information and documents (including but not limited to original written materials, duplicate materials or oral testimony, etc.) related to this trading to the intermediaries providing professional services of auditing, valuation, legal and financial consultancy for this trading. FSL promises that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. FSL also promises to bear individual and joint and several liability. 2. We promise that the copies or photocopies of the documents and materials provided are consistent with the originals, and that the signatures and seals of the documents and materials are authentic, and the signatories of the documents have been legally authorized and effectively signed the documents; that the provided information and documents are authentic, accurate and complete and that there are no false records, misleading statements or material omissions. We also promise to bear individual and joint and several liability. We promise that the information provided is true, accurate and complete. 2.	October 27, 2021	Long-term	Ongoing
Commitments made in time of IPO or refinancing	Director, senior management office of FSL, Rising Holding Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	About matters on special self-inspection of the real estate business	According to the laws and regulations issued by the State Council, such as the Notice of the State Council on Resolutely Curbing the Soaring of Housing Prices in Some Cities (GF [2010] No. 10), the Notice of the General Office of the State Council on Further Improving Regulation of the Real Estate Market (GBF [2013] No. 17) and the Adjustment of Regulatory Policies on Listed Companies' Re-financing, Merger and Acquisition and Reorganization Involving Real Estate Business issued by the CSRC on the relevant requirements for refinancing of listed companies involved in real estate business, the controlling shareholders and all directors and Senior Management of Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as the "Company") have made the following commitments: The Self-inspection Report on the Company's Involvement in Real Estate Business has truthfully disclosed the self-inspection of the real estate development projects of the Company and its subsidiaries between 1 January 2020 and 31 December 2022. If the Company is identified with illegalities or violations not disclosed as required by the self-inspection, such as idle land, land speculation, holding real estate projects from selling, and house price rigging, thus causing losses to itself and the investors, we will be liable for compensation in line with relevant laws, regulations, and requirements of securities regulatory authorities.	March 14, 2023	Long-term	Ongoing
Commitments made in time of	Director and senior management	About the measures to	According to the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Lawful Rights and Interests of Small and Medium-sized Investors in the Capital Market (GBF [2013] No. 110), the Opinions of the State Council on Further	March 14, 2023	Long-term	Ongoing

IPO or refinancing	ment office of FSL	fill up immediate returns diluted by the issuance of A-shares to specific objects in 2023	Promoting the Sound Development of Capital Markets (GF [2014] No. 17), the Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring (ZJHGG [2015] No. 31) and other relevant regulations, in order to protect the interests of small and medium-sized investors, the Directors and Senior Management of the Company have made the following commitments that the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects can be effectively fulfilled: 1. We promise not to transfer benefits to other units or individuals for free or under unfair conditions and not to compromise the interests of the Company in other ways. 2. We promise to restrain position-related consumption behavior. 3. We promise not to use the Company's assets to engage in investment and consumption activities unrelated to the performance of duties. 4. We promise that the remuneration system formulated by the Board of Directors or the Remuneration and Assessment Committee is linked to the implementation of the Company's measures to fill up returns. 5. If the Company implements an equity incentive plan in the future, the exercise conditions of the future equity incentive plan will be linked with the implementation of the Company's measures to fill up returns. 6. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes other new regulatory provisions on measures to fill up returns and the relevant commitments, and these commitments cannot meet these provisions of the CSRC, we promise to issue supplementary commitments in accordance with the latest regulations of the CSRC at that time. As one of the subjects responsible for the measures to fill up returns, if we violate the above commitments or refuse to fulfil the above commitments, we agree that the securities regulatory agencies such as the CSRC and the SZSE will punish us or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.			
Commitments made in time of IPO or refinancing	Rising Holdings Group, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment	About the effective fulfillment of measures taken by controlling shareholders and de facto controller to fill up immediate returns	According to the relevant provisions of the CSRC, in order to ensure that the measures to fill up immediate returns diluted by the issuance of A-shares to specific objects can be practically fulfilled, the Company's controlling shareholders, Rising Holdings Group, Electronics Group, Hong Kong Rising Investment, Hongkong Wah Shing, and the de facto controller, Rising Holdings Group, respectively, made the following commitments: 1. We promise not to interfere in the operation and management activities of the listed company beyond our authority and not to encroach on the interests of the listed company. 2. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, we promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. 3. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, we promise to issue supplementary commitments according to the latest regulations of the CSRC at that time. As one of the subjects responsible for the measures to fill up returns, if we violate the above commitments or refuse to fulfil the above commitments, we agree	March 14, 2023	Long-term	Ongoing

			that the securities regulatory agencies such as the CSRC and the SZSE will punish us or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.			
Other commitments made to minority shareholders of the Company	FSL	About cash dividends	FSL's profit distributed in cash shall not be less than 30% of the distributable profit realized in the year.	May 27, 2009	Long-term	Ongoing
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	Having expired
Other commitments	FSL	About the effective implementation of measures to address the dilution of immediate returns resulting from Nation Star Optoelectronics' 2025 issuance of A shares to specific	<p>1. We promise not to interfere in the operation and management activities of the listed company beyond our authority and not to encroach on the interests of the listed company.</p> <p>2. We promise to earnestly fulfil the measures to fill up returns formulated by the listed company and any commitments made by us. If we violate these commitments and cause losses to the listed company or investors, we are willing to bear the compensation responsibility for the listed company or investors according to the law.</p> <p>3. From the date of issuance of these commitments to the completion of the issuance of shares to specific objects, if the CSRC makes new regulatory requirements on measures to fill up returns and commitments of relevant personnel, and the above commitments cannot meet these new regulatory requirements of the CSRC, we promise to issue supplementary commitments according to the latest regulations of the CSRC at that time.</p> <p>As one of the subjects responsible for the measures to fill up returns, if we violate the above commitments or refuse to fulfil the above commitments, we agree that the securities regulatory agencies such as the CSRC and the SZSE will punish us or take relevant regulatory measures in accordance with the relevant regulations and rules they formulated or issued.</p>	July 10, 2025	Long-term	Ongoing

		c object s				
Other commitm ents	FSL	Letter of comm itment on ensuri ng the indepe ndenc e of Nation Star Optoele ctron ics issued in conne ction with its 2025 issuan ce of A shares to specifi c object s	<p>I. Ensure the independence of NationStar Optoelectronics’ personnel</p> <p>1. We ensure that the labor relations, personnel relations, and compensation management of NationStar Optoelectronics and its subsidiaries (the same below, collectively referred to as "NationStar Optoelectronics") are completely independent from those of the Company and other companies, businesses, or other economic organizations controlled by the Company.</p> <p>2. We ensure that the senior management of NationStar Optoelectronics serve exclusively in NationStar Optoelectronics and receive remuneration from NationStar Optoelectronics, and do not hold any positions, other than directors or supervisors, in the Company or other companies, businesses, or other economic organizations controlled by the Company.</p> <p>3. We ensure that we do not interfere with the exercise of authority by the shareholders’ meeting and the board of directors of NationStar Optoelectronics in making decisions on personnel appointments and removals.</p> <p>II. Ensure the institutional independence of NationStar Optoelectronics</p> <p>1. We ensure that NationStar Optoelectronics establishes a sound corporate governance structure as a legal person and has independent and complete organizational institutions.</p> <p>2. We ensure that the shareholders’ meeting, board of directors, and board of supervisors of NationStar Optoelectronics independently exercise their powers in accordance with laws, regulations, and the articles of association of NationStar Optoelectronics.</p> <p>3. We ensure that NationStar Optoelectronics will have the right to set up and adjust functional departments independently and will not be subject to rule-violating intervention from the Company or other companies, businesses, or economic organizations controlled by the Company. We promise that neither the superior-subordinate relationship nor mixed ownership and co-office situation exist between NationStar Optoelectronics and the Company or other companies, businesses, or economic organizations controlled by the Company.</p> <p>III. Ensure the independence and integrity of NationStar Optoelectronics’ assets</p> <p>1. We ensure that NationStar Optoelectronics has independent and complete assets related to production and operations, and that there is no shared use with the Company or other companies, businesses, or other economic organizations controlled by the Company.</p> <p>2. We ensure that NationStar Optoelectronics’ office and business premises are independent from those of the Company and other companies, businesses, and economic organizations controlled by the Company.</p> <p>3. We ensure that except for regular business dealings, neither NationStar Optoelectronics’ funds nor assets will be occupied by the Company or other companies, businesses, or economic organizations controlled by the Company.</p> <p>IV. Ensure the business independence of NationStar Optoelectronics</p> <p>1. We ensure that NationStar Optoelectronics possesses the relevant qualifications to independently carry out business activities, has independent, autonomous, and sustainable market-oriented operating capabilities, and is not dependent on the Company or other companies, businesses, or other economic organizations controlled</p>	July 10, 2025	Long- term	Ongoi ng

		<p>by the Company for production and operating activities.</p> <p>2. We ensure that the Company and other companies, businesses, and economic organizations controlled by the Company will not engage in business in competition with NationStar Optoelectronics or other companies, businesses, or economic organizations under its control.</p> <p>3. We ensure that the Company and other companies, businesses, or other economic organizations controlled by the Company reduce related-party transactions with NationStar Optoelectronics and other companies, businesses, or other economic organizations under its control; for related-party transactions that are truly necessary and unavoidable, ensure that they are conducted fairly in accordance with market principles and fair prices, and that the relevant approval procedures and information disclosure obligations are performed in accordance with the provisions of relevant laws, regulations, and normative documents.</p> <p>V. Ensure the financial independence of NationStar Optoelectronics</p> <p>1. We ensure that NationStar Optoelectronics establishes an independent finance department and an independent financial accounting system, and has standardized and independent financial and accounting systems.</p> <p>2. We ensure that NationStar Optoelectronics will have independent bank accounts and will not share bank accounts with the Company or other companies, businesses, or economic organizations controlled by the Company.</p> <p>3. We ensure that the financial personnel of NationStar Optoelectronics do not hold concurrent positions or receive remuneration in the Company or other companies, businesses, or other economic organizations controlled by the Company.</p> <p>4. We ensure that NationStar Optoelectronics is able to make financial decisions independently, and that the Company does not interfere with the use of funds by NationStar Optoelectronics.</p> <p>5. We ensure that NationStar Optoelectronics independently applies for tax registration certificates and pays taxes independently in accordance with the law.</p> <p>If we violate the foregoing commitments, we shall be liable for the losses of NationStar Optoelectronics arising therefrom.</p>			
Other commitments	FSL	<p>Letter of commitment on avoiding horizontal competition issued in connection with NationStar Optoelectronics' 2025</p> <p>1. The promisor will supervise and restrain its own and relevant enterprises' production and operating activities. If, in the future, the products or business of the promisor and relevant enterprises become identical or similar to those of NationStar Optoelectronics and its subsidiaries, the promisor promises to adopt measures including but not limited to the following to resolve the situation: (1) Where NationStar Optoelectronics deems it necessary, the promisor and relevant enterprises will reduce their holdings until fully transferring the relevant assets and business held; (2) Where NationStar Optoelectronics deems it necessary, the promisor may, through appropriate means, give priority to acquiring the relevant assets and business held by NationStar Optoelectronics and its subsidiaries.</p> <p>2. All the commitments made by the promisor to eliminate or avoid horizontal competition with the Company are also applicable to the promisor's directly or indirectly controlled subsidiaries. The promisor is obliged to urge and make sure that other subsidiaries execute what's prescribed in the relevant document and faithfully honor all the relevant commitments.</p> <p>3. If the promisor or its directly or indirectly controlled subsidiaries break the aforesaid commitments and thus cause a loss for NationStar Optoelectronics, the promisor shall compensate NationStar</p>	July 10, 2025	Long-term	Ongoing

		issuance of A shares to specific objects	Optoelectronics on a rational basis.			
Other commitments	FSL	Letter of commitment about the reduction and regulation of related-party transactions issued in connection with NationStar Optoelectronics' 2025 issuance of A-shares to specific objects	<p>1. The promisor strictly abides by the regulatory documents of the CSRC and the SZSE, NationStar Optoelectronics' articles of association, etc. In future production and business operations, the promisor will not use its position as controlling shareholder to engage in conduct that harms the interests of NationStar Optoelectronics and other shareholders.</p> <p>2. The promisor and its other controlled subsidiaries, branches, joint ventures, or associates (hereinafter referred to as the "relevant enterprises") will endeavor to avoid and reduce related-party transactions with NationStar Optoelectronics and its subsidiaries.</p> <p>3. For related-party transactions between the promisor and relevant enterprises and NationStar Optoelectronics that are genuinely necessary and unavoidable, such transactions will be conducted in strict accordance with the market principles of fairness, impartiality, and equivalent value for consideration. The promisor strictly follows the market principle of justness, fairness and equal value exchange for necessary and unavoidable related-party transactions between them and their Relevant Enterprises and the Company, and withdraw from voting when a related-party transaction with them or their Relevant Enterprises is being voted on at a general meeting or a board meeting, and execute the relevant approval procedure and information disclosure duties pursuant to the applicable laws, regulations and regulatory documents. The promisor undertakes not to use related-party transactions to transfer or convey benefits, and not to engage in conduct that harms the lawful rights and interests of the Company and other shareholders by improperly exercising shareholder rights or through other improper means.</p> <p>4. If the promisor violates the above commitments and causes economic losses to NationStar Optoelectronics and other shareholders, the promisor shall bear corresponding legal liability for all losses incurred by NationStar Optoelectronics and other shareholders as a result.</p>	July 10, 2025	Long-term	Ongoing
Whether the commitments were timely performed	Yes					
Specific reasons for failing to fulfill commitments on	N/A					

time and plans for next step	
------------------------------	--

2. Where there had been an earnings forecast for an asset or project and the Reporting Period was still within the forecast period, explain why the forecast has been reached for the Reporting Period.

Applicable Not applicable

3. Performance commitments involving the Company

Applicable Not applicable

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

Applicable Not applicable

No such cases during the Reporting Period.

III Irregularities in the Provision of Guarantees

Applicable Not applicable

No such cases during the Reporting Period.

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

Please refer to Part VIII Financial Statements-V Important Accounting Policies and Estimations-43. Changes in Main Accounting Policies and Estimates for details.

VII YoY Changes to the Scope of the Consolidated Financial Statements

Applicable Not applicable

Compared with the prior period, the scope of the consolidated financial statements for the current period

saw the addition of one subsidiary (Guangdong Airtrust Aviation Equipment Co., Ltd.) and two sub-subsidiaries (Airstar (Tianjin) Lighting Co., Ltd., and FSL (Thailand) Lighting Technology Co., Ltd.), and the exclusion of three sub-subsidiaries (Shanghai Lelaite Electrical Equipment Co., Ltd., Nanyang Baoli Vanadium Industry Co., Ltd., and Airstar (Tianjin) Lighting Co., Ltd.). For details, see Part VIII Financial Statements-IX Change of Consolidation Scope.

VIII Engagement and Disengagement of Independent Auditor

Current independent auditor:

Name of the domestic independent auditor	WUYIGE Certified Public Accountants LLP
The Company's payment to the domestic independent auditor (RMB'0,000)	169.9
How many consecutive years the domestic independent auditor has provided audit service for the Company	4
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	He Xiaojuan, Wang Xiaohan
How many consecutive years the certified public accountants from the domestic independent auditor have provided audit service for the Company	He Xiaojuan (4 years), Wang Xiaohan (2 years)

Indicate whether the independent auditor was changed for the Reporting Period.

Yes No

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

Applicable Not applicable

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

IX Possibility of Delisting after Disclosure of this Report

Applicable Not applicable

X Insolvency and Reorganization

Applicable Not applicable

No such cases during the Reporting Period.

XI Major Legal Matters

Applicable Not applicable

Basic information on lawsuit (arbitration)	Amount involved (RMB'0,000)	Whether there are accrued liabilities	Lawsuit (arbitration) progress	Lawsuit (arbitration) results and influences	Execution of lawsuit (arbitration) judgment	Date of disclosure	Disclosure index
177 other	49,789.53	No	57 cases are	No	Of these, 42	N/A	N/A

litigation matters that did not meet litigation standards			currently under trial; and 120 cases have been concluded.	significant impact on the Company	cases are currently under enforcement.		
---	--	--	---	-----------------------------------	--	--	--

XII Punishments and Rectifications

Applicable Not applicable

No such cases during the Reporting Period.

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

Applicable Not applicable

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

XIV Major Related-Party Transactions

1. Continuing Related-Party Transactions

Applicable Not applicable

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB '0,000)	Total value (RMB '0,000)	As % of total value of all same-type transactions	Approved transaction line (RMB '0,000)	Over the approved line or not	Method of settlement	Obtainable market price for same-type transactions (RMB '0,000)	Disclosure date	Index to disclosed information
Guangdong Rising Holdings Group Co., Ltd.	Actual controller of the Company	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	643.29	643.29	0.10%	5,850.00	No	Bank transfer or bank acceptance bill	643.29	February 27, 2025	www.cninfo.com.cn
Guangdong Xintao Microelectronics	Under same actual controller	Purchasing products/receiving	Purchase of materials	Market price	239.11	239.11	0.04%			Bank transfer or bank acceptance	239.11		

s Co., Ltd.		labor service from related party								ance bill			
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Purchase of materials	Market price	102.92	102.92	0.02%			Bank transfer or bank acceptance bill	102.92		
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Purchase of materials	Market price	66.18	66.18	0.01%			Bank transfer or bank acceptance bill	66.18		
Guangdong Electronics Information Industry Group Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	33.41	33.41	0.01%			Bank transfer or bank acceptance bill	33.41		
Primatrix Nanho Technology Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	21.67	21.67	0.00%			Bank transfer or bank acceptance bill	21.67		
Zhuhai Dongjiang	Under same actual	Purchasing produ	Receiving labor	Market price	15.45	15.45	0.00%			Bank transfer or	15.45		

Environmental Protection Technology Co., Ltd.	controller	cts/receiving labor service from related party	service							bank acceptance bill			
Guangdong Rising Hydrogen Energy Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	15.33	15.33	0.00%			Bank transfer or bank acceptance bill	15.33		
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	9.15	9.15	0.00%			Bank transfer or bank acceptance bill	9.15		
Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	5.74	5.74	0.00%			Bank transfer or bank acceptance bill	5.74		
Shenzhen Longgan Dongjia Industrial Waste Treatment Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	4.42	4.42	0.00%			Bank transfer or bank acceptance bill	4.42		

Primatrix (Nanho) Electronics Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	3.56	3.56	0.00%			Bank transfer or bank acceptance bill	3.56		
Zhuhai Doumen District Yongxin Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	0.79	0.79	0.00%			Bank transfer or bank acceptance bill	0.79		
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	0.30	0.30	0.00%			Bank transfer or bank acceptance bill	0.30		
Jiangmen Dongjia Environmental Company Limited	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	0.22	0.22	0.00%			Bank transfer or bank acceptance bill	0.22		
Guangdong Fenghua Advanced Technol	Under same actual controller	Purchasing products/receiving labor	Purchase of materials	Market price	1,257.03	1,257.03	0.20%	2,410.00	No	Bank transfer or bank acceptance	1,257.03	February 27, 2025	www.cninfo.com.cn

ogy Holding Co., Ltd.		service from related party								bill			
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	711.46	711.46	0.11%	1,700.00	No	Bank transfer or bank acceptance bill	711.46		www.cninfo.com.cn
Guangzhou Haixinha Industrial Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	155.72	155.72	0.02%			Bank transfer or bank acceptance bill	155.72		
Guangzhou Huajian Business Development Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	20.22	20.22	0.00%			Bank transfer or bank acceptance bill	20.22		
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	839.15	839.15	0.13%			Bank transfer or bank acceptance bill	839.15		
Guangdong Rising Urban	Under same actual controller	Purchasing products/rec	Receiving labor service	Market price	101.84	101.84	0.02%			Bank transfer or bank	101.84		

Services Co., Ltd.	ller	eiving labor service from related party	e							acceptance bill			
Guangdong Rising Cultural Industry Development Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	27.93	27.93	0.00%			Bank transfer or bank acceptance bill	27.93		
Guangdong Rising Cultural Industry Development Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Purchase of materials	Market price	15.10	15.10	0.00%			Bank transfer or bank acceptance bill	15.10		
Guangdong Rising Commercial Development Co., Ltd.	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	6.91	6.91	0.00%			Bank transfer or bank acceptance bill	6.91		
Ramada Pearl Hotel Guangzhou	Under same actual controller	Purchasing products/receiving labor service from related party	Receiving labor service	Market price	3.57	3.57	0.00%			Bank transfer or bank acceptance bill	3.57		
Guangzhou	Under same	Purchasing	Receiving	Market price	0.18	0.18	0.00%			Bank transf	0.18		

Changji an Real Estate Management Co., Ltd.	actual contro ller	produ cts/rec eiving labor servic e from relate d party	labor servic e							er or bank accept ance bill			
Prosperi ty Lamps & Compon ents Ltd	Share holder that holds over 5% shares of the Comp any	Purch asing produ cts/rec eiving labor servic e from relate d party	Purch ase of materi als	Marke t price	29.29	29.29	0.00%	100.0 0	No	Bank transf er or bank accept ance bill	29.29	Febru ary 27, 2025	www.cni nfo.com. cn
Nanning Ruixian g Industria l Investm ent Co., Ltd.	Comp any over which a relate d individu al of the Comp any exerci ses signifi cant influe nce	Purch asing produ cts/rec eiving labor servic e from relate d party	Recei ving labor servic e	Marke t price	0.57	0.57	0.00%		No	Bank transf er or bank accept ance bill	0.57	Febru ary 27, 2025	www.cni nfo.com. cn
Guangd ong Fenghua Advance d Technol ogy Holding Co., Ltd.	Under same actual contro ller	Sellin g produ cts/pr ovidin g labor servic e to relate d party	Sellin g produ cts	Marke t price	966.4 3	966.4 3	0.11%	2,000. 00	No	Bank transf er or bank accept ance bill	966.4 3	Febru ary 27, 2025	www.cni nfo.com. cn
Prosperi ty Lamps & Compon ents Ltd	Share holder that holds over 5%	Sellin g produ cts/pr ovidin g	Sellin g produ cts	Marke t price	788.7 7	788.7 7	0.09%	1,500. 00	No	Bank transf er or bank accept ance	788.7 7	Febru ary 27, 2025	www.cni nfo.com. cn

	shares of the Company	labor service to related party								bill			
Traxon Technologies Limited	Enterprise controlled by related natural person	Selling products/providing labor service to related party	Selling products	Market price	253.50	253.50	0.03%			Bank transfer or bank acceptance bill	253.50		
Primatronic Nanho Technology Ltd.	Under same actual controller	Selling products/providing labor service to related party	Selling products	Market price	128.06	128.06	0.01%			Bank transfer or bank acceptance bill	128.06		
Guangdong Xintao Microelectronics Co., Ltd.	Under same actual controller	Selling products/providing labor service to related party	Selling products	Market price	41.16	41.16	0.00%	1,100.00	No	Bank transfer or bank acceptance bill	41.16	February 27, 2025	www.cninfo.com.cn
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Under same actual controller	Selling products/providing labor service to related party	Selling products	Market price	3.12	3.12	0.00%			Bank transfer or bank acceptance bill	3.12		
Primatronic Nanho Technol	Under same actual contro	Selling products/pr	Providing labor servic	Market price	2.22	2.22	0.00%			Bank transfer or bank	2.22		

ogy Ltd.	ller	providin g labor servic e to relate d party	e							accept ance bill			
Guangdong Rising Holdings Group Co., Ltd.	Actual controller of the Company	Selling products/pr oviding labor service to related party	Selling products	Market price	1.12	1.12	0.00%			Bank transfer or bank accept ance bill	1.12		
Guangdong Zhongren Group Construction Co., Ltd	Under same actual controller	Selling products/pr oviding labor service to related party	Selling products	Market price	0.30	0.30	0.00%			Bank transfer or bank accept ance bill	0.30		
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller	Selling products/pr oviding labor service to related party	Providing labor service	Market price	997.1 6	997.1 6	0.11%			Bank transfer or bank accept ance bill	997.1 6		
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller	Selling products/pr oviding labor service to related party	Selling products	Market price	192.0 8	192.0 8	0.02%	660.0 0	Yes	Bank transfer or bank accept ance bill	192.0 8	February 27, 2025	www.cn info.com. cn
Guangdong	Under same	Selling	Providing	Market price	15.73	15.73	0.00%			Bank transf	15.73		

Zhongnan Construction Co., Ltd.	actual controller	products/providing labor service to related party	labor service							er or bank acceptance bill			
Total				--		7,720.16		16,820.00	--	--	--	--	--
Large-amount sales return in detail				None									
Give the actual situation in the Reporting Period (if any) where an estimate had been made for the total value of continuing related-party transactions by type to occur in the Reporting Period				The Company calculated the aggregate amount of its continuing related-party transactions in 2025 with related parties including Fenghua Advanced Technology and its majority-owned subsidiaries, Rising Real Estate and its majority-owned subsidiaries, Rising Group and its subsidiaries, Huajian Group and its majority-owned subsidiaries, and Prosperity and its majority-owned subsidiaries. In terms of purchases from related parties, the actual transaction amount for 2025 was RMB43.3051 million, representing 37.46% of the forecasted amount for the year; and in terms of sales to related parties, the actual transaction amount for 2025 was RMB33.8965 million, accounting for 64.44% of the forecasted amount for the year.									

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

Applicable Not applicable

No such cases during the Reporting Period.

3. Related Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

No such cases during 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 during the Reporting Period.

5. Transactions with Related Finance Companies

Applicable Not applicable

Deposit business:

Related party	Relationship with the Company	Daily maximum limits (RMB'0,000)	Interest rate range	Opening balance (RMB'0,000)	Actual amount during the period		Closing balance (RMB'0,000)
					Total deposited in (RMB'0,000)	Total withdrawn (RMB'0,000)	
Guangdong Rising	Under same controlling	150,000	0.20%-2.40%	148,216.53	853,254.15	868,355.4	133,115.28

Finance Co., Ltd.	shareholder						
-------------------	-------------	--	--	--	--	--	--

Loan business:

Related party	Relationship with the Company	Loan limit (RMB'0,000)	Interest rate range	Opening balance (RMB'0,000)	Actual amount during the period		Closing balance (RMB'0,000)
					Total loans (RMB'0,000)	Total repayment (RMB'0,000)	
Guangdong Rising Finance Co., Ltd.	Under same controlling shareholder	5,000	2.40%-2.75%		2,000		2,000

Credit or other financial business:

Related party	Relationship with the Company	Type of business	Total amount (RMB'0,000)	Actual amount (RMB'0,000)
Guangdong Rising Finance Co., Ltd.	Under same actual controller	Credit granting	200,000	2,000

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

Applicable Not applicable

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

7. Other Major Related-Party Transactions

Applicable Not applicable

(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 website
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 transfer or bank acceptance bill	July 9, 2021 August 17, 2021 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	1,406.54	Bank transfer or bank acceptance bill	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 RMB11.20 million fund

share in 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 www.cninfo.com.cn.

(3) To further optimize its capital structure and enhance the efficiency and effectiveness of capital operations, the Company's majority-owned subsidiary, NationStar Optoelectronics, transferred, at a consideration of RMB35,900, 49% of the subscribed equity of its wholly-owned subsidiary, Gaozhou NationStar Optoelectronics Technology Co., Ltd. (corresponding to a capital contribution of RMB14.70 million), to Guangdong Rising Baijianwan High-Quality Development Industry Investment Fund Partnership (Limited Partnership), introducing it as a strategic investor. For details, please refer to the Announcement on a Majority-owned Subsidiary's Transfer of 49% Subscribed Equity Interest in its Wholly-Owned Subsidiary and Related Party Transaction disclosed by the Company on www.cninfo.com.cn on December 19, 2025.

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	www.cninfo.com.cn (announcement of subsidiary NationStar Optoelectronics)
Announcement on a Related-Party Transaction Due to a Call for Public Bids	July 9, 2021	www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	August 17, 2021	www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	March 12, 2022	www.cninfo.com.cn
Announcement on the Acquisition of Fund Subscription Contribution Shares by the Majority-Owned Subsidiary and Related Party Transactions	May 22, 2025	www.cninfo.com.cn
Announcement on a Related-Party Transaction Due to a Call for Public Bids	October 18, 2025	www.cninfo.com.cn
Announcement on a Majority-owned Subsidiary's Transfer of 49% Subscribed Equity Interest in its Wholly-Owned Subsidiary and Related Party Transaction	December 19, 2025	www.cninfo.com.cn

XV 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 Keliang 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. 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. In April 2023, Foshan Kelian signed the Kelian Building Operation and Leasing Service Contract and the Property Management Service Contract for Kelian Building 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 during the Reporting Period :

Applicable Not applicable

No such cases during the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases during 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	Date of expiry of lease	Purpose

				lease		
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 RMB293,144.02; from September 10, 2026 to September 9, 2027, the monthly rent is RMB307,801.22.	September 10, 2024	September 9, 2027	Office
Guangdong Rising Holdings Group Co., Ltd.	NationStar Optoelectronics	Self-numbered 01, 50/F, Guangdong Rising International Tower	RMB1,296,000.00/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 RMB5,093,326.08; from December 15, 2027 to December 14, 2029, the annual rent is RMB4,138,327.44 . 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.	December 15, 2024	December 14, 2029	Office & workshop
Guangdong Fenghua Semiconductor 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	RMB91,070.00 /month	March 1, 2025	April 30, 2025	Research & manufacturing
Guangdong Fenghua Semiconductor 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	RMB91,070.00 /month, with an increase of 5% every three years	May 1, 2025	April 30, 2025	Research & manufacturing

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

Applicable Not applicable

No such cases during 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	Disclosur e 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	Havin g expire d or not	Guara ntee for a relate d party or not
Total approved line for such guarantees provided for external parties in the Reporting Period (A1)				0	Total actual amount of such guarantees provided for external parties in the Reporting Period (A2)					0
Total approved line for such guarantees at the end of the Reporting Period (A3)				0	Total actual balance of such guarantees at the end of the Reporting Period (A4)					0
Guarantees provided by the Company for its subsidiaries										
Obligor	Disclosur e 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	Havin g expire d or not	Guara ntee for a relate d party or not
Total approved line for such guarantees provided for subsidiaries in the Reporting Period (B1)				0	Total actual amount of such guarantees provided for subsidiaries in the Reporting Period (B2)					0
Total approved line for such guarantees at the end of the Reporting Period (B3)				0	Total actual balance of such guarantees at the end of the Reporting Period (B4)					0
Guarantees provided between subsidiaries										
Obligor	Disclosur e 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	Havin g expire d or not	Guara ntee for a relate d party or not
Nanning Liaowang Auto Lamp	March 2, 2023, April 19,	6,913.91	June 21, 2023	6,913.91	Mort gage d	Yes	None	April 25, 2022 to May 7,	No	No

Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd.	2024, and April 25, 2025							2026		
Chongqing Guinuo Lighting Technology Co., Ltd.	March 2, 2023, April 19, 2024, and April 25, 2025	7,000.0 0	February 10, 2023	2,090.10	Mort gage d	Yes	None	June 23, 2025 to June 22, 2027	No	No
Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd.	March 2, 2023, April 19, 2024, and April 25, 2025	13,944. 37	March 24, 2023	4,904.00	Mort gage d	Yes	None	April 24, 2022 to May 10, 2026	No	No
Zhejiang Hule Electric Equipment Manufacture Co., Ltd.	April 25, 2025	2,000.0 0	August 21, 2023	1,995.24	Mort gage d	Yes	None	August 21, 2023 to August 20, 2028	No	No
Total approved line for such guarantees provided between subsidiaries in the Reporting Period (C1)			42,300	Total actual amount of such guarantees provided between subsidiaries in the Reporting Period (C2)						15,903.25
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)						15,903.25
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)						15,903.25

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 Reporting Period (A4+B4+C4)	15,903.25
Total guarantee balance (A4+B4+C4) as % of the Company's equity		2.33%	

Compound guarantees:

None.

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 December 31, 2025, guarantees between Liaowang Auto Lamp and its subsidiaries and collaterals are set out in "3. Other" under "XVI Commitments and Contingencies" in "Part VIII Financial Statements" of this Report.

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

Applicable Not applicable

Overview of cash entrusted for wealth management during the Reporting Period:

Unit: RMB'0,000

Product category	Risk characteristics	Balance of cash entrusted for wealth management at the period-end	Unrecovered overdue amount
Other	low risk	159,730	0

Asset management conducted by financial institutions under entrustment of the Company as the sole client, or high-risk wealth management with low security or low liquidity:

Applicable Not applicable

Unit: RMB'0,000

Trustee	Type of trustee	Risk characteristics	Product category	Amount	Start date	End date	Use of capital	Actual gain/loss during the period	Recovery of such gain/loss	Index to overview and other information (if any)
Guangzhou Branch of China	Bank	Low risk	Large-denomination certificat	10,000	January 6, 2023	January 6, 2026	Other	330	To be recovered	http://www.cninfo.com.cn/

Everbright Bank			e of deposit							Announcement No. 2023-007 on Entrustment of Some Idle Funds for Wealth Management; Announcement No. 2024-005 on Using Partial Idle Raised Funds for Cash Management; Announcement No. 2024-017 on Entrustment of Some Idle Funds for Wealth Management; Announcement No. 2025-003 on Using Partial Idle Raised Funds for Cash Management; Announcement No.
Foshan Branch of Bank of Communications	Bank	Low risk	Large-denomination certificate of deposit	5,000	August 31, 2023	August 31, 2026	Other	147.01	To be recovered	
Guangzhou Branch of China Everbright Bank	Bank	Low risk	Large-denomination certificate of deposit	10,000	November 3, 2023	November 3, 2026	Other	292.38	To be recovered	
Foshan Hujing Sub-branch of Bank of GuangZhou	Bank	Low risk	Large-denomination certificate of deposit	15,000	December 1, 2023	December 1, 2026	Other	442.5	To be recovered	
Foshan Hujing Sub-branch of Bank of GuangZhou	Bank	Low risk	Large-denomination certificate of deposit	21,200	February 5, 2024	February 5, 2027	Other	583	To be recovered	
Guangzhou Branch of China Everbright Bank	Bank	Low risk	Large-denomination certificate of deposit	5,500	February 5, 2024	February 5, 2027	Other	143	To be recovered	
Foshan Branch of Huaxia Bank	Bank	Low risk	Large-denomination certificate of deposit	14,300	February 5, 2024	February 5, 2027	Other	371.8	To be recovered	
Foshan Branch of China Merchants Bank	Bank	Low risk	Large-denomination certificate of deposit	6,200	February 5, 2024	February 5, 2027	Other	203.44	To be recovered	
Bank of Hainan	Bank	Low risk	Term deposit	11,330	November 28, 2025	February 28, 2026	Other	16.05	To be recovered	
Rising Finance	Other professional wealth management	Low risk	Term deposit	500	July 17, 2025	July 17, 2026	Other	3.68	To be recovered	

	institution									2025-010 on Entrustment of Some Idle Funds for Wealth Management; Announcement No. 2025-060 on Using Partial Idle Raised Funds for Cash Management; Announcement No. 2025-020 on the Signing of a Financial Service Agreement with Guangdong Rising Finance Co., Ltd.
Rising Finance	Other professional wealth management institution	Low risk	Term deposit	2,000	December 31, 2025	March 31, 2026	Other	0	To be recovered	
Rising Finance	Other professional wealth management institution	Low risk	Term deposit	2,200	October 16, 2025	April 16, 2026	Other	9.16	To be recovered	
Foshan Branch of Huaxia Bank	Bank	Low risk	Large-denomination certificate of deposit	15,000	March 8, 2024	March 8, 2027	Other	390	To be recovered	
Foshan Branch of China Merchants Bank	Bank	Low risk	Large-denomination certificate of deposit	3,500	March 29, 2024	March 29, 2027	Other	91	To be recovered	
Foshan Branch of China Merchants Bank	Bank	Low risk	Large-denomination certificate of deposit	3,000	April 30, 2024	April 30, 2027	Other	78	To be recovered	
Rising Finance	Other professional wealth management institution	Low risk	Term deposit	15,000	November 12, 2025	February 12, 2026	Other	36.99	To be recovered	
Rising Finance	Other professional wealth management institution	Low risk	Term deposit	10,000	December 22, 2025	March 22, 2026	Other	4.93	To be recovered	
Rising Finance	Other professional wealth manage	Low risk	Term deposit	10,000	December 29, 2025	March 29, 2026	Other	1.48	To be recovered	

	ment instituti on									
Total				159,730	--	--	--	3,144.42	--	--

(2) Entrusted Loans

Applicable Not applicable

No such cases during the Reporting Period.

4. Other Significant Contracts

Applicable Not applicable

No such cases during the Reporting Period.

XVI Use of Raised Funds

Applicable Not applicable

1. General Information about Use of Raised Funds

Applicable Not applicable

Unit: RMB'0,000

Year of raising	Way of raising	Securities listing date	Total amount raised	Net amount of funds raised (1)	Used in the current period	Cumulative total amount of raised funds used (2)	Usage ratio of raised funds at the end of the Reporting Period (3)=(2)/(1)	Re-purposed amount in the Reporting Period	Cumulative re-purposed amount	Cumulative re-purposed amount as % of total amount raised	Unused amount	Purpose and whereabouts of the unused amount	Amount being idle for more than two years
2023	Issuance of shares to specific objects	December 4, 2023	109,455.18	108,841.55	11,404.51	31,532.99	28.97 %	24,504.84	24,504.84	22.51 %	78,430.63	The amount of idle raised funds used for cash management that has not yet matured is RMB	

													591.9583 million, and the remaining raised funds are deposited in a special account for raised funds.	
Total	--	--	109,455.18	108,841.55	11,404.51	31,532.99	28.97%	24,504.84	24,504.84	22.51%	78,430.63	--		

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 of December 31, 2025, the Company had cumulatively utilized RMB 315.3299 million of the raised funds, accounting for 28.97% 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-raise d	Project nature	Re-purposed or partially re-purposed or not	Total promised investment amount with raised funds	Adjusted total amount of the investment (1)	Input in the Reporting Period	Accumulative investment amount at the end of the Reporting Period (2)	Investment progress as at the period-end (3)=(2)/(1)	Time when the project is ready for its intended use	Returns derived in the Reporting Period	Accumulative benefits recorded as at the end of Reporting Period	Meeting the expected returns or not	Significant change to project feasibility or not

		funds												
Promised projects														
2023 Issuance of Shares to Specific Targets	December 4, 2023	FSL's automation and digitalization project	Production and construction	No	36,464.27	35,850.64	2,633.74	6,169.06	17.21%	November 2026	N/A	N/A	N/A	No
2023 Issuance of Shares to Specific Targets	December 4, 2023	FSL Hainan Industrial Park I	Production and construction	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 Specific Targets	December 4, 2023	The smart street lights project	Production and construction	Yes	9,179.52	95.77	0	95.77	100.00%	Ended	N/A	N/A	N/A	Yes
2023 Issuance of Shares to Specific Targets	December 4, 2023	The vehicle light module production project	Production and construction	No	24,008.8	24,008.8	1,542.4	4,209.79	17.53%	May 2027	N/A	N/A	N/A	No
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	4,122.06	7,426.55	51.04%	November 2027	N/A	N/A	N/A	No
Subtotal of promised projects				--	109,455.18	88,136.71	11,404.51	31,532.99	--	--			--	--
Use of over-raised funds														
There were no over-raised funds.														

Total	--	109,4 55.18	88,13 6.71	11,40 4.51	31,53 2.99	--	--			--	--
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&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 Proposal on Extending the R&D Center Construction Project Time. According to the construction status and implementation progress of the raised funds investment project, and in light of the demand for products in the downstream market, the relevant R&D projects planned for the Company’s R&D center are currently progressing steadily and the purchase of relevant R&D equipment and R&D-related software is under way in succession. However, as some experimental equipment needs to be customized and the R&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&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 Proposal on the Change and Termination of Certain Fundraising Investment Projects was reviewed and approved. Due to adjustments made to certain R&D topics and supporting equipment during the implementation of the “R&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&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 Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects 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 Proposal on the Change and Termination of Certain Fundraising Investment Projects was reviewed and approved. Due to various factors, including the fact that China’s marine industry is still in its early stages of development, the Company’s existing production capacity is sufficient to meet the current and near-future demand of the marine lighting market. Therefore, the Company intends to terminate the implementation of this project (for further details, please refer to the Announcement on the Change and Termination of Certain Fundraising Investment Projects, disclosed on April 25, 2025 on www.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 Proposal on the Change and Termination of Certain Funded Projects was reviewed and approved. Due to a slowdown in investment by local governments in municipal infrastructure in recent years, the market demand for new infrastructure projects such as smart streetlights has grown at a rate below expectations, resulting in insufficient project orders. Therefore, the Company proposes to terminate the implementation of the “Smart Streetlight Construction Project” (For further details, please refer to the Announcement on the Change and Termination of Certain Funded Projects, disclosed on April 25, 2025 on cninfo.com.cn).</p>										
Amount,	N/A										

purpose and use progress of over-raised funds	
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
	<p>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 Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects 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 Proposal on the Change and Termination of Certain Fundraising Investment Projects. The R&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 Proposal on Adding Implementation Entities and Special Accounts for Raised Funds to Some Raised Funds Investment Projects 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 Proposal on Using Raised Funds to Replace Self-raised Funds for Pre-invested Capital Projects and Paid Issuance Expenses and agreed based on the actual situation of the Company to use the raised funds to replace self-raised funds of RMB87,975,313.46 used for pre-invested capital projects. Specifically, self-raised funds of RMB2,603,975.16 for paid issuance expenses would be replaced. By January 2024, the Company had completed the swap of all the self-pooled funds.
Use of idle raised funds for temporarily supplementing the working capital	N/A

Surplus amount of raised funds upon project implementation and the reasons	N/A
Purpose and whereabouts of unused raised funds	As of December 31, 2025, the total amount of unused proceeds was RMB784.3063 million, of which RMB192.3480million was held as bank deposits in designated accounts for raised funds, and RMB591.9583 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 Proposal on Using Raised Funds to Provide Subsidiaries with Loans for Implementing Raised Funds Investment Projects. 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 Proposal on Adjusting the Internal Investment Structure, Adding Implementation Sites, and Postponing Certain Fundraising Investment Projects 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&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> <p>4. On February 5, 2026, during a review of the use of raised funds, the Company discovered that due to litigation, RMB 6,658,300 in the special settlement account for wealth management products opened by its wholly-owned subsidiary, Fozhao (Hainan) Technology Co., Ltd., at the Haikou Binhai Branch of Bank of Hainan Co., Ltd., were frozen. The Company promptly applied to the court for a change in the preservation order, replacing the frozen raised funds with its own funds from a general account. As of the end of February 2026, the frozen raised funds had been unfrozen, without affecting the progress of the raised funds invested projects or the Company’s normal production and operation.</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-	Actual input in the Reporting Period	Actual accumulative investment amount at the	Investment progresses as at the period-end	Time when the project is ready for its intended	Returns derived in the Reporting Period	Meeting the expected returns or not	Significant change to re-purposed project

				purpose d project (1)		end of the Report ing Period (2)	(3)=(2)/ (1)	d use			feasibili ty or not
2023 issuanc e of shares to specific targets	Issuanc e of shares to specific objects	Undeter mined	FSLHai nan Industri al Park I	11,621. 09					N/A	N/A	N/A
2023 issuanc e of shares to specific targets	Issuanc e of shares to specific objects	Undeter mined	The smart street lights project	9,083.7 5					N/A	N/A	N/A
2023 issuanc e of shares to specific targets	Issuanc e of shares to specific objects	The R&D center constru ction project	The R&D center constru ction project	14,549. 68	4,122.0 6	7,426.5 5	51.04%	Novem ber 30, 2027	N/A	N/A	No
Total	--	--	--	35,254. 52	4,122.0 6	7,426.5 5	--	--		--	--
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 Proposal on the Change and Termination of Certain Fundraising Investment Projects 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 Announcement on the Change and Termination of Certain Fundraising Investment Projects 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 Proposal on the Change and Termination of Certain Funded Projects was reviewed and approved. Due to a slowdown in investment by local governments in municipal infrastructure in recent years, the market demand for new infrastructure projects such as smart streetlights has grown at a rate below expectations, resulting in insufficient project orders. Therefore, the Company terminated the implementation of the "Smart Streetlight Construction Project" (For further details, please refer to the Announcement on the Change and Termination of Certain Funded Projects disclosed on April 25, 2025 on cninfo.com.cn).</p> <p>3. R&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 Proposal on the Change and Termination of Certain Fundraising Investment Projects 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 Proposal on the Change and Termination of Certain Fundraising Investment Projects disclosed</p>								

	on April 25, 2025 on cninfo.com.cn).
Explain the circumstances and reasons for failing to achieve the planned progress and expected returns (by project)	N/A
Particulars about significant change to the feasibility of repurposed projects	N/A

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 amount to be invested will be based on the actual amount in the newly confirmed project.

4. Verification Opinion of an Intermediary Institution Regarding the Deposit and Use of Raised Funds

Applicable Not applicable

The Company’s annual audit firm, WUYIGE Certified Public Accountants LLP, audited the deposit, management and actual use of the Company’s raised funds in 2025 and issued an independent auditor’s report, concluding that: the Company’s Special Report on the Deposit, Management and Actual Use of Raised Funds complies with applicable regulations and fairly reflects the deposit, management and actual use of raised funds in 2025 in all material respects.

The sponsor, Guotai Haitong Securities Co., Ltd., conducted a special verification of the deposit and use of the Company’s raised funds in 2025 and issued a special verification opinion. Upon verification, the sponsor believes that the deposit and use of FSL’s raised funds in 2025 complied with the relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange regarding the management of raised funds, as well as the Company’s management rules for raised funds. The raised funds were deposited in dedicated accounts and used for specific purposes. There was no unauthorized change of the purposes of raised funds or damage to shareholder interests, nor was there any misuse of raised funds. The issuer’s use of raised funds did not violate any national anti-money laundering laws and regulations. In summary, the sponsor has no objection to the deposit and use of the Company’s raised funds in 2025.

XVII 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 name: 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. On December 4, 2025, NationStar Optoelectronics held the 12th meeting of the 6th Board of Directors. The meeting reviewed and approved the Proposal on Adjusting the Total Amount of Raised Funds, and adjusted the total amount of raised funds from no more than RMB981.3239 million (inclusive) to no more than RMB970.1239 million.

XVIII Significant Events of Subsidiaries

Applicable Not applicable

1. Expropriation of land and buildings 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 Buildings 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 buildings 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 property ownership certificate of the assets involved have been cancelled. On December 17, 2025, Nanjing Fozhao received the second compensation payment of RMB110,695,895. Meanwhile, in accordance with relevant laws and regulations and agreements between Nanjing Fozhao and the Honglan Street Office of the Lishui District People's Government of Nanjing City, Lishui County House Dismantling, Moving & Resettling Development Co., Ltd., and other relevant entities, Lishui County House Dismantling, Moving & Resettling Development Co., Ltd. has pre-deducted RMB18 million from the expropriation compensation for environmental remediation and related demolition costs of the expropriated land. The specific costs will be settled between Nanjing Fozhao and the relevant parties based on actual expenses. For details, please refer to the Announcement on Progress of the Expropriation of Land Use Rights and Buildings of a Wholly-Owned Subsidiary disclosed by the Company on www.cninfo.com.cn on December 19, 2025. After the environmental remediation and related demolition is completed, Nanjing Fozhao will be liquidated and de-registered.

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 RMB970.1239 million (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". On April 7, 2026, the proposed issuance of shares to specific investors by NationStar Optoelectronics was approved by the Listing Review Center of the Shenzhen Stock Exchange. However, the implementation thereof is subject to the approval decision on registration by the China Securities Regulatory Commission. For more details, please refer to the 2025 Plan (Revised) for Issuing A-shares to Specific Subjects by Foshan NationStar Optoelectronics Co., Ltd., Announcement on the Approval of the Application for Share Issuance to Specific Investors by the Listing Review Center of Shenzhen Stock Exchange, Prospectus (Registration Draft) for the Issuance of A-Shares to Specific

Investors by Foshan NationStar Optoelectronics Co., Ltd. and other announcements disclosed by NationStar Optoelectronics on December 5, 2025, April 8, 2026, and April 10, 2026 respectively on www.cninfo.com.cn.

Part VI Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease during the 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%				- 46,757,655	- 46,757,655	10,537,802	0.69%
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%				-61,760	-61,760	1,610,169	0.10%
Among which: Shares held by domestic legal persons	1,338,434	0.09%				0	0	1,338,434	0.09%
Shares held by domestic natural persons	333,495	0.02%				-61,760	-61,760	271,735	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%				33,757,655	33,757,655	1,525,240,428	99.31%
2.1 RMB-denominated ordinary shares	1,196,737,167	77.27%				33,757,655	33,757,655	1,230,494,822	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.

4. The departure of Zhang Yong, the Company's former Executive Vice President, and Tang Qionglan, the former Chief Financial Officer, from the Company during the Reporting Period resulted in 38,384 new restricted shares.

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

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		2025
	Based on previous share capital	Based on new share capital	Based on new share capital
Basic earnings per share (RMB/share)	0.2905	0.2905	0.1399
Diluted earnings per share (RMB/share)	0.2881	0.2905	0.1399
Equity per share attributable to shareholders	4.2808	4.2808	4.4504

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 shareholder	Opening restricted shares	Increase in restricted shares during the period	Restricted shares unlocked during the period	Closing restricted shares	Reason for restriction	Date of unlocking
Guangdong Rising Holdings Group Co., Ltd.	46,695,895	0	46,695,895	0	Restricted shares after the IPO: subscription for the Company's A-share issuance to specific objects in 2023	June 4, 2025
Zhang Yong	58,197	19,399	0	77,596	Restricted shares of former directors, supervisors and senior management	Subject to rules governing restricted shares for directors, supervisors and senior management
Tang Qionglan	56,955	18,985	0	75,940	Restricted shares of former directors, supervisors and senior management	Subject to rules governing restricted shares for directors, supervisors and senior management
Ye Zhenghong	77,561	0	77,561	0	Restricted shares of former directors, supervisors and senior management	Subject to rules governing restricted shares for directors, supervisors and senior management
Lin Qing	22,583	0	22,583	0	Restricted shares of former directors, supervisors and senior management	Subject to rules governing restricted shares for directors, supervisors and senior management
Total	46,911,191	38,384	46,796,039	153,536	--	--

II Issuance and Listing of Securities

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

Applicable Not applicable

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

Applicable Not applicable

3. Existing Staff-Held Shares

Applicable Not applicable

III Shareholders and Actual Controller

1. Shareholders and Their Shareholdings at the Period-End

Unit: share

Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge, marked or frozen	
							Status	Shares
Hong Kong Wah Shing Holding Company Limited	Overseas corporation	12.85%	197,338,980	0	0	197,338,980	N/A	0
Prosperity Lamps & Components Limited	Overseas 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	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	State-owned corporation	2.16%	33,161,800	0	0	33,161,800	N/A	0

t Co., Ltd.	n							
SDICS International Securities (Hong Kong) Limited	Overseas corporation	1.69%	25,981,530	-9,161,071	0	25,981,530	N/A	0
Rising Investment Development Limited	Overseas 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	Overseas individual	0.78%	11,903,509	0	8,927,632	2,975,877	N/A	0
Hong Kong Securities Clearing Company Limited	Overseas corporation	0.52%	7,962,355	-1,698,622	0	7,962,355	N/A	0
Strategic investor or general corporation becoming a top-10 shareholder in a rights issue (if any) (see note 3)	None							
Related or acting-in-concert parties among the shareholders above	Among the top 10 shareholders, Hong Kong Wah Shing Holding Company Limited, Guangdong Electronics Information Industry Group Ltd., Guangdong Rising Holdings Group Co., Ltd. and Rising Investment Development Limited are acting-in-concert parties; 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 Administrative Measures for the Acquisition of Listed Companies.							
Shareholders above entrusting/entrusted with or waiving voting rights	None							
Repurchased share account (if any) among the top 10 shareholders (see note 10)	None							
Top 10 unrestricted shareholders (exclusive of shares lent in refinancing and locked shares of senior management)								
Name of shareholder	Unrestricted shares held at the period-end	Shares by class						
		Class	Shares					
Hong Kong Wah Shing Holding Company Limited	197,338,980	RMB-denominated ordinary stock	188,496,430					
Hong Kong Wah Shing Holding Company Limited		Domestically listed overseas stock	8,842,550					
Prosperity Lamps & Components Limited	146,934,857	RMB-denominated ordinary stock	146,934,857					
Guangdong Electronics Information Industry	143,623,846	RMB-denominated	143,623,846					

Group Ltd.		d ordinary stock	
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
SDICS International Securities (Hong Kong) Limited	25,981,530	Domestically listed overseas stock	25,981,530
Rising Investment Development Limited	25,482,252	Domestically listed overseas stock	25,482,252
Zhang Shaowu	17,000,000	RMB-denominated ordinary stock	17,000,000
Hong Kong Securities Clearing Company Limited	7,962,355	RMB-denominated ordinary stock	7,962,355
Zhao Xiyi	7,390,673	RMB-denominated ordinary stock	7,390,673
Related or acting-in-concert parties among the top 10 unrestricted public shareholders, as well as between the top 10 unrestricted public shareholders and the top 10 shareholders	Among the top 10 unrestricted public shareholders, Hong Kong Wah Shing Holding Company Limited, Guangdong Electronics Information Industry Group Ltd., Guangdong Rising Holdings Group Co., 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 Administrative Measures for the Acquisition of Listed Companies.		
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 public shareholders involved in refinancing shares lending:

Applicable Not applicable

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

Applicable Not applicable

Indicate 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 during the Reporting Period.

2. Controlling Shareholder

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

Type of the controlling shareholder: Corporation

Name of controlling shareholder	Legal representative/ person in charge	Date of establishment	Organizational code	Principal operations
Guangdong Rising Holdings Group Co., Ltd.	Lyu Yongzhong	December 23, 1992	91440000719283849E	General items: Management of corporate headquarters; engaging in investment activities with proprietary funds; equity fund-invested asset management services; housing lease; lease of non-residential real estate; information technology consultancy services; information system integration services; software development; business training (trainings that require approval such as educational training and vocational skill training exclusive); procurement agency services. (Business activities shall be conducted independently in accordance with laws with the business license, except the items that require approval in accordance with laws)
Guangdong Electronics Information Industry Group Ltd.	Wang Jia	October 19, 2000	91440000725458764N	Development, production and sale of electronics, IT products and electrical appliances, operation of electronic information networks and computers, electronic computer technology service, and equipment and venue rental service; sale of electronic computers and fittings, electronic components, electron devices, and electrical machinery and equipment; wholesale of coal; energy performance contracting service, development and consulting service of energy-saving technology, and manufacture and installation of energy-saving equipment; parking lot operation (188 Yueken Road, Tianhe District, Guangzhou, Guangdong Province, P.R.China); import and export of goods; and training of professional and technical personnel (limited to branch operation); and technical services (for projects that require approval by law, business activities may only be carried out after approval by the relevant authorities)
Shareholdings of the controlling shareholder in other listed companies at home or abroad during the period	At the end of the Reporting Period (December 31, 2025), Guangdong Rising Holdings Group Co., Ltd. and its parties acting in concert directly or indirectly held the following stakes in other listed companies at home or abroad: 1. a 30.06% stake of 1,335,060,698 A-stock shares in Zhongjin Lingnan Nonfemet; 2. a 23.59% stake of 272,894,617 A-stock shares in Fenghua Advanced; 3. a 26.37% stake of 291,458,228 A-stock and H-stock shares in Dongjiang Environment; 4. a 9.48% stake of 100,587,368 A-stock shares in China Rare Earth; 5. For holdings in China Telecom (A-stock and H-stock), please refer to the data disclosed in China Telecom's 2025 Annual Report.			

Change of the controlling shareholder during the Reporting Period:

Applicable Not applicable

No such cases during the Reporting Period.

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

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

Type of the actual controller: Corporation

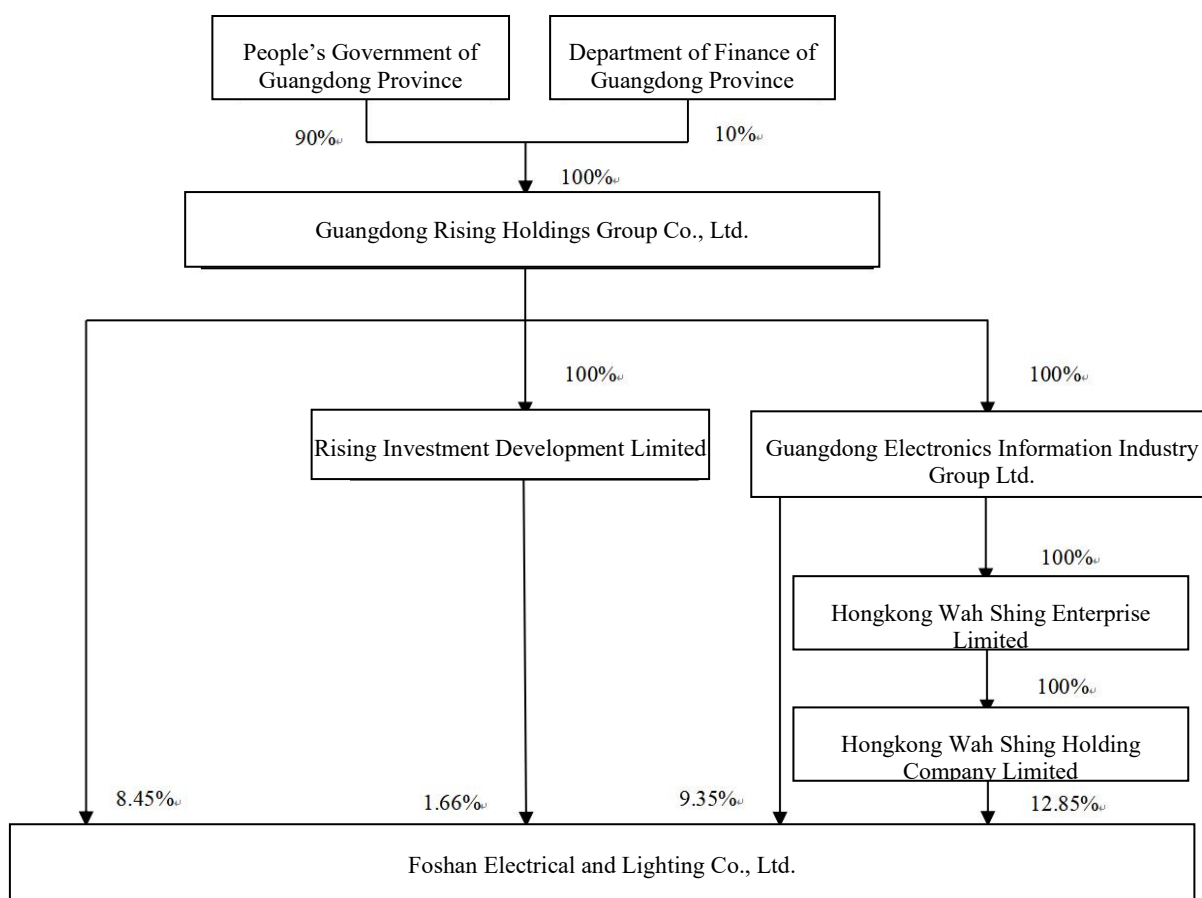
Name of actual controller	Legal representative/ person in charge	Date of establishment	Organizational code	Principal operations
Guangdong Rising Holdings Group Co., Ltd.	Lyu Yongzhong	December 23, 1999	91440000719283849E	General items: Management of corporate headquarters; engaging in investment activities with proprietary funds; equity fund-invested asset management services; housing lease; lease of non-residential real estate; information technology consultancy services; information system integration services; software development; business training (trainings that require approval such as educational training and vocational skill training exclusive); procurement agency services. (Business activities shall be conducted independently in accordance with laws with the business license, except the items that require approval in accordance with laws)
Shareholdings of the actual controller in other listed companies at home or abroad during the period	At the end of the Reporting Period (December 31, 2025), Guangdong Rising Holdings Group Co., Ltd. and its parties acting in concert directly or indirectly held the following stakes in other listed companies at home or abroad: 1. a 30.06% stake of 1,335,060,698 A-stock shares in Zhongjin Lingnan Nonfemet; 2. a 23.59% stake of 272,894,617 A-stock shares in Fenghua Advanced; 3. a 26.37% stake of 291,458,228 A-stock and H-stock shares in Dongjiang Environment; 4. a 9.48% stake of 100,587,368 A-stock shares in China Rare Earth; 5. For holdings in China Telecom (A-stock and H-stock), please refer to the data disclosed in China Telecom's 2025 Annual Report.			

Change of the actual controller during the Reporting Period:

Applicable Not applicable

No such cases during the Reporting Period.

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



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

Applicable Not applicable

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

Applicable Not applicable

5. Other 10% or Greater Corporate Shareholders

Applicable Not applicable

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

Applicable Not applicable

IV Share Repurchases during the Reporting Period

Progress on any share repurchases:

Applicable Not applicable

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

Applicable Not applicable

V Preference Shares

Applicable Not applicable

No preference shares during the Reporting Period.

Part VII Bonds

Applicable Not applicable

Part VIII Financial Statements

I Auditor's Report

Type of the independent auditor's opinion	Unmodified unqualified opinion
Date of signing this report	April 15, 2026
Name of the independent auditor	WUYIGE Certified Public Accountants LLP
No. of independent auditor's report	WUYIGE Auditor's Report [2026] No. 22-00026
Names of certified public accountants	He Xiaojuan, Wang Xiaohan

Independent Auditor's Report

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

I Opinion

We have audited the financial statements of Foshan Electrical and Lighting Co., Ltd. (the "Company"), which comprise the consolidated balance sheets and balance sheet of the parent company as of December 31, 2025, the consolidated income statement and income statement of the parent company, consolidated cash flow statement and cash flow statement of the parent company and consolidated statement of changes in owners' equity and statement of changes in owners' equity of the parent company for the year then ended, as well as the notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated and parent company financial position of the Company at December 31, 2025, as well as the consolidated and parent company operating results and cash flows for the year then ended, in conformity with the Chinese Accounting Standards (CAS).

II Basis for Opinion

We conducted our audits in accordance with the Audit Standards for Chinese Registered Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Audit of Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants and the Chinese Certified Public Accountants' Independence Standards, and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We have complied with the independence requirements applicable to the audit of financial statements of public interest entities in the course of our audit.

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

opinion.

III Key Audit Matters

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

i. Revenue recognition

1. Description

As stated in “V 37. Revenue” and “VII 61. Operating Revenue and Cost of Sales” in the notes to the financial statements, the Company’s operating revenue was RMB8,796,808,970.58 during 2025, with the main business revenue being RMB8,451,351,444.66 , accounting for 96.07% of the total operating revenue. The amount of main business revenue is significant and is a key performance indicator, so there is inherent risk that management will manipulate revenue recognition in order to meet specific targets or expectations. Therefore, we determined that revenue is recognized as a key audit item.

2. Response to auditing

(1) Understanding and evaluating the design of internal control related to revenue recognition, and testing the effectiveness of relevant internal control;

(2) Checking whether the main business revenue recognition policy is in line with the requirements of the Accounting Standards for Business Enterprises and is consistently applied;

(3) Selecting the main business revenue transactions recorded of the period to check invoices, sales contracts, outbound orders, customer receipt records and export documents, and assess whether the relevant revenue recognition conforms to the accounting policies of the Company for revenue recognition;

(4) Selecting the main business revenue transactions recorded of the period to carry out independent confirmation procedures and confirm the authenticity of revenue;

(5) Inquiring about the industrial and commercial registration information of major customers through public channels, so as to ensure that major customers operate normally and their business scope conforms to the nature of the Company’s downstream customers;

(6) Implementing analysis procedures for main business revenue, including analyzing the annual and monthly revenue of major products, changes in major customers, changes in sales prices and gross profit margins

of major products, and judging the rationality of changes in revenue and gross profit margins of the period;

(7) Selecting the main business revenue transactions recorded around the balance sheet date, checking the outbound order, customer receipt records and other supporting documents to assess whether the main business revenue is recorded in the appropriate accounting period.

ii. Provision for bad debt of accounts receivable

1. Description

As stated in Notes "V 13. Methods for determining and accounting for expected credit losses" and "VII 5. Accounts Receivable" to the financial statements, as of December 31, 2025, the gross amount of accounts receivable in the consolidated financial statements of the Company was RMB2,371,995,404.07 , including RMB198,670,120.29 in the balance of bad debt provision. The determination of the recoverability of accounts receivable requires the Management to identify the impaired items and objective evidence, assess the expected future cash flows to be obtained, and determine their present value. This involves significant accounting estimates and judgements by the Management, and the provision for impairment of expected credit losses on accounts receivable is significant to the financial statements. Therefore, the impairment of accounts receivable is considered a key audit matter.

2. Audit Response

(1) Evaluated and tested the design and operating effectiveness of internal controls related to credit policies and receivables management;

(2) An analysis of the reasonableness of the accounting estimates for the provision for bad debts in respect of accounts receivable, including the basis for determining the group of accounts receivable, the judgment of materiality of amounts, the separate provision for bad debts, and the judgment of expected credit loss rates;

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

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

(5) Evaluated the reasonableness of the provision for bad debts for accounts receivable by analyzing the aging of the accounts receivable and the creditworthiness of the customers, and by performing correspondence

procedures for accounts receivable and checking the post-period recovery.

iii. Goodwill impairment tests

1. Description

On February 28, 2022, the Company acquired a 21.48% equity interest in Foshan NationStar Optoelectronics Co., Ltd. (hereinafter "NationStar Optoelectronics"), resulting in goodwill of RMB405,620,123.64. As of December 31, 2025, an impairment provision of RMB176,610,990.01 has been made for goodwill. The goodwill of NationStar Optoelectronics has a significant impact on its financial statements. Additionally, in the goodwill impairment test, the Company's Management reasonably judged and identified signs of goodwill impairment based on internal and external information. Furthermore, in impairment signs and year-end impairment tests, calculation results of recoverable amounts heavily rely on the estimates and assumptions made by the Management. These estimates involve uncertainties and may be significantly influenced by the Management's judgments about future markets and economic environments. Different estimates and assumptions adopted significantly influence the recoverable value of the goodwill appraised. As goodwill impairment testing involves significant judgments and estimates made by the Management, it is considered a key audit matter.

2. Audit Response

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

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

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

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

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

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

issued by external valuation experts.

IV Other Information

The Company's management is responsible for the other information. The other information comprises all of the information included in the Company's 2025 Annual Report other than the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

VI Auditor's Responsibilities for Audit of Financial Statements

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

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

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

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

WUYIGE Certified Public Accountants LLP

Chinese CPA: He Xiaojuan

(Engagement Partner)

Beijing · China

Chinese CPA: Wang Xiaohan

April 15, 2026

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.

December 31, 2025

Unit: RMB

Item	December 31, 2025	January 1, 2025
Current assets:		
Monetary assets	3,455,743,091.17	3,209,127,437.31
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	2,768,997.33	43,649,820.47
Derivative financial assets		
Notes receivable	732,835,152.15	997,281,070.21
Accounts receivable	2,173,325,283.78	2,125,667,291.96
Accounts receivable financing	415,949,788.02	352,694,866.89
Prepayments	49,790,049.31	24,419,779.12
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	82,678,537.89	70,524,265.25
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	2,163,660,652.65	2,025,499,361.38
Including: Data resources		
Contract assets	450,672.52	1,690,021.95
Assets held for sale		17,147,339.84
Current portion of non-current assets	429,862,721.67	
Other current assets	221,586,381.03	261,284,776.85
Total current assets	9,728,651,327.52	9,128,986,031.23
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations	720,083,694.31	1,140,022,863.72
Long-term receivables		
Long-term equity investments	184,806,652.92	180,300,594.89
Investments in other equity	471,794,043.90	726,663,613.42

instruments		
Other non-current financial assets		
Investment property	810,582,038.87	793,487,046.02
Fixed assets	3,586,917,576.90	3,646,594,206.04
Construction in progress	223,949,659.06	263,601,705.89
Productive living assets		
Oil and gas assets		
Right-of-use assets	23,771,544.09	22,342,999.34
Intangible assets	383,525,440.66	388,587,348.99
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill	245,346,155.52	279,438,540.78
Long-term prepaid expense	335,938,420.48	253,024,495.82
Deferred income tax assets	144,164,584.33	135,948,224.91
Other non-current assets	307,714,497.11	200,765,785.59
Total non-current assets	7,438,594,308.15	8,030,777,425.41
Total assets	17,167,245,635.67	17,159,763,456.64
Current liabilities:		
Short-term borrowings	635,015,074.86	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	2,179,070,444.41	1,930,784,817.62
Accounts payable	2,443,871,780.95	2,781,965,096.70
Advances from customers	328,004.34	13,531,474.15
Contract liabilities	140,787,246.73	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	167,248,995.64	214,651,088.46
Taxes payable	91,181,551.13	107,085,160.39
Other payables	372,152,039.73	495,717,050.97
Including: Interest payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance payables		
Liabilities directly associated with		

assets held for sale		
Current portion of non-current liabilities	131,296,264.00	120,574,788.81
Other current liabilities	81,286,297.53	377,156,212.40
Total current liabilities	6,242,237,699.32	6,468,388,388.47
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	192,915,075.78	222,581,930.54
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	15,354,724.02	15,023,993.11
Long-term payables		
Long-term employee benefits payable		
Provisions	17,991,357.40	27,430,683.82
Deferred income	116,931,745.07	73,739,179.94
Deferred income tax liabilities	150,196,615.46	185,921,269.29
Other non-current liabilities	107,831.23	177,917.63
Total non-current liabilities	493,497,348.96	524,874,974.33
Total liabilities	6,735,735,048.28	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	227,147,391.31	383,429,155.02
Specific reserve	3,436,494.07	4,782,061.20
Surplus reserves	189,358,133.42	150,097,522.97
General reserve		
Retained earnings	4,035,582,297.14	3,655,046,154.57
Total equity attributable to owners of the parent company	6,834,820,501.84	6,574,304,305.27
Non-controlling interests	3,596,690,085.55	3,592,195,788.57
Total owners' equity	10,431,510,587.39	10,166,500,093.84
Total liabilities and owners' equity	17,167,245,635.67	17,159,763,456.64

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

2. Balance Sheet of the Parent Company

Unit: RMB

Item	December 31, 2025	January 1, 2025
Current assets:		
Monetary assets	1,354,400,356.07	1,260,985,441.29
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable	33,202,567.04	71,832,245.04
Accounts receivable	757,126,588.99	745,257,268.31
Accounts receivable financing	29,172,106.24	67,526,522.26
Prepayments	7,277,923.25	71,078,813.72
Other receivables	1,044,883,403.20	944,184,445.88
Including: Interest receivable		
Dividends receivable		
Inventories	220,389,239.43	268,069,616.21
Including: Data resources		
Contract assets	450,672.52	1,690,021.95
Assets held for sale		
Current portion of non-current assets	270,515,498.49	
Other current assets	5,407,515.23	861,413.93
Total current assets	3,722,825,870.46	3,431,485,788.59
Non-current assets:		
Investments in debt obligations		
Investments in other debt obligations	625,345,689.25	1,047,759,858.61
Long-term receivables		
Long-term equity investments	2,444,369,319.04	2,434,177,186.55
Investments in other equity instruments	421,511,500.10	687,581,069.62
Other non-current financial assets		
Investment property	180,291,877.15	202,079,386.31
Fixed assets	568,691,612.66	599,351,996.15
Construction in progress	5,598,939.90	5,884,955.59
Productive living assets		
Oil and gas assets		
Right-of-use assets	5,110,635.01	8,720,969.67
Intangible assets	59,201,009.37	57,347,999.70
Including: Data resources		
Development costs		
Including: Data resources		
Goodwill		
Long-term prepaid expense	27,595,661.99	35,546,452.07
Deferred income tax assets	35,139,464.32	38,910,990.65

Other non-current assets	223,815,163.18	120,611,200.89
Total non-current assets	4,596,670,871.97	5,237,972,065.81
Total assets	8,319,496,742.43	8,669,457,854.40
Current liabilities:		
Short-term borrowings	182,549,560.55	
Held-for-trading financial liabilities		275,250.00
Derivative financial liabilities		
Notes payable	579,751,378.73	864,782,508.32
Accounts payable	790,542,018.91	860,893,918.87
Advances from customers		13,367,850.30
Contract liabilities	58,106,760.51	58,018,288.88
Employee benefits payable	50,035,740.83	57,145,931.55
Taxes payable	11,014,777.31	75,527,406.17
Other payables	362,102,666.77	445,875,922.06
Including: Interest payable		
Dividends payable		
Liabilities directly associated with assets held for sale		
Current portion of non-current liabilities	3,212,484.76	3,581,230.44
Other current liabilities	26,128,291.20	50,682,086.68
Total current liabilities	2,063,443,679.57	2,430,150,393.27
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	2,303,924.37	5,516,409.11
Long-term payables		
Long-term employee benefits payable		
Provisions		2,110,312.84
Deferred income		
Deferred income tax liabilities	40,097,179.24	68,096,992.10
Other non-current liabilities		
Total non-current liabilities	42,401,103.61	75,723,714.05
Total liabilities	2,105,844,783.18	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	227,973,609.59	383,570,431.32
Specific reserve	522,569.87	3,170,252.81
Surplus reserves	420,662,202.66	381,401,592.21
Retained earnings	3,188,821,949.84	3,019,769,843.45
Total owners' equity	6,213,651,959.25	6,163,583,747.08
Total liabilities and owners' equity	8,319,496,742.43	8,669,457,854.40

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

3. Consolidated Income Statement

Unit: RMB

Item	2025	2024
1. Revenue	8,796,808,970.58	9,048,237,647.14
Including: Operating revenue	8,796,808,970.58	9,048,237,647.14
Interest revenue		
Insurance premium income		
Handling charge and commission income		
2. Costs and expenses	8,683,463,546.28	8,774,598,215.99
Including: Cost of sales	7,241,419,082.79	7,367,550,901.49
Interest costs		
Handling charge and commission expense		
Surrenders		
Net insurance claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	77,041,447.01	79,762,647.52
Selling expense	357,637,822.70	349,356,200.73
Administrative expense	481,252,499.96	484,757,347.38
R&D expense	539,265,201.03	548,670,366.07
Finance costs	-13,152,507.21	-55,499,247.20
Including: Interest expense	19,964,126.68	21,576,958.65
Interest income	38,126,946.14	51,401,372.58
Add: Other income	99,643,539.11	111,434,984.12
Return on investment ("-" for loss)	61,774,334.25	65,850,578.68

Including: Share of profit or loss of joint ventures and associates	4,506,058.03	1,112,039.74
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)	922,115.30	-713,704.94
Credit impairment loss (“-” for loss)	-12,955,005.06	-29,684,596.41
Asset impairment loss (“-” for loss)	-129,947,636.14	-207,929,562.68
Asset disposal income (“-” for loss)	138,721,265.11	374,492,447.01
3. Operating profit (“-” for loss)	271,504,036.87	587,089,576.93
Add: Non-operating income	4,777,173.86	18,436,172.78
Less: Non-operating expense	4,468,274.46	4,576,737.83
4. Profit before tax (“-” for loss)	271,812,936.27	600,949,011.88
Less: Income tax expense	53,095,198.79	77,463,900.13
5. Net profit (“-” for net loss)	218,717,737.48	523,485,111.75
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	218,717,737.48	523,485,111.75
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the parent company	214,845,871.24	446,184,021.97
5.2.1 Net profit attributable to non-controlling interests	3,871,866.24	77,301,089.78
6. Other comprehensive income, net of tax	231,805,308.50	23,135,043.59
Attributable to owners of the parent company	232,962,505.67	23,402,127.43
6.1 Items that will not be reclassified to profit or loss	233,647,447.65	23,712,358.26
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	233,647,447.65	23,712,358.26
6.1.4 Changes in the fair value arising from changes in own credit risk		

6.1.5 Other		
6.2 Items that will be reclassified to profit or loss	-684,941.98	-310,230.83
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	-684,941.98	-310,230.83
6.2.7 Other		
Attributable to non-controlling interests	-1,157,197.17	-267,083.84
7. Total comprehensive income	450,523,045.98	546,620,155.34
Attributable to owners of the parent company	447,808,376.91	469,586,149.40
Attributable to non-controlling interests	2,714,669.07	77,034,005.94
8. Earnings per share		
8.1 Basic earnings per share	0.1399	0.2905
8.2 Diluted earnings per share	0.1398	0.2881

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

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

4. Income Statement of the Parent Company

Unit: RMB

Item	2025	2024
1. Operating revenue	2,691,595,381.59	3,245,704,296.00
Less: Cost of sales	2,165,374,619.10	2,510,354,864.55
Taxes and surcharges	27,569,918.98	30,174,651.89
Selling expense	226,810,507.98	228,778,506.21
Administrative expense	168,416,728.56	174,979,539.01

R&D expense	125,194,545.73	147,257,581.23
Finance costs	-318,189.91	-30,483,466.93
Including: Interest costs	2,989,988.17	420,144.80
Interest revenue	8,958,784.70	15,000,167.87
Add: Other income	8,842,190.72	16,862,459.80
Return on investment (“-” for loss)	66,785,852.72	94,498,689.59
Including: Share of profit or loss of joint ventures and associates	4,506,058.03	1,112,039.74
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	-275,250.00
Credit impairment loss (“-” for loss)	-3,711,120.82	-20,122,940.28
Asset impairment loss (“-” for loss)	-59,118,402.10	-133,838,658.95
Asset disposal income (“-” for loss)	12,723,964.27	359,998,517.07
2. Operating profit (“-” for loss)	4,204,435.94	501,765,437.27
Add: Non-operating income	1,123,920.10	2,218,901.52
Less: Non-operating expense	1,200,032.15	1,757,649.60
3. Profit before tax (“-” for loss)	4,128,323.89	502,226,689.19
Less: Income tax expense	766,488.83	80,698,250.13
4. Net profit (“-” for net loss)	3,361,835.06	421,528,439.06
4.1 Net profit from continuing operations (“-” for net loss)	3,361,835.06	421,528,439.06
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax	233,647,447.65	23,712,358.26
5.1 Items that will not be reclassified to profit or loss	233,647,447.65	23,712,358.26
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	233,647,447.65	23,712,358.26
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 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	237,009,282.71	445,240,797.32
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2025	2024
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	8,274,573,662.66	8,471,959,981.11
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	155,926,771.53	191,537,811.87
Cash generated from other operating activities	231,195,529.81	220,938,132.01
Subtotal of cash generated from operating activities	8,661,695,964.00	8,884,435,924.99
Payments for commodities and services	5,984,900,770.81	6,057,433,876.86
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	1,533,389,989.77	1,452,338,519.97
Taxes paid	421,560,956.42	357,515,353.88
Cash used in other operating activities	424,694,853.99	419,032,838.40
Subtotal of cash used in operating activities	8,364,546,570.99	8,286,320,589.11
Net cash generated from/used in operating activities	297,149,393.01	598,115,335.88
2. Cash flows from investing activities:		
Proceeds from disinvestment	1,008,119,175.12	630,996,025.00
Return on investment	25,310,204.47	35,963,824.31
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	115,296,010.39	392,928,847.83
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	23,866,370.01	
Subtotal of cash generated from investing activities	1,172,591,759.99	1,059,888,697.14
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	487,726,259.24	368,259,788.54
Payments for investments	301,058,273.00	1,306,010,850.00
Net increase in pledged loans granted		
Net payments for the acquisition of subsidiaries and other business units		101,002,225.68

Cash used in other investing activities	67,560,125.80	
Subtotal of cash used in investing activities	856,344,658.04	1,775,272,864.22
Net cash generated from/used in investing activities	316,247,101.95	-715,384,167.08
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Borrowings raised	379,980,252.56	438,828,726.86
Cash generated from other financing activities	693,948.16	6,317,233.78
Subtotal of cash generated from financing activities	380,674,200.72	445,145,960.64
Repayment of borrowings	444,960,615.75	524,289,910.93
Interest and dividends paid	236,295,473.08	237,329,833.00
Including: Dividends paid by subsidiaries to non-controlling interests	31,998,652.43	35,144,021.09
Cash used in other financing activities	172,589,043.17	7,129,048.59
Subtotal of cash used in financing activities	853,845,132.00	768,748,792.52
Net cash generated from/used in financing activities	-473,170,931.28	-323,602,831.88
4. Effect of foreign exchange rates changes on cash and cash equivalents	-5,248,284.37	24,000,739.61
5. Net increase in cash and cash equivalents	134,977,279.31	-416,870,923.47
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	2,819,359,299.72	2,684,382,020.41

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

6. Cash Flow Statement of the Parent Company

Unit: RMB

Item	2025	2024
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	2,597,062,808.93	3,127,149,264.78
Tax rebates	76,324,515.59	97,198,208.30
Cash generated from other operating activities	151,911,146.57	76,841,817.56
Subtotal of cash generated from	2,825,298,471.09	3,301,189,290.64

operating activities		
Payments for commodities and services	2,244,031,274.56	2,300,853,714.93
Cash paid to and for employees	386,551,049.22	434,395,756.21
Taxes paid	211,807,236.08	143,240,367.24
Cash used in other operating activities	184,082,110.72	167,831,948.98
Subtotal of cash used in operating activities	3,026,471,670.58	3,046,321,787.36
Net cash generated from/used in operating activities	-201,173,199.49	254,867,503.28
2. Cash flows from investing activities:		
Proceeds from disinvestment	911,919,175.12	160,000,000.00
Return on investment	32,122,129.81	43,963,853.10
Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets	5,339,598.34	376,617,558.15
Net proceeds from the disposal of subsidiaries and other business units		
Cash generated from other investing activities	7,977,291.67	36,354,374.99
Subtotal of cash generated from investing activities	957,358,194.94	616,935,786.24
Payments for the acquisition of fixed assets, intangible assets and other long-lived assets	134,227,346.87	78,104,450.17
Payments for investments	227,416,600.00	784,920,000.00
Net payments for the acquisition of subsidiaries and other business units		
Cash used in other investing activities	55,955,959.02	363,883,363.61
Subtotal of cash used in investing activities	417,599,905.89	1,226,907,813.78
Net cash generated from/used in investing activities	539,758,289.05	-609,972,027.54
3. Cash flows from financing activities:		
Capital contributions received		
Borrowings raised		
Cash generated from other financing activities		
Subtotal of cash generated from financing activities		
Repayment of borrowings		
Interest and dividends paid	188,202,488.07	185,077,493.16
Cash used in other financing activities	4,322,494.32	
Subtotal of cash used in financing activities	192,524,982.39	185,077,493.16
Net cash generated from/used in financing activities	-192,524,982.39	-185,077,493.16

4. Effect of foreign exchange rates changes on cash and cash equivalents	-2,895,505.05	14,253,014.98
5. Net increase in cash and cash equivalents	143,164,602.12	-525,929,002.44
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	1,227,318,268.34	1,084,153,666.22

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

7. Consolidated Statements of Changes in Owners' Equity

2025

Unit: RMB

Item	2025														
	Equity attributable to owners of the parent company												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 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															
2. Balance as at the beginning	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

of the year															
3. Increase/decrease in the period (“-” for decrease)	- 13,000,000.00				- 70,818,369.76	- 82,165,144.15	- 156,281,763.71	- 1,345,567.13	39,260,610.45	380,536,142.57	260,516,196.57	4,494,296.98	265,010,493.55		
3.1 Total comprehensive income							232,962,505.67			214,845,871.24	447,808,376.91	2,714,669.07	450,523,045.98		
3.2 Capital increased and reduced by owners	- 13,000,000.00				- 70,818,369.76	- 82,165,144.15					- 1,653,225.61	29,018,404.46	27,365,178.85		
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	29,018,404.46	27,365,178.85
3.3 Profit distribution									336,183.51	- 184,629,571.11			- 184,293,387.60	- 31,998,652.43	- 216,292,040.03
3.3.1 Appropriation to surplus reserves									336,183.51	- 336,183.51					
3.3.2 Appropriation to general reserve															
3.3.3 Appropriation to owners (or shareholders)										- 184,293,387.60			- 184,293,387.60	- 31,998,652.43	- 216,292,040.03
3.3.4 Other															
3.4 Transfers within owners' equity										- 389,244,269.38					
3.4.1										38,924,426.94					

3.4.6 Other															
3.5 Specific reserve								- 1,345,56 7.13					- 1,345,567.1 3	4,759,875.8 8	3,414,308.7 5
3.5.1 Increase in the period								19,258,4 45.96					19,258,445. 96	12,003,232. 07	31,261,678. 03
3.5.2 Used in the period								20,604,0 13.09					20,604,013. 09	7,243,356.1 9	27,847,369. 28
3.6 Other															
4. Balance as at the end of the period	1,535,778,2 30.00				843,517,9 55.90		227,147,3 91.31	3,436,49 4.07	189,358,1 33.42		4,035,582,2 97.14	6,834,820,5 01.84	3,596,690,0 85.55	10,431,510, 587.39	

2024

Unit: RMB

Item	2024														Non-controlling interests	Total owners' equity
	Equity attributable to owners of the parent company												Subtotal			
	Share capital	Other equity instruments			Capital reserves	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserves	General reserve	Retained earnings	Other				
	Preferred shares	Perpetual bonds	Other													
1. Balance as at the end of the prior year	1,548,778,2 30.00				914,336,3 25.66	82,165,1 44.15	360,027,0 27.59	1,213,32 5.92	107,944,6 79.06		3,435,308,3 64.11	6,285,442,8 08.19	3,485,954,6 80.86	9,771,397,4 89.05		

Add: Adjustment for change in accounting policy															
Adjustment for correction of previous error															
Other															
2. Balance as at the beginning of the year	1,548,778,2 30.00				914,336,3 25.66	82,165,1 44.15	360,027,0 27.59	1,213,32 5.92	107,944,6 79.06		3,435,308,3 64.11	6,285,442,8 08.19	3,485,954,6 80.86	9,771,397,4 89.05	
3. Increase/ decrease in the period (“- ” for decrease)							23,402,12 7.43	3,568,73 5.28	42,152,84 3.91		219,737,79 0.46	288,861,49 7.08	106,241,10 7.71	395,102,604 .79	
3.1 Total comprehensive income							23,402,12 7.43				446,184,02 1.97	469,586,14 9.40	77,034,005. 94	546,620,155 .34	
3.2 Capital increased and reduced													59,612,637. 51	59,612,637. 51	

by owners																
3.2.1 Ordinary shares increased by owners																
3.2.2 Capital increased by holders of other equity instrumen ts																
3.2.3 Share- based payments included in owners' equity																
3.2.4 Other															59,612,637. 51	59,612,637. 51
3.3 Profit distributio n								42,152,84 3.91		- 226,446,23 1.51		- 184,293,38 7.60		- 35,144,021. 09		- 219,437,408 .69
3.3.1 Appropri ation to surplus reserves								42,152,84 3.91		- 42,152,843. 91						
3.3.2 Appropri ation to																

3.4.4 Changes in defined benefit schemes transfere d to retained earnings															
3.4.5 Other comprehe nsive income transfere d to retained earnings															
3.4.6 Other															
3.5 Specific reserve							3,568,73 5.28					3,568,735.2 8	4,738,485.3 5	8,307,220.6 3	
3.5.1 Increase in the period							18,945,5 10.32					18,945,510. 32	11,323,527. 74	30,269,038. 06	
3.5.2 Used in the period							15,376,7 75.04					15,376,775. 04	6,585,042.3 9	21,961,817. 43	
3.6 Other															
4. Balance as at the end of the period	1,548,778,2 30.00				914,336,3 25.66	82,165,1 44.15	383,429,1 55.02	4,782,06 1.20	150,097,5 22.97		3,655,046,1 54.57	6,574,304,3 05.27	3,592,195,7 88.57	10,166,500, 093.84	

Legal representative: Yu Zhongmin

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 Parent Company

2025

Unit: RMB

Item	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 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 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
3. Increase/decrease in the period ("-" for decrease)	-13,000,000.00				-69,165,144.15	-82,165,144.15	-155,596,821.73	-2,647,682.94	39,260,610.45	169,052,106.39		50,068,212.17

3.1 Total comprehensive income							233,647,447.65			3,361,835.06		237,009,282.71
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' equity												
3.2.4 Other	-13,000,000.00				-69,165,144.15	-82,165,144.15						
3.3 Profit distribution									336,183.51	-184,629,571.11		-184,293,387.60
3.3.1 Appropriation to surplus reserves									336,183.51	-336,183.51		
3.3.2 Appropriation to owners (or										-184,293,387.60		-184,293,387.60

shareholders)												
3.3.3 Other												
3.4 Transfers within owners' equity							- 389,244,269. 38		38,924,426.9 4	350,319,842.44		
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 retained earnings												
3.4.5 Other comprehen sive income transferred to							- 389,244,269. 38		38,924,426.9 4	350,319,842.44		

retained earnings												
3.4.6 Other												
3.5 Specific reserve								- 2,647,682.94				-2,647,682.94
3.5.1 Increase in the period								6,615,668.09				6,615,668.09
3.5.2 Used in the period								9,263,351.03				9,263,351.03
3.6 Other												
4. Balance as at the end of the period	1,535,778,230.00				839,893,397.29		227,973,609.59	522,569.87	420,662,202.66	3,188,821,949.84		6,213,651,959.25

2024

Unit: RMB

Item	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 prior year	1,548,778,230.00				909,058,541.44	82,165,144.15	359,858,073.06	897,781.74	339,248,748.30	2,824,687,635.90		5,900,363,866.29
Add: Adjustment for change in accounting policy												

Adjustment for correction of previous error												
Other adjustments												
2. Balance as at the beginning of the year	1,548,778,230.00				909,058,541.44	82,165,144.15	359,858,073.06	897,781.74	339,248,748.30	2,824,687,635.90		5,900,363,866.29
3. Increase/decrease in the period (“-” for decrease)							23,712,358.26	2,272,471.07	42,152,843.91	195,082,207.55		263,219,880.79
3.1 Total comprehensive income							23,712,358.26			421,528,439.06		445,240,797.32
3.2 Capital increased and reduced by owners												
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									42,152,843.91	-		-
3.3.1 Appropriation to surplus reserves									42,152,843.91	-42,152,843.91		
3.3.2 Appropriation to owners (or shareholders)										184,293,387.60	-	-
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 retained earnings												
3.4.5 Other comprehensive income transferred to retained earnings												
3.4.6 Other												
3.5 Specific reserve							2,272,471.07					2,272,471.07
3.5.1 Increase in the period							11,325,253.53					11,325,253.53
3.5.2 Used in the period							9,052,782.46					9,052,782.46
3.6 Other												
4. Balance as at the end of the period	1,548,778,230.00				909,058,541.44	82,165,144.15	383,570,431.32	3,170,252.81	381,401,592.21	3,019,769,843.45		6,163,583,747.08

Legal representative: Yu Zhongmin

Chief Financial Officer: Zeng Xiaojing

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

III Company Profile

1. 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: Yu Zhongmin

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*.

2. Authorized issuer and date of approval of the financial report

These financial statements have been authorized for issue by the Board of Directors on April 15, 2026.

3. Scope of the consolidated financial statements

The scope of the consolidated financial statements during the Reporting Period include Foshan Electrical and Lighting Co., Ltd., 14 subsidiaries including 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 Guangdong Airtrust Aviation Equipment Co., Ltd. (referred to as “Airtrust”), as well as 14 sub-sub-subsidiaries including 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”), Foshan NationStar Electronic Manufacturing Co., Ltd. (referred to as “Guoxing Electronic”), Foshan NationStar Semiconductor Co., Ltd. (referred to as “NationStar Semiconductor”), 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”), and FSL (Thailand) Lighting Technology Co., Ltd. (referred to as “Thailand Company”).

The Company had 28 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:

① 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.

② 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.

③ 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:

① 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.

② Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

③ 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: a. the contractual right to receive cash flows from the financial asset is terminated; b. 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.

① 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	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

	takes the aging of accounts receivable as the credit risk characteristics	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, and 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. Receivables 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. Employee benefits

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

(1) Accounting treatment of the short-term remuneration

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

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 Preference 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. Leases

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

Unit: RMB

Content and reasons for the change in accounting policy	Financial statement line items significantly affected	Amount affected
In December 2025, the Ministry of Finance issued the Notice on Issuing the Interpretation No. 19 of the Accounting Standards for Business Enterprises (C.K. [2025] No. 32), which stipulates the following: "accounting treatment of compensating assets in business combinations not under common control", "accounting treatment of related capital reserves when disposing of subsidiaries acquired through business combinations under common control", "derecognition of financial liabilities settled using electronic payment systems", "assessment and related disclosure of the contractual cash flow characteristics of financial assets", and "disclosure of equity instruments designated as measured at fair value with changes in fair value recognized in other comprehensive income". These have taken effect on January 1, 2026.	None	0.00

The Company adopted Interpretation No. 19 of the Accounting Standards for Business Enterprises effective January 1, 2026. This provision has no impact on the Company's financial statements for the current reporting period and does not involve retrospective adjustments to prior years.

(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 information

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	Tax-free, 15%, 20%, 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,	15%

Hortilite Company, Liaowang Auto Lamp, Chongqing Guinuo, Liuzhou Lighting, Liuzhou Foreshine, Qingdao Lighting, NationStar Optoelectronics, NationStar Semiconductor, Fenghua Semiconductor, Hainan Technology, Hule Electric, NationStarGermany (note 1) and Xinxiang Company	
Thailand Company	Tax-free
Aitrust	20%
Indonesia Liaowang (note 2)	22%
Other subsidiaries	25%

Note 1: NationStar Germany, a wholly-owned subsidiary of the subsidiary Hortilite, is registered in Germany. In accordance with local tax policies, it is subject to corporate income tax at a tax rate of 15%.

Note 2: Liaowang Indonesia, a wholly-owned subsidiary of the subsidiary Liaowang Auto Lamp, is registered in Indonesia. In accordance with local tax policies, it is subject to corporate income tax at a tax rate of 22%.

2. Tax Preference

(1) The Company passed the review as an Innovation Company in December 2023 and obtained the Innovation Company certificate (Certificate No. GR202344003659). According to relevant regulations, the Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2023.

(2) Subsidiary Zhida Company passed the review as an Innovation Company in December 2025 and obtained the Innovation Company certificate (Certificate No.: GR202544000734). According to the relevant regulations, Zhida Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2025.

(3) Subsidiary Chanchang Company passed the review as an “Innovation Company” in November 2024 and obtained the Innovation Company certificate (Certificate No.: GR202444001793). According to the relevant regulations, Chanchang Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2024.

(4) Subsidiary Hortilite Company passed the review as an Innovation Company in December 2025 and obtained the Innovation Company certificate (Certificate No. GR202544000737). According to relevant regulations, Hortilite Company is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2025.

(5) Subsidiary Liaowang Auto Lamp passed the review as an Innovation Company in December 2023 and obtained the Innovation Company certificate (Certificate No. GR202345001098). According to relevant regulations, Liaowang Auto Lamp is entitled to a reduced enterprise income tax rate of 15% for three years starting from 2023.

(6) Chongqing Guinuo, a wholly-owned subsidiary of Liaowang Auto Lamp, enjoys the tax incentives of reducing and exempting enterprise income tax for the development of western China since 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 as an Innovation Company in December 2025 and obtained the Innovation Company certificate (Certificate No.: GR202545000255). According to relevant regulations, Liuzhou Lighting will pay enterprise income tax at a reduced rate of 15% for three years starting from 2025.

(8) Liuzhou Foreshine, a wholly-owned subsidiary of Liaowang Auto Lamp, passed the review as an Innovation Company in November 2024 and the Innovation Company certificate (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] No. 5), enterprises recognized as Innovation Companies 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 review as an Innovation Company in December 2025 and obtained the Innovation Company certificate (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 2025.

(10) Subsidiary NationStar Optoelectronics passed the review as an Innovation Company in December 2023 and obtained the Innovation Company certificate (Certificate No. GR202344017343). According to relevant regulations, NationStar Optoelectronics will pay enterprise income tax at a reduced rate of 15% for three years starting from 2023.

(11) NationStar Semiconductor, a wholly-owned subsidiary of NationStar Optoelectronics, passed the review as an Innovation Company in November 2024 and obtained the Innovation Company certificate (Certificate No.:

GR202444004544). According to relevant regulations, NationStar Semiconductor will pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

(12) Fenghua Semiconductor, a majority-owned subsidiary of NationStar Optoelectronics, passed the review as an Innovation Company in December 2024 and obtained the Innovation Company certificate (Certificate No.: GR202444013633). According to relevant regulations, Fenghua Semiconductor will pay enterprise income tax at a reduced rate of 15% for three years starting from 2024.

(13) Subsidiary Hainan Technology was recognized as an Innovation Company in October 2024 and obtained the Innovation Company 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) Hule Electric, a majority-owned subsidiary of Hainan Technology, was recognized as an Innovation Company in December 2023 and obtained the Innovation Company certificate (Certificate No.: GR202333010552). According to relevant regulations, Hule Electric is entitled to pay enterprise income tax at a reduced rate of 15% for three years starting from 2023.

(15) Subsidiary Xinxiang Company was recognized as an Innovation Company in October 2024 and obtained the Innovation Company 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) The subsidiary, Airtrust, is a “Small Low-Profit Enterprise”. According to relevant regulations, the policy of calculating taxable income at a reduced rate of 25% and paying corporate income tax at a rate of 20% for a “Small Low-Profit Enterprise” will continue until December 31, 2027. From January 1, 2023 to December 31, 2027, resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding securities transaction stamp duty), cultivated land occupation tax, and education surcharge and local education surcharge will be levied at half the rate for a “Small Low-Profit Enterprise”.

(17) Thailand Company, a subsidiary of subsidiary Hortilite Company, is registered in Thailand. According to local tax policies, profits up to 300,000 Thai Baht are exempt from taxation.

3. Other information

Taxes have been paid 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	Closing balance	Opening balance
Cash on hand	33,030.81	40,535.66
Bank deposits	1,498,436,755.78	1,221,721,793.26
Other monetary assets (note 1)	647,818,448.10	512,794,818.03
Money deposited in finance company (note 2)	1,304,152,847.36	1,462,165,277.45
To-be-received interest (note 3)	5,302,009.12	12,405,012.91
Total	3,455,743,091.17	3,209,127,437.31
Of which: Total amount deposited overseas	66,844,431.32	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 third-party payment platforms, of which the security deposits for notes and performance bonds and pre-sale house payments were restricted assets (see “31. Assets with Restricted Ownership or Right of Use” in Note “VII Notes to Main Items of Consolidate Financial Statements”).

Note 2: Deposits placed with finance companies referred 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 was not recognized as cash and cash equivalents.

2. Trading Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	2,768,997.33	43,649,820.47
Including:		
Wealth management products		41,661,005.56
Equity instrument investments	2,768,997.33	1,988,814.91
Total	2,768,997.33	43,649,820.47

3. Derivative Financial Assets

None.

4. Notes Receivable

(1) Notes Receivable Disclosed by Category

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bill	628,480,403.75	928,954,818.05
Commercial acceptance bill	104,354,748.40	68,326,252.16
Total	732,835,152.15	997,281,070.21

(2) Disclosure by the Bad Debt Provision Method

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Notes receivable with bad debt provision on an individual basis										
Notes receivable with bad debt provision on a portfolio basis	734,965,033.34	100.00%	2,129,881.19	0.29%	732,835,152.15	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21
Of which:										
Bank acceptance bill	628,480,403.75	85.51%	0.00	0.00%	628,480,403.75	928,954,818.05	93.02%	0.00	0.00%	928,954,818.05
Commercial acceptance bill	106,484,629.59	14.49%	2,129,881.19	2.00%	104,354,748.40	69,729,361.39	6.98%	1,403,109.23	2.01%	68,326,252.16
Total	734,965,033.34	100.00%	2,129,881.19	0.29%	732,835,152.15	998,684,179.44	100.00%	1,403,109.23	0.14%	997,281,070.21

Bad debt provision on a portfolio basis: RMB2,129,881.19 .

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)

Within 1 year	734,965,033.34	2,129,881.19	0.29%
Total	734,965,033.34	2,129,881.19	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If bad debt provision for notes receivable is provided for under the general model of expected credit losses:

Applicable Not applicable

(3) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Bad debt provision during the period:

Unit: RMB

Category	Opening balance	Changes for the period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Notes receivable with bad debt provision on a portfolio basis	1,403,109.23	726,771.96				2,129,881.19
Total	1,403,109.23	726,771.96				2,129,881.19

Of which, bad debt provision with a significant recovered or reversed amount during the period:

Applicable Not applicable

(4) Notes Receivable Pledged by the Company as at the End of the Period

Unit: RMB

Item	Amount pledged as at the end of the period
Bank acceptance bill	467,791,280.20
Total	467,791,280.20

(5) Notes Receivable Endorsed or Discounted by the Company That Were not yet Due as at the Balance Sheet Date

Unit: RMB

Item	Derecognized amount as at the end of the period	Amount not derecognized as at the end of the period
Bank acceptance bill	76,009,751.15	72,268,153.90
Commercial acceptance bill		18,860.00
Total	76,009,751.15	72,287,013.90

(6) Notes Receivable Written off during the Period

None.

5. Accounts Receivable

(1) Disclosure by Aging

Unit: RMB

Aging	Gross amount at period-end	Gross amount at period-beginning
Within 1 year (including 1 year)	2,052,722,441.79	1,958,007,653.74
1 to 2 years	118,636,510.81	160,745,414.76
2 to 3 years	60,271,415.93	75,845,969.51
Over 3 years	140,365,035.54	116,132,806.59
3 to 4 years	51,225,665.54	74,345,304.65
4 to 5 years	54,131,540.70	8,949,462.00
Over 5 years	35,007,829.30	32,838,039.94
Total	2,371,995,404.07	2,310,731,844.60

(2) Disclosure by the Bad Debt Provision Method

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Accounts receivable with bad debt provision on an individual basis	108,762,538.90	4.59%	75,756,278.52	69.65%	33,006,260.38	146,052,307.68	6.32%	72,871,642.18	49.89%	73,180,665.50
Accounts receivable with bad debt provision on a portfolio basis	2,263,232,865.17	95.41%	122,913,841.77	5.43%	2,140,319,023.40	2,164,679,536.92	93.68%	112,192,910.46	5.18%	2,052,486,626.46
Of which:										
Business portfolio of general lighting and auto lamps	1,489,401,022.52	62.79%	106,212,902.46	7.13%	1,383,188,120.06	1,470,492,300.88	63.64%	97,526,907.72	6.63%	1,372,965,393.16

Business portfolio of LED packaging and components	773,831,842.65	32.62%	16,700,939.31	2.16%	757,130,903.34	694,187,236.04	30.04%	14,666,002.74	2.11%	679,521,233.30
Total	2,371,995,404.07	100.00%	198,670,120.29	8.38%	2,173,325,283.78	2,310,731,844.60	100.00%	185,064,552.64	8.01%	2,125,667,291.96

Bad debt provision on an individual basis: RMB75,756,278.52 .

There were no significant accounts receivable with bad debt provision on an individual basis during the period or in other periods.

Bad debt provision on a portfolio basis: RMB122,913,841.77 .

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)
Business portfolio of general lighting and auto lamps	1,489,401,022.52	106,212,902.46	7.13%
Business portfolio of LED packaging and components	773,831,842.65	16,700,939.31	2.16%
Total	2,263,232,865.17	122,913,841.77	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If bad debt provision for accounts receivable is provided for under the general model of expected credit losses:

Applicable Not applicable

(3) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Bad debt provision during the period:

Unit: RMB

Category	Opening balance	Changes for the period					Closing balance
		Provision	Reversal of write-offs from prior periods	Recovery or reversal	Write-off	Others	
Accounts receivable with bad debt provision on an individual basis	72,871,642.18	13,219,924.85		9,808,429.97	526,858.54		75,756,278.52
Accounts receivable with	112,192,910.46	12,682,051.93			88,054.52	-1,873,066.10	122,913,841.77

bad debt provision on a portfolio basis							
Total	185,064,552.64	25,901,976.78		9,808,429.97	614,913.06	-1,873,066.10	198,670,120.29

Of which, bad debt provision with a significant recovered or reversed amount during the period: None

(4) Accounts Receivable Written off during the Period

Unit: RMB

Item	Amount written off
Accounts receivable written off	678,372.63

Of which, significant accounts receivable written off: Not applicable

Notes to the write-off:

RMB 678,372.63 of accounts receivable has been written off with the bad debt provision of RMB614,913.06, and the approval procedures have been performed in accordance with the Company's bad debt management system.

(5) Top 5 Balances of Accounts Receivable and Contract Assets by Debtor as at the End of the Period

Unit: RMB

Name of the entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to total closing balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
No. 1	174,261,678.54		174,261,678.54	7.34%	5,233,019.85
No. 2	115,055,684.93		115,055,684.93	4.85%	3,451,670.55
No. 3	103,839,000.18		103,839,000.18	4.37%	3,129,719.53
No. 4	85,495,151.51		85,495,151.51	3.60%	2,564,854.55
No. 5	59,104,212.11		59,104,212.11	2.49%	1,888,421.38
Total	537,755,727.27		537,755,727.27	22.65%	16,267,685.86

6. Contract Assets

(1) List of Contract Assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Bad debt provision	Carrying amount	Gross amount	Bad debt provision	Carrying amount
Contract assets	2,253,362.60	1,802,690.08	450,672.52	3,380,043.90	1,690,021.95	1,690,021.95
Total	2,253,362.60	1,802,690.08	450,672.52	3,380,043.90	1,690,021.95	1,690,021.95

(2) Amount and Reasons for Material Changes in Carrying Amount during the Reporting Period

No material changes occurred in the carrying amount during the Reporting Period.

(3) Disclosure by the Bad Debt Provision Method

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision on an individual basis										
Bad debt provision on a portfolio basis	2,253,362.60	100.00%	1,802,690.08	80.00%	450,672.52	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%	1,802,690.08	80.00%	450,672.52	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95
Total	2,253,362.60	100.00%	1,802,690.08	80.00%	450,672.52	3,380,043.90	100.00%	1,690,021.95	50.00%	1,690,021.95

Bad debt provision on a portfolio basis: RMB1,802,690.08 .

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)
Business portfolio of general lighting and auto lamps	2,253,362.60	1,802,690.08	80.00%
Total	2,253,362.60	1,802,690.08	

A description of the basis for determining the portfolio:

See Note V-16. Contract Assets.

Bad debt provision provided for under the general model of expected credit losses:

Applicable Not applicable

(4) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Unit: RMB

Item	Provision	Recovered or reversed during the period	Charged off/written off during the period	Reason
Impairment provision for contract assets	112,668.13			
Total	112,668.13			——

Of which, bad debt provision with a significant recovered or reversed amount during the period: None

(5) Contract Assets Written off during the Period

None.

7. Accounts Receivable Financing

(1) Accounts Receivable Financing Disclosed by Category

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bill	415,949,788.02	352,694,866.89
Total	415,949,788.02	352,694,866.89

(2) Disclosure by the Bad Debt Provision Method

None.

Basis for classification into stages and provision rates of bad debt provision

See Note V-13. Accounts Receivable.

Explanation of significant changes in the gross amount of accounts receivable financing where the bad debt provision has changed during the period: None.

(3) Bad Debt Provision Provided for, Recovered or Reversed during the Period

None.

(4) Accounts Receivable Financing Pledged by the Company as at the End of the Period

Unit: RMB

Item	Amount pledged as at the end of the period
Bank acceptance bill	7,000,000.00
Total	7,000,000.00

(5) Accounts Receivable Financing Endorsed or Discounted by the Company That Were not yet Due as at the Balance Sheet Date

Unit: RMB

Item	Derecognized amount as at the end of the period	Amount not derecognized as at the end of the period
Bank acceptance bill	570,237,010.86	
Total	570,237,010.86	

(6) Accounts Receivable Financing Written off during the Period

None.

(7) Movements in Accounts Receivable Financing and Changes in Fair Value during the Period

None.

(8) Other Notes

None.

8. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	82,678,537.89	70,524,265.25
Total	82,678,537.89	70,524,265.25

(1) Interest Receivable

None.

(2) Dividend Receivable

None.

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

Unit: RMB

Nature	Gross amount at period-end	Gross amount at period-beginning
Other transactions	80,310,603.33	77,640,342.04
Value-added tax (VAT) export rebates	20,284,110.73	5,974,168.41
Performance guarantee deposits	16,916,339.82	25,244,600.82
Rent and utilities	2,229,668.90	1,314,614.82
Employee loans and petty cash	1,881,995.33	3,138,997.42
Total	121,622,718.11	113,312,723.51

2) Disclosure by Aging

Unit: RMB

Aging	Gross amount at period-end	Gross amount at period-beginning
Within 1 year (including 1 year)	50,304,035.90	51,110,555.10
1 to 2 years	17,170,952.38	22,389,136.32
2 to 3 years	18,350,276.26	6,564,915.91
Over 3 years	35,797,453.57	33,248,116.18
3 to 4 years	6,424,579.68	1,383,400.01
4 to 5 years	1,371,309.73	4,236,860.23
Over 5 years	28,001,564.16	27,627,855.94

Total	121,622,718.11	113,312,723.51
-------	----------------	----------------

3) Disclosure by the Bad Debt Provision Method

Applicable Not applicable

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision on an individual basis	57,300,994.28	47.11%	27,907,191.03	48.70%	29,393,803.25	30,409,096.04	26.84%	30,409,096.04	100.00%	
Bad debt provision on a portfolio basis	64,321,723.83	52.89%	11,036,989.19	17.16%	53,284,734.64	82,903,627.47	73.16%	12,379,362.22	14.93%	70,524,265.25
Of which:										
Deposits and guarantees	16,916,339.82	13.92%	7,908,738.97	46.75%	9,007,600.85	25,244,600.82	22.28%	7,936,826.08	31.44%	17,307,774.74
Amounts due from/to related parties	2,508,586.94	2.06%	956,601.35	38.13%	1,551,985.59	4,070,403.14	3.59%	1,044,479.04	25.66%	3,025,924.10
Advances and others	44,896,797.07	36.91%	2,171,648.87	4.84%	42,725,148.20	53,588,623.51	47.29%	3,398,057.10	6.34%	50,190,566.41
Total	121,622,718.11	100.00%	38,944,180.22	32.02%	82,678,537.89	113,312,723.51	100.00%	42,788,458.26	37.76%	70,524,265.25

Bad debt provision on an individual basis: RMB27,907,191.03

Unit: RMB

Name	Opening balance		Closing balance			
	Gross amount	Bad debt provision	Gross amount	Bad debt provision	Provision percentage (%)	Basis for provision
Wuxi Yixin Optoelectronics Technology Co., Ltd.	20,000,000.00	20,000,000.00	20,000,000.00	20,000,000.00	100.00%	Recovery of the amount is considered unlikely.
Industrial and Commercial Bank of China, Foshan Branch			15,883,375.00	476,501.25	3.00%	Based on litigation in the period, a bad debt provision is made on an individual

						basis.
Infore Robotics & Automation Co., Ltd.			14,419,514.95	432,585.45	3.00%	Based on litigation in the period, a bad debt provision is made on an individual basis.
Total	20,000,000.00	20,000,000.00	50,302,889.95	20,909,086.70		

Bad debt provision on a portfolio basis: RMB11,036,989.19

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)
Deposits and guarantees	16,916,339.82	7,908,738.97	46.75%
Amounts due from/to related parties	2,508,586.94	956,601.35	38.13%
Advances and others	44,896,797.07	2,171,648.87	4.84%
Total	64,321,723.83	11,036,989.19	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

Bad debt provision provided for under the general model of expected credit losses:

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance as at January 1, 2025	1,522,771.90	10,819,530.47	30,446,155.89	42,788,458.26
Balance as at January 1, 2025 in the period				
Provided for during the period	-24,631.11	-1,301,717.74	1,189,405.27	-136,943.58
Reversed during the period			3,728,370.13	3,728,370.13
Written off during the period		15,070.00		15,070.00
Other changes	30,558.97	5,546.70		36,105.67
Balance as at December 31, 2025	1,528,699.76	9,508,289.43	27,907,191.03	38,944,180.22

Basis for classification into stages and provision rates of bad debt provision

See Note V-13. Accounts Receivable.

Explanation of material changes in gross amount arising from movements in loss allowance during the period

Applicable Not applicable

4) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Bad debt provision during the period:

Unit: RMB

Category	Opening balance	Changes for the period				Closing balance
		Provision	Recovery or reversal	Charge off or write off	Others	
Other Receivables	42,788,458.26	-136,943.58	3,728,370.13	15,070.00	36,105.67	38,944,180.22
Total	42,788,458.26	-136,943.58	3,728,370.13	15,070.00	36,105.67	38,944,180.22

Of which, bad debt provision with a significant recovered or reversed amount during the period: None.

5) Other Receivables Written off during the Period

Unit: RMB

Item	Amount written off
Other receivables	15,070.00

6) Top 5 Balances of Other Receivables by Debtor as at the End of the Period

Unit: RMB

Name of the entity	Nature	Closing balance	Aging	Proportion to total closing balance of other receivables %	Closing balance of bad debt provision
Guangdong Provincial Tax Service, State Taxation Administration	Value-added tax (VAT) export rebates	20,284,110.73	Within 1 year	16.68%	608,523.32
Wuxi Yixin Optoelectronics Technology Co., Ltd.	Other transactions	20,000,000.00	Over 5 years	16.44%	20,000,000.00
Industrial and Commercial Bank of China, Foshan Branch	Other transactions	15,883,375.00	Within 3 years	13.06%	476,501.25
Infore Robotics & Automation Co., Ltd.	Other transactions	14,419,514.95	Within 2 years	11.86%	432,585.45
Foshan Chancheng District Land Reserve Center	Other transactions	6,000,000.00	Within 1 year	4.93%	180,000.00
Total		76,587,000.68		62.97%	21,697,610.02

7) Other receivables Presented due to Centralized Management of Funds

None.

9. Prepayments

(1) Prepayments Disclosed by Aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	42,210,473.83	84.78%	18,587,036.85	76.11%
1 to 2 years	3,276,728.21	6.58%	2,101,361.07	8.61%
2 to 3 years	1,563,537.85	3.14%	1,640,558.43	6.72%
Over 3 years	2,739,309.42	5.50%	2,090,822.77	8.56%
Total	49,790,049.31		24,419,779.12	

Notes of the reasons of the prepayment aging over 1 year with significant amount but failed settled in time: None.

(2) Top 5 Balances of Prepayments by Debtor as at the End of the Period

Unit: RMB

Name of the entity	Relationship with the Company	Closing balance	Aging	Proportion to total prepayments
No. 1	Non-Related Party	17,773,459.56	Within 1 year	35.70%
No. 2	Non-Related Party	3,278,898.34	Within 1 year	6.59%
No. 3	Non-Related Party	1,954,490.08	Within 1 year	3.93%
No. 4	Non-Related Party	1,573,835.50	Within 1 year	3.16%
No. 5	Non-Related Party	1,192,416.43	Within 1 year	2.39%
Total		25,773,099.91		51.77%

10. Inventories

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

No

(1) Category of Inventories

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Provisions for inventory impairments or impairment provisions for contract performance costs	Carrying amount	Gross amount	Provisions for inventory impairments or impairment provisions for contract performance costs	Carrying amount
Raw materials	355,222,010.08	17,408,072.98	337,813,937.10	314,930,694.77	22,535,048.55	292,395,646.22
Goods in process	254,192,102.97		254,192,102.97	229,665,213.27		229,665,213.27
Inventory goods	1,439,828,181.08	170,433,798.55	1,269,394,382.53	1,249,130,700.18	126,346,042.26	1,122,784,657.92

Goods in transit	217,149,231.66	16,800,564.57	200,348,667.09	291,148,176.11	27,816,444.67	263,331,731.44
Semi-finished goods	97,109,458.64	2,061,225.74	95,048,232.90	103,638,782.42	2,492,313.51	101,146,468.91
Low-value consumables	2,032,676.87		2,032,676.87	1,515,044.74		1,515,044.74
Others	4,830,653.19		4,830,653.19	14,660,598.88		14,660,598.88
Total	2,370,364,314.49	206,703,661.84	2,163,660,652.65	2,204,689,210.37	179,189,848.99	2,025,499,361.38

(2) Data Resources Recognized as Inventories

None.

(3) Provisions for Inventory Impairments and Impairment Provisions for Contract Performance Costs

Unit: RMB

Item	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Provision	Others	Reversal or charge off	Others	
Raw materials	22,535,048.55	929,520.30		6,056,495.87		17,408,072.98
Inventory goods	126,346,042.26	70,093,704.49		26,005,948.20		170,433,798.55
Goods in transit	27,816,444.67	17,804,558.49		28,820,438.59		16,800,564.57
Semi-finished goods	2,492,313.51	193,801.79		624,889.56		2,061,225.74
Total	179,189,848.99	89,021,585.07		61,507,772.22		206,703,661.84

Note: Of the amount reversed or written off during the period, the reversal amount was RMB5,589,615.56 and the charge-off amount was RMB55,918,156.66.

Provisions for inventory impairments on a portfolio basis

None.

Criteria for making provisions for inventory impairments on a portfolio basis

See Note V-17. Inventory.

(4) Capitalized Borrowing Cost in the Closing Balance of Inventories

None.

(5) Notes to the Amount of Contract Performance Costs Amortized for the Period

None.

11. Assets held for sale

Other notes:

The assets held for sale at the beginning of the period were disposed of during the period. For details, please refer to 8. Other Information – “Matter regarding the expropriation of land and above-ground housing of

Nanjing Fozhao” in Note XVIII “Other Significant Events to this Note.

12. Current Portion of Non-current Assets

Unit: RMB

Item	Closing balance	Opening balance
Current portion of other investments in debt obligations	429,862,721.67	
Total	429,862,721.67	

(1) Current Portion of Investments in Debt Obligations

Applicable Not applicable

(2) Current Portion of Other Investments in Debt Obligations

Applicable Not applicable

1) List of Current Portion of Other Investments in Debt Obligations

Unit: RMB

Item	Opening balance	Accrued interest	Change in fair value in the period	Closing balance	Cost	Accumulated changes in fair value	Accumulated impairment provision recognized in other comprehensive income	Notes
Large-denomination certificates of deposit acquired in 2023	417,634,469.18	12,228,252.49		429,862,721.67	400,000,000.00			
Total	417,634,469.18	12,228,252.49		429,862,721.67	400,000,000.00			

2) Significant Current Portion of Other Investments in Debt Obligations as at the End of the Period

Unit: RMB

Item	Par value	Coupon rate	Maturity date	Actual interest rate		Overdue principal	
				Closing balance	Opening balance	Closing balance	Opening balance
Large-denomination certificates of deposit acquired in 2023	100,000,000.00	3.30%	January 6, 2026	3.30%			
Large-denomination certificates of deposit	50,000,000.00	2.90%	August 31, 2026	2.90%			

acquired in 2023							
Large-denomination certificates of deposit acquired in 2023	100,000,000.00	2.90%	November 3, 2026	2.90%			
Large-denomination certificates of deposit acquired in 2023	150,000,000.00	2.95%	December 1, 2026	2.95%			
Total	400,000,000.00						

3) Impairment Provision

None.

4) Status of Current Portion of Other Investments in Debt Obligations Written-off during the Period

None.

13. Other Current Assets

Unit: RMB

Item	Closing balance	Opening balance
Value-added tax (VAT) input tax to be verified or deducted	180,724,871.99	125,298,564.45
Time deposits	35,013,164.98	130,975,312.95
Prepaid corporate income tax	4,349,157.57	2,524,237.91
Others	1,499,186.49	2,486,661.54
Total	221,586,381.03	261,284,776.85

14. Investments in debt obligations

None.

15. Other Investments in Debt Obligations

(1) List of Other Investments in Debt Obligations

Unit: RMB

Item	Opening balance	Accrued interest	Interest adjustment	Change in fair value in the period	Closing balance	Cost	Accumulated changes in fair value	Accumulated impairment provision recognized in other comprehensive income	Notes
Large-denomination certificate	417,634,469.18								The closing balance was

s of deposit acquired in 2023									reclassified to current portion of non-current assets
Large-denomination certificates of deposit acquired in 2024	722,388,394.54	17,695,299.77			720,083,694.31	687,000,000.00			
Total	1,140,022,863.72	17,695,299.77			720,083,694.31	687,000,000.00			

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

None.

(2) Significant Other Investments in Debt Obligations as at the End of the Period

Unit: RMB

Item	Closing balance					Opening balance				
	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal	Par value	Coupon rate	Actual interest rate	Maturity date	Overdue principal
Large-denomination certificates of deposit issued by 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-denomination certificates of deposit issued by China 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-denomination certificates of deposit issued by Hua	143,000,000.00	2.60%	2.60%	February 5, 2027		143,000,000.00	2.60%	2.60%	February 5, 2027	

Xia Bank										
Large-denomination certificates of deposit issued by China Merchants Bank	62,000,000.00	2.60%	2.60%	February 5, 2027		82,000,000.00	2.60%	2.60%	February 5, 2027	
Large-denomination certificates of deposit issued by Hua Xia Bank	150,000,000.00	2.60%	2.60%	March 8, 2027		150,000,000.00	2.60%	2.60%	March 8, 2027	
Large-denomination certificates of deposit issued by 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-denomination certificates of deposit issued by 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	
Large-denomination certificates of deposit issued by China Everbright Bank						100,000,000.00	3.30%	3.30%	January 6, 2026	
Large-denomination certificates of deposit						50,000,000.00	2.90%	2.90%	August 31, 2026	

issued by Bank of Communications										
Large-denomination certificates of deposit issued by China Everbright Bank						100,000,000.00	2.90%	2.90%	November 3, 2026	
Large-denomination certificates of deposit issued by Bank of Guangzhou						150,000,000.00	2.95%	2.95%	December 1, 2026	
Total	687,000,000.00					1,107,000,000.00				

(3) Impairment Provision

None.

Basis for classification into stages and provision rates of bad debt provision

See Note V-17. Other Investments in Debt Obligations.

(4) Other Investments in Debt Obligations Written off during the Period

None.

16. Investments in other equity instruments

Unit: RMB

Item	Closing balance	Opening balance	Gains recognized in other comprehensive income in the period	Losses recognized in other comprehensive income in the period	Cumulative gain recognized in other comprehensive income as at the end of the period	Cumulative loss recognized in other comprehensive income as at the end of the period	Dividend income recognized in the period	Reasons for designating as at fair value through other comprehensive income
Xiamen Bank Co., Ltd.	421,011,500.10	323,502,024.60	97,509,475.50		268,053,893.27		17,207,554.50	Non-trading equity instruments

Guangdong Rising Finance Co., Ltd.	30,000,000.00	30,000,000.00					477,925.41	Non-trading equity instruments
Guangdong Rising Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project Industrial Investment Fund of Funds Partnership Enterprise (Limited Partnership)	11,200,000.00							Non-trading equity instruments
Beijing Glory Alliance Semiconductor Lighting Industry Investment Center (L.P.)	6,082,543.80	6,082,543.80					32,499.41	Non-trading equity instruments
Foshan Nanhai District United Guangdong New Light Source Industry Innovation Center	3,000,000.00	3,000,000.00						Non-trading equity instruments
China Guangfa Bank Co., Ltd.	500,000.00	500,000.00					110,338.26	Non-trading equity instruments
Gotion High-tech Co., Ltd.		363,579,045.02	177,369,874.68		457,934,434.57		957,765.10	Non-trading equity instruments
Total	471,794,043.90	726,663,613.42	274,879,350.18		725,988,327.84		18,786,082.68	

Non-trading equity instrument investment in the period disclosed by items

Unit: RMB

Item	Dividend income recognized	Accumulative gains	Accumulative losses	Amount reclassified from other comprehensive income to retained earnings	Reasons for designating as at fair value through other comprehensive income	Reasons for reclassification from other comprehensive income to retained earnings
Gotion High-tech Co., Ltd.	957,765.10	457,934,434.57		389,244,269.38	Not satisfied with the condition of trading equity instrument	Disposal of shares
Xiamen Bank Co., Ltd.	17,207,554.50	268,053,893.27			Not satisfied with the condition of trading equity instrument	N/A
China Guangfa Bank Co., Ltd.	110,338.26				Not satisfied with the condition of trading equity instrument	N/A
Beijing Glory Alliance Semiconductor Lighting Industry Investment Center (L.P.)	32,499.41	1,538,068.73			Not satisfied with the condition of trading equity instrument	N/A
Guangdong Rising Finance Co., Ltd.	477,925.41	1,122,913.74			Not satisfied with the condition of trading equity instrument	N/A
Total	18,786,082.68	728,649,310.31		389,244,269.38		

Other notes:

NationStar Optoelectronics is a limited partner of Beijing Glory Alliance Semiconductor Lighting Industry Investment Center (Limited Partnership). As at December 31, 2025, NationStar Optoelectronics has received a total distribution of principal and interest amounting to RMB 5,455,524.93 from Beijing Glory Alliance Semiconductor Lighting Industry Investment Center (Limited Partnership). The accumulated principal repaid is RMB3,917,456.20 . After partial recovery of the investment, NationStar Optoelectronics holds a 3.98% equity stake in the partnership.

17. Long-term Receivables

None.

18. Long-term Equity Investment

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment provision	Changes for the period								Closing balance (carrying amount)	Closing balance of impairment provision
			Addition 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	Provision for impairment	Others		
I. Joint ventures												
II. Associated enterprises												
Shenzhen Primatronix (Nanhuo) Electronics Ltd.	180,300,594.89				4,506,058.03						184,806,652.92	
Subtotal	180,300,594.89				4,506,058.03						184,806,652.92	
Total	180,300,594.89				4,506,058.03						184,806,652.92	

The recoverable amount is determined based on fair value less costs of disposal

Applicable Not applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

Applicable Not applicable

Reasons for significant inconsistency between the above-mentioned information and the information adopted in the impairment tests in the prior year or external information

None.

Reasons for significant inconsistency between the information adopted in the impairment tests in the prior year and the actual situation in the year

None.

19. Other Non-current Financial Assets

None.

20. Investment Property**(1) Investment Property Measured at Cost**
 Applicable Not applicable

Unit: RMB

Item	Houses and buildings	Land use right	Construction in progress	Total
I. Gross amount				
1. Opening balance	822,894,661.93	61,486,213.33		884,380,875.26
2. Increase during the period	68,868,462.63			68,868,462.63
(1) Purchased	336,268.00			336,268.00
(2) Transferred from inventories/fixed assets/construction in progress	68,532,194.63			68,532,194.63
(3) Increase from business combination				
3. Decrease during the period	11,573,978.23			11,573,978.23
(1) Disposal	539,504.00			539,504.00
(2) Other transfer	11,034,474.23			11,034,474.23
4. Closing balance	880,189,146.33	61,486,213.33		941,675,359.66
II. Accumulative depreciation and accumulative amortization				
1. Opening balance	77,917,683.10	12,976,146.14		90,893,829.24
2. Increase during the period	39,003,821.98	1,830,072.15		40,833,894.13
(1) Provision or amortization	32,501,038.21	1,830,072.15		34,331,110.36
(2) Transferred from inventories/fixed assets/construction in progress	6,502,783.77			6,502,783.77
3. Decrease during the period	634,402.58			634,402.58
(1) Disposal	512,528.80			512,528.80
(2) Other transfer	121,873.78			121,873.78
4. Closing balance	116,287,102.50	14,806,218.29		131,093,320.79

III. Impairment provisions				
1. Opening balance				
2. Increase during the period				
(1) Provision				
3. Decrease during the period				
(1) Disposal				
(2) Other transfer				
4. Closing balance				
IV. Carrying amount				
1. Closing carrying amount	763,902,043.83	46,679,995.04		810,582,038.87
2. Opening carrying amount	744,976,978.83	48,510,067.19		793,487,046.02

The recoverable amount is determined based on fair value less costs of disposal

Applicable Not applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

Applicable Not applicable

Reasons for significant inconsistency between the above-mentioned information and the information adopted in the impairment tests in the prior year or external information

None.

Reasons for significant inconsistency between the information adopted in the impairment tests in the prior year and the actual situation in the year

None.

(2) Investment Property Measured at Fair Value

Applicable Not applicable

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

None.

(4) Investment Property without Certificate of Title

As at December 31, 2025, the relevant property certificates for the LED Workshop 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	Closing balance	Opening balance
Fixed assets	3,584,415,229.00	3,646,134,662.80
Disposal of fixed assets	2,502,347.90	459,543.24
Total	3,586,917,576.90	3,646,594,206.04

(1) List of Fixed Assets

Unit: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Electronic equipment	Other (note:1)	Total
I. Gross amount:						
1. Opening 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. Increase during the period	162,710,579.03	296,537,906.23	1,448,042.84	10,604,643.93	6,973,657.82	478,274,829.85
(1) Purchased	57,785,214.04	52,320,961.09	1,433,635.76	8,952,237.21	1,701,813.55	122,193,861.65
(2) Transferred from construction in progress	104,375,734.33	242,635,348.88	14,407.08	1,504,578.82	5,229,384.58	353,759,453.69
(3) Increase from business combination				147,626.90		147,626.90
(4) Others (note 2)	549,630.66	1,581,596.26		201.00	42,459.69	2,173,887.61
3. Decrease during the period	20,236,241.56	79,289,604.35	929,514.34	952,640.51	2,408,207.81	103,816,208.57
(1) Disposal or retirement		76,546,169.14	916,711.13	481,039.47	2,232,640.48	80,176,560.22
(2) Equipment transformation		2,528,083.90			165,811.97	2,693,895.87
(3) Others (Note 2)	20,236,241.56	215,351.31	12,803.21	471,601.04	9,755.36	20,945,752.48
4. Closing balance	2,589,240,721.61	5,574,206,506.82	41,911,995.26	92,501,595.68	103,936,135.95	8,401,796,955.32
II. Accumulative depreciation						
1. Opening 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. Increase during the period	112,311,955.30	380,929,125.82	3,390,452.40	10,321,969.28	5,389,281.66	512,342,784.46
(1) Provision	112,190,081.52	380,521,890.37	3,390,452.40	10,227,644.47	5,348,944.95	511,679,013.71

(2) Increase from business combination				94,134.01		94,134.01
(3) Others (Note 2)	121,873.78	407,235.45		190.80	40,336.71	569,636.74
3. Decrease during the period	6,572,801.98	72,635,534.66	881,014.74	905,596.49	2,346,656.24	83,341,604.11
(1) Disposal or retirement		71,796,402.27	868,339.57	457,556.55	2,172,844.59	75,295,142.98
(2) Equipment transformation		712,225.98			164,153.85	876,379.83
(3) Others (note 2)	6,572,801.98	126,906.41	12,675.17	448,039.94	9,657.80	7,170,081.30
4. Closing balance	828,195,740.28	3,790,306,310.44	31,925,646.92	68,761,126.51	82,633,757.58	4,801,822,581.73
III. Impairment provisions						
1. Opening balance		8,375,870.55		3,454.52	2,944.79	8,382,269.86
2. Increase during the period	6,580,100.00	2,096,092.05	12,499.13	15,532.03	887.46	8,705,110.67
(1) Provision	6,580,100.00	2,096,092.05	12,499.13	15,532.03	887.46	8,705,110.67
3. Decrease during the period		1,502,488.98	12,499.13	13,247.83		1,528,235.94
(1) Disposal or retirement		1,502,488.98	12,499.13	13,247.83		1,528,235.94
4. Closing balance	6,580,100.00	8,969,473.62		5,738.72	3,832.25	15,559,144.59
IV. Carrying amount						
1. Closing carrying amount	1,754,464,881.33	1,774,930,722.76	9,986,348.34	23,734,730.45	21,298,546.12	3,584,415,229.00
2. Opening carrying amount	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-Others refer to the Cooling system and wastewater treatment plant of NationStar Optoelectronics and tools, equipment, instruments and meters of Liaowang Auto Lamp, etc.

Note 2: Other increases or decreases in gross amount and accumulated depreciation are mainly due to the addition of houses and buildings and building accessories, the transfer between investment property and fixed assets arising from a change in the use of buildings during the period and reversal of input VAT during the period.

(2) Temporarily Idle Fixed Assets

None.

(3) Fixed Assets Leased out under Operating Lease

None.

(4) Fixed Assets without Certificate of Title

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 December 31, 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

The recoverable amount is determined based on fair value less costs of disposal

Applicable Not applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

Applicable Not applicable

In 2025, the Company recognized a total impairment provision for fixed assets of RMB8,705,110.67. The Company performed impairment tests on certain machinery and equipment that had become severely worn due to prolonged use or had been rendered idle and obsolete as a result of product upgrades, as well as on buildings whose market value had declined due to a drop in real estate market prices. Among these, for the machinery and equipment, the fair value and costs of disposal were determined by reference to the recovery rate from recent disposals of similar assets, and the recoverable amount was estimated, resulting in an impairment. For the buildings, the fair value and costs of disposal were determined by reference to market transaction prices in the relevant regions, and the recoverable amount was estimated, resulting in an impairment. The recoverable amount was determined as the higher of the fair value less costs of disposal and the present value of estimated future cash flows of the relevant asset groups. Accordingly, the Company provided for an impairment loss of

RMB8,705,110.67 ...

Reasons for significant inconsistency between the above-mentioned information and the information adopted in the impairment tests in the prior year or external information

None.

Reasons for significant inconsistency between the information adopted in the impairment tests in the prior year and the actual situation in the year

None.

(6) Disposal of Fixed Assets

Unit: RMB

Item	Closing balance	Opening balance
Machinery equipment	2,502,347.90	459,543.24
Total	2,502,347.90	459,543.24

22. Construction in progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	223,949,659.06	263,601,705.89
Total	223,949,659.06	263,601,705.89

(1) List of Construction in Progress

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment provision	Carrying amount	Gross amount	Impairment provision	Carrying amount
Construction in progress	225,544,478.20	1,594,819.14	223,949,659.06	265,196,525.03	1,594,819.14	263,601,705.89
Total	225,544,478.20	1,594,819.14	223,949,659.06	265,196,525.03	1,594,819.14	263,601,705.89

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

Unit: RMB

Item	Budget	Opening balance	Increase during the period	Transferred to fixed assets during the period	Other decreases during the period	Closing balance	Cumulative project investment as % of the budget	Project progress (%)	Cumulative capitalized interest	Of which: Capitalized interest during the period	Interest capitalization rate for the period (%)	Funding source
The Project of	1,714,546,700.0	203,811,312.45	175,677,261.98	217,915,214.65	14,166,143.00	147,407,216.78	50.21	50.21	645,610.61			Self-financing and borrowing

the Geely Industrial Park	0											
Total	1,714,546,700.00	203,811,312.45	175,677,261.98	217,915,214.65	14,166,143.00	147,407,216.78			645,610.61			

Note: The other decreases during the period were due to the transfer to long-term prepaid expenses.

(3) Impairment Provisions for Construction in Progress for the Period

None.

(4) Impairment Test of Construction in Progress

Applicable Not applicable

(5) Engineering Materials

None.

23. Productive Living Assets

(1) Productive Living Assets Measured at Cost

Applicable Not applicable

(2) Impairment Test of Productive Living Assets Measured at Cost

Applicable Not applicable

(3) Productive Living Assets Measured at Fair Value

Applicable Not applicable

24. Oil and Gas Assets

Applicable Not applicable

25. Right-of-use Assets

(1) List of Right-of-use Assets

Unit: RMB

Item	Houses and buildings	Machinery equipment	Others	Total
I. Gross amount				
1. Opening balance	31,539,171.10	1,096,398.96	75,471.70	32,711,041.76
2. Increase during the period	13,681,057.06			13,681,057.06
(1) Leased in	13,681,057.06			13,681,057.06
3. Decrease	5,340,062.93		75,471.70	5,415,534.63

during the period				
(1) Disposal	5,340,062.93		75,471.70	5,415,534.63
4. Closing balance	39,880,165.23	1,096,398.96		40,976,564.19
II. Accumulative depreciation				
1. Opening balance	9,940,040.61	383,976.64	44,025.17	10,368,042.42
2. Increase during the period	11,591,782.82	548,199.47	31,446.53	12,171,428.82
(1) Provision	11,591,782.82	548,199.47	31,446.53	12,171,428.82
3. Decrease during the period	5,258,979.44		75,471.70	5,334,451.14
(1) Disposal	5,258,979.44		75,471.70	5,334,451.14
4. Closing balance	16,272,843.99	932,176.11		17,205,020.10
III. Impairment provisions				
1. Opening balance				
2. Increase during the period				
(1) Provision				
3. Decrease during the period				
(1) Disposal				
4. Closing balance				
IV. Carrying amount				
1. Closing carrying amount	23,607,321.24	164,222.85		23,771,544.09
2. Opening carrying amount	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	Others (note)	Total
I. Gross amount							
1. Opening 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. Increase during the period		3,242,500.00		18,511,432.14			21,753,932.14
(1)		291,900.00		18,511,432.1			18,803,332.1

Purchased				4			4
(2) Developed internally							
(3) Increase from business combination		2,950,600.00					2,950,600.00
3. Decrease during the period		16,641.51					16,641.51
(1) Disposal		15,094.34					15,094.34
(2) Others		1,547.17					1,547.17
4. Closing balance	369,823,060.63	41,325,383.35		100,832,989.92	27,020,000.00	3,470,000.00	542,471,433.90
II. Accumulative depreciation							
1. Opening 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. Increase during the period	7,925,442.54	2,335,352.42		13,496,125.41	2,702,000.02	347,000.02	26,805,920.41
(1) Provision	7,925,442.54	2,335,352.42		13,496,125.41	2,702,000.02	347,000.02	26,805,920.41
(2) Increase from business combination							
3. Decrease during the period		6,721.45					6,721.45
(1) Disposal		6,540.92					6,540.92
(2) Others		180.53					180.53
4. Closing balance	80,236,838.84	27,347,287.47		47,042,450.19	3,827,833.37	491,583.37	158,945,993.24
III. Impairment provisions							
1. Opening balance							
2. Increase during the period							
(1) Provision							
3. Decrease during the period							
(1) Disposal							
4. Closing							

balance							
IV. Carrying amount							
1. Closing carrying amount	289,586,221.79	13,978,095.88		53,790,539.73	23,192,166.63	2,978,416.63	383,525,440.66
2. Opening carrying amount	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--Others refers to the software copyrights.

The proportion of intangible assets formed from the internal R&D of the Company as at the end of the period to the closing balance of intangible assets was 0.00%.

(2) Data Resources Recognized as Intangible Assets

Applicable Not applicable

(3) Land Use Right without Certificate of Title

None.

(4) Impairment Test of Intangible Assets

Applicable Not applicable

27. Goodwill

(1) Gross Amount of Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Formed by business combination	Others	Disposed	Others	
Nanning Liaowang Auto Lamp Co., Ltd.	16,211,469.82					16,211,469.82
Guangdong Airtrust Aviation Equipment Co., Ltd.		125,552.07				125,552.07
Foshan NationStar Optoelectronics Co., Ltd.	405,620,123.64					405,620,123.64
Total	421,831,593.46	125,552.07				421,957,145.53

Note: As for the M&A of NationStar Optoelectronics in 2014 by Guangdong Electronics Information Industry Group Ltd., the wholly-owned subsidiary of Guangdong Rising Holdings Group Co., Ltd., the

difference between the fair value and the net assets attributable to the shareholders of the listed company on the date of acquisition of NationStar Optoelectronics formed goodwill of RMB405,620,123.64.

(2) Impairment Provisions for Goodwill

Unit: RMB

Name of the invested units or events generating goodwill	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Provision	Others	Disposal	Others	
Foshan NationStar Optoelectronics Co., Ltd.	142,393,052.68	34,217,937.33				176,610,990.01
Total	142,393,052.68	34,217,937.33				176,610,990.01

(3) Information on the Asset Group or Combination of Asset Groups to which the Goodwill Belongs

Name	Composition and basis of the asset group or combination of asset groups to which it belongs	Operating segment to which it belongs and basis	Whether it is consistent with that of the prior years
Nanning Liaowang Auto Lamp Co., Ltd.	Non-current operating assets and goodwill, allocated based on the smallest identifiable group of assets that generates independent cash inflows.	General lighting and auto lamps products	Yes
Guangdong Airtrust Aviation Equipment Co., Ltd.		General lighting and auto lamps products	N/A
Foshan NationStar Optoelectronics Co., Ltd.		LED packaging and component products, other products	Yes

(4) Determination of the Recoverable Amount

The recoverable amount is determined based on fair value less costs of disposal

Applicable Not applicable

Unit: RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Method for determining fair value and disposal costs	Key parameters	Basis for determining key parameters
Foshan NationStar Optoelectronics Co., Ltd.	696,620,492.61	520,009,502.60	176,610,990.01	Market approach	Average trading price for the 30 trading days preceding the valuation date	note 1
Total	696,620,492.61	520,009,502.60	176,610,990.01			

Note 1: Note 1: The recoverable amount of the NationStar Optoelectronics asset group is determined as the higher of the fair value less costs of disposal and the present value of estimated future cash flows. NationStar Optoelectronics is a listed company on the SME Board of the Shenzhen Stock Exchange. For the purpose of this

valuation, the fair value is determined based on the average trading price for the 30 trading days preceding the valuation date, and the costs of disposal are determined based on transaction costs and related taxes and fees associated with the disposal of the asset.

The recoverable amount is determined based on the present value of the estimated future cash flows

Applicable Not applicable

Unit: RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Length of the forecast period	Key parameters for the forecast period	Key parameters for the terminal period	Basis of determining the key parameters of the terminal period
Nanning Liaowang Auto Lamp Co., Ltd.	577,791,233.64	588,728,107.44		5 years	Revenue growth rate: 5% to 6.5%; discount rate: 10.82%	Revenue growth rate: 0%; discount rate: 10.82%	Based on a prudent basis, the revenue assumption for the terminal period remains stable at the level of the final year of the forecast period.
Guangdong Airtrust Aviation Equipment Co., Ltd.	1,935,863.14	2,403,630.00		5 years	Revenue growth rate: 10% to 469%; discount rate: 10.58%	Revenue growth rate: 0%; discount rate: 10.58%	Based on a prudent basis, the revenue assumption for the terminal period remains stable at the level of the final year of the forecast period.
Total	579,727,096.78	591,131,737.44					

Reasons for significant inconsistency between the above-mentioned information and the information adopted in the impairment tests in the prior year or external information

None.

Reasons for significant inconsistency between the information adopted in the impairment tests in the prior year and the actual situation in the year

None.

(5) Completion of Commitments to Results and Corresponding Goodwill Impairment

When goodwill is formed, there is a commitment to the results and the reporting period or the period preceding the reporting period is within the commitment period

Applicable Not applicable

28. Long-term Prepaid Expense

Unit: RMB

Item	Opening balance	Increase during the period	Amortization during the period	Other decreases	Closing balance
Mold	180,708,464.33	171,371,792.66	71,738,341.53	31,793,647.02	248,548,268.44
Expense on maintenance and decoration	64,783,900.72	39,987,703.85	30,007,497.26	1,723.46	74,762,383.85
Boarding box	313,010.00	483,185.63	185,567.32		610,628.31
Others	7,219,120.77	9,595,152.67	4,797,133.56		12,017,139.88
Total	253,024,495.82	221,437,834.81	106,728,539.67	31,795,370.48	335,938,420.48

Other notes:

Other decreases of mold represent disposals of mold.

29. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred Income Tax Assets before Offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for impairment of assets	455,575,694.14	69,542,275.28	437,165,619.65	66,540,210.84
Unrealized profit of internal transactions	25,371,871.73	3,805,780.74	67,232,648.57	10,084,897.28
Deductible loss	210,552,472.38	33,948,090.76	205,026,280.47	33,375,483.69
Depreciation of fixed assets	38,958,013.64	5,843,702.05	45,661,228.34	6,849,184.25
Accrued liabilities	17,991,357.40	2,698,703.61	27,430,683.82	4,114,602.59
Change in fair value of trading financial assets	331,319.45	49,697.92	636,322.31	95,448.35
Estimated cost	76,653,774.22	12,908,097.81	59,384,034.04	8,907,605.11
Lease liabilities and others	82,428,921.05	15,368,236.16	34,868,832.74	5,980,792.80
Total	907,863,424.01	144,164,584.33	877,405,649.94	135,948,224.91

(2) Deferred Income Tax Liabilities before Offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary	Deferred income tax	Taxable temporary	Deferred income tax

	difference	liabilities	difference	liabilities
Assets assessment appreciation from business consolidation not under the same control	140,027,029.47	21,134,372.57	151,028,108.51	22,654,216.26
Changes in fair value of other investments in equity instruments	262,203,893.26	39,330,583.99	445,258,977.65	66,788,846.65
Changes in the fair value of trading financial assets	1,369,911.68	205,486.75	736,537.65	110,480.65
One-off depreciation of fixed assets	564,657,876.65	84,698,681.50	615,396,814.10	92,309,522.12
Right-of-use assets and others	24,465,203.89	4,827,490.65	22,342,999.38	4,058,203.61
Total	992,723,914.95	150,196,615.46	1,234,763,437.29	185,921,269.29

(3) Deferred Income Tax Assets or Liabilities Presented on a Net Basis after Offsetting

Unit: RMB

Item	Offsetting amount between deferred income tax assets and liabilities as at the end of the period	Net deferred income tax assets or liabilities as at the end of the period after offsetting	Offsetting amount between deferred income tax assets and liabilities as at the beginning of the period	Net deferred tax assets or liabilities as at the beginning of the period after offsetting
Deferred income tax assets		144,164,584.33		135,948,224.91
Deferred income tax liabilities		150,196,615.46		185,921,269.29

(4) List of Unrecognized Deferred Income Tax Assets

None.

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

None.

30. Other Non-current Assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Impairment provision	Carrying amount	Gross amount	Impairment provision	Carrying amount
Contract assets	501,901.93	75,862.82	426,039.11	389,288.95	20,492.17	368,796.78
Long-term assets to be disposed (note)	198,202,153.88		198,202,153.88	103,788,056.44		103,788,056.44
Advance payment for long-term assets acquisition	6,992,221.25	1,635,100.00	5,357,121.25	36,085,714.00		36,085,714.00
Advance	99,361,501.47		99,361,501.47	59,359,531.60		59,359,531.60

payment for equipment and project						
Prepayments for equity acquisition				10,000,000.00	10,000,000.00	
Others	4,367,681.40		4,367,681.40	1,163,686.77		1,163,686.77
Total	309,425,459.93	1,710,962.82	307,714,497.11	210,786,277.76	10,020,492.17	200,765,785.59

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			
	Gross amount	Carrying amount	Type of restriction	Restriction	Gross amount	Carrying amount	Type of restriction	Restriction
Monetary assets	631,081,78 2.33	631,081,78 2.33	Restricted use	Note deposits, bond deposits, pre-sale of properties, etc.	512,340,40 3.99	512,340,40 3.99	Restricted use	Note deposits, bond deposits, pre-sale of properties, etc.
Notes receivable	540,078,29 4.10	540,078,29 4.10	Pledged, endorsed or discounted but not matured	Pledge of note pool, notes receivable endorsed or discounted but not matured	951,909,08 2.20	951,909,08 2.20	Pledged, endorsed or discounted but not matured	Pledge of note pool, notes receivable endorsed or discounted but not matured
Fixed assets	348,161,01 6.79	198,427,84 1.71	Mortgaged	Related party mortgage guarantees	348,161,01 6.79	211,977,10 0.96	Mortgaged	Related party mortgage guarantees
Intangible assets	15,551,408. 00	10,030,658. 70	Mortgaged	Related party mortgage guarantees	15,551,408. 00	10,341,686. 87	Mortgaged	Related party mortgage guarantees
Accounts receivable financing	7,000,000.0 0	7,000,000.0 0	Pledged	Pledge of note pool	25,328,943. 24	25,328,943. 24	Pledged	Pledge of note pool
Other current assets	6,658,273.0 0	6,658,273.0 0	Frozen	Frozen funds				
Other non-current assets	3,528,951.2 3	3,528,951.2 3	Frozen	Frozen funds	2,931.37	2,931.37	Frozen	Frozen funds
Accounts receivable	1,050,000.0 0	945,000.00	Pledged	Accounts receivable transferred but not yet due				
Investment					103,309,04	103,309,04	Frozen	Frozen

s in other debt obligations					1.10	1.10		large-denomination certificates of deposit
Total	1,553,109,725.45	1,397,750,801.07			1,956,602,826.69	1,815,209,189.73		

32. Short-term Borrowings

(1) Breakdown of Short-term Borrowings

Unit: RMB

Item	Closing balance	Opening balance
Pledged loans	0.00	39,850,000.00
Mortgage loans	8,000,000.00	28,000,000.00
Credit loans	625,462,091.12	234,995,981.93
Acceptance bill discount	1,542,591.80	4,282,836.39
Interest from short-term borrowings	10,391.94	12,329.17
Total	635,015,074.86	307,141,147.49

Notes to classification of short-term borrowings:

1. 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. As at December 31, 2025, the carrying amount of fixed assets pledged as collateral for secured short-term borrowings was RMB4,634,012.09.

3. The short-term borrowings as at the end of the Reporting Period included credit loans arising from supplier financing arrangements. For details, please refer to “Note VII-79 -(7)Notes on Other Significant Activities – Supplier Financing Arrangements”.

(2) Overdue Short-term Borrowings

None.

33. Trading Financial Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Trading financial liabilities		275,250.00
Of which:		
Others		275,250.00
Total		275,250.00

34. Derivative Financial Liabilities

None.

35. Notes Payable

Unit: RMB

Category	Closing balance	Opening balance
Bank acceptance bill	2,165,892,938.76	1,930,784,817.62
letter of credit	13,177,505.65	
Total	2,179,070,444.41	1,930,784,817.62

The total amount of notes payable that are due but unpaid amounted to RMB0.00 as at the end of the period.

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

Unit: RMB

Item	Closing balance	Opening balance
Accounts payable	2,443,871,780.95	2,781,965,096.70
Total	2,443,871,780.95	2,781,965,096.70

(2) Significant Accounts Payable Aged over One Year or Overdue

Unit: RMB

Item	Closing balance	Unpaid/Un-carry-over reason
Unit A	43,054,646.76	It has not reached the settlement period
Total	43,054,646.76	

(3) Whether There Are any Overdue and Outstanding Payments to Small and Medium-sized Enterprises (SMEs)

Whether the Company is a large enterprise

Yes No

Whether there are any overdue and outstanding payments to small and medium-sized enterprises (SMEs)

Yes No

37. Other Payables

Unit: RMB

Item	Closing balance	Opening balance
Other payables	372,152,039.73	495,717,050.97
Total	372,152,039.73	495,717,050.97

(1) Interest Payable

None.

(2) Dividends Payable

None.

(3) Other Payables**1) Other Payables Disclosed by Category of Nature**

Unit: RMB

Item	Closing balance	Opening balance
Transactions	148,822,484.44	208,777,778.90
Performance bond	86,126,189.35	96,583,554.73
Relevant expense of sales	70,427,822.25	87,551,768.43
Payments for demolition	2,071,772.00	34,898,417.30
Payment for equity transfer		16,366,572.00
Others	64,703,771.69	51,538,959.61
Total	372,152,039.73	495,717,050.97

2) Significant Other Payable Aged over One Year or Overdue

Unit: RMB

Item	Closing balance	Unpaid/Un-carry-over reason
Unit A	67,046,577.48	It has not reached the settlement period
Unit B	53,974,917.16	It has not reached the settlement period
Total	121,021,494.64	

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

Unit: RMB

Item	Closing balance	Opening balance
Advances from customers	328,004.34	163,623.85
Land reserve payment		13,367,850.30
Total	328,004.34	13,531,474.15

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

None.

39. Contract Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Advances on sales	140,787,246.73	119,506,301.48
Total	140,787,246.73	119,506,301.48

40. Employee Benefits Payable**(1) List of Employee Benefits Payable**

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
I. Short-term salary	200,892,219.93	1,356,777,771.57	1,395,083,301.86	162,586,689.64
II. Post-employment benefit-defined contribution plans	1,620,912.77	142,743,326.46	142,618,682.23	1,745,557.00
III. Termination	12,137,955.76	7,454,366.97	16,675,573.73	2,916,749.00

benefits				
Total	214,651,088.46	1,506,975,465.00	1,554,377,557.82	167,248,995.64

(2) List of Short-term Salary

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Salary, bonus, allowance, subsidy	197,310,106.14	1,178,738,227.11	1,216,797,938.45	159,250,394.80
2. Employee welfare	39,061.65	65,310,067.70	65,311,038.58	38,090.77
3. Social insurance	662,261.81	56,361,308.58	56,333,057.50	690,512.89
Of which:				
Medical insurance premiums	566,202.62	50,785,958.83	50,763,711.52	588,449.93
Work-related injury insurance	96,059.19	5,575,349.75	5,569,345.98	102,062.96
4. Housing fund	509,881.17	44,453,941.88	44,383,624.34	580,198.71
5. Labor union budget and employee education budget	2,370,909.16	11,205,927.79	11,549,344.48	2,027,492.47
6. Other short-term salary		708,298.51	708,298.51	
Total	200,892,219.93	1,356,777,771.57	1,395,083,301.86	162,586,689.64

(3) List of Defined Contribution Plans

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
1. Basic pension benefits	1,165,716.90	131,027,535.17	131,020,940.78	1,172,311.29
2. Unemployment insurance	37,636.78	5,437,306.40	5,435,367.52	39,575.66
3. Annuity	417,559.09	6,278,484.89	6,162,373.93	533,670.05
Total	1,620,912.77	142,743,326.46	142,618,682.23	1,745,557.00

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	Closing balance	Opening balance
------	-----------------	-----------------

VAT	27,647,834.28	20,024,672.48
Corporate income tax	52,061,425.04	70,202,563.56
Personal income tax	3,516,287.76	10,342,055.07
Urban maintenance and construction tax	1,761,355.03	1,622,938.34
Property tax	2,562,362.23	1,631,337.72
Stamp tax	2,024,051.39	1,757,727.88
Education surcharge	754,321.85	695,000.38
Local education surcharge	497,930.79	458,383.14
Land use tax	318,266.40	313,705.15
Others	37,716.36	36,776.67
Total	91,181,551.13	107,085,160.39

42. Liabilities Held for sale

None.

43. Current Portion of Non-current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Current portion of long-term borrowings	120,586,240.76	112,386,714.93
Current portion of lease liabilities	10,710,023.24	8,188,073.88
Total	131,296,264.00	120,574,788.81

44. Other Current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Output VAT to be carried forward	8,449,283.63	7,910,035.80
Reversed notes that are endorsed and undue	71,787,013.90	368,196,176.60
Cloud Credit endorsed but not yet terminated recognition	1,050,000.00	1,050,000.00
Total	81,286,297.53	377,156,212.40

45. Long-term Borrowings

(1) Breakdown of Long-term Borrowings

Unit: RMB

Item	Closing balance	Opening balance
Mortgage loans	20,935,917.42	39,680,861.51
Credit borrowings	292,565,399.12	295,287,783.96
Less: Current portion of long-term borrowings	120,586,240.76	112,386,714.93
Total	192,915,075.78	222,581,930.54

46. Bonds Payable

None.

47. Lease Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Lease liabilities	28,245,829.94	25,185,296.61
Less: Unrecognized financing expenses	2,181,082.68	1,973,229.62
Less: current portion of lease liabilities	10,710,023.24	8,188,073.88
Total	15,354,724.02	15,023,993.11

Other notes:

The maturity analysis of lease liabilities based on the undiscounted remaining contractual obligations is as follows:

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year	11,428,580.01	8,906,841.70
1-2 years	9,295,051.12	8,815,320.49
3-5 years	5,261,795.21	4,519,959.28
Over 5 years	2,260,403.60	2,943,175.14
Total	28,245,829.94	25,185,296.61

48. Long-term Payables

None.

49. Long-term Employee Benefits Payable

None.

50. Provisions

Unit: RMB

Item	Closing balance	Opening balance	Cause
Pending litigation		2,110,312.84	Contract disputes
Product quality assurance	17,991,357.40	25,320,370.98	Provision for product quality assurance expenses
Total	17,991,357.40	27,430,683.82	

51. Deferred Income

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance	Cause
Government grants	73,739,179.94	73,093,981.93	29,901,416.80	116,931,745.07	Government allocations
Total	73,739,179.94	73,093,981.93	29,901,416.80	116,931,745.07	--

Other notes:

Item	Opening balance	Amount added during the period	Amount recognized in non-operating	Amount recognized in other income during the period	Amount offset against costs and expenses	Other changes	Closing balance	Related to assets/related to income

			income during the period		es during the period			
Government grants related to assets	68,183,747.38	59,118,579.13		19,854,824.14			107,447,502.37	
Small-pitch LED Packaging Technology Innovation for Display and Key Packaging Equipment Technology Transformation Project	9,322,107.78	9,842,813.88		3,272,130.18			15,892,791.48	Related to assets
Geely Industrial Park LED Ultra-High Definition Display Technology Transformation Project (Phase I)		15,000,000.00		213,333.25			14,786,666.75	Related to assets
The First Batch of Ultra-long-term Special Government Bond Project Subsidies for 2025		14,720,000.00		368,000.01			14,351,999.99	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		1,865,979.66			12,361,299.10	Related to assets
Government Subsidy for Annual Fixed Asset Investment in Advanced Manufacturing and Oil & Gas Extraction Projects	8,677,987.50			445,025.03			8,232,962.47	Related to assets
Small-pitch and Outdoor LED Display Device Expansion Project and Technical Transformation Project	10,003,945.76			4,064,551.68			5,939,394.08	Related to assets
The Second Batch of Ultra-long-term Special Government Bond Project Subsidies for 2024	5,162,500.00			525,000.00			4,637,500.00	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			1,570,727.40			4,481,838.37	Related to assets
Intelligent Technology Reform Project of LED Packaging Workshop in Geely Industrial Park (Phase I)	620,755.00	2,104,386.12		21,334.37			2,703,806.75	Related to assets
Hainan Deep-Sea Technology Innovation Centre Special Project for Deep-Sea Technology Industry Promotion (Industrial Development Category) – Construction and Commercial Operation of Deep-Sea Lighting Product Production Lines	1,200,000.00	1,600,000.00		311,244.12			2,488,755.88	Related to assets
Equipment Subsidies for the Gaozhou Production Base Construction Project		2,504,336.13		156,852.78			2,347,483.35	Related to assets
2023 Automotive Lamp Production Digitalization Workshop Technology	2,129,000.00			246,000.00			1,883,000.00	Related to assets

Improvement Project								
Research on Packaging Technologies for Third-Generation Semiconductor Power Devices and Modules	1,871,395.37			334,987.32			1,536,408.05	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			256,000.00			1,536,000.00	Related to assets
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			200,000.04			1,166,666.50	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			300,000.00			900,000.00	Related to assets
The Project of Resource Conservation and Environmental Protection	1,425,234.20			687,999.96			737,234.24	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			113,597.52			630,189.54	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			300,000.00			600,000.00	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			399,999.96			566,667.01	Related to assets
The 2019 14th Batch of Industrial Support Funds of RMB1.5 million	600,000.00			150,000.00			450,000.00	Related to assets
The First Batch of Special Funds for Small and Medium-sized Enterprises in 2022	490,000.00			70,000.00			420,000.00	Related to assets
Research on Color Micro-LED Displays and Ultra-High-Brightness Micro-Display Technologies	54,997.62	351,000.00		11,539.56			394,458.06	Related to assets
2021 Automotive Industry Enterprise Intelligent Transformation and Upgrading Project Funding	419,333.18			68,000.04			351,333.14	Related to assets
Liuzhou Guige’s Third Batch of Guangxi Innovation-driven	424,000.00			96,000.00			328,000.00	Related to

Development Special Asset Projects in 2018								assets
Project Funds from the Liuzhou High-tech Industrial Development Zone Management Committee	384,000.16			63,999.96			320,000.20	Related to assets
Liuzhou Guige 2017 Liudong New District Enterprise Potential Development and Renovation Fund	450,000.00			150,000.00			300,000.00	Related to assets
LED Technologies and Demonstration Applications for the Efficient Cultivation Needs of Modern Agriculture	743,871.42	50,460.00		494,331.42			300,000.00	Related to assets
Others	9,181,237.29	720,000.00		3,098,189.88			6,803,047.41	Related to assets
Government grants related to income	5,555,432.56	13,975,402.80		10,046,592.66			9,484,242.70	
MOM Software R&D Project for Manufacturing Operations Management in NationStar Optoelectronics' Manufacturing Scenarios		7,628,300.00		4,921,620.63			2,706,679.37	Related to income
Research Project on Key Technologies of the Third Generation of High Efficiency and Frequency Semiconductor Electronic Power Module	1,639,002.82			66,471.72			1,572,531.10	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			42,652.80			1,301,347.20	Related to income
Phase II Indirect Coupled Multi- Physics Field Simulation Software Development Project for NationStar Optoelectronics Component Scenarios		2,040,000.00		897,813.31			1,142,186.69	Related to income
Research on Full-Color and Integrated Packaging of High-Brightness, High-Contrast Micro-LED Display Devices	990,013.59			119,836.92			870,176.67	Related to income
MDL Project	840,000.00						840,000.00	Related to income
Development of Key Technologies for Ultra-High-Definition Micro-LED Display Panels Based on MIP Packaging Architecture		420,000.00					420,000.00	Related to income
Others	742,416.15	3,887,102.80		3,998,197.28			631,321.67	Related to income
Total	73,739,179.94	73,093,981.93		29,901,416.80			116,931,745.07	

52. Other Non-current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Output VAT to be transferred	107,831.23	174,986.26
Others		2,931.37
Total	107,831.23	177,917.63

53. Share Capital

Unit: RMB

	Opening balance	Increase/decrease (+/-)					Closing balance
		New shares issued	Bonus shares	Bonus issue from profit	Other (note)	Subtotal	
The sum of shares	1,548,778,230.00				- 13,000,000.0 0	- 13,000,000.0 0	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:

Item/Investor	Opening balance		Increase during the period	Decrease during the period	Closing balance	
	Invested amount	Proportion			Invested amount	Proportion
Restricted shares	57,295,457.00	3.70%	38,384.00	46,796,039.00	10,537,802.00	0.69%
Unrestricted shares	1,491,482,773.00	96.30%	46,796,039.00	13,038,384.00	1,525,240,428.00	99.31%
Total	1,548,778,230.00	100.00%	46,834,423.00	59,834,423.00	1,535,778,230.00	100.00%

54. Other Equity Instruments

None.

55. Capital Reserves

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing 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 changes and reason of change:

Capital premium (premium on stock) decreased by RMB70,818,369.76 in the current period, which were mainly due to

1. The Company canceled its stock shares on January 10, 2025, resulting in a RMB69,165,144.15 decrease in the capital reserve;

2. The acquisition of non-controlling interests in the majority-owned subsidiary Hortilite Company by the Company in this year, resulting in a RMB1,653,225.61 decrease in the capital reserve.

56. Treasury Shares

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing 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 changes and reason of change:

Decrease in treasury shares (A-shares) by RMB82,165,144.15 during the 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	Opening balance	During the period						Closing balance
		Income before taxation in the period	Less: Recorded in other comprehensive income in prior period and transferred to profit or loss in the period	Less: Recorded in other comprehensive income in prior period and transferred to retained earnings in the period	Less: Income tax expense	Attributable to owners of the parent company 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	274,879,350.18		389,244,269.38	41,231,902.53	-155,596,821.73	227,845,809.27	
Changes in fair value of other equity	383,442,631.00	274,879,350.18		389,244,269.38	41,231,902.53	-155,596,821.73	227,845,809.27	

instrument investment								
II. Other comprehensive income that may subsequently be reclassified to profit or loss	-13,475.98	1,842,139.15				684,941.98	1,157,197.17	698,417.96
Differences arising from translation of foreign currency-denominated financial statements	-13,475.98	1,842,139.15				684,941.98	1,157,197.17	698,417.96
Total of other comprehensive income	383,429,155.02	273,037,211.03		389,244,269.38	41,231,902.53	156,281,763.71	1,157,197.17	227,147,391.31

Other notes, including the adjustment of the effective portion of gains or losses on cash flow hedges to the initial recognition amount of the hedged item:

None.

58. Specific Reserve

Unit: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Safety production costs	4,782,061.20	19,258,445.96	20,604,013.09	3,436,494.07
Total	4,782,061.20	19,258,445.96	20,604,013.09	3,436,494.07

Other notes, including changes and reason of change:

The increase in the current year represents the safety production expenses accrued in accordance with the proportion stipulated in the Notice on Issuing the Management Measures for the Provision and Use of Enterprise Production Safety Costs (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	Opening balance	Increase during the	Decrease during the	Closing balance
------	-----------------	---------------------	---------------------	-----------------

		period	period	
Statutory surplus reserves	108,417,252.01	39,260,610.45		147,677,862.46
Discretionary surplus reserves	41,680,270.96			41,680,270.96
Total	150,097,522.97	39,260,610.45		189,358,133.42

Notes including changes and reasons thereof:

The increase in surplus reserve during the period arose from: (1) as a result of the disposal of investments in other equity instruments during the period, the cumulative fair value changes previously recognized in other comprehensive income were transferred to retained earnings, and surplus reserves were simultaneously increased by RMB38,924,426.94. For further details, please refer to Part III Management Discussion and Analysis - VIII Sale of Major Assets and Equity Investments - 1. Sale of Major Assets; and (2) the appropriation of surplus reserve based on the net profit of the parent company, amounting to RMB336,183.51.

60. Retained Earnings

Unit: RMB

Item	2025	2024
Opening balance of retained earnings before adjustments	3,655,046,154.57	3,435,308,364.11
Opening balance of retained earnings after adjustments	3,655,046,154.57	3,435,308,364.11
Add: Net profit attributable to owners of the parent company	214,845,871.24	446,184,021.97
Less: Appropriation of statutory surplus reserve	336,183.51	42,152,843.91
Dividend of ordinary shares payable	184,293,387.60	184,293,387.60
Add: Others (note)	350,319,842.44	
Closing retained earnings	4,035,582,297.14	3,655,046,154.57

Note: The amount reclassified from other comprehensive income to retained earnings during the period is RMB350,319,842.44.

Details of the adjustments of opening retained earnings:

- 1) RMB0.00 opening retained earnings was affected by retrospective adjustment conducted according to the Accounting Standards for Business Enterprises and relevant new regulations.
- 2) RMB0.00 opening retained earnings were affected by changes in accounting policies.
- 3) RMB0.00 opening retained earnings was affected by correction of significant accounting errors.
- 4) RMB0.00 opening retained earnings was affected by changes in combination scope arising from same control.
- (5) RMB0.00 opening retained earnings was affected totally by other adjustments.

61. Operating Revenue and Cost of Sales

Unit: RMB

Item	2025		2024	
	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Main operations	8,451,351,444.66	6,979,846,148.97	8,802,435,475.94	7,190,495,792.98
Other operations	345,457,525.92	261,572,933.82	245,802,171.20	177,055,108.51
Total	8,796,808,970.58	7,241,419,082.79	9,048,237,647.14	7,367,550,901.49

The lowest of the Company's audited profit before tax, net profit and net profit after deducting non-recurring gains and losses for the Reporting Period is negative.

Yes No

Breakdown information of operating income and operating cost:

Unit: RMB

Category of contracts	Total	
	Operating revenue	Cost of sales
Business Type		
Of which:		
General lighting products	3,029,903,446.48	2,254,839,510.04
LED packaging and component products	2,261,567,606.54	1,907,376,612.45
Vehicle lamp products	2,225,917,346.52	1,930,734,570.62
Trade and other products	1,279,420,571.04	1,148,468,389.68
Classification by operating region		
Of which:		
Domestic	6,967,139,709.49	5,665,162,928.65
Overseas	1,829,669,261.09	1,576,256,154.14
Total	8,796,808,970.58	7,241,419,082.79

Information in relation to the transaction price apportioned to the residual contract performance obligation:

The amount of revenue corresponding to performance obligations of contracts signed but not performed or not fully performed yet was RMB172,606,548.97 as at the end of the period.

62. Taxes and Surtaxes

Unit: RMB

Item	2025	2024
Urban maintenance and construction tax	19,226,974.39	21,327,278.39
Education surcharge	8,243,324.99	9,143,375.97
Property tax	29,682,069.61	28,676,638.78
Land use tax	5,967,160.73	6,023,030.05
Vehicle and vessel use tax	27,710.06	38,409.21
Stamp duty	7,870,773.13	8,344,850.82
Local education surcharge	5,495,642.04	6,096,584.00
VAT of land	431,382.84	
Environmental protection tax	79,751.02	93,630.35
Others	16,658.20	18,849.95

Total	77,041,447.01	79,762,647.52
-------	---------------	---------------

63. Administrative Expense

Unit: RMB

Item	2025	2024
Employee benefits	270,866,712.65	275,293,420.32
Depreciation charge	93,103,409.96	83,279,370.36
Office expenses	32,804,380.50	40,006,914.71
Amortization of intangible assets	10,560,080.08	8,648,358.17
Rental and management fees	9,086,930.36	7,859,197.84
Intermediary agency fee	8,652,947.78	11,805,486.89
Engineering decoration cost	8,082,260.44	10,009,360.18
Utilities	7,559,486.37	8,612,131.67
Labor cost	6,701,245.07	5,995,845.07
Security fund for the disabled	2,422,603.63	2,841,940.52
Others	31,412,443.12	30,405,321.65
Total	481,252,499.96	484,757,347.38

64. Selling Expense

Unit: RMB

Item	2025	2024
Employee benefits	151,561,039.41	151,647,016.46
Business propagandize fees and advertising fees	96,261,651.49	103,972,069.87
Sales promotion fees	21,064,820.55	11,347,352.24
Business travel charges	16,786,403.33	17,187,185.83
Office expenses	15,448,703.63	15,730,733.51
Commercial insurance premium	6,156,003.88	6,518,012.66
Others	50,359,200.41	42,953,830.16
Total	357,637,822.70	349,356,200.73

65. Development Costs

Unit: RMB

Item	2025	2024
Personnel labor costs	277,617,509.26	264,483,169.80
Direct input costs	177,652,383.79	202,803,354.52
Depreciation and long-term prepaid expense	46,614,208.08	41,317,402.25
Commissioned external research and development costs	6,283,709.79	8,124,543.45
Design fee	181,018.87	939,546.93
Amortization expense of intangible assets	35,185.30	50,558.92
Others	30,881,185.94	30,951,790.20
Total	539,265,201.03	548,670,366.07

Other notes:

In respect of R&D expense incurred by the Company, expense other than that on bench-scale and pilot-scale production is included in R&D expense; and sales revenue of products from bench-scale and pilot-scale production is included in core business revenue and the relevant costs are included in cost of sales of core

business.

66. Finance Costs

Unit: RMB

Item	2025	2024
Interest expense	19,964,126.68	21,576,958.65
Less: Interest income	38,126,946.14	51,401,372.58
Foreign exchange gains or losses	8,465,533.08	-28,129,824.29
Handling charge and others	-3,455,220.83	2,454,991.02
Total	-13,152,507.21	-55,499,247.20

67. Other Income

Unit: RMB

Sources	2025	2024
The Deductible Input Tax for Advanced Manufacturing Enterprises	40,375,368.49	54,157,807.49
Technological Transformation Project for Production Capacity Expansion of Fine-Pitch and Outdoor LED Display Components	8,657,294.78	5,590,398.00
VAT refunded as soon as it is levied	7,076,767.22	3,548,006.01
MOM Software R&D Project for Manufacturing Operations Management in NationStar Optoelectronics' Manufacturing Scenarios	2,840,000.00	
Phase II MOM Software Development Project for NationStar Optoelectronics Manufacturing Scenarios	2,081,620.63	
CAE Software R&D Project for Multi-Physics Coupling Simulation of NationStar Optoelectronics' LED Products	2,011,100.00	2,011,000.00
Technology Renovation Project for the Production Line of Micro and Flip-chip LED Chips	1,865,979.66	68,221.24
The Tax Incentives for the Poor	1,696,080.44	6,655,996.87
Technological Transformation Project for High-Color-Rendering Index (CRI) LED Packaging Technology Innovation and Key Packaging Equipment for Lighting Applications	1,570,727.40	1,570,727.40
Credit Insurance Fund – General Enterprise Subsidy under Sinosure	1,539,520.11	171,000.00
Social insurance subsidies	1,255,842.56	1,185,266.41
Manufacturing Single Champion Award	1,250,000.00	
Enterprise R&D Reward and Subsidy	1,150,726.00	684,357.00
Nanning City Output Value Incentives	1,070,000.00	
The “Strong Start” Economic Initiative for Q1 by Nanning New and High-tech Industrial Development Zone	1,010,000.00	
Special Funds for Promoting High-Quality Economic Development	1,003,399.67	154,754.00
Production Increase Incentives	980,000.00	

MOM Prototype Software R&D Project for Manufacturing Operations Management in NationStar Optoelectronics' Manufacturing Scenarios	933,200.00	2,813,200.00
Comprehensive Incentive and Subsidy Program for Technological Upgrading	920,000.00	
Phase II Indirect Coupled Multi-Physics Field Simulation Software Development Project for NationStar Optoelectronics Component Scenarios	897,813.31	
Long-Term Special Treasury Bond Project	893,000.01	87,500.00
The subsidy for stabilizing employment	884,908.49	1,423,855.77
Employment Subsidy	808,452.51	240,900.00
Resource Conservation and Environmental Protection Project	687,999.96	1,015,246.80
Support Fund for the Orderly Industrial Relocation Project in the Foshan-Maoming Cooperation Park	621,610.99	
Incentives and Subsidies for Industrial Enterprises	610,000.00	
Return of handling charges for withholding and remittance	581,015.09	531,972.25
Autonomous Region New Industrialization Funds	580,000.00	
Liuzhou Enterprise Support Fund Project	556,000.08	556,000.08
Rent Subsidy for the Gaozhou Production Base Construction Project	553,302.80	
Policy Subsidy Funds for Industrial Economic Work from the Liuzhou Municipal Bureau of Industry and Information Technology	547,000.00	
Basic Electricity Charge Subsidy for Transformer Capacity of Large Industrial Enterprises	507,120.00	
LED Technology for High-Efficiency Planting in Modern Agriculture and Its Demonstration and Rollout	494,331.42	322,841.18
Hainan Province Industrial Enterprise Investment Expansion and Technical Transformation Quality Improvement Award and Subsidy Fund Project	445,025.04	222,512.50
Support Fund for the Digital Intelligent Transformation of the Manufacturing Industry	403,100.00	592,548.00
The First Batch of Special Funds for the Industrial and Information Development for the Guangxi Zhuang Autonomous Region for 2017 (Technological Transformation) for Liuzhou Guige	399,999.96	399,999.96
Tax Incentives for the Unemployed	337,350.00	
Research on Packaging Technologies for Third-Generation Semiconductor Power Devices and Modules	334,987.32	128,604.63
Hainan Deep-Sea Technology Innovation Centre Special Project for Deep-Sea	311,244.11	

Technology Industry Promotion (Industrial Development Category) – Construction and Commercial Operation of Deep-Sea Lighting Product Production Lines		
The 2019 Second Batch of Special Funds for the Industrial and Information Development of the City	300,000.00	300,000.00
MOCVD Subsidy		7,084,696.84
Incentives and Bonuses for ‘Specialized, Sophisticated, Distinctive and Innovative’ ‘Little Giant’ Enterprises		1,000,000.00
Chancheng District Government Quality Award		500,000.00
Award Fund for Guangxi Smart Factory Demonstration Enterprises and Digital Workshops		500,000.00
Talent Enclave		500,000.00
Epitaxial Growth and Chip Fabrication Technology for Flip-Chip High-Performance Deep Ultraviolet (DUV) LEDs		400,000.00
Quality Management Maturity Level 5A Enterprise Bonus		400,000.00
MDL Project		360,000.00
Others		
Total	8,601,651.06	16,257,571.69
	99,643,539.11	111,434,984.12

68. Net Gain on Exposure Hedges

None.

69. Gain on Changes in Fair Value

Unit: RMB

Sources	2025	2024
Trading financial assets	922,115.30	-438,454.94
Trading financial liabilities		-275,250.00
Total	922,115.30	-713,704.94

70. Investment Income

Unit: RMB

Item	2025	2024
Long-term equity investment income accounted by equity method	4,506,058.03	1,112,039.74
Investment income from disposal of long-term equity investments	30,982.85	
Investment income from disposal of trading financial assets	502,794.85	4,098,921.53
Dividend income from holding of other equity instrument investment	18,786,082.68	29,104,180.36
Interest income of investment in other	30,830,663.37	29,195,152.92

debt obligations during holding period		
Gains on debt restructuring	610,478.39	-368,531.60
Investment income from wealth management products and structural deposits	6,507,274.08	2,708,815.73
Total	61,774,334.25	65,850,578.68

71. Credit Impairment Loss

Unit: RMB

Item	2025	2024
Bad debt loss on notes receivable	-726,771.96	206,549.91
Bad debt loss on accounts receivable	-16,093,546.81	-28,328,425.50
Bad debt loss on other receivables	3,865,313.71	-1,562,720.82
Total	-12,955,005.06	-29,684,596.41

72. Asset Impairment Loss

Unit: RMB

Item	2025	2024
I. Loss on impairments of inventories and contract performance costs	-83,537,389.61	-53,391,009.57
IV. Loss on impairment of fixed assets	-8,705,110.67	-4,175,252.76
VI. Loss on impairment of construction in progress		-67,264.15
X. Loss on impairments of goodwill	-34,217,937.33	-142,393,052.68
XI. Loss on impairment of contract assets	-112,668.13	132,269.74
XII. Others	-3,374,530.40	-8,035,253.26
Total	-129,947,636.14	-207,929,562.68

73. Assets Disposal Income

Unit: RMB

Sources	2025	2024
Gains or losses arising from the disposal of non-current assets not classified as held for sale	125,291,564.46	
Gains or losses arising from the disposal of non-current assets classified as held for sale	13,429,700.65	374,492,447.01
Total	138,721,265.11	374,492,447.01

Note: The gain or loss arising from the disposal of non-current assets held for sale during the year relates primarily to compensation received for the expropriation of land and buildings owned by the wholly-owned subsidiary Nanjing Fozhao. For details, please refer to 8. Other Information – “Matter regarding the expropriation of land and above-ground housing of Nanjing Fozhao” in Note XVIII “Other Significant Events.

74. Non-operating Income

Unit: RMB

Item	2025	2024	Amount recorded in the current non-recurring profit or loss
Income from scrap of non-current assets	498,484.62	353,339.66	498,484.62
Of which: income from scrap of fixed assets	498,484.62	353,339.66	498,484.62
Income from default money	481,004.23	1,407,591.86	481,004.23
Confiscated income	336,444.46	88,495.91	336,444.46
Negative goodwill resulting from a business combination not under the same control		2,131,597.43	
Others	3,461,240.55	14,455,147.92	3,461,240.55
Total	4,777,173.86	18,436,172.78	4,777,173.86

75. Non-operating Expense

Unit: RMB

Item	2025	2024	Amount recorded in the current non-recurring profit or loss
Total losses on disposal of non-current assets	277,535.52	569,149.93	277,535.52
Of which: losses on disposal of fixed assets	277,535.52	569,149.93	277,535.52
Penalty and delaying payment	2,163,207.46	1,119,970.98	2,163,207.46
Others	2,027,531.48	2,887,616.92	2,027,531.48
Total	4,468,274.46	4,576,737.83	4,468,274.46

76. Income Tax Expense

(1) List of Income Tax Expense

Unit: RMB

Item	2025	2024
Current income tax expense	68,282,962.68	109,234,078.37
Deferred income tax expense	-15,187,763.89	-31,770,178.24
Total	53,095,198.79	77,463,900.13

(2) Reconciliation between Accounting Profit and Income Tax Expense

Unit: RMB

Item	2025
Profit before taxation	271,812,936.27
Current income tax expense accounted at statutory/applicable tax rate	40,771,940.44
Influence of applying different tax rates by subsidiaries	13,457,139.20
Influence of income tax before adjustment	7,300,622.99
Influence of non-taxable income	-5,654,428.92
Influence of non-deductible costs, expenses and losses	6,670,847.65
The effect of using deductible losses of deferred income tax assets that have not been recognized in the previous period	-401,082.50
Influence of unrecognized deductible temporary differences	38,039,116.84

and deductible losses	
Effect of the weighted pre-tax deduction of R&D expenses	-47,199,838.25
Regarded as sales	884,905.79
Others	-774,024.45
Income tax expense	53,095,198.79

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	2025	2024
Income from subsidy	78,843,112.35	46,067,747.23
Deposit interest	44,666,799.02	46,785,606.92
Margin received	28,019,694.81	53,286,881.53
Income from waste	21,661,701.25	25,670,669.63
Rental income from property and equipment, utility	6,148,324.93	4,592,235.96
Income from insurance compensation		565,849.48
Others	51,855,897.45	43,969,141.26
Total	231,195,529.81	220,938,132.01

Notes:

None.

Cash Used in Other Operating Activities:

Unit: RMB

Item	2025	2024
Administrative expense and R&D expense paid in cash	149,317,287.14	134,685,611.81
Selling expense paid in cash	114,309,542.63	97,075,000.74
Finance costs paid in cash	3,259,289.54	2,507,911.36
Cash deposit paid	21,420,970.13	43,057,569.73
Others	136,387,764.55	141,706,744.76
Total	424,694,853.99	419,032,838.40

Notes:

None.

(2) Cash Related to Investing Activities

Cash Generated from Other Investing Activities:

Unit: RMB

Item	2025	2024
Cash acquired from subsidiaries	22,826,907.16	
Proceeds from profit or loss during the	1,039,462.85	

transition period		
Total	23,866,370.01	

Significant cash received related to investing activities

Unit: RMB

Item	2025	2024
Proceeds from disposal of shares of Gotion High-tech	561,919,175.12	
Land revitalization project	110,695,895.00	381,779,100.00
Total	672,615,070.12	381,779,100.00

Notes:

None.

Cash Used in Other Investing Activities:

Unit: RMB

Item	2025	2024
Payments for land remediation costs	47,923,749.02	
Payments for equity interests	11,366,572.00	
Payment of investment margin	8,032,210.00	
Cash outflows arising from disposal of subsidiaries	237,594.78	
Total	67,565,125.80	

Significant cash paid related to investing activities

None.

Notes:

None.

(3) Cash Related to Financing Activities

Cash Generated from Other Financing Activities:

Unit: RMB

Item	2025	2024
Release of margin for bank acceptance bills	693,948.16	6,317,233.78
Total	693,948.16	6,317,233.78

Notes:

None.

Cash Used in Other Financing Activities:

Unit: RMB

Item	2025	2024
Cash paid as security deposit for bank acceptance bills	142,533,055.72	3,114,400.41
Payment of margin	9,851,633.26	
Cash paid for a business combination	5,000,000.00	

resulting in a controlling interest under common control		
Others	15,204,354.19	4,014,648.18
Total	172,584,043.17	7,129,048.59

Notes:

None.

Changes in liabilities arising from financing activities

Applicable Not applicable

Unit: RMB

Item	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Cash	Non-cash	Cash	Non-cash	
Short-term borrowings	307,141,147.49	263,500,000.00	424,311,154.72	310,861,021.36	49,076,205.99	635,015,074.86
Long-term borrowings	222,581,930.54	116,480,252.56	106,240,069.18	137,106,584.73	115,280,591.77	192,915,075.78
Other payables-payment for equity transfer	5,000,000.00			5,000,000.00		
Current portion of non-current liabilities	120,574,788.81		126,198,630.06		115,477,154.87	131,296,264.00
Lease liabilities	15,023,993.11		16,006,655.89	4,977,909.89	10,698,015.09	15,354,724.02
Total	670,321,859.95	379,980,252.56	672,756,509.85	457,945,515.98	290,531,967.72	974,581,138.66

(4) Description of Cash Flows Presented on a Net Basis

None.

(5) Significant Activities and Financial Impact that Do Not Involve Current Cash Receipts and Disbursements but Affect the Company's Financial Position or May Affect the Company's Cash Flows in the Future

In 2025, the Company and its subsidiaries received RMB3,910.3856 million in various types of acceptance bills issued and endorsed by customers, and RMB2,964.1383 million in various types of acceptance bills endorsed and transferred to suppliers. In addition, the Company and its subsidiaries received a total of RMB439.5609 million in payments for goods through bill discounting. Regarding material activities and financial effects of supplier financing arrangements that do not involve cash flows in the period but affect the Company's financial position or may affect its future cash flows, please refer to "Note VII79 (7) Notes on

Other Significant Activities - Supplier Financing Arrangements”.

79. Supplemental Information for Cash Flow Statement

(1) Supplemental Information for Cash Flow Statement

Unit: RMB

Supplemental information	2025	2024
1. Reconciliation of net profit to net cash flows generated from operating activities:		
Net profit	218,717,737.48	523,485,111.75
Add: Provision for impairment of assets	142,902,641.20	237,614,159.09
Depreciation of fixed assets, oil-gas assets, and productive living assets	546,010,124.07	532,193,425.19
Depreciation of right-of-use assets	12,171,428.82	9,069,731.43
Amortization of intangible assets	26,709,111.29	22,274,527.25
Amortization of long-term prepaid expenses	106,728,539.67	92,792,758.45
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains: negative)	-138,721,265.11	-374,492,447.01
Losses from scrapping of fixed assets (gains: negative)	-220,949.10	215,810.27
Losses from changes in fair value (gains: negative)	-922,115.30	713,704.94
Finance costs (gains: negative)	30,333,208.44	3,107,305.71
Investment loss (gains: negative)	-61,774,334.25	-65,850,578.68
Decrease in deferred income tax assets (increase: negative)	-6,329,808.48	-26,846,373.34
Increase in deferred income tax liabilities (“-” for decrease)	-8,852,277.50	-4,925,674.34
Decrease in inventory (“-” for increase)	-220,326,009.01	-81,113,668.04
Decrease in operating receivables (“-” for increase)	-416,509,034.81	-235,225,023.13
Increase in operating payables (“-” for decrease)	68,577,962.73	-41,073,056.86
Others	-1,345,567.13	6,175,623.20
Net cash generated from/used in operating activities	297,149,393.01	598,115,335.88
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:		
Closing balance of cash	2,819,359,299.72	2,684,382,020.41
Less: Opening balance of cash	2,684,382,020.41	3,101,252,943.88
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	134,977,279.31	-416,870,923.47

(2) Net Cash Paid For Acquisition of Subsidiaries

Unit: RMB

	Amount
Cash or cash equivalents paid in the period for the business combination occurring in the period	22,500,000.00
Of which:	
Guangdong Airtrust Aviation Equipment Co., Ltd.	22,500,000.00
Less: Cash and cash equivalents held by subsidiary at the acquisition date	45,326,907.16
Of which:	
Guangdong Airtrust Aviation Equipment Co., Ltd.	45,326,907.16
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 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

Unit: RMB

	Amount
Cash or cash equivalents received in the period from the disposal of subsidiaries in the period	2,100.00
Of which:	
Shanghai Lelaite Electrical Equipment Co., Ltd.	2,100.00
Less: Cash and cash equivalents held by subsidiary at the date when the Company ceases to control the subsidiary	239,694.78
Of which:	
Shanghai Lelaite Electrical Equipment Co., Ltd.	239,694.78
Amounts reclassified to “Cash Used in Other Investing Activities” (note)	237,594.78
Net cash proceeds from the disposal of subsidiaries	

Note: For the disposal of Shanghai Lelaite Electrical Equipment Co., Ltd. during the year, the net amount of cash or cash equivalents received during the period in connection with the disposal of the subsidiary, after deducting the cash and cash equivalents held by the subsidiary at the disposal date, was negative. Accordingly, the amount was reclassified and presented under “Cash Used in Other Investing Activities”.

(4) Cash and Cash Equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	2,819,359,299.72	2,684,382,020.41
Including: Cash on hand	33,030.81	40,535.66
Bank deposit on demand	2,802,250,069.46	2,680,618,712.62
Other monetary assets on demand	17,076,199.45	3,722,772.13
III. Closing balance of cash and cash equivalents	2,819,359,299.72	2,684,382,020.41

(5) Items That Were Restricted in Use But still Presented as Cash and Cash Equivalents

None.

(6) Monetary Assets Not Classified as Cash and Cash Equivalents

Unit: RMB

Item	2025	2024	Reason for not classifying the item as cash and cash equivalents
Note deposits, bond deposits, pre-sale of properties, etc.	631,081,782.33	512,340,403.99	Specific purpose
Interest not received	5,302,009.12	12,405,012.91	Interest receivable accrued on bank deposits and time deposits not yet matured as at the end of the Reporting Period
Total	636,383,791.45	524,745,416.90	

(7) Notes on Other Significant Activities

Supplier financing arrangements

1) Terms and conditions of the supplier financing arrangements

Through the supply chain finance service platforms provided by China Everbright Bank Co., Ltd. and China Merchants Bank Co., Ltd., the Company undertakes reverse factoring arrangements under which suppliers transfer their accounts receivable from the Company to the supply chain finance service platforms. Based on the verified information of the accounts receivable, the supply chain finance service platforms provide financing to the suppliers. The Company makes payments to the supply chain finance service platforms on the

agreed payment date, which is generally the 11th month after the disbursement date. The Company's obligation to make payments is unconditional and irrevocable and is not affected by any disputes between the suppliers and the financing providers.

2) Presentation line items and gross amounts in the balance sheet of financial liabilities that are part of supplier financing arrangements, and payments already received by suppliers from the financing providers

Item	December 31, 2025	December 31, 2024
Short-term borrowings	414,007,606.03	
Of which: Payments already received by suppliers	414,007,606.03	

3) Range of maturity dates of financial liabilities that are part of supplier financing arrangements

Item	December 31, 2025
Financial liabilities that are part of supplier financing arrangements	Within 30 to 60 days from the date of invoice
Comparable accounts payable not part of supplier financing arrangements	As agreed in the contract

4) Types and effects of non-cash changes in the period for financial liabilities that are part of supplier financing arrangements

In 2025, the Company derecognized accounts payable and increased short-term borrowings by RMB414,007,606.03 as a result of supplier financing arrangements, representing a non-cash change.

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

Notes to the name of "Other" of closing balance at the end of the previous year adjusted and the amount adjusted:

None.

81. Foreign Currency Monetary Items

(1) Foreign Currency Monetary Items

Unit: RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Monetary assets			552,048,499.75
Of which: USD	74,518,019.61	7.0288	523,772,256.23
EUR	287,530.19	8.2355	2,367,954.88
HKD	51,818.20	0.90322	46,803.23
IDR	60,781,802,166.91	0.000418	25,406,793.31
THB	2,043,386.28	0.222518914	454,692.10
Accounts receivable			266,083,103.81
Of which: USD	37,538,804.10	7.0288	263,852,746.26
EUR	220,054.48	8.2355	1,812,258.67
HKD			

IDR	1,000,236,547.69	0.000418	418,098.88
Long-term borrowings			
Of which: USD			
EUR			
HKD			
Other receivables			673,837.86
Of which: USD	3,707.19	7.0288	26,057.10
IDR	272,094,187.00	0.000418	113,735.37
THB	2,400,000.00	0.222518914	534,045.39
Accounts payable			912,163.96
Of which: USD	122,232.20	7.0288	859,145.69
IDR	126,837,970.00	0.000418	53,018.27
Other payables			156,898.47
Of which: IDR	10,000,000.00	0.000418	4,180.00
THB	686,316.81	0.222518914	152,718.47
Other current assets			38,113.02
Of which: IDR	91,179,461.76	0.000418	38,113.02

(2) Notes to Overseas Entities Including: for Significant Oversea Entities, Main Operating Place, Recording Currency and Selection Basis Shall Be Disclosed; if there Are Changes in Recording Currency, Relevant Reasons Shall Be Disclosed.

Applicable Not applicable

82. Leases

(1) The Company Was Lessee

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Simplified short-term lease or lease expense for low-value assets

Applicable Not applicable

Unit: RMB

Item	Amount
Simplified short-term lease charges recognized in the cost of the related assets or in current profit or loss	2,604,677.32
Low-value asset lease expenses accounted for using the simplified approach and recognized in the cost of related assets or profit or loss (excluding short-term lease expenses for low-value assets)	382,937.50
Total cash outflows related to leases	14,784,730.93

Involved in sale and leaseback transactions

None.

(2) The Company Was Lessor

Operating leases with the Company as lessor

Applicable Not applicable

Unit: RMB

Item	Rental income	Of which: income related to variable lease payments not included in lease receipts
Housing rental and others	13,064,751.57	
Total	13,064,751.57	

Finance leases with the Company as lessor

Applicable Not applicable

Undiscounted lease receipts for each of the next five years

Applicable Not applicable

Reconciliation of undiscounted lease receipts to net investment in leases

None.

(3) Gains or Losses on Sales Recognized under Finance Leases as a Producer or Distributor

Applicable Not applicable

83. Data Resources

None.

84. Other information

None.

VIII Research and Development Expenditure

Unit: RMB

Item	2025	2024
Personnel labor costs	277,617,509.26	264,483,169.80
Direct input costs	177,652,383.79	202,803,354.52
Depreciation and long-term prepaid expense	46,614,208.08	41,317,402.25
Commissioned external research and development costs	6,283,709.79	8,124,543.45
Design fee	181,018.87	939,546.93
Amortization expense of intangible assets	35,185.30	50,558.92
Others	30,881,185.94	30,951,790.20
Total	539,265,201.03	548,670,366.07
Of which: Expensed research and development expenditure	539,265,201.03	548,670,366.07

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 Not under the Same Control

(1) Business Combination Not under the Same Control during the 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
Guangdong Airtrust Aviation Equipment Co., Ltd.	May 1, 2025	22,500,000.00	45.00%	Capital increase through cash contribution	May 1, 2025	Re-electing directors, completing the handover procedures of the assets, etc. and actually controlling the acquired company	3,187,745.30	-4,399,828.09	-9,938,571.53

(2) Combination Cost and Goodwill

Unit: RMB

Combination cost	Guangdong Airtrust Aviation Equipment 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) The Identifiable Assets and Liabilities of Acquiree on Purchase Date

Unit: RMB

	Guangdong Airtrust Aviation Equipment Co., Ltd.	
	Fair value on purchase date	Carrying amount on purchase date
Assets:		
Monetary assets	45,326,907.16	45,326,907.16
Accounts receivable	1,201,867.96	1,201,867.96
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 current assets	4,741.73	4,741.73
Long-term prepaid expenses	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	3,326,403.53	3,326,403.53
Deferred income tax liabilities	585,886.33	
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
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 Airtrust, 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 Airtrust based on the assessment results.

(4) Gains or Losses from Re-measurement of Equity Held before the Purchase Date at Fair Value

Whether there is a transaction that through multiple transaction step by step to realize business combination and gaining the control during the Reporting Period

Yes No

(5) Notes to Reasonable Consideration or Fair Value of Identifiable Assets and Liabilities of the Acquiree that Cannot Be Determined on the Acquisition Date or during the Period-end of the Merger

None.

(6) Other Notes

None.

2. Business Combination under the Same Control

None.

3. Counter Purchase

Basic information of trading, the basis of transactions constitute counter purchase, the retain assets , liabilities of the listed companies whether constituted a business and its basis, the determination of the combination costs,

the amount and calculation of adjusted rights and interests in accordance with the equity transaction process:

None.

4. Disposal of Subsidiary

Whether there were any transactions or events during the period in which control of the subsidiary was lost

Yes No

Unit: RMB

Name of subsidiary	Disposal price at the time of cease of control	Proportion of disposal at the time of cease of control	Disposal method at the time of cease of control	Time of cease of control	Basis for determining time of cease of control	Difference between the disposal price and the share of the equity of the subsidiary in the consolidated financial statements corresponding to the investment disposed of	Remaining equity interests on the date of cease of control	Carrying amount of remaining equity interests in the consolidated financial statements on the date of cease of control	Fair value of remaining equity interests in the consolidated financial statements on the date of cease of control	Gains or losses arising from remeasurement of remaining equity interests under the fair value method	Method and main assumptions for determining the fair value of the remaining equity interests in the consolidated financial statements on the date of cease of control	Amount of other comprehensive income related to the disposed of equity investment in the subsidiary transferred to return on investment or retained earnings
Shanghai Lelaite Electrical Equipment Co., Ltd.	2,100.00	36.30%	Transfer	November 30, 2025	Obtain the title transfer certificate, step down from management, receive the consideration for equity transfer, complete the handover procedure	30,982.85						

					es of the assets							
--	--	--	--	--	---------------------	--	--	--	--	--	--	--

Whether there was a step-by-step disposal of investment in a subsidiary through multiple transactions and loss of control during the period

Yes No

5. Changes in Combination Scope for Other Reasons

Note to changes in combination scope for other reasons (such as newly establishment or liquidation of subsidiaries, etc.) and relevant information:

(1) In May 2025, the Company obtained control over Airstar (Tianjin) Lighting Co., Ltd. (hereinafter referred to as “Airstar”) by making a capital contribution to Airtrust. Airstar completed its deregistration procedures in October 2025 and was therefore excluded from the scope of consolidation of the Company from the date of its deregistration. As a result, the actual period during which Airstar was included in the Company’s consolidation scope was from May 2025 to October 2025.

(2) In June 2025, FSL (Thailand) Lighting Technology Co., Ltd. completed the record-filing for overseas investment and received capital contributions from Foshan Hortilite Optoelectronics Co., Ltd. and FSL Chanchang Optoelectronics Co., Ltd. FSL (Thailand) Lighting Technology Co., Ltd. was included in the consolidation scope from June 2025.

(3) Nanyang Baoli Vanadium Industry Co., Ltd., a subsidiary of the Company’s subsidiary, completed its deregistration procedures with the Administration for Market Regulation in 2025. In accordance with the relevant provisions of the Accounting Standards for Business Enterprises, the Company ceased to include it in the consolidation scope.

6. Other information

None.

X Equity in Other Entities

1. Equity in Subsidiary

(1) Subsidiaries

Unit: RMB

Name of subsidiaries	Registered capital	Main operating place	Registration place	Nature of business	Shareholding percentage (%)		Way of gaining
					Directly	Indirectly	

Foshan Fozhao Zhicheng Technology Co., Ltd.	50,000,000.00	Foshan	Foshan	Production and sales	100.00%		Newly established
FSL Chanchang Optoelectronics 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	Xinxian	Xinxian	Production and sales	100.00%		Newly established
Nanjing Fozhao Lighting Components Manufacturing Co., Ltd.	41,683,200.00	Nanjing	Nanjing	Production and sales	100.00%		Acquired
FSL Zhida Electric Technology Co., Ltd.	38,150,000.00	Foshan	Foshan	Production and sales	66.84%		Newly established
Foshan Hortilite Optoelectronics 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.	43,812,184.85	Thailand	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 Electric Equipment Manufacture Co., Ltd.	29,000,000.00	Jiaxing	Jiaxing	Production and sales		66.00%	Acquired
Nanning Liaowang Auto Lamp Co., Ltd.	35,055,700.00	Nanning	Nanning	Manufacturing of vehicle lamps	53.79%		Acquired
Liuzhou Guige Lighting Technology Co., Ltd.	30,000,000.00	Liuzhou	Liuzhou	Manufacturing of vehicle lamps		53.79%	Acquired
Liuzhou Guige Fuxuan Technology Co., Ltd.	20,000,000.00	Liuzhou	Liuzhou	Manufacturing of automotive electronic products		53.79%	Acquired
Chongqing Guinuo Lighting Technology Co., Ltd.	30,000,000.00	Chongqing	Chongqing	Manufacturing of vehicle lamps		53.79%	Acquired
Qingdao Guige Lighting Technology Co., Ltd.	30,000,000.00	Qingdao	Qingdao	Manufacturing of vehicle lamps		53.79%	Acquired

Indonesia Liaowang Auto 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.	110,000,000.00	Foshan	Foshan	Electronic manufacturing		21.48%	Business combination under the same control
Guangdong New Electronics Information Ltd.	5,000,000.00	Guangzhou	Guangzhou	Trade		21.48%	Business combination under the same control
Guangdong Fenghua Semiconductor Technology Co., Ltd.	200,000,000.00	Guangzhou	Guangzhou	Electronic manufacturing		21.45%	Business combination under the same control
Gaozhou NationStar Lighting Technology Co., Ltd.	30,000,000.00	Maoming	Maoming	Electronic manufacturing		21.48%	Newly established
Fozhao Huaguang (Maoming) Technology Co., Ltd.	22,920,000.00	Maoming	Maoming	Production and sales	100.00%		Newly established
Guangdong Airtrust Aviation Equipment Co., Ltd.	50,000,000.00	Guangzhou	Guangzhou	Production and sales	45.00%		Acquired

Notes to holding proportion in subsidiary different from voting proportion:

None.

Basis of holding half or less voting rights but still controlling the investee and holding more than half of the voting rights but not controlling the investee:

No.	The investee	Shareholding percentage at the end of the year	Reasons for consolidation
1	Foshan NationStar Optoelectronics Co., Ltd.	21.48%	In February 2022, FSL completed the acquisition of a 100% equity interest in Sigma (which held 79,753,050 shares of NationStar Optoelectronics) held by Guangdong Electronics
2	Foshan NationStar Semiconductor Co., Ltd.	21.48%	

3	Foshan Guoxing Electronic Manufacture Co., Ltd.	21.48%	Information Industry Group Ltd., as well as an aggregate of 52,051,945 shares of NationStar Optoelectronics held by Guangdong Rising Holdings Group Co., Ltd. and Guangdong Rising Finance Holding Co., Ltd., by way of cash consideration. Upon completion of the restructuring, FSL and its wholly-owned subsidiary held an aggregate of 132,819,895 shares of NationStar Optoelectronics, representing 21.48% of the total share capital of NationStar Optoelectronics, and FSL became the controlling shareholder of NationStar Optoelectronics. (i) FSL is the largest controlling shareholder of NationStar Optoelectronics in terms of shareholding percentage; (ii) FSL is able to determine the appointment of more than half of the members of the board of directors of NationStar Optoelectronics by virtue of the voting rights it actually exercises over the shares of the listed company; and (iii) the voting rights of FSL in respect of the shares of NationStar Optoelectronics that it may actually exercise are sufficient to have a material impact on the resolutions of the general meeting of NationStar Optoelectronics. Accordingly, FSL can actually control NationStar Optoelectronics.
4	Guangdong New Electronics Information Ltd.	21.48%	
5	Guangdong Fenghua Semiconductor Technology Co., Ltd.	21.45%	
6	Gaozhou NationStar Lighting Technology Co., Ltd.	21.48%	
7	Guangdong Airtrust Aviation Equipment Co., Ltd.	45.00%	In April 2025, FSL obtained a 45% equity interest in Airtrust by way of capital increase, thereby becoming the controlling shareholder of Airtrust. (i) FSL is the largest controlling shareholder of Airtrust in terms of shareholding percentage; (ii) FSL is able to determine the appointment of more than half of the members of the board of directors of Airtrust by virtue of the voting rights it actually exercises over the shares of Airtrust; and (iii) the voting rights of FSL in respect of the shares of Airtrust that it may actually exercise are sufficient to have a material impact on the resolutions of the general meeting of Airtrust. Accordingly, FSL can actually control Airtrust.

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

None.

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

None.

Other notes:

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

(2) Significant Non-wholly-owned Subsidiary

Unit: RMB

Name	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%	12,979,652.55	4,065,870.47	492,230,641.87
Foshan NationStar Optoelectronics Co., Ltd.	78.52%	-9,702,803.20	24,282,863.70	2,976,978,464.11

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

None.

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

Unit: RMB

Name	Closing balance						Opening 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.	1,983,061,182.57	1,142,009,112.77	3,125,070,295.34	1,880,387,277.03	179,494,886.95	2,059,882,163.98	1,797,594,099.17	1,017,666,827.52	2,815,260,927.69	1,674,102,278.76	92,743,700.71	1,766,845,979.47
Foshan NationStar Optoelectronics Co., Ltd.	3,767,011,387.21	2,338,430,001.99	6,105,441,389.20	2,076,906,066.03	239,363,822.25	2,316,269,888.28	3,841,259,563.85	2,408,019,705.26	6,249,279,269.11	2,096,915,166.37	328,202,453.19	2,425,117,619.56

Unit: RMB

Name	2025				2024			
	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.	2,031,625,617.87	28,088,406.31	25,572,163.87	39,124,178.87	1,822,839,421.05	63,038,037.39	62,471,720.71	5,907,026.34
Foshan NationStar Optoelectronics Co., Ltd.	3,281,481,214.08	-13,008,857.18	-13,008,857.18	222,314,578.60	3,472,860,317.19	54,375,532.37	54,375,532.37	240,108,277.59

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

None.

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

None.

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

Name	Equity interest before the change		Equity interest after the change	
	Direct	Indirect	Direct	Indirect
Foshan Hortilite Optoelectronics Co., Ltd.	51.00%	10.53%	100.00%	

(2) The Transaction's Influence on the Equity of Non-controlling Interests and the Owner's Equity Attributable to the Parent Company

Unit: RMB

	Foshan Hortilite Optoelectronics Co., Ltd.
Purchase cost/disposal consideration	24,916,600.00
--Cash	24,916,600.00
Total purchase cost/disposal consideration	24,916,600.00
Less: Share of net assets of subsidiaries based on percentage of equity acquired/disposed of	26,569,825.61
Difference	-1,653,225.61
Of which: Adjusting capital reserve	-1,653,225.61
Adjusting surplus reserve	
Adjusting retained profits	

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

None.

(2) Main Financial Information of Significant Joint Ventures

None.

(3) Main Financial Information of Significant Associated Enterprises

None.

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

Unit: RMB

	Closing balance/2025	Opening balance/2024

Joint ventures:		
Total carrying amount of investment	184,806,652.92	180,300,594.89
The total of following items according to the shareholding proportions		
--Net profit	4,506,058.03	1,112,039.74
--Total comprehensive income	4,506,058.03	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

None.

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

None.

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

None.

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

None.

4. Significant Common Operation

None.

5. Equity in the Structured Entity Excluded in the Scope of Consolidated Financial Statements

Notes to the structured entity excluded in the scope of consolidated financial statements:

None.

6. Other information

None.

XI Government Grants

1. Government Grants Recognized at the Receivable Amount at the End of the Reporting Period

Applicable Not applicable

Reasons for failing to receive government grants in the estimated amount at the expected time

Applicable Not applicable

2. Liability Items Involving Government Grants

Applicable Not applicable

Unit: RMB

Item	Opening balance	Amount of newly	Amount recorded into	Amount transferred to	Other changes	Closing balance	Related to assets/related
------	-----------------	-----------------	----------------------	-----------------------	---------------	-----------------	---------------------------

		subsidy	non- operating income in the period	other income in the period		to income
Deferred income	68,183,747.3 8	59,118,579.1 3		19,854,824.1 4		107,447,502. 37 Related to assets
Deferred income	5,555,432.56	13,975,402.8 0		10,046,592.6 6		9,484,242.70 Related to assets

3. Government Grants through Profit or Loss

Applicable Not applicable

Unit: RMB

Accounting items	2025	2024
Other income	56,265,775.09	49,901,371.11

XII The Risk Related to 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 centralized 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 December 31, 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 December 31, 2025, the Company's fixed interest rate loan balance was RMB948,516,391.40, 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 31, 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 RMB3,437,264.37 (December 31, 2024: increasing or decreasing comprehensive income by approximately RMB1,059,041.21).

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

None.

(3) The Company Conducts Hedging Operations for Risk Management, Expects to Achieve Its Risk Management Objectives, but Does Not Apply Hedge Accounting

Applicable Not applicable

3. Financial Assets

(1) Classification of Transfer Methods

Applicable Not applicable

Unit: RMB

Transfer methods	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Basis for determining derecognition
Bills endorsement	Accounts receivable financing	324,928,685.64	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	245,308,325.22	Yes	Almost all risks and rewards related to the ownership of the bills have been transferred
Bills endorsement	Notes receivable	76,009,751.15	Yes	Almost all risks and rewards related to the ownership of the bills have been transferred
Bills endorsement	Notes receivable	71,787,013.90	No	Retaining almost all risks and rewards, including default risks

				associated with them
Bills discounting	Notes receivable	500,000.00	No	Retaining almost all risks and rewards, including default risks associated with them
Cloud Credit endorsement	Accounts receivable	1,050,000.00	No	Retaining almost all risks and rewards, including default risks associated with them
Total		719,583,775.91		

(2) Financial Assets Derecognized due to Transfer

Applicable Not applicable

Unit: RMB

Item	Method of financial assets transfer	Amount of derecognized financial assets	Gains or losses related to derecognition
Accounts receivable financing	Bills endorsement	324,928,685.64	
Accounts receivable financing	Bills discounting	245,308,325.22	-680,666.22
Notes receivable	Bills endorsement	76,009,751.15	
Total		646,246,762.01	-680,666.22

(3) Continued Involvement in the Transfer of Assets Financial Assets

Applicable Not applicable

Unit: RMB

Item	Method of assets transfer	Amount of assets resulting from continued involvement	Amount of liabilities resulting from continued involvement
Notes receivable		72,287,013.90	72,287,013.90
Of which: Bank's acceptance bill	Bills endorsement	71,768,153.90	71,768,153.90
Commercial acceptance bill	Bills endorsement	18,860.00	18,860.00
Bank's acceptance bill	Bills discounting	500,000.00	500,000.00
Accounts receivable	Cloud Credit endorsement	1,050,000.00	1,050,000.00
Total		73,337,013.90	73,337,013.90

XIII The Disclosure of Fair Value

1. Closing Fair Value of Assets and Liabilities at Fair Value

Unit: RMB

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Consistent fair value measurement	--	--	--	--
(I) Trading financial assets	2,768,997.33			2,768,997.33
1. Financial assets at	2,768,997.33			2,768,997.33

fair value through profit or loss				
(I) Investments in equity instruments	2,768,997.33			2,768,997.33
(II) Other investments in debt obligations		1,149,946,415.98		1,149,946,415.98
(III) Other equity instrument investment	421,011,500.10		50,782,543.80	471,794,043.90
(IV) Receivable financing			415,949,788.02	415,949,788.02
Total assets measured at fair value on a recurring basis	423,780,497.43	1,149,946,415.98	466,732,331.82	2,040,459,245.23
II. Inconsistent fair value measurement	--	--	--	--

2. Basis for determining the market value of continuing and discontinuing level 1 fair value measurement items

Level 1 fair value measurements are determined based on the market price of equities at the balance sheet date and the mid-price of the RMB exchange rate published by the State Administration of Foreign Exchange as quoted prices in an active market.

3. Continuing and discontinuing Level 2 fair value measurement items, qualitative and quantitative information on the valuation techniques used and significant parameters

The fair value of financial products subscribed by the Group and other investments in debt obligations that are measured at fair value is determined by reference to the expected rate of return provided by the financial institutions.

4. Continuing and discontinuing Level 3 fair value measurement items, qualitative and quantitative information on the valuation techniques used and significant parameters

(1) The Company measured the investment at cost as a reasonable estimate of fair value because there were no significant changes in the business environment and operating and financial conditions of the investee companies, GF Bank, Foshan Nanhai District United Guangdong New Light Source Industry Innovation Center, Beijing Glory Alliance Semiconductor Lighting Industry Investment Center, Guangdong Rising Hundred Counties, Thousand Towns, and Ten Thousand Villages High Quality Development Project Industrial Investment Fund of Funds Partnership Enterprise (Limited Partnership) and Guangdong Rising Finance Co., Ltd.

(2) The Company measured the investee, Shenzhen Sinohao (Group) Co., Ltd., at nil as a reasonable estimate of fair value due to the deterioration of its business environment and operating and financial conditions.

(3) The receivables financing represents bank acceptance notes held by the Company with a short remaining maturity, the face value of which approximates the fair value and the face amount is used to recognize the fair value at the statement date.

5. Sensitiveness Analysis on Unobservable Parameters and Adjustment Information between Beginning and Ending Carrying Value of Consistent Fair Value Measurement Items at Level 3

None.

6. Explain the Reason for Conversion and the Governing Policy when the Conversion Happens if Conversion Happens among Consistent Fair Value Measurement Items at Different Levels

None.

7. Changes in the Valuation Technique in the Period and the Reason for Such Changes

None.

8. Fair Value of Financial Assets and Liabilities Not Measured at Fair Value

Financial assets and liabilities not measured at fair value include: monetary assets, accounts receivable and accounts payable, etc. There is small difference between the carrying value of above financial assets and liabilities and fair value.

9. Other information

None.

XIV Related Party and Related-party Transactions

1. The parent company of the Company

Name	Registration place	Nature of business	Registered capital	Proportion of share held by the parent company against the Company (%)	Proportion of voting rights owned by the parent company against the Company (%)
Hongkong Wah Shing Holding Company Limited	Hong Kong	Investment	HKD412.737 million	12.85%	12.85%
Guangdong Electronics Information Industry Group Ltd.	Guangzhou	Production and sales	RMB1.162 billion	9.35%	9.35%

Guangdong Rising Holdings Group Co., Ltd.	Guangzhou	Investment	RMB10 billion	8.45%	8.45%
Rising Investment Development Limited	Hong Kong	Investment	RMB0.42 billion and HKD1 million	1.66%	1.66%
Total				32.31%	32.31%

Notes to the parent company

Hongkong Wah Shing Holding Company Limited (hereinafter referred to as “Hongkong Wah Shing”), the largest shareholder of the Company, is a wholly-owned subsidiary of Guangdong Electronics Information Industry Group Ltd. (hereinafter referred to as “Electronics Group”), and Electronics Group and Rising Investment Development Limited (hereinafter referred to as “Hongkong 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 Hongkong Rising Investment are concerted actors of Rising Holdings Group, and Rising Holdings Group is the actual controller of the Company. As at December 31, 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.

3. Information on the Joint Ventures and Associated Enterprises of the Company

Refer to Note X Equity in Other Entities-3. Equity in Joint Ventures or Associated Enterprises for details of significant joint ventures or associated enterprises of the Company.

4. Information on Other Related Parties

Name	Relationship with the Company
Guangdong Zhongren Group Construction Co., Ltd.	Under same actual controller
Guangdong Rising Research and Development Institute Co., Ltd.	Under same actual controller
Guangdong Rising Digital Technology Co., Ltd.	Under same actual controller
Guangdong Xintaochip Microelectronics Co., Ltd.	Under same actual controller
Shenzhen Yuedin Precise Machinery Co., Ltd.	Under same actual controller
Guangdong Rising Urban Services Co., Ltd.	Under same actual controller
Shenzhen Yuepeng Construction Co., Ltd.	Under same actual controller
Primatronix Nanho Technology Ltd.	Under same actual controller
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Under same actual controller

Guangdong Fenghua New Energy Co., Ltd.	Under same actual controller
Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	Under same actual controller
Shenzhen Primatronix (Nanho) Electronics Ltd.	Under same actual controller
Guangdong Rising Commercial Development Co., Ltd.	Under same actual controller
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Under same actual controller
Foshan Fulong Environmental Technology Co., Ltd.	Under same actual controller
Jiangmen Dongjiang Environmental Company Limited	Under same actual controller
Guangdong Yixin Changcheng Construction Group	Under same actual controller
Guangdong Rising South Construction Co., Ltd.	Under same actual controller
Guangdong Rising Hydrogen Energy Co., Ltd.	Under same actual controller
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Under same actual controller
Guangdong Zhongnan Construction Co., Ltd.	Under same actual controller
Guangzhou Haixinsha Industrial Co., Ltd.	Under same actual controller
Guangdong Huajian Enterprise Group Co., Ltd.	Under same actual controller
Guangzhou Huajian Business Development 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
Ramada Pearl Hotel Guangzhou	Under same actual controller
Guangzhou Changjian Property Management Co., Ltd.	Under same actual controller
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Under same actual controller
Shandong Zhongjin Lingnan Copper Co., Ltd.	Under same actual controller
Guangdong Rising Mining Group Co., Ltd.	Under same actual controller
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Under same actual controller
Guangzhou Wanshun Investment Management Co., Ltd.	Under same actual controller
Guangdong Rising Finance Co., Ltd.	Under same actual controller
Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	Under same actual controller
Guangdong Zhongjin Lingnan Engineering Technology Co., Ltd.	Under same actual controller
Guangdong Huajian Engineering Construction Co., Ltd.	Under same actual controller
Guangdong Semiconductor Device Factory	Under same actual controller
Nanning Ruixiang Industrial Investment Co., Ltd.	Enterprise significantly affected by related natural person
Hangzhou Times Lighting Electric Appliances Co., Ltd.	Enterprise controlled by related natural person
Traxon Technologies Limited	Enterprise controlled by related natural person
Prosperity (China) Electrical Company Limited	Enterprise controlled by related natural person
PROSPERITY LAMPS & COMPONENTS LTD	Shareholder owning over 5% shares

5. List of Related-party Transactions

(1) Information on Acquisition of Goods and Reception of Labor Service

Information on acquisition of goods and reception of labor service:

Unit: RMB

Related party	Content	2025	The approval trade credit	Whether exceed trade credit or not	2024
Guangdong Rising Digital Technology Co., Ltd.	Receiving labor service	2,406,983.19	58,500,000.00	No	

Guangdong Xintaochip Microelectronics Co., Ltd.	Purchase of materials	2,391,068.17			3,484,936.83
Guangdong Rising Holdings Group Co., Ltd.	Receiving labor service	1,837,359.25			1,428.57
Shenzhen Yuedin Precise Machinery Co., Ltd.	Purchase of materials	1,029,215.04			
Guangdong Electronics Information Industry Group Ltd.	Purchase of materials	661,845.13			638,973.44
Shenzhen Yuepeng Construction Co., Ltd.	Receiving labor service	458,808.31			2,340,079.65
Guangdong Electronics Information Industry Group Ltd.	Receiving labor service	334,114.52			
Primatronix Nanho Technology Ltd.	Receiving labor service	216,716.81			433,225.66
Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	Receiving labor service	154,479.29			434,246.54
Guangdong Rising Hydrogen Energy Co., Ltd.	Receiving labor service	153,318.59			316,592.93
Shenzhen Yuedin Precise Machinery Co., Ltd.	Receiving labor service	91,504.44			
Guangdong Fenghua New Energy Co., Ltd.	Receiving labor service	57,430.97			59,566.39
Shenzhen Longgang Dongjiang Industrial Waste	Receiving labor service	44,188.98			51,756.22

Treatment Co., Ltd.					
Shenzhen Primatronix (Nanho) Electronics Ltd.	Receiving labor service	35,605.26			
Zhuhai Doumen District Yongxingsheng Environmental Industry Waste Recovery and Comprehensive Treatment Co., Ltd.	Receiving labor service	7,907.50			45,166.12
Foshan Fulong Environmental Technology Co., Ltd.	Receiving labor service	3,021.30			85,601.30
Jiangmen Dongjiang Environmental Company Limited	Receiving labor service	2,169.81			2,169.81
Primatronix Nanho Technology Ltd.	Purchase of materials				62,017.70
Guangdong Rising South Construction Co., Ltd.	Receiving labor service				652,798.17
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Purchase of materials	12,570,252.88	24,100,000.00	No	6,884,215.25
Guangdong Huajian Enterprise Group Co., Ltd.	Receiving labor service	7,114,584.50			49,237.92
Guangzhou Haixinsha Industrial Co., Ltd.	Receiving labor service	1,557,246.80	17,000,000.00	No	3,724,279.84
Guangzhou Huajian Business Development Co.,	Receiving labor service	202,232.70			240,408.74

Ltd.					
Guangzhou Shengfeng Catering Management Service Co., Ltd.	Receiving labor service	8,391,471.24			4,135,911.57
Guangdong Rising Urban Services Co., Ltd.	Receiving labor service	1,018,409.80			154,938.02
Guangdong Rising Cultural Industry Development Co., Ltd.	Receiving labor service	279,302.61			296,727.85
Guangdong Rising Cultural Industry Development Co., Ltd.	Purchase of materials	151,046.20	15,000,000.00	No	4,911.86
Guangdong Rising Commercial Development Co., Ltd.	Receiving labor service	38,879.99			90,119.99
Ramada Pearl Hotel Guangzhou	Receiving labor service	35,725.28			
Guangzhou Changjian Property Management Co., Ltd.	Receiving labor service	1,835.22			
PROSPERITY LAMPS & COMPONENTS LTD	Purchase of materials	292,857.08			
Hangzhou Times Lighting Electric Appliances Co., Ltd.	Purchase of materials		1,000,000.00	No	1,300.88
Guangdong Zhongnan Construction Co., Ltd.	Receiving labor service	49,179,363.76		No	12,439,305.64
Guangdong Zhongren Group Construction Co., Ltd.	Receiving labor service	14,065,752.08		No	15,317,313.48

Guangdong Yixin Changcheng Construction Group	Receiving labor service			No	3,923,726.90
Total		104,784,696.70	115,600,000.00		55,870,957.27

Information of sales of goods and provision of labor service:

Unit: RMB

Related party	Content	2025	2024
Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	Sale of products	9,664,295.72	10,819,750.06
PROSPERITY LAMPS & COMPONENTS LTD	Sale of products	7,887,746.25	9,616,900.56
Traxon Technologies Limited	Sale of products	2,535,033.91	952,271.46
Guangdong Zhongnan Construction Co., Ltd.	Sale of products	1,920,777.22	96,507.96
Primatronix Nanho Technology Ltd.	Sale of products	1,280,555.57	
Guangdong Xintaochip Microelectronics Co., Ltd.	Sale of products	411,591.87	1,791,682.84
Guangdong Zhuyuan Construction Engineering Co., Ltd.	Sale of products	31,156.00	
Guangdong Rising Holdings Group Co., Ltd.	Providing labor services	11,179.25	52.83
Guangdong Zhongren Group Construction Co., Ltd.	Sale of products	2,953.27	5,504.59
Shandong Zhongjin Lingnan Copper Co., Ltd.	Sale of products		9,102.65
Guangdong Rising Mining Group Co., Ltd.	Sale of products		99,577.88
Shantou Rising Infrastructure Construction Investment Co., Ltd.	Sale of products		1,426,923.55
Guangzhou Wanshun Investment Management Co., Ltd.	Sale of products		59,565.75
Guangdong Huajian Enterprise Group Co., Ltd.	Providing labor services	9,971,631.35	
Guangdong Zhongnan Construction Co., Ltd.	Providing labor services	157,296.05	452,550.02
Primatronix Nanho Technology Ltd.	Providing labor services	22,166.04	
Guangdong Yixin Changcheng Construction Group	Providing labor services		121,035.60
Total		33,896,382.50	25,451,425.75

Notes:

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) Information on Related-party Trusteeship/Contract

Lists of trusteeship/contract:

None

Lists of entrust/contractee:

Unit: RMB

Name of the entruster/contractee	Name of the trustee/contractor	Type	Start date	Due date	Pricing basis	Charge recognized in this Reporting Period
Foshan NationStar Optoelectronics Co., Ltd.	Guangdong Zhongren Group Construction Co., Ltd.		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, 2034		

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 RMB509.2925 million. As at the end of the Reporting Period, the construction had been completed and accepted, but the final settlement had not yet been completed.

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). The project has now been settled, with a settlement amount of RMB166.60 million.

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 Changcheng Construction Group 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 RMB129.9914 million, with a planned total construction period of 285 calendar days (30 days for design and 255 days for construction). The project has now been settled, with a settlement amount of RMB115.00 million.

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 RMB189.0702 million, 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 and accepted.

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 Related-party Lease

The Company was lessor:

Unit: RMB

Name of lessee	Category of leased assets	The lease income confirmed in the Reporting Period	The lease income confirmed in the same period of last year
Guangdong Rising Research and Development Institute Co., Ltd. and its majority-owned subsidiaries	Plant	1,431,053.73	1,353,643.59

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	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Guangdong Rising Commercial Development Co., Ltd.	Buildings and structures					31,706.00	347,697.25	13,312.48	5,495.63	1,057.213.99	356,782.85
Guangdong Rising Holdings Group Co., Ltd.	Buildings and structures					4,825,314.12	689,145.18	415,163.67	160,686.36	52,633.89	12,379,546.50
Nanning Ruixian Industrial Investment Co., Ltd.	Buildings and structures	8,000.00				6,000.00					

(4) Information on Related-party Guarantee

None.

(5) Information on Inter-bank Lending of Capital of Related Parties

None.

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

None.

(7) Information on Remuneration for Key Management Personnel

Unit: RMB

Item	2025	2024
Chairman of the Board	1,411,411.67	2,884,609.72
General Manager	1,796,887.77	2,641,336.55
Secretary of the Board	772,727.54	768,328.52
Chief Financial Officer	2,392,451.15	2,535,084.65
Others	8,213,564.75	9,586,687.29
Total	14,587,042.88	18,416,046.73

Note: Pursuant to the relevant provisions of the Company Law and the Articles of Association, the Company no longer established a supervisory committee during the current period. Consequently, the remuneration for key management personnel disclosed for the period excluded the remuneration for supervisors. To maintain comparability of the financial information, the remuneration for key management personnel disclosed for the prior period has been adjusted accordingly to exclude supervisors' remuneration, and only the remuneration for directors and senior management was presented.

(8) Other Related-party Transactions

In accordance with the new Financial Service Agreement signed by the Company in 2025, the total maximum daily deposit balance of the Company and its majority-owned subsidiaries deposited in Guangdong Rising Finance Co., Ltd. shall not exceed RMB1.5 billion, and the general credit limit provided by Guangdong Rising Finance Co., Ltd. for the Company and its majority-owned subsidiaries shall not exceed RMB2 billion. As of December 31, 2025, the deposit balance of the Company and its subsidiaries deposited in Guangdong Rising Finance Co., Ltd. is RMB1,331.1528 million. The undue interest receivable is RMB2.4229 million.

6. Amounts Due from and to Related Parties**(1) Amounts Due from Related Parties**

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Gross amount	Bad debt provision	Gross amount	Bad debt provision
Monetary capital-accrued interest	Guangdong Rising Finance Co., Ltd.	2,386,097.69		5,153,062.03	

Other current assets-accrued interest	Guangdong Rising Finance Co., Ltd.	36,821.92		105,555.56	
Accounts receivable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	4,085,558.46	81,711.17	5,584,276.94	111,685.54
Accounts receivable	Guangdong Zhongnan Construction Co., Ltd.	3,404,563.06	424,210.81	3,453,458.25	422,680.16
Accounts receivable	Guangdong Yixin Changcheng Construction Group	2,057,688.05	952,097.39	2,332,537.86	623,014.72
Accounts receivable	PROSPERITY LAMPS & COMPONENTS LTD	1,430,261.21	42,907.84	2,558,600.74	76,758.02
Accounts receivable	Guangdong Huajian Enterprise Group Co., Ltd.	1,364,775.80	40,943.27		
Accounts receivable	Shantou Rising Infrastructure Construction Investment Co., Ltd.	746,660.40	74,666.04	1,555,346.68	46,660.40
Accounts receivable	Guangdong Zhuyuan Construction Engineering Co., Ltd.	510,276.71	153,083.01	510,276.71	51,027.67
Accounts receivable	Shenzhen Zhongjin Lingnan Nonfemet Co., Ltd.	504,147.00	151,244.10	504,147.00	50,414.70
Accounts receivable	Traxon Technologies Limited	186,687.47	5,600.62		
Accounts receivable	Guangdong Zhongren Group Construction Co., Ltd.	158,114.20	46,533.22	239,918.22	23,991.82
Accounts receivable	Guangdong Zhongjin Lingnan Engineering Technology Co., Ltd.	138,827.00	41,648.10	138,827.00	13,882.70
Accounts receivable	Guangdong Huajian Engineering Construction Co., Ltd.	44,297.00	44,297.00	44,297.00	35,437.60
Accounts receivable	Shandong Zhongjin Lingnan	10,286.00	1,028.60	10,286.00	308.58

	Copper Co., Ltd.				
Accounts receivable	Guangdong Xintaochip Microelectronics Co., Ltd.			355,473.15	7,109.46
Accounts receivable	Guangdong Rising Holdings Group Co., Ltd.			15,206.96	1,520.70
Notes receivable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	50,050.43			
Prepayments	Prosperity (China) Electrical Company Limited	39,428.00		39,428.00	
Prepayments	Guangdong Rising Urban Services Co., Ltd.	25,179.20		60,317.70	
Prepayments	Guangdong Rising Holdings Group Co., Ltd.	1,526.84		13,959.24	
Prepayments	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.			148.68	
Other receivables	Guangdong Huajian Enterprise Group Co., Ltd.	1,097,753.73	79,968.99	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.	589,341.72	58,689.87	586,288.04	17,588.64
Other receivables	Nanning Ruixiang Industrial Investment Co., Ltd.	5,000.00	1,500.00	5,000.00	500.00
Other receivables	Guangdong Rising Urban Services Co., Ltd.	50.00	1.00		
Other receivables	Guangdong Rising Commercial Development Co., Ltd.			74,761.92	6,868.51
Other receivables	Guangdong Zhongren Group Construction Co., Ltd.			304.31	30.43
Total		19,689,833.38	3,016,572.52	26,745,526.86	2,508,971.11

(2) Amounts Due to Related Parties

Unit: RMB

Item	Related party	Gross amount at period-end	Gross amount at period-beginning
Notes payable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	4,762,313.67	119,158.00
Notes payable	Shenzhen Yuedin Precise Machinery Co., Ltd.	567,107.38	
Notes payable	Guangdong Xintaochip Microelectronics Co., Ltd.	375,707.77	
Notes payable	Guangdong Electronics Information Industry Group Ltd.	300,000.00	
Notes payable	Primatronix Nanho Technology Ltd.		74,812.50
Accounts payable	Guangdong Zhongren Group Construction Co., Ltd.	30,918,712.83	99,422,072.40
Accounts payable	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	6,577,618.93	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.	981,780.71	638,973.44
Accounts payable	Shenzhen Yuedin Precise Machinery Co., Ltd.	541,449.62	
Accounts payable	Guangdong Xintaochip Microelectronics Co., Ltd.	393,877.11	2,560,606.36
Accounts payable	Guangzhou Shengfeng Catering Management Service Co., Ltd.	56,677.20	99,516.27
Accounts payable	Guangdong Rising Cultural Industry Development Co., Ltd.	41,732.52	14,567.75
Accounts payable	Shenzhen Longgang Dongjiang Industrial Waste Treatment Co., Ltd.	8,360.98	7,352.40
Accounts payable	Primatronix Nanho Technology Ltd.	2,427.50	95,998.00
Accounts payable	Nanning Ruixiang Industrial Investment Co., Ltd.	2,000.00	
Accounts payable	Zhuhai Dongjiang Environmental Protection Technology Co., Ltd.	1,279.98	
Accounts payable	Guangzhou Haixinsha Industrial Co., Ltd.		1,003,260.00
Accounts payable	Guangdong Fenghua New Energy Co., Ltd.		53,946.92
Other payables	Nanning Ruixiang Industrial Investment Co., Ltd.	67,046,577.48	91,046,577.48
Other payables	Guangdong Zhongnan Construction Co., Ltd.	53,974,917.16	38,499,432.70
Other payables	Guangdong Huajian	4,593,253.20	5,215,652.63

	Enterprise Group Co., Ltd.		
Other payables	Shenzhen Yuepeng Construction Co., Ltd.	549,689.05	499,150.37
Other payables	Guangzhou Shengfeng Catering Management Service Co., Ltd.	429,240.00	347,000.00
Other payables	Guangdong Rising Digital Technology Co., Ltd.	271,989.10	
Other payables	Guangdong Xintaochip Microelectronics Co., Ltd.	182,140.00	8,429.40
Other payables	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	35,015.07	5,035,015.07
Other payables	Guangdong Rising Urban Services Co., Ltd.	25,179.20	
Other payables	Primatronix Nanho Technology Ltd.	13,624.00	13,624.00
Other payables	Guangdong Rising Holdings Group Co., Ltd.	8,002.41	
Other payables	Guangdong Electronics Information Industry Group Ltd.	5,000.00	
Other payables	Shenzhen Yuedin Precise Machinery Co., Ltd.	5,000.00	
Other payables	Guangdong Yixin Changcheng Construction Group		52,340,650.63
Contract liabilities, other current liabilities	Primatronix Nanho Technology Ltd.	170,449.52	218,729.24
Contract liabilities, other current liabilities	Guangdong Xintaochip Microelectronics Co., Ltd.	91,070.00	
Contract liabilities, other current liabilities	PROSPERITY LAMPS & COMPONENTS LTD	58,112.00	59,428.00
Other current liabilities	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd.	158,791.43	693,580.58
Other current liabilities	Guangzhou Haixinsha Industrial Co., Ltd.		464,919.17
Other current liabilities	Guangdong Zhongren Group Construction Co., Ltd.		150,000.00
Total		174,530,983.12	304,041,246.02

7. Commitments of Related Parties

Commitment	Promisor	Date of commitment making	Term of commitment	Fulfillment	Commitment
1	About avoidance of horizontal competition	Electronics Group and Hong Kong Rising Investment	December 4, 2015	Long-term	Ongoing
		Rising Holdings Group	November 4, 2021	Long-term	Ongoing
		Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	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 Holdings Group	November 4, 2021	Long-term	Ongoing
		Rising Holdings Group, Rising Capital, and Hongkong Wah Shing	October 27, 2021	Long-term	Ongoing
3	About independence	Electronics Group and Hong Kong Rising Investment	December 4, 2015	Long-term	Ongoing
		Rising Holdings Group	November 4, 2021	Long-term	Ongoing
4	About effective performance of measures to fill up returns	Rising Holdings Group, Rising Capital, Electronics Group, Hongkong Wah Shing, Hong Kong Rising Investment and Shenzhen Rising Investment	October 27, 2021	Long-term	Ongoing
5	About compensation for possible violations of laws and regulations by NATIONSTAR OPTOELECTRONICS	Rising Holdings Group, Electronics Group, and Rising Capital	October 27, 2021	Long-term	Ongoing
6	About the truthfulness, accuracy and completeness of the information provided during this major asset restructuring	Rising Holdings Group, Electronics Group, and Rising Capital	October 27, 2021	Long-term	Ongoing
		Director and senior management office of FSL	October 27, 2021	Long-term	Ongoing
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	Directors and senior management of FSL, Rising Holdings Group, Electronics Group,	March 14, 2023	Long-term	Ongoing

	business	Hongkong Wah Shing, Hong Kong Rising Investment			
11	About the effective fulfillment 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 November 20, 2024.	Completed

8. Other information

None.

XV. Share-based Payment

1. The Overall Situation of Share-based Payments

Applicable Not applicable

2. Equity-settled Share-based Payments

Applicable Not applicable

3. Cash-settled Share-based Payments

Applicable Not applicable

4. Share-Based Payment Expenses for the Period

Applicable Not applicable

5. Modification and Termination of Share-based Payment

None.

6. Other information

None.

XVI Commitments and Contingencies

1. Significant Commitments

Significant commitments on the balance sheet date

(1) Commitments of cash dividends

Commitment maker: the Company

Contents of Commitment: The Company's profit distributed in cash shall not be less than 30% of the

distributable profit realized in the year.

Date of commitment making: May 27, 2009

Term of commitment: Till the completion of the issuance of A-shares to specific objects in 2023.

Fulfillment: In execution.

(2) Commitments of 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 billion; 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. Contingencies

(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 RMB104.4037 million 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 million and pay a penalty of RMB26.904 million, totaling RMB53.808 million. 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 RMB26.904 million 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. In July 2025, RMB0.4213 million

was collected through enforcement. In November 2025, the appraisal institution appointed by the court issued an appraisal report stating that the appraised value of the machinery and equipment owned by Yinghe Company and located in the Company's production workshop was RMB49.7403 million. In March 2026, the Company received a notice from the court that the first auction of such equipment would commence on April 5, 2026 at 70% of the appraised value. The first auction was unsuccessful and concluded on April 6, 2026, pending the court's arrangement for a second auction.

2) Litigation between the Company and China Construction Fourth Engineering Division Installation Engineering Co., Ltd.

China Construction Fourth Engineering Division Installation Engineering Co., Ltd. (hereinafter referred to as "China Construction Fourth Engineering Division"), 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 RMB18.4201 million. In December 2024, both parties signed a Settlement Agreement, under which five properties were used to offset part of the debt, with the remaining balance to be settled in cash and commercial acceptance bills. In April 2025, the Company received a repayment of RMB500,000 from China Construction Fourth Engineering Division. In July 2025, the online registration and filing for the five properties were completed. However, China Construction Fourth Engineering Division failed to pay the remaining cash and commercial acceptance bills as stipulated in the Settlement Agreement. In July 2025, the Company applied to the court for a renewal of the freeze on China Construction Fourth Engineering Division's bank account, and the court responded that the funds in its account had been sufficiently frozen, amounting to RMB20.2943 million. The case was heard in court in October and November 2025, and in March 2026, the Company received the arbitration award for one of the cases: China Construction Fourth Engineering Division is to pay the Company overdue payment of RMB9.9893 million and compensation for losses arising from the overdue payment.

3) 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 RMB15.8834 million. 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. In November 2025, the Company

received the first-instance judgment, which ordered ICBC Foshan to compensate the Company for its loss of RMB15.8834 million plus interest. In November 2025, the Company received the notice of appeal filed by ICBC Foshan. The second-instance hearing was originally scheduled for January 2026, but ICBC Foshan applied to the court for an adjournment and entered into a settlement. In April 2025, the Company received compensation of RMB4.95 million from ICBC Foshan. As at the date of this report, this matter is still being dealt with.

4) Litigation between the Company and Guangdong Huadeng Law Firm

In September 2017, the Company entered into a legal service agency agreement with Guangdong Huadeng Law Firm (hereinafter referred to as “Huadeng Law Firm”), under which Huadeng Law Firm agreed to represent the Company in the first-instance and second-instance trials and enforcement proceedings relating to the dispute arising from the sales contract with the distributor Beijing Zhongao Zhengshi Lighting Electrical Appliances Co., Ltd. (hereinafter referred to as “Beijing Zhongao Company”) and Jiang Zhenghao, and to pay legal fees of RMB0.109 million. In September 2017, the Chancheng District People’s Court rendered the first-instance judgment, ordering Beijing Zhongao Company to pay RMB14.2208 million plus liquidated damages, with Jiang Zhenghao bearing joint and several liability. In May 2018, Beijing Zhongao Company and Jiang Zhenghao filed an appeal. In July 2018, the Foshan Intermediate People’s Court accepted the case for filing, and in October 2021, it rendered the second-instance judgment, ordering Beijing Zhongao Company to pay the principal of RMB11.2208 million plus liquidated damages, with Jiang Zhenghao bearing joint and several liability. In December 2021, the Company applied to the court for enforcement. In the process of asset preservation, due to a material dereliction of duty on the part of the lawyers, two of Jiang Zhenghao’s properties were not promptly reapplied for sealing upon the expiry of the sealing period, enabling Jiang Zhenghao to transfer such assets (with an estimated value of approximately RMB11.85 million), which ultimately prevented the Company from recovering the outstanding debts. In February 2022, the Company terminated its engagement with Huadeng Law Firm. In June 2024, the Company sent a letter to Huadeng Law Firm requesting an explanation for its failure to promptly apply for a renewal of the seal on Jiang Zhenghao’s properties. However, to date, no feedback has been received from Huadeng Law Firm. In June 2025, the Company filed a lawsuit with the Chancheng District People’s Court in Foshan, seeking a judgment ordering Huadeng Law Firm to compensate for the losses of RMB11.35 million arising from its failure to timely renew the sealing, together with interest on the overdue compensation. In August 2025, the court served the Notice of Asset

Preservation stating that RMB1.3 million of Huadeng Law Firm's funds had been frozen. In September 2025, the first-instance hearing of this case was held. As at the date of this report, the case is still in the first-instance proceedings.

5) 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 RMB25.8829 million. Among them, the account receivable involved is RMB25.3522 million and the interest is RMB0.5307 million. The specific basic situation and progress of the case are as follows: Huizhou Lighthouse has been overdue in paying NationStar Optoelectronics' goods of RMB25.3522 million since April 2024. 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 RMB25.3522 million 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 at the date of this report, the above judgment has become effective, and NationStar Optoelectronics applied to the court for enforcement in August 2025. 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 in May 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 information

As of December 31, 2025, mutual guarantees among Liaowang Auto Lamp and its subsidiaries were as follows (RMB'0,000):

No.	Principal debtor	Principal debtee	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.	Mortgage	6,913.91	6,913.91
2	Chongqing Guinuo Lighting Technology Co., Ltd. (note 2)	Chongqing Branch of Industrial Bank	Chongqing Guinuo Lighting Technology Co., Ltd.	Mortgage	7,000.00	2,090.10
3	Nanning Liaowang Auto Lamp Co., Ltd., Liuzhou Guige Fuxuan Technology Co., Ltd., Liuzhou Guige Lighting Technology Co., Ltd. (note 3)	Nanning Branch of Industrial Bank	Liuzhou Guige Lighting Technology Co., Ltd.	Mortgage	13,944.37	4,904.00
	Total	—	—	—	27,858.28	13,908.01

Note 1: 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 RMB69.1391 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 RMB69.1391 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 RMB50 million (from June 21, 2023 to June 20, 2026). As at December 31, 2025, RMB20.901 million had been used. Chongqing Guinuo and Chongqing Branch of Industrial Bank entered into the Maximum Mortgage Contract (X.Y.K.G.G.N.D. [2025] No. 001). 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 RMB120 million. The mortgage amount is valid from June 23, 2025 to June 22, 2027 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 Guige Lighting 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 RMB49.04million. Liuzhou Guige Lighting 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 RMB139.4437 million. The mortgage amount is valid from April 24, 2022 to May 10, 2026 and the guarantee amount is RMB139.4437 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 mold 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 December 31, 2025, the guarantee arrangements of Hule Electric were as follows (RMB'0,000):

No.	Principal debtor	Principal debtee (Lender)	Guarantor	Type of guarantee	Guarantee amount	Guarantee balance
1	Zhejiang Hule Electric Equipment Manufacture Co., Ltd. (Note 1)	Agricultural Bank of China Limited, Jiaying Nanhu Sub-branch	Zhejiang Hule Electric Equipment Manufacture Co., Ltd.	Mortgaged	2,000.00	1,995.24
	Total	—	—	—	2,000.00	1,995.24

Note: Hule Electric 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 RMB31.18 million. The guaranteed amount is RMB20 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

None.

2. Distribution of Profit

Dividend to be distributed per 10 shares (RMB)	0.50
Profit distribution plan	Based on the total share capital of 1,535,778,230 shares as at the disclosure date of the 2025 Annual Report, a cash dividend of RMB0.50 (tax inclusive) per 10 shares is to be distributed to the shareholders, with no bonus issue from either profit or capital reserves. Where any change occurs to the total shares entitled to the final dividend due to any share repurchases, grant of equity incentives, etc. when the final dividend plan is

	implemented, the dividend per share shall remain the same while the total payout amount shall be adjusted accordingly. This profit distribution plan is subject to the approval of the Company's meeting of shareholders before it can be implemented.
--	--

3. Sales Return

None.

4. Notes to Other Events after Balance Sheet Date

(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 name: 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 RMB970.1239 million (inclusive). 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 Company signed a Share Subscription Agreement with conditions for effectiveness and issued related commitments. NationStar Optoelectronics' application for the proposed placing of shares to specific subjects was approved by the Listing Review Centre of the Shenzhen Stock Exchange on April 7, 2026. The placing remains subject to the approval of the registration by the China Securities Regulatory Commission before it can be implemented. The final number of shares to be subscribed by the Company will be determined based on the actual placing price of NationStar Optoelectronics.

XVIII Other Significant Events

1. The Accounting Errors Correction in Previous Period

None.

2. Debt Restructuring

No such cases in the Reporting Period.

3. Assets Replacement

None.

4. Pension Plans

In accordance with provisions of Measures for Enterprise Annuity (RSBL No. 36), Measures for Managing Enterprise Annuity Fund (RSBL No. 11) and other policies, the Company has formulated the Enterprise

Annuity Plan of Foshan Electrical and Lighting Co., Ltd. (hereinafter referred to as the “Plan”).

The Plan adopts the corporate trusteeship mode. The collected enterprise annuity fund will be managed by the trustee entrusted by Foshan Electrical and Lighting Co., Ltd. with the Enterprise Annuity Fund Trusteeship Contract. And the trustee of the enterprise annuity fund will entrust eligible custodians, account managers and investment managers to provide unified related services. The expenses required shall be jointly borne by the Company and the employees. The payment channels of the Company shall be implemented according to relevant regulations of the state, and the part that shall be paid by employees themselves will be withheld and paid by the Company from their salaries.

The Plan has been filed at Chancheng District Human Resources and Social Security Bureau of Foshan City and implemented since June 1, 2022. The management of the enterprise annuity fund is subject to the supervision and inspection of relevant state departments.

5. Discontinued Operations

None.

6. Segment Information

(1) Determination Basis and Accounting Policies of Reportable Segment

With the deployment of the Company’s strategic management and the expansion of business segments, operating segments shall be determined based on the requirements of regulatory laws and regulations, company management, etc., which are as follows:

1) General Lighting, Automotive Lamps Products Segment: Research and development, manufacturing and sales of General Lighting, Automotive Lamps Products

2) LED Packaging and Components, Other Products Segment: Research and development, manufacturing and sales of LED packaging and components, and other products.

Inter-segment transfer prices are determined with reference to the prices used for sales to third parties, while assets, liabilities and expenses are determined based on the financial data of each segment.

(2) The Financial Information of Reportable Segment

Unit: RMB

Item	General lighting and vehicle lamp products	LED packaging and component products and other products	Offset among segments	Total
I. Operating revenue	5,600,603,187.72	3,281,481,214.08	-85,275,431.22	8,796,808,970.58
II. Cost of sales	4,425,873,009.40	2,900,533,077.59	-84,987,004.20	7,241,419,082.79
III. Income from investments to joint	4,506,058.03			4,506,058.03

ventures and associates				
IV. Credit impairment loss	-4,994,919.39	-7,935,774.13	-24,311.54	-12,955,005.06
V. Asset impairment loss	-55,224,377.79	-40,505,321.02	-34,217,937.33	-129,947,636.14
VI. Depreciation and amortization cost	346,949,612.31	345,431,851.54	-762,260.00	691,619,203.85
VII. Total profits	330,448,739.27	-18,304,649.85	-40,331,153.15	271,812,936.27
VIII. Income tax expense	58,422,620.27	-5,295,792.67	-31,628.81	53,095,198.79
IX. Net profits	272,026,119.00	-13,008,857.18	-40,299,524.34	218,717,737.48
X. Total assets	12,147,590,414.63	6,105,441,389.20	-1,085,786,168.16	17,167,245,635.67
XI. Total liabilities	4,519,190,649.55	2,316,269,888.28	-99,725,489.55	6,735,735,048.28

(3) If there Was no Reportable Segment, or the Total Amount of Assets and Liabilities of Each Reportable Segment Could not Be Reported, Relevant Reasons Shall Be Clearly Stated

None.

(4) Other notes

None.

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

None.

8. Other Information

(1) Matter regarding the expropriation of land and above-ground housing 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 RMB183.8559 million, 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 canceled. On December 17, 2025, Nanjing Fozhao received the second compensation payment of RMB110.6959 million. Concurrently, in accordance with the relevant laws and regulations, and pursuant to the agreements between Nanjing Fozhao and the Honglan Sub-district Office of the Nanjing Lishui District People's Government, Nanjing Lishui District Demolition and Resettlement Co., Ltd. and other relevant parties, an amount of RMB18 million was deducted in advance by Nanjing Lishui District Demolition and Resettlement

Co., Ltd. from the compensation payment for environmental remediation of the expropriated land and related demolition costs. The specific costs will be settled on an actual basis between Nanjing Fozhao and the relevant parties. For details, please refer to the Announcement on Progress in the Expropriation of Land Use Rights and Above-ground Housing of a Wholly-Owned Subsidiary disclosed by the Company on Cninfo on December 19, 2025. Nanjing Fozhao intends to undergo liquidation and deregistration procedures after the environmental remediation and related demolition work are completed.

(2) Matter regarding land acquisition and reserve

On December 6, 2023 and December 22, 2023, to consider and approve the Proposal on the Disposal of Company Assets and the Signing of Land Reserve Agreements, agreeing that the Company should sign the Letter of Intent for Land Reserve with the Zumiao Sub-district Office of Chancheng District, Foshan City, and the State-Owned Land Use Rights Reserve Agreement. Following the completion of preliminary land preparation work, including the demolition of above-ground structures in accordance with relevant laws, regulations and policy provisions, the land at Plot No. 64, Fenjiang North Road, Chancheng District, Foshan City, will be handed over in three batches for reserve acquisition on a deferred payment basis. In February 2024, the Company formally signed the State-Owned Land Use Rights Reserve Agreement with the Foshan City Chancheng District Land Reserve Centre and the Foshan City Chancheng District Zumiao Sub-district Office, and the Company delivered part of the plot at No. 64 Fenjiang North Road in accordance with the relevant provisions of the agreement. In December 2024, the Company received the first instalment of land reserve funds amounting to RMB381.7791 million from the Foshan Chancheng District Land Reserve Centre in respect of the transferred land. In December 2025, the Company received the second instalment of RMB6 million from the Foshan Chancheng District Land Reserve Centre; the remaining payment is expected to be received in 2026. The land reserve process for the remaining plots is still ongoing.

XIX Notes to Main Items in the Financial Statements of the Parent Company

1. Accounts Receivable

(1) Disclosure by Aging

Unit: RMB

Aging	Gross amount at period-end	Gross amount at period-beginning
Within 1 year (including 1 year)	637,329,945.58	611,829,771.52
1 to 2 years	55,418,635.10	87,098,817.76
2 to 3 years	62,178,052.67	61,831,224.89
Over 3 years	108,920,845.81	89,329,641.58

3 to 4 years	43,523,314.61	68,133,250.97
4 to 5 years	49,248,803.98	5,227,888.30
Over 5 years	16,148,727.22	15,968,502.31
Total	863,847,479.16	850,089,455.75

(2) Disclosure by the Bad Debt Provision Method

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Accounts receivable with bad debt provision on an individual basis	79,952,656.18	9.26%	50,665,431.63	63.37%	29,287,224.55	97,598,472.58	11.48%	55,270,828.47	56.63%	42,327,644.11
Accounts receivable with bad debt provision on a portfolio basis	783,894,822.98	90.74%	56,055,458.54	7.15%	727,839,364.44	752,490,983.17	88.52%	49,561,358.97	6.59%	702,929,624.20
Of which:										
Business portfolio of general lighting and auto lamps	641,634,635.50	74.27%	56,055,458.54	8.74%	585,579,176.96	674,720,665.62	79.37%	49,561,358.97	7.35%	625,159,306.65
Internal business portfolio	142,260,187.48	16.47%			142,260,187.48	77,770,317.55	9.15%			77,770,317.55
Total	863,847,479.16	100.00%	106,720,890.17	12.35%	757,126,588.99	850,089,455.75	100.00%	104,832,187.44	12.33%	745,257,268.31

Bad debt provision on an individual basis: RMB50,665,431.63.

Unit: RMB

Name	Opening balance		Closing balance			
	Gross amount	Bad debt provision	Gross amount	Bad debt provision	Provision percentage (%)	Basis for provision
Customer A	12,462,884.41	12,462,884.41	11,757,964.98	11,757,964.98	100.00%	Dishonest and high-risk

						entities; recovery is deemed unlikely.
Customer B	11,187,337.20	11,187,337.20	11,187,337.20	11,187,337.20	100.00%	Litigation involved; recovery is deemed unlikely.
Total	23,650,221.61	23,650,221.61	22,945,302.18	22,945,302.18		

Bad debt provision on a portfolio basis: RMB56,055,458.54.

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)
Business portfolio of general lighting and auto lamps	641,634,635.50	56,055,458.54	8.74%
Internal business portfolio	142,260,187.48		
Total	783,894,822.98	56,055,458.54	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

If bad debt provision for accounts receivable is provided for under the general model of expected

Applicable Not applicable

(3) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Bad debt provision during the period:

Unit: RMB

Category	Opening balance	Changes for the period					Closing balance
		Provision	Reversal of write-offs from prior periods	Recovery or reversal	Write-off	Others	
Accounts receivable with bad debt provision on an individual basis	55,270,828.47	4,555,933.40		9,161,330.24			50,665,431.63
Accounts receivable with bad debt provision on a portfolio basis	49,561,358.97	8,624,723.47			85,317.93	-2,045,305.97	56,055,458.54
Total	104,832,	13,180,6		9,161,330.24	85,317.9	-	106,720,

	187.44	56.87			3	2,045,305.97	890.17
--	--------	-------	--	--	---	--------------	--------

Of which, bad debt provision with a significant recovered or reversed amount during the period: Not applicable

(4) Accounts Receivable Written off during the Period

Unit: RMB

Item	Amount written off
Accounts receivable written off	148,777.50

Of which, significant accounts receivable written off: None.

Notes to the write-off:

RMB148,777.50 of accounts receivable has been written off with the bad debt provision of RMB85,317.93, and the approval procedures have been performed in accordance with the Company's bad debt management system.

(5) Top 5 Balances of Accounts Receivable and Contract Assets by Debtor as at the End of the Period

Unit: RMB

Name of the entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to total closing balance of accounts receivable and contract assets	Closing balance of bad debt provision for accounts receivable and impairment provision for contract assets
No. 1	115,055,684.93		115,055,684.93	13.28%	3,451,670.55
No. 2	85,495,151.51		85,495,151.51	9.87%	2,564,854.55
No. 3	54,407,016.62		54,407,016.62	6.28%	
No. 4	49,360,164.03		49,360,164.03	5.70%	8,766,678.97
No. 5	46,926,511.10		46,926,511.10	5.42%	
Total	351,244,528.19		351,244,528.19	40.55%	14,783,204.07

2. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	1,044,883,403.20	944,184,445.88
Total	1,044,883,403.20	944,184,445.88

(1) Interest Receivable

None.

(2) Dividend Receivable

None.

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

Unit: RMB

Nature	Gross amount at period-end	Gross amount at period-beginning
Other transactions	1,022,966,230.59	936,571,845.70
Value-added tax (VAT) export rebates	20,284,110.73	5,974,168.41
Performance guarantee deposits	4,133,876.49	5,349,914.65
Rent and utilities	2,216,607.00	1,283,664.90
Employee loans and petty cash	452,430.54	482,910.18
Total	1,050,053,255.35	949,662,503.84

2) Disclosure by Aging

Unit: RMB

Aging	Gross amount at period-end	Gross amount at period-beginning
Within 1 year (including 1 year)	219,910,886.64	410,148,181.90
1 to 2 years	304,579,104.44	109,304,181.17
2 to 3 years	109,175,173.42	37,014,033.22
Over 3 years	416,388,090.85	393,196,107.55
3 to 4 years	36,656,010.56	390,960,824.47
4 to 5 years	378,194,458.29	975,961.08
Over 5 years	1,537,622.00	1,259,322.00
Total	1,050,053,255.35	949,662,503.84

3) Disclosure by the Bad Debt Provision Method

Unit: RMB

Category	Closing balance					Opening balance				
	Gross amount		Bad debt provision		Carrying amount	Gross amount		Bad debt provision		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)		Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision on an individual basis	30,302,889.95	2.89%	909,086.70	3.00%	29,393,803.25					
Bad debt provision on a portfolio basis	1,019,750,365.40	97.11%	4,260,765.45	0.42%	1,015,489,599.95	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88
Of which:										
Deposits and guarantees	4,133,876.49	0.39%	1,630,514.50	39.44%	2,503,361.99	5,349,914.65	0.56%	1,819,142.33	34.00%	3,530,772.32

Amounts due from/to related parties	980,829,697.47	93.41%	60,030.04	0.01%	980,769,667.43	898,753,041.46	94.64%	19,020.31	0.00%	898,734,021.15
Advances and others	34,786,791.44	3.31%	2,570,220.91	7.39%	32,216,570.53	45,559,547.73	4.80%	3,639,895.32	7.99%	41,919,652.41
Total	1,050,053,255.35	100.00%	5,169,852.15	0.49%	1,044,883,403.20	949,662,503.84	100.00%	5,478,057.96	0.58%	944,184,445.88

Bad debt provision on an individual basis: RMB909,086.70 .

No significant accounts receivable with bad debt provision on an individual basis during the period.

Bad debt provision on a portfolio basis: RMB4,260,765.45 .

Unit: RMB

Name	Closing balance		
	Gross amount	Bad debt provision	Provision percentage (%)
Deposits and guarantees	4,133,876.49	1,630,514.50	39.44%
Amounts due from/to related parties	980,829,697.47	60,030.04	0.01%
Advances and others	34,786,791.44	2,570,220.91	7.39%
Total	1,019,750,365.40	4,260,765.45	

A description of the basis for determining the portfolio:

See Note V-13. Accounts Receivable.

Bad debt provision provided for under the general model of expected credit losses:

Unit: RMB

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance as at January 1, 2025	919,700.54	4,558,357.42		5,478,057.96
Balance as at January 1, 2025 in the period				
Provided for during the period	100,908.78	-1,318,201.29	909,086.70	-308,205.81
Balance as at December 31, 2025	1,020,609.32	3,240,156.13	909,086.70	5,169,852.15

Basis for classification into stages and provision rates of bad debt provision

See Note V-13. Accounts Receivable.

Explanation of material changes in gross amount arising from movements in loss allowance during the period

Applicable Not applicable

4) Bad Debt Provision Provided for, Recovered or Reversed during the Period

Bad debt provision during the period:

Unit: RMB

Category	Opening balance	Changes for the period				Closing balance
		Provision	Recovery or reversal	Charge off/write off	Others	
Other receivables	5,478,057.96	-308,205.81				5,169,852.15
Total	5,478,057.96	-308,205.81				5,169,852.15

Of which, bad debt provision with a significant recovered or reversed amount during the period: Not applicable

5) Other Receivables Written off during the Period

None.

6) Top 5 Balances of Other Receivables by Debtor as at the End of the Period

Unit: RMB

Name of the entity	Nature	Closing balance	Aging	Proportion to total closing balance of other receivables %	Closing balance of bad debt provision
Foshan Kelian New Energy Technology Co., Ltd.	Internal group	498,159,568.79	Within 5 years	47.44%	
Fozhao (Hainan) Technology Co., Ltd.	Internal group	338,672,227.39	Within 4 years	32.25%	
FSL Chanchang Optoelectronics Co., Ltd.	Internal group	131,659,010.75	Within 2 years	12.54%	
Guangdong Provincial Tax Service, State Taxation Administration	Value-added tax (VAT) export rebates	20,284,110.73	Within 1 year	1.93%	608,523.32
Industrial and Commercial Bank of China, Foshan Branch	Other transactions	15,883,375.00	Within 3 years	1.51%	476,501.25
Total		1,004,658,292.66		95.67%	1,085,024.57

7) Other receivables Presented due to Centralized Management of Funds

None.

3. Long-term Equity Investment

Unit: RMB

Item	Closing balance			Opening balance		
	Gross amount	Bad debt provision	Carrying amount	Gross amount	Bad debt provision	Carrying amount
Investment to subsidiaries	2,428,772,025.91	169,209,359.79	2,259,562,666.12	2,381,355,425.91	127,478,834.25	2,253,876,591.66
Investment to joint ventures and associated enterprises	184,806,652.92		184,806,652.92	180,300,594.89		180,300,594.89
Total	2,613,578,678.83	169,209,359.79	2,444,369,319.04	2,561,656,020.80	127,478,834.25	2,434,177,186.55

(1) Investment to Subsidiaries

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment provision	Changes for the period				Closing balance (carrying amount)	Closing balance of impairment provision
			Additional investment	Reduced investment	Impairment provision	Others		
Foshan NationStar Optoelectronics Co., Ltd.	1,084,611,411.69	127,478,834.25			41,730,525.54		1,042,880,886.15	169,209,359.79
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 Optoelectronics 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	35,418,439.76						35,418,439.76	

& Lighting (Xinxiang) Co., Ltd.									
FSL Zhida Electric Technology Co., Ltd.	25,500,000.00								25,500,000.00
Foshan Hortilite Optoelectronics 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 Lamp Co., Ltd.	350,000.00								350,000.00
Fozhao Huaguang (Maoming) Technology Co., Ltd.	22,920,000.00								22,920,000.00
Foshan Sigma Venture Capital Co., Ltd.	4,226.45								4,226.45
Guangdong Airtrust Aviation Equipment Co., Ltd.			22,500,000.00						22,500,000.00
Total	2,253,876,591.66	127,478,834.25	47,416,600.00				41,730,525.54		2,259,562,666.12

(2) Investment to Joint Ventures and Associated Enterprises

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment provision	Changes for the period								Closing balance (carrying amount)	Closing balance of impairment provision
			Addition 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	Impairment provision	Others		
I. Joint ventures												
II. Associated enterprises												
Shenz	180,30				4,506,						184,80	

hen Primat ronix (Nanh o) Electro nics Ltd.	0,594. 89				058.03					6,652. 92	
Subtot al	180,30 0,594. 89				4,506, 058.03					184,80 6,652. 92	
Total	180,30 0,594. 89				4,506, 058.03					184,80 6,652. 92	

The recoverable amount is determined based on fair value less costs of disposal

Applicable Not applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

Applicable Not applicable

Reasons for significant inconsistency between the above-mentioned information and the information adopted in the impairment tests in the prior year or external information

None.

Reasons for significant inconsistency between the information adopted in the impairment tests in the prior year and the actual situation in the year

None.

(3) Other Notes

None.

4. Operating Revenue and Cost of Sales

Unit: RMB

Item	2025		2024	
	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Main operations	2,572,658,282.48	2,069,986,916.41	3,096,917,731.64	2,377,613,698.44
Other operations	118,937,099.11	95,387,702.69	148,786,564.36	132,741,166.11
Total	2,691,595,381.59	2,165,374,619.10	3,245,704,296.00	2,510,354,864.55

Breakdown of Operating Revenue and Cost of Sales:

Type of contract	Total	
	Operating revenue	Cost of sales
Type of business		
Of which:		
General lighting products	2,163,780,461.09	1,727,468,204.07
Auto lamps products	362,320,172.28	303,047,633.93

Trade and other products	165,494,748.22	134,858,781.10
Total	2,691,595,381.59	2,165,374,619.10

5. Investment Income

Unit: RMB

Item	2025	2024
Long-term equity investment income accounted by cost method	11,371,452.51	37,817,762.65
Long-term equity investment income accounted by equity method	4,506,058.03	1,112,039.74
Investment income from disposal of trading financial assets	248,750.00	-447,400.00
Dividend income from holding of other equity instrument investment	18,275,657.86	28,098,296.00
Interest income from holding of other investments in debt obligations	26,985,731.91	28,286,522.80
Income received from wealth management products and structural deposits	4,705,448.02	
Gains on debt restructuring	692,754.39	-368,531.60
Total	66,785,852.72	94,498,689.59

6. Other information

None.

XX Supplementary Information

1. Exceptional Gains and Losses

 Applicable Not applicable

Unit: RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets	138,973,197.06	Mainly the expropriation compensation for land use rights and buildings of the subsidiary Nanjing Fozhao in the period
Government grants recognized in profit or loss (exclusive of those that are closely related to the Company's normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)	50,583,661.71	
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that is related to the Company's normal business operations)	1,424,910.15	
Capital occupation charges on non-	1,503,705.43	

financial enterprises that are recorded into current profit or loss		
Reverse of provision for impairment of accounts receivable individually conducting impairment test	12,965,744.52	
Gain or loss on debt restructuring	610,478.39	
Other non-operating income and expenses other than the above	87,950.30	
Less: Income tax effects	46,874,285.60	
Non-controlling interests effects (after-tax)	28,333,131.41	
Total	130,942,230.55	--

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 and Earnings Per Share

Profit as of Reporting Period	Weighted average ROE (%)	EPS (RMB/share)	
		EPS-basic	EPS-diluted
Net profit attributable to ordinary shareholders of the Company	3.21%	0.1399	0.1398
Net profit attributable to ordinary shareholders of the Company after deduction of non-recurring profit or loss	1.25%	0.0546	0.0546

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 Information

None.

Yu Zhongmin, legal representative

Foshan Electrical and Lighting Co., Ltd.

April 15, 2026