

**Shenzhen Honor Electronic
Co., Ltd.**

2024 Annual Report

2025-027

April 2025

2024 Annual Report

Section 1 Important Tips, Contents and Interpretation

The board of directors, the board of supervisors and the directors, supervisors and senior management personnel of the company guarantee that the contents of the annual report are true, accurate and complete, and there are no false records, misleading statements or major omissions, and bear individual and joint legal liabilities.

Wang Heqiu, the person in charge of the company, Zhang Shuyuan, the person in charge of accounting work, and Tan Qun, the person in charge of the accounting department (accounting officer), hereby confirm that the financial report in this annual report is true, accurate and complete.

All directors attended the board meeting at which the report was considered.

Any content in this report that involves the company's future plans, performance forecasts, etc., does not constitute the company's commitment to any investors and related parties. Investors and related parties should maintain adequate risk awareness in this regard and should understand the differences between plans, forecasts and commitments.

The third section of this annual report, "Management Discussion and Analysis", describes the risks that may exist in the company's future operations and the countermeasures. Investors are advised to read the relevant content.

The company's profit distribution plan approved by the board of directors this time is: based on the total share capital registered on the equity registration date after deducting the repurchased shares in the company's repurchase account, a cash dividend of RMB 5.93 (including tax) will be distributed to all shareholders for every 10 shares, 0 bonus shares (including tax) will be distributed, and 0 shares will be transferred to all shareholders from the capital reserve fund for every 10 shares.

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Reference file directory

I. The original text of the 2024 annual report with the signature of the legal representative.

2. Financial statements with the signatures and seals of the person in charge of the company, the person in charge of accounting work, and the person in charge of the accounting organization (accounting officer).

3. The original audit report with the seal of the accounting firm and the signature and seal of the certified public accountant.

IV. The originals of all company documents and announcements that have been publicly disclosed during the reporting period.

V. Other documents for reference.

The place where the above reference documents are prepared: the office of the company's board of directors.

Paraphrase

Paraphrase	Depend on	Paraphrase content
The company, the company, Honor Electron, Shenzhen Honor Electron	Depend on	Shenzhen Honor Electronic Co., Ltd.
Ganzhou Honor Electron	Depend on	Honor Electron (Ganzhou) Electronics Co., Ltd., a wholly-owned subsidiary of the company
Hong Kong Honor Electron	Depend on	Hong Kong Honor Electron Technology Co., Ltd., a wholly-owned subsidiary of the company
Vietnam Honor Electron	Depend on	Vietnam Honor Electron Technology Co., Ltd., a wholly-owned subsidiary of Hong Kong Honor Electron
Taiwan Honor Electron	Depend on	Hong Kong Business Hong Kong Honor Electron Technology Co., Ltd. Taiwan Branch, Hong Kong Honor Electron Branch
Dongguan Honor Electron	Depend on	Dongguan Honor Electron Electronics Co., Ltd., a wholly-owned subsidiary of the company
Shanghai Honor Electron	Depend on	Shanghai Honor Electron Electronic Technology Co., Ltd., a wholly-owned subsidiary of the company
(USA) Axnon	Depend on	Axnon Co., Ltd., formerly known as (U.S.) Honor Electron Technology Co., Ltd., is a wholly-owned subsidiary of the company
Hangzhou Yundian	Depend on	Hangzhou Yundian Technology Energy Co., Ltd., a holding subsidiary of the company
Shenzhen Zhilian	Depend on	Shenzhen Honor Electron Zhilian Technology Co., Ltd., a wholly-owned subsidiary of the company
MÉXICO HONOTO INDUSTRY S.A. de C.V.	Depend on	MÉXICO HONOTO INDUSTRY S.A. de C.V., a subsidiary of Honor Electron Holdings in Hong Kong, is a joint stock company of Axaltron (USA), and the company indirectly holds 100% of the shares.
Anbo	Depend on	Shanghai Anshibo Energy Technology Co., Ltd., the company's shareholding company
Bodian Cloud Branch	Depend on	Suzhou Bodian Yunke Energy Technology Co., Ltd., the company's shareholding company
Suzhou Yundian, Suzhou Yundian Electronics, Yundian Electronics	Depend on	Suzhou Yundian Electronics Manufacturing Co., Ltd., formerly known as Suzhou Anshibo Energy Technology Co., Ltd., is a wholly-owned subsidiary of the company
Shenzhen Gnoli	Depend on	Shenzhen Genoli Information Consulting Co., Ltd., formerly known as "Shenzhen Genoli Electronics Co., Ltd.", is one of the controlling shareholders of the company

Wang Yueke Wang	Depend on	Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership), formerly known as Shenzhen Wangyuewang Investment Partnership (Limited Partnership), is one of the controlling shareholders of the Company
Tongju	Depend on	Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership), formerly known as Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership), is one of the shareholders of the Company
Articles of Association	Depend on	Articles of Association of Shenzhen Honor Electronic Co., Ltd.
General Meeting of Shareholders	Depend on	Shareholders' meeting of Shenzhen Honor Electronic Co., Ltd.
Board of directors	Depend on	Board of Directors of Shenzhen Honor Electronic Co., Ltd.
Supervisory Board	Depend on	Board of Supervisors of Shenzhen Honor Electronic Co., Ltd.
China Securities Regulatory Commission	Depend on	China Securities Regulatory Commission
Shenzhen Stock Exchange	Depend on	Shenzhen Stock Exchange
Company law	Depend on	Company Law of the People's Republic of China
Securities law	Depend on	Securities Law of the People's Republic of China
Accounting firm	Depend on	Tianzhi International Accounting Firm (Special General Partnership)
Yuan, ten thousand yuan, one hundred million yuan	Depend on	RMB yuan, RMB 10,000 yuan, RMB 100 million yuan
Reporting period	Depend on	January 1, 2024 to December 31, 2024
Same period last year, last period	Depend on	January 1, 2023 to December 31, 2023
Juchao Information Network	Depend on	The GEM information disclosure website designated by the China Securities Regulatory Commission http://www.cninfo.com.cn

Section 2 Company Profile and Main Financial Indicators

I. Company information

Stock abbreviation	Honor Electron	Stock code	300870
Chinese name of the company	Shenzhen Honor Electronic Co., Ltd.		
Chinese abbreviation of the company	Honor Electron		
Legal representative of the company	Wang Heqiu		
Registered address	No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen (one photo and multiple locations)		
Postal code of registered address	518000		
Historical changes of the company's registered address	The company held the fifth meeting of the third board of directors in 2024 on August 27, 2024, and held the first extraordinary general meeting of shareholders in 2024 on September 18, 2024. The "Proposal on Increasing the Business Scope, Company Address and Amending the Articles of Association" was reviewed and approved, and the company agreed to increase the business scope and company address. The industrial and commercial change registration will be completed on November 20, 2024. Before the change, the registered address was No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen		
Office address	No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen		
Postal code of office address	518000		
Company website	http://www.honor-cn.com		
E-mail	ir1@honor-cn.com		

II. Contact person and contact information

	Board secretary	Securities Affairs Representative
Name	Cai Lilin	Wang Xiaodan
Contact address	No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen	No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen
Telephone	0755-81453432	0755-81453432
Fax	0755-81453115	0755-81453115
E-mail	ir1@honor-cn.com	ir1@honor-cn.com

III. Information Disclosure and Preparation Location

The stock exchange website where the company discloses its annual report	Shenzhen Stock Exchange: http://www.szse.cn
The name and website of the media where the company discloses its annual report	"Securities Times", "China Securities Journal", "Shanghai Securities News", "Securities Daily", Juchao Information Network (http://www.cninfo.com.cn/)
Where the company's annual report is prepared	Office of the Company's Board of Directors

IV. Other relevant information

Accounting firm hired by the company

Accounting firm name	Tianzhi International Accounting Firm (Special General Partnership)
Office address of accounting firm	Areas A-1 and A-5, Building 68, No. 19, Chegongzhuang West Road, Haidian District, Beijing
Name of Signing Accountant	Wang Shoujun, Fan Kelei

Sponsor institutions engaged by the company to perform continuous supervision duties during the reporting period

Applicable ☒ Not applicable

Sponsor name	Sponsor's office address	Sponsor representative name	During continuous supervision
Sinolink Securities Co., Ltd.	Floor 23, Zizhu International Building, No. 1088 Fangdian Road, Pudong New Area, Shanghai	Zhang Yuzhong, Sun Aiguo	July 26, 2024 - December 31, 2026

Financial consultants hired by the company to perform continuous supervision duties during the reporting period

☒ Applicable Not Applicable

V. Main accounting data and financial indicators

Whether the company needs to retrospectively adjust or restate the accounting data of previous years

☒ whether

	2024	2023	Increase or decrease this year over the previous year	2022
Operating income (yuan)	3,797,533,142.40	2,869,998,960.72	32.32%	2,703,124,681.08
Net profit attributable to shareholders of listed companies (yuan)	267,988,609.87	195,731,160.07	36.92%	90,424,021.86
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (yuan)	256,293,199.49	68,717,093.34	272.97%	72,380,900.88
Net cash flow from operating activities (yuan)	397,064,038.65	392,374,782.30	1.20%	137,332,797.04
Basic earnings per share (yuan/share)	2.69	1.93	39.38%	0.89
Diluted earnings per share (yuan/share)	2.72	1.93	40.93%	0.89
Weighted average return on equity	13.33%	10.52%	2.81%	5.69%
	End of 2024	End of 2023	Increase or decrease at the end of this year compared to the end of the previous year	End of 2022
Total assets (yuan)	5,322,208,927.88	3,749,607,108.44	41.94%	3,348,442,526.64
Net assets attributable to shareholders of listed companies (yuan)	2,170,660,904.37	1,857,283,741.55	16.87%	1,627,525,711.14

The lower of the company's net profit before and after deducting non-recurring gains and losses in the last three fiscal years is negative, and the audit report of the most recent year shows that the company's ability to continue operations is uncertain

■ whether

The lower of the net profit before and after deduction of non-recurring gains and losses is negative

■ whether

From the end of the reporting period to the disclosure date of the annual report, whether the share capital of the company has changed due to the issuance of new shares, additional issuance, allotment, equity incentive exercise, repurchase, etc., and affects the amount of owner's equity

Yes ■ No

Preferred stock dividends paid	0.00
Perpetual bond interest paid (yuan)	0.00
Fully diluted earnings per share calculated with the latest share capital (yuan/share)	2.5160

VI. Main Financial Indicators by Quarter

Unit:
Yuan

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	695,862,387.52	903,384,319.16	1,064,437,252.36	1,133,849,183.36
Net profit attributable to shareholders of listed companies	31,164,265.74	55,174,717.42	70,275,772.86	111,373,853.85
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	29,984,745.73	48,498,298.97	63,109,574.70	114,700,580.09
Net cash flow from operating activities	8,045,282.39	56,981,460.15	175,779,604.67	156,257,691.44

Whether the above financial indicators or their total numbers are materially different from the relevant financial indicators of the company's disclosed quarterly reports and semi-annual reports

■ whether

VII. Differences in accounting data under domestic and foreign accounting standards

1. Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards at the same time

■ Applicable Not Applicable

During the reporting period, there was no difference in net profit and net assets in the financial reports disclosed in accordance with international accounting standards and in accordance with Chinese accounting standards.

2. At the same time, the difference between net profit and net assets in financial reports disclosed in accordance with overseas accounting standards and in accordance with Chinese accounting standards

■ Applicable Not Applicable

During the reporting period, there was no difference in net profit and net assets in the financial reports disclosed in accordance with overseas accounting standards and in accordance with Chinese accounting standards.

VIII. Items and amounts of non-recurring gains and losses

Applicable ■ Not applicable

Unit:

Projects	2024 Amount	2023 Amount	2022 Amount	Description
Gains and losses on disposal of illiquid assets (including the write-off portion of the provision for asset impairment)	-1,837,263.13	134,468,073.64	-1,582,562.59	Mainly due to the disposal loss of non-current assets.
Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the company's normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a continuous impact on the company's profit and loss)	11,443,363.89	11,317,917.36	15,581,971.16	Mainly government subsidy income.
In addition to the effective hedging business related to the company's normal business operations, the gains and losses from changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	1,379,216.98		117,200.00	It is mainly to accrue the income of wealth management products in the current period.
Profit and loss of entrusting others to invest or manage assets	1,396,462.71	2,608,156.10	3,992,129.99	It is the income from wealth management products actually received in the current period.
The investment cost of the enterprise to obtain subsidiaries, associates and joint ventures is less than the income from the fair value of the investee's identifiable net assets when the investment is obtained			-39,358.81	
Other non-operating revenue and expenditure other than the above-mentioned items	679,867.53	258,124.04	2,850,747.94	

Other profit and loss items that meet the definition of non-recurring profit and loss	275,816.48	-20,743,315.69		
Less: Income tax impact amount	1,593,514.60	1,120,096.81	2,877,006.71	
Amount of impact on minority shareholders' equity (after tax)	48,539.48	-225,208.09		
Total	11,695,410.38	127,014,066.73	18,043,120.98	--

Details of other profit and loss items that meet the definition of non-recurring profit and loss:

Applicable ☒ Not applicable

Other profit and loss items that meet the definition of non-recurring profit and loss are mainly the deduction of individual tax handling fees.

Explanation of the situation of defining the non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Profit and Loss" as recurring profit and loss items

☒ Applicable Not Applicable

There is no situation in which the company defines the non-recurring gains and losses listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Gains and Losses" as recurring gains and losses.

Section 3 Management Discussion and Analysis

I. The industry in which the company operates during the reporting period

(1) The basic situation of the industry in which the company is located

The company is deeply involved in the switching power supply industry, which is an important segment of the power supply industry. The power supply industry is a comprehensive industry based on power electronic technology, involving semiconductor power devices, frequency conversion technology, electromagnetic technology, computer (microprocessor) technology and integrated automatic control technology. Power products are devices that provide power to electronic devices, also known as power supplies (Power Supply). The performance stability of power supplies directly affects the working performance and service life of electronic devices. China Power Supply Society subdivides power supply products into switching power supply, UPS power supply, new energy power supply, linear power supply and other power supplies according to product functions and effects.

China's power supply industry has a broad development space and has maintained a steady growth trend in recent years. According to the China Power Supply Society, China's switching power supply market is expected to grow from 183.2 billion yuan in 2020 to 253.2 billion yuan in 2025, with a compound growth rate of 5.5% during the period.

Looking ahead, with the sustained and rapid development of China's economy, as well as the continuous investment of government and market participants in data center infrastructure, 5G communications, new energy, Internet of Things and other power supply downstream application industries, the domestic power supply industry is expected to continue to maintain rapid growth.

(2) The development of the industry in which the company is located

In the output value scale of the power supply industry, switching power supply products account for a relatively high proportion. As a rigid demand for many power electronic electrical equipment, the market for switching power supply products will gradually increase with economic growth and the improvement of informatization, and the overall demand is expected to continue to grow steadily.

In the field of switching power supplies, upstream raw materials mainly include PCBs, semiconductors, resistors and capacitors, magnetic materials, wires, etc. Among them, metal raw materials such as copper and aluminum are used more.

Switching power supply products have a wide range of downstream applications. The main application scenarios include industrial automation control, communication equipment, security monitoring, instrumentation, medical equipment, various IT and consumer electronic equipment, etc. According to the China Power Supply Industry Yearbook, the demand for switching power supplies in the domestic market in 2020 is concentrated in the industrial field, accounting for 53.94%; the second largest application field is the consumer electronics field, accounting for 33.05%. The rapid growth of new infrastructure industries such as big data centers, 5G, and industrial Internet has opened up a wider range of application scenarios for switching power supply products, and has promoted the development of high-power switching power supply technology.

(1) Power adapter field

Power adapters are the company's main business, mainly used in the fields of office electronics, security monitoring, network communication and smart home. Since 2022, the overall demand in the global consumer electronics market has been relatively weak, which has brought certain challenges to the growth of the company's power adapter business. With the combination of the current consumer electronics field and artificial intelligence (AI) technology, the AI terminal ecosystem continues to improve, which is expected to accelerate the transformation and innovation of consumer electronics terminal equipment. More importantly, with the introduction of the national consumer finance policy in 2025 and the superimposed national subsidy policy to continue to stimulate consumption, the demand for consumer electronics terminals is expected to accelerate the recovery and recovery, which will build a good market foundation for the company's power adapter business to continue to grow steadily.

Office electronics is one of the important downstream markets for power adapters. Among them, in the display industry, according to the statistics of RUNTO, the shipment of brand complete machines in the global display market in 2024 will be 1.27 units, a year-on-year increase of 1.5%. In terms of stages, the commercial demand in the European and North American markets will improve significantly in the first half of 2024.

In the second half of the year, the retail market in the Chinese market showed strong momentum under the stimulus of the national subsidy policy and the demand for e-sports, driving the overall Chinese display market to grow by 13%. In 2025, the global display market will show new vitality driven by high refresh rate, wide application of new display technologies such as Mini LED and OLED, and regional stimulus policies. Global display shipments are expected to reach 129 million units, an increase of 2.0%. In the personal computer (PC) industry, market research institutions

According to Canalys, the PC market achieved five consecutive quarters of growth in the fourth quarter of 2024. The total shipments of desktops, notebooks and workstations increased by 4.6% in a single quarter to 67.4 million units, of which AI PC shipments reached 15.4 million units, accounting for 23% of the total quarterly PC shipments. In 2024, AI PCs accounted for 17% of the total PC shipments. Canalys expects the PC market to accelerate growth in 2025, driven by commercial demand, and enterprises are preparing for the end of Windows 10 systems. At the same time, industry giants have launched AI PC products at CES 2025, and the product roadmap of market participants has begun to apply end-side AI. It is estimated that AI PC will account for 35% of global shipments in 2025, becoming a new driving force in the PC market.

Smart home has become an emerging downstream application market for power adapters and an important source of contribution to the growth of the company's power adaptation business. According to the analysis of International Data Corporation (IDC), the old-for-new national subsidy policy that began in 2024 has accelerated the penetration of high-end products to a certain extent. In 2025, under the background of the government's promotion of consumption, refrigerators, washing machines, and air conditioners in the traditional home appliance category will accelerate into the product structure upgrade cycle, and home appliances will move towards high-end, intelligent, quality and personalization. In 2025, China's smart home market is expected to ship 281 million units, A year-on-year increase of 7.8%.

(2) Data center infrastructure

Data center infrastructure is one of the important application scenarios of switching power supply products in the industrial field. The company's products in the field of data center infrastructure involve server power supplies, memory power supplies, and network equipment power supplies. The application of emerging information technologies such as cloud computing, big data, artificial intelligence, and the Internet of Things is the core driving force for the development of data centers. With the rapid development of artificial intelligence technology, the demand for computing power in data centers has exploded, and the global data center industry is entering a new round. Rapid development cycle.

In 2024, global server demand has grown significantly. According to IDC, the global server market revenue reached a record US \$77.3 billion in the fourth quarter of 2024, an increase of 91% year-on-year, the second highest growth rate since 2019. The annual market size exceeded US \$235.7 billion, an increase of nearly 2 times compared with 2020. IDC said that as global hyperscale enterprises, cloud service providers, private companies and governments increasingly prioritize investment in the field of artificial intelligence, server-related demand is expected to continue to maintain substantial growth.

Looking forward to 2025, it is expected that the capital expenditure of domestic and foreign cloud service vendors will pick up, driving the recovery of data center construction and server demand, laying a good market demand environment for the company's data center power products; in addition, the demand for traditional AI servers will continue to maintain a medium-to-high growth rate, becoming a key driver for the overall power upgrade of the company's server power products; The demand for high-performance computing servers for large-model generative AI will continue to maintain rapid growth, bringing further rapid growth opportunities for the company's high-power server power supply.

In the future, the growth of intelligent computing power is expected to become the main driving force for the growth of overall computing power demand. Under the background of the widespread implementation of AI technology, the intelligent computing center has become a new infrastructure for AI intelligence in the region. AI servers, especially high-performance servers for generative AI, will become the growth of the server market. Highlights. In October 2023, six departments including the Ministry of Industry and Information Technology of China jointly issued the Action Plan for the High-Quality Development of Computing Power Infrastructure, which proposed that by 2025, the scale of China's computing power should exceed 300 EFLOPS, of which the scale of intelligent computing should exceed 35%. According to the "2025 China Artificial Intelligence Computing Power Development Evaluation Report" jointly released by International Data Corporation (IDC) and Inspur, the scale of China's intelligent computing power will reach 1,037.3 EFLOPS in 2025 and 2,781.9 EFLOPS in 2028, From 2023 to 2028, the five-year compound annual growth rate of China's intelligent computing power scale and general computing power scale will reach 46.2% and 18.8%, respectively. The global AI server market is estimated to be USD 125.1 billion in 2024, will increase to USD 158.7 billion in 2025, and is expected to reach USD 222.7 billion in 2028, of which the proportion of generative AI servers will increase from 29.6% in 2025 to 37.7% in 2028.

In the future, scenarios with high computing power demand represented by the development and application of AIGC technology are expected to emerge at an accelerated pace. The open source trend of large models is accelerating the development of AI inclusiveness and ecology. Enterprises' demand for intelligent computing power infrastructure and services arises at the historic moment, and the artificial intelligence computing power service market is booming. The development of artificial intelligence computing power is expected to further promote the growth of data center computing power, and at the same time put forward higher requirements for data center energy saving and carbon reduction and high-density development. With the increase in the number of server constructions, the iterative demand for high-power, high-density, and energy-efficient technologies will also become more urgent, creating greater development opportunities for the sales and upgrades of data center power products including server power supplies.

(3) Other power supply fields

In the context of the "low-carbon era" with the goal of carbon peaking and carbon neutrality, the vigorous development of new energy-related industries has become an important strategic measure to cope with global climate change and optimize the energy structure. The company is actively deploying in the field of new energy and energy storage, and its main products include battery-based equipment, electric vehicles, and power battery chargers.

The company's products in other power application fields are mainly power tool chargers and chargers. With the development of cordless and lithium batteries, power tools have gradually become an emerging downstream application scenario in the power supply industry. At present, the limitations of cordless power tools with lithium batteries as the main energy supply method are gradually disappearing, and their advantages such as flexibility and portability, long radius of use, and rich application scenarios have been highlighted. With the increase in the penetration rate of lithium-ion-driven cordless power tools, the market demand for power tools is expected to continue to increase in the future. According to the "White Paper on China's Power Tools Industry Development (2025)" jointly released by EVTank and Ivey Economic Research Institute, global power tool shipments have experienced two consecutive years of decline in 2022 and 2023, with the continuous launch of new products since 2024, downstream channels continue to replenish inventory, and the interest rate cut cycle has driven the recovery of the North American real estate market, and the overall power tool market has rebounded sharply. In 2024, global power tool shipments increased by 24.8% year-on-year to 570 million units, driving the global power tool market to US \$56.64 billion. Market research firm QYResearch predicts that the global cordless power tools market will reach US \$14.89 billion in 2024 and is expected to reach US \$25.41 billion in 2031, with a compound annual growth rate (CAGR) of 8.1% (2025-2031).

In addition, the global lithium battery market demand will continue to maintain rapid growth, which will continue to drive demand in all links of the industry chain. According to EV Tank data, global lithium-ion battery shipments totaled 1545.1 GWh in 2024, a year-on-year increase of 28.5%. Global lithium-ion battery shipments are expected to reach 1899.3 GWh and 5127.3 GWh in 2025 and 2030, respectively. In the field of energy storage, electrochemical energy storage, as a representative of new energy storage methods, has a particularly broad future development prospect. CNESA predicts that by 2027, the installed capacity of the global electrochemical energy storage industry will reach 1,138.9 GWh, with a compound growth rate of 61% from 2021 to 2027. The upstream parts industry of the electrochemical energy storage industry will also face opportunities for rapid growth. Under the general trend of electrification of transportation, with the gradual increase in the penetration rate of electrification, the power battery charger market for low-speed electric four-wheelers, electric two-wheelers and tricycles is also expected to become an important growth driver for the company's new energy and energy storage business.

(3) Competitive position of the industry in which the company is located

As a fast-growing switching power supply company, the company is committed to providing customers with reliable, efficient and intelligent switching power supply products. The company adheres to the global production capacity layout and continuously improves the research and development level. With its excellent product quality and rapid response service capabilities, it has been recognized by many well-known customers at home and abroad, and its brand influence has continued to expand.

The company has been deeply involved in the field of switching power supply for many years, and has continuously accumulated technological innovation. With its excellent product quality and technological innovation, the company has a good reputation in the power adapter industry and has become one of the leading companies in the industry. The company has established business partnerships with many well-known companies such as LG, HP, Honeywell, Roku, Technicolor, Sagemcom, Google, Walmart, Foxconn, Hikvision, Dahua Technology, etc.

In the field of data center infrastructure, the company's data center power supply products are in a leading position in China in terms of technical level, product quality, and response speed. It has become a supplier to many leading companies including Foxconn, Inspur, Star-Net, Xinhuanet, Huaqin, Lenovo, etc.

In the field of power tools and home appliance chargers, the company's power battery charger products have become a supplier to industry-leading customers, including TTI, LG, etc.

II. Main business of the company during the reporting period

(1) Main business

The company focuses on the field of power supply, mainly engaged in the research and development, production and sales of switching power supply products. As a fast-growing switching power supply company, the company is committed to providing customers with reliable, efficient and intelligent switching power supply products.

At present, the company's main products include power adapters, data center power supplies and other power supplies. The company's products are widely used in office electronics, network communication, security monitoring, smart home, new consumer electronic equipment, data centers, power battery equipment, pure electric vehicles, chemical composition equipment and many other fields.

(2) Business model

1. Procurement model

The company adopts a "centralized procurement" model. The raw materials purchased by the company mainly include semiconductors, resistors and capacitors, magnetic materials, wires, housings, etc. The company comprehensively predicts the procurement needs for a period of time in the future based on factors such as existing orders, market expectations and inventory materials, and conducts centralized procurement. It has formulated management systems such as Contract Management Regulations, Supplier Payment Management System, Procurement Control Procedures, Raw Materials, Outsourcing Suppliers Management Control Procedures, and Incoming Material Test and Inspection Control Procedures.

2. Production mode

The company's production model is based on sales and production, that is, production is arranged according to orders. The company's production planning department conducts overall control and management of production, and timely handles related problems in the execution of orders to ensure that the production plan can be successfully completed. According to the production plan, the production department of the company organizes, controls and coordinates various specific activities and resources in the production process to meet the requirements for quality, output, cost control, etc., and complete the production plan. The company mainly produces independently, and has a small amount of outsourcing processing and labor outsourcing.

3. Sales model

The company's sales model is divided into direct sales and trader sales. The company does not have an authorized distribution business model. The company's sales are mainly direct sales, with a small number of traders selling. The company's direct sales refer to direct sales to terminal brands and direct sales to electronic manufacturing service companies; trader sales refer to the company signing a sales contract with a trader, and the trader customer directly places a purchase order with the company when there is a purchase demand, and takes a buyout method to trade with the company.

4. R&D; model

Through years of R&D; accumulation, the company has established a relatively complete R&D; system and series of product R&D; standards. On this basis, it is guided by customer needs and faces different market segments to provide customers with customized products. Through the hierarchical R&D; model of standard series - customized products - regional safety certification, taking into account R&D; efficiency and precision, we continuously enrich related product categories, and obtain new profit growth points while meeting the individual needs of customers, improving customer satisfaction and stickiness, and improving the company's comprehensive competitiveness. The company's R&D; process mainly includes RFI, project review, EVT, DVT and other R&D; and design stages, as well as

Production testing phase.

III. Analysis of core competitiveness

1. Rich resources and high stickiness of major customers, building brand awareness

The company's business focuses on global layout, actively explores the global market, and participates in international market competition. During the reporting period, the company's overseas sales customers include LG, HP, Walmart, Google, Roku, Honeywell, Technicolor, Sagemcom, TTI, etc.; well-known domestic customers include Inspur, Dahua, Hikvision, Pegatron, Star-Net, Foxconn, BYD, Huaqin, Lenovo, Xinhua San, etc.

Well-known customers have high requirements for supplier inspection. The company's performance in quality control, technological innovation, cost control, delivery and after-sales service has been fully recognized by customers. After a long and strict certification and testing process, the company has reached a stable cooperative relationship with well-known customers, and the customer stickiness is high.

With the increase in the concentration of the downstream market, the market gradually tends to have power supply manufacturers with advantages in quality management, production scale and high R&D; capabilities. The company will continue to consolidate the original advantages, improve the level of R&D; technology capability, quality management level, expand production scale, and enhance internal management level.

2. Firmly control the quality control, and the products have obtained multiple certifications from many countries

The company always puts product quality in the first place. The quality of power supply products is related to the stability of electronic equipment and the safety of users. At the same time, most of the company's downstream customers are world-renowned electronic product manufacturers and have strict requirements on power supply quality. Therefore, the company is committed to improving its own quality management system, emphasizing total quality (TQM) quality management thinking, and setting up a quality center specially. Strict quality control measures have been established in R & D, procurement, production, outsourcing, after-sales and other links.

With the excellent quality of its products, the company has been recognized by well-known downstream customers and has established a long-term and stable cooperative relationship with each other. In addition, the company has successively won honorary titles such as "Shenzhen Top 100 Quality Enterprises", "Shenzhen Strong Quality City Backbone Enterprise", and "Shenzhen 2017 Quality Career Contribution Award".

Under the long-term adherence to the quality of power products, the company's business covers many countries and regions around the world, and its products have been approved to enter the international market. It has passed product safety and electromagnetic compatibility certification in many countries and regions such as China CCC, Singapore PSB, South Korea KC, Japan PSE, Mexico NOM, South Africa NRCS, U.S. UL, U.S. FCC, Germany GS, EU CE, India BIS, Russia EAC and so on.

3. The R&D; team and system are gradually improved, and the technological innovation strength is continuously enhanced

The company has been deeply involved in the field of power supply for many years, has in-depth research and development capabilities in multiple disciplines, and is good at integrating technologies in multiple fields for comprehensive research and development innovation. The company is equipped with a full-featured, all-round R&D; and product comprehensive laboratory, and product technical parameters can be independently designed, tested and experimented, ensuring the speed of R&D; and quality standards.

The company has R&D; centers in Shenzhen, Hangzhou, Shanghai and other places, which can cooperate with customers more efficiently and improve the company's overall R&D; service level. Relying on a high-level professional technical research and development team, the company's technological innovation strength has been continuously enhanced. As of December 31, 2024, the company has obtained 22 invention patents, 152 utility model patents, 26 design patents, and 86 software copyrights.

According to the market characteristics and technical characteristics of power products, the company builds multiple R&D; teams to accurately serve customers, establishes R&D; strategies from platform-based standard products to precise customization, and establishes R&D; projects based on customers' precise needs. The R&D; department implements dual-axis management of "technical indicators-market returns", technical solutions are managed by the R&D; leader, and market returns are managed by the business leader. Under the coordination of the business team, the company's R&D; team is directly responsible to the customer, To achieve a balance between technological innovation and market mechanisms.

In order to better serve customers and enhance the company's brand influence, the company further improved the internal R&D; system and set up project R&D; and pre-research teams. In the process of tracking customer needs, the project R&D; team continuously improves the performance of existing products, enhances customers' cooperation intentions, and timely captures customer project needs and feeds them back to the pre-research team. The pre-research team is responsible for tracking the latest technological trends in the industry, and carrying out forward-looking technical research and technical reserves based on the new needs put forward by customers. It will help the company to analyze and adjust plans in conjunction with upstream and downstream changes in the industry, so that the company can keep leading in R&D; technology, and can apply innovative technologies to practical and effective products, accelerate the project R&D; team to win customers, drive sales growth, and obtain market returns. The two teams cooperate with each other to form a good technology and information cycle and enhance the company's comprehensive strength in research and development.

4. Some honors

Serial number	Honors/Awards	Issuing unit	Award-winning year
1	Guangdong Province Manufacturing Single Champion Enterprise in 2024	Guangdong Provincial Department of Industry and Information Technology	2024
2	Top 500 Manufacturing Enterprises in Guangdong Province in 2024	Guangdong Manufacturing Association, Guangdong Development and Reform Research Institute, Jinan University Industrial Economic Research Institute	2024
3	2024 Guangdong Top 500 Enterprises	Guangdong Enterprise Confederation, Guangdong Entrepreneurs Association	2024
4	2023 Guangdong-Hong Kong-Macao Greater Bay Area Enterprise Innovation Ability List-Innovation Achievement List	Expert Review Committee of Enterprise Innovation List in Guangdong-Hong Kong-Macao Greater Bay Area	2024
5	The 22nd Shenzhen Enterprise Innovation Record "Independent Innovation Benchmarking Enterprise"	Shenzhen Federation of Industry	2024
6	The 4th "Shenzhen Top 100 Quality Enterprises"	Shenzhen Enterprise Confederation	2024
7	The 3rd Shenzhen Top 100 Brand Enterprises	Shenzhen Quality City Promotion Association	2024
8	2024 Shenzhen Top 500 Enterprises	Shenzhen Enterprise Confederation, Shenzhen Entrepreneurs Association	2024
9	2024 Shenzhen Top 100 Industry Leaders	Shenzhen Industry Leaders Enterprise Development Promotion Association, Shenzhen Economic Daily	2024
10	The 22nd Shenzhen Enterprise Innovation Record ① "A high-power digital CRPS power supply with fault monitoring and early warning function"② The project of "Localized Application Practice of Core Chips for High-Performance Server Power Supply"	Shenzhen Enterprise Innovation Record Review Committee, Shenzhen Enterprise Innovation Record Organization Committee	2024
11	Member unit of computing power industry development phalanx	China Academy of Information and Communications Technology Computing Power Industry Development Phalanx	2024
12	2024 New Generation Information Technology TOP 100	Beijing Association for the Promotion of Asia-Pacific Economic Cooperation, China Industrial Cooperation Association	2024
13	2024 China's high-end server power supply innovation demonstration enterprise	Beijing Association for the Promotion of Asia-Pacific Economic Cooperation, China Industrial Cooperation Association	2024
14	2024 "AILE" Award Ai Best Innovative Product Award	Wuzhou Industrial Development Forum Organizing Committee	2024
15	Top 10 "Excellent Suppliers" in the Power Adapter Industry in Greater China from 2022 to 2023	Big-Bit Business Network	2024

In terms of expenses, during the reporting period, the company's expenses amounted to RMB 443 million, a year-on-year decrease of 4.14%; the expense ratio was 11.66%, a year-on-year decrease of 4.44 percentage points. The annual sales expenses were RMB 88,215,500, a year-on-year increase of 22.58%, and the sales expense ratio was 2.32%, a slight decrease of 0.18 percentage points year-on-year, mainly due to the increase in the company's sales scale. Administrative expenses were 156 million yuan, a year-on-year increase of 2.67%; the administrative expense ratio was 4.11%, a year-on-year decrease of 1.19 percentage points, mainly due to the decrease in equity-based incentive expenses. R & D expenses were 213 million yuan, a year-on-year decrease of 7.64%; R&D; expense ratio was 5.60%, a year-on-year decrease of 2.42 percentage points, mainly because some related R&D; expenses were no longer included in the consolidated financial statements after the divestiture of subsidiaries; the company continued to maintain R&D; investment in various product areas around its main business, which provided impetus for the long-term stable development of the business. Financial expenses were -13,915,800 yuan, mainly due to the higher exchange rate of the US dollar and the realization of gains from foreign exchange.

In terms of EBITDA, during the reporting period, the company's EBITDA was 478 million yuan, a year-on-year increase of 31.68%, mainly due to the increase in net profit.

In terms of net profit, during the reporting period, the company achieved a net income attributable to parent of 268 million yuan, a year-on-year increase of 36.92%, and a net profit margin of 7.06%, a year-on-year increase of 0.24 percentage points, mainly due to the growth of revenue scale and the gradual restoration of profitability. The company's net income attributable to parent after deducting non-recurring gains and losses was 256 million yuan, a year-on-year increase of 272.97%, mainly because the company's divestiture of subsidiary equity in 2023 confirmed that the investment income was non-operating gains and losses, so the net income attributable to parent after deducting non-recurring gains and losses increased significantly compared with the previous year.

2. The main business of the company

(1) Power adapter: The steady development of the business highlights the resilience, waiting for the recovery of downstream demand

The company started the power adapter business in 2004, and its layout covers 3W-400W power range products, with a wide range of applications, including office electronics, network communications, security monitoring, smart home, new consumer electronic equipment and other fields. The company's power adapter business has developed for many years and has become the company's most mature and stable basic disk business.

During the reporting period, the operating income of the power adapter business was 1.673 billion yuan, a year-on-year increase of 4.96%. In 2024, the global consumer electronics market as a whole is still in a relatively weak state of demand. The company is actively expanding into new markets and new customers, and the revenue of power adapters has achieved positive growth.

During the reporting period, the gross profit margin of the power adapter business was 18.26%, a year-on-year decrease of 1.84 percentage points, mainly due to the downturn in the industry, and the decline in the value of some products and the level of gross profit margin.

With years of accumulation, the company's power adapter research and development technology has taken the lead in the industry, and has a good brand effect and customer reputation in the market. In the future, the combination of consumer electronics and artificial intelligence (AI) technology will accelerate the transformation and innovation of consumer electronics terminal equipment and promote the further development of the industry. In the huge market of 100 billion switching power supplies, the company will continue to expand more categories horizontally, cultivate vertically to gain more customer shares, and at the same time continue to improve operating efficiency, take multiple measures to enhance market competitiveness and operational risk resistance, and achieve steady development of the power adapter business.

(2) Data center power supply: The revenue of high-power products has grown dazzlingly, consolidating the first-mover advantage and increasing market share

The data center power supply business is the focus of the company's long-term development strategy. After several years of R&D; investment and business expansion, the company has become one of the major domestic data center power supply manufacturers, and related products have been highly recognized by head server manufacturers and downstream end customers.

In terms of product types, data center power supplies mainly include network security, communication and other data center power supplies, general-purpose server power supplies, and high-power server power supplies, covering full-power product series such as below 800 W, 800-2,000 W, and above 2,000 W. In terms of server power products and solutions, the company has launched core products including 3,200W titanium M-CRPS server power supply, 1,300W-3,600W titanium CRPS server power supply, 3,300W-5,500W titanium and ultra-titanium GPU server power supply, immersed liquid-cooled server power supply and rack power supply (Power Shelf) solutions, and the R&D technology and products are at the leading level.

During the reporting period, the operating income of the data center power supply business was 1.459 billion yuan, a year-on-year increase of 79.95%. The proportion of contribution to operating income continued to increase, which became the main factor driving the company's revenue growth. Among them, the high-power data center power supply business achieved revenue of 780 million yuan, a significant increase of 536.88% over the same period last year, and the proportion of the overall revenue of the data center power supply business increased to 53.48%, maintaining a strong growth momentum.

During the reporting period, the gross profit margin of the data center power supply business was 25.04%, a year-on-year increase of 5.49 percentage points, mainly due to the increase in the proportion of high-power server power supply products shipped, the improvement of product structure and the optimization of profitability.

Relying on forward-looking layout and excellent R&D strength, the company's high-power server power supply products have been at the leading level in China and comparable to the international high-end level. It is one of the few power supply suppliers in the market that can achieve large-scale sales of high-power server power supplies. The company has successively shipped to well-known domestic server system manufacturers such as Inspur, Foxconn, Hixih, Lenovo, ZTE, and Xinhua 3. The company has also maintained close cooperation with domestic leading Internet companies and other end customers, and its comprehensive strength has been highly recognized by customers.

In the future, the company will continue to closely follow the upgrade trend of the server industry and the growth opportunities of the AI industry, actively seize the opportunities of domestic substitution, and accelerate the expansion of overseas markets. With excellent technical strength, high-quality and high-performance products, and leading cost competitiveness, the company will continue to tap existing and incremental customer needs.

(3) Other power sources: return to the normalized growth track and explore and extend the layout of new fields

The company adheres to the power supply industry and continuously develops new application areas around power supply technology, including lithium battery power tools and home appliance chargers, pure electric vehicle chargers, high-wattage power battery equipment chargers, chemical composition equipment, etc.

During the reporting period, the company's other power supply business revenue was 649 million yuan, a year-on-year increase of 48.71%. In 2024, the global power tool market demand will return to a normalized growth track, and with the introduction of new customers, the company's power tool charger business revenue will achieve substantial growth, which is the main factor driving the year-on-year increase in the revenue of other power supply business segments.

During the reporting period, the gross profit margin of the other power supply business was 20.30%, a year-on-year increase of 2.30 percentage points, mainly due to the significant increase in the revenue of the power tool charger business, the optimization of the product structure, and the increase in the proportion of high-margin businesses.

In the field of lithium battery power tools and home appliance chargers, in addition to consolidating the original supply ratio among customers, the company will strive to continuously expand new projects with existing customers through project experience, product quality, production capacity coordination, delivery capacity, etc., increase the supply ratio among existing customers, and continue to expand new customers and new markets to achieve steady and upward development of the business segment.

In addition, the new products invested by the company have achieved initial results in customer development. The business of power battery chargers in the field of electric two-wheelers and tricycles, and power supply for chemical components and equipment is proceeding in an orderly manner. The company will continue to rely on its own R&D and innovation advantages, actively explore and research new products and new technologies, and continuously expand new application fields and groups through product extension, so as to help the business achieve a diversified layout.

2. Revenue and Cost

(1) Composition of operating income

Overall operating income

Unit: Yuan

	2024		2023		Year-on-year increase or decrease
	Amount	Proportion of operating income	Amount	Proportion of operating income	
Total operating income	3,797,533,142.40	100%	2,869,998,960.72	100%	32.32%
By industry					
Computer, communications and other electronic equipment manufacturing	3,779,999,761.15	99.54%	2,840,388,920.89	98.97%	33.08%
Other business	17,533,381.25	0.46%	29,610,039.83	1.03%	-40.79%
Sub-product					
Power adapter	1,672,517,032.28	44.04%	1,593,544,451.13	55.52%	4.96%
Data center power supply	1,458,925,278.39	38.42%	810,718,021.73	28.25%	79.95%
Other power	648,557,450.48	17.08%	436,126,448.03	15.20%	48.71%
Other business	17,533,381.25	0.46%	29,610,039.83	1.03%	-40.79%
By regions					
Domestic sales	2,129,518,119.50	56.08%	1,527,012,518.74	53.21%	39.46%
Overseas sales	1,668,015,022.90	43.92%	1,342,986,441.98	46.79%	24.20%
Sub-sales model					
Direct selling	3,797,533,142.40	100.00%	2,869,998,960.72	100.00%	32.32%

(2) The situation of industries, products, regions and sales models that account for more than 10% of the company's operating income or operating profit

Applicable ☒ Not applicable

Unit:
Yuan

	Operating income	Operating cost	Gross margin	Increase or decrease in operating income over the same period of the previous year	Operating costs increased or decreased compared to the same period last year	Gross profit margin increased or decreased compared with the same period last year
By industry						
Computer, communications and other electronic equipment manufacturing	3,779,999,761.15	2,977,745,009.33	21.22%	33.08%	30.43%	1.60%
Sub-product						
Power adapter	1,672,517,032.28	1,367,180,578.27	18.26%	4.96%	7.38%	-1.84%

Data center power supply	1,458,925,278.39	1,093,640,449.31	25.04%	79.95%	67.67%	5.49%
Other power	648,557,450.48	516,923,981.75	20.30%	48.71%	44.54%	2.30%
By regions						
Domestic sales	2,129,518,119.50	1,722,013,695.10	19.14%	39.46%	31.61%	4.82%
Overseas sales	1,668,015,022.90	1,264,305,991.13	24.20%	24.20%	26.97%	-1.66%
Sub-sales model						
Direct selling	3,797,533,142.40	2,986,319,686.23	21.36%	32.32%	29.61%	1.64%

If the statistical caliber of the company's main business data is adjusted during the reporting period, the company's main business data adjusted according to the caliber at the end of the reporting period in the most recent year

■ Applicable Not Applicable

(3) Whether the company's physical sales income is greater than the labor income

Yes ■ No

Industry classification	Projects	Unit	2024	2023	Year-on-year increase or decrease
Computer, communication and	Sales volume		105,420,122.00	103,631,989.00	1.73%
Other electronic equipment manufacturing	Production volume		109,083,090.00	103,834,895.00	5.05%
	Inventory		10,587,286.00	7,288,890.00	45.25%

Explanation of the reasons why the relevant data has changed by more than 30% year-on-year

Applicable ■ Not applicable

Orders increased more in this period, production quantity increased more, and the inventory quantity at the end of the period increased compared with the previous period.

(4) The performance of major sales contracts and major procurement contracts signed by the company as of the reporting period

■ Applicable Not Applicable

(5) Composition of operating costs

Industry classification

Industry classification

Unit:
Yuan

Industry classification	Projects	2024		2023		Year-on-year increase or decrease
		Amount	Proportion of operating cost	Amount	Proportion of operating cost	
Computer, communications and other electronic equipment manufacturing	Direct material	2,214,653,776.82	74.16%	1,700,693,606.17	73.81%	30.22%
Computer, communications and other electronic equipment manufacturing	Direct labor	243,865,545.17	8.17%	176,183,662.69	7.65%	38.42%
Computer, communications and other electronic equipment manufacturing	Manufacturing expenses	421,441,859.17	14.11%	313,685,807.97	13.61%	34.35%
Computer, communications and other electronic equipment manufacturing	other	97,783,828.17	3.27%	92,516,015.38	4.02%	5.69%
Other business expenses	Operating cost	8,574,676.90	0.29%	21,057,942.31	0.91%	-59.28%
Total:		2,986,319,686.23	100.00%	2,304,137,034.52	100.00%	29.61%

Description

No

(6) Whether the scope of consolidation has changed during the reporting period

Yes ☒ No

On April 30, 2024, Hong Kong Honor Electron Technology Co., Ltd. will jointly fund the establishment of MÉXICO HONOTO INDUSTRY S.A. de C.V., with a subscribed registered capital of 72.270 million Mexican pesos, and (U.S.) Axnon Co., Ltd. with a subscribed registered capital of 730 million Mexican pesos, with its registered address in Monterrey, Nuevo Leon, Mexico. Hong Kong Honor Electron Technology Co., Ltd. holds 99% of the shares, (U.S.) Ashneng Co., Ltd. holds 1% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares.

MÉXICO HONOTO INDUSTRY S.A. de C.V. has been incorporated into the scope of consolidation since its inception.

(7) Significant changes or adjustments in the company's business, products or services during the reporting period

■ Applicable Not Applicable

(8) Major sales customers and major suppliers

The company's main sales customers

The total sales amount of the top five customers (yuan)	1,428,489,872.16
The proportion of the total sales amount of the top five customers to the total annual sales	37.62%
The proportion of related party sales in the top five customer sales to the total annual sales	0.00%

The company's top 5 customers

Serial number	Customer name	Sales (yuan)	% of total annual sales
1	First place	428,636,314.28	11.29%
2	Second place	331,111,477.35	8.72%
3	Third place	262,573,413.57	6.91%
4	Fourth place	231,068,939.69	6.08%
5	Fifth place	175,099,727.27	4.62%
Total	--	1,428,489,872.16	37.62%

Other descriptions of major customers

■ Applicable Not Applicable

The company's main suppliers

The total purchase amount of the top five suppliers (yuan)	302,705,528.47
The proportion of the total purchase amount of the top five suppliers to the total annual purchase amount	11.58%
The proportion of related party purchases in the total annual purchases of the top five suppliers	0.00%

The company's top 5 suppliers

Serial number	Supplier name	Purchase amount (yuan)	Percentage of total annual purchases
1	First place	95,987,159.65	3.67%
2	Second place	62,167,193.90	2.38%
3	Third place	51,038,707.29	1.95%
4	Fourth place	47,577,009.98	1.82%
5	Fifth place	45,935,457.65	1.76%
Total	--	302,705,528.47	11.58%

Other descriptions of major suppliers

■ Applicable Not Applicable

3. Fees

Unit:
Yuan

	2024	2023	Year-on-year increase or decrease	Description of major changes
Selling expense	88,215,520.04	71,964,904.20	22.58%	No major changes.
Administration expense	155,959,268.28	151,905,711.61	2.67%	No major changes.

Finance expense	-13,915,815.35	7,930,751.18	-275.47%	Mainly due to the increase in interest income and foreign exchange gains in the current period compared with the same period of the previous year.
R&D; expenses	212,590,626.98	230,188,399.52	-7.64%	No major changes.

4. R&D; investment

Applicable ■ Not applicable

Main R&D; project name	Project purpose	Project progress	Goals to be achieved	Expected impact on the company's future development
An AC/DC, AC-AC conversion intelligent communication power supply	To meet the customized power supply needs of consumer electronics customers	Finished	Customize an AC/DC, AC-AC conversion intelligent communication power supply, support multi-DC voltage output, multi-AC voltage output, power ranging from 1250W to 4000W, can meet PD3.0, PPS and OC 3.0 communication protocol specifications, with intelligent communication with terminal products, intelligent voltage conversion, one product with multiple terminal use, etc	Assist the company to expand customers and markets in other power supply fields
A new lithium battery power tool charger	To meet the customized power supply requirements of power tools	Finished	Customized a new type of lithium battery electric charger, which can automatically switch to charge two different specifications of lithium batteries, supports wide voltage input (90 ~ 264 Vac), fast charging time, small volume 240W power, and meets EU energy efficiency requirements	Assist the company to expand customers and markets in other power supply fields

A new GaN MOS high-power multi-port intelligent PD power supply	To meet the customized power supply needs of consumer electronics customers	In progress	A GaN MOS high-power multi-port intelligent PD power supply is customized to meet the energy efficiency requirements of DOE VI and CoC Tier 2. The product can work at a wider ambient temperature (0 ~ 35 degrees), a wider output voltage of 5-28V, a lower electrolytic capacitor temperature, a smaller volume, and a longer product life. 4 TYPE C ports plus two USB A ports intelligently distribute power, providing 300 Wmax continuous output power.	Assist the company to expand customers and markets in the power adapter field
A low-voltage DC/DC digital domestic PoE power supply	To meet the customized power supply requirements of network equipment customers	Finished	Customize a low-voltage DC/DC digital domestic PoE power supply, realize high-precision and stable high-current output in high-temperature working environment, and meet customers' parallel and communication requirements, with high-precision, high-reliability, digital control, support for I2C communication protocol and fault black box query, etc	Assist the company to expand customers and markets in the data center field

A high-power vehicle drone charger	To meet the customized power supply needs of UAV customers	In progress	Customize a high-power vehicle UAV charger, application Between the new energy vehicle and the large agricultural drone, the reserved power of the new energy vehicle is charged through the battery of the charger and the drone, which realizes the communication interaction and real-time monitoring between the charger and the new energy vehicle. The output power reaches 15 KW, and it can be compatible with the vehicle interface and communication protocol	Assist the company to expand customers and markets in other power supply fields
A server power supply that meets the national EDPP function	To meet the customized power supply requirements of data center customers	In progress	Customize a national EDPP functional server power supply, which has the characteristics of high efficiency, high reliability, intelligence, support for PMBus 1.2 protocol, online upgrade and fault black box query. The hardware of the whole product is localized, which can cope with harsh application environments such as dynamic, overload, short circuit, high temperature and humidity, drop, etc	Assist the company to expand customers and markets in the data center field
A high-efficiency and high-power density 3400W server power supply	To meet the customized power supply requirements of data center customers	In progress	Customize a high-efficiency and high-power density 3400 W server power supply to meet the requirements of GPU dynamic load, with a peak efficiency of 96% (titanium), 3400 W output, intelligent energy monitoring and management and digital control technology, and a power density exceeding 100 W/inch 3	Assist the company to expand customers and markets in the data center field

A high-reliability 2400W server power supply	To meet the customized power supply requirements of data center customers	In progress	Customize a high-reliability 2400W server power supply to meet the requirements of GPU dynamic load, with a peak efficiency of 96% (titanium), 2400W output, intelligent energy monitoring and management and digital control technology, and a power density of 80W/inch ³	Assist the company to expand customers and markets in the data center field
An immersed liquid-cooled centralized power supply system	To meet the customized power supply requirements of data center customers	In progress	Customize an immersed liquid-cooled centralized power supply system, develop a power supply and powershell with a peak efficiency of 96% (titanium gold), adopt immersed liquid-cooled + centralized power supply, improve the overall power supply conversion efficiency, support N + 2 redundancy, and reduce customer usage costs	Assist the company to expand customers and markets in the data center field
An ATS dual input 5.5KW server power supply	To meet the customized power supply requirements of data center customers	In progress	Customized an ATS dual-input 5.5KW server power supply, the efficiency meets the requirements of ultra-titanium gold, the peak efficiency of ATS components exceeds 97%, adopts advanced all-digital control technology, has the characteristics of high efficiency, high density, digitalization, high reliability, etc., supports hot swap, and can be applied to centralized power supply solution	Assist the company to expand customers and markets in the data center field

An M-CRPS 3200W high-performance server power supply	To meet the customized power supply requirements of data center customers	In progress	Customized M-CRPS 3200W high-performance server power supply to meet the requirements of GPU dynamic load, peak efficiency of 96% (titanium), 3200W output, intelligent energy monitoring and management and digital control technology, power density exceeding 100W/inch 3	Assist the company to expand customers and markets in the data center field
A localized 2000W server power supply	To meet the customized power supply requirements of data center customers	In progress	Customize a localized 2000W server power supply, realize a 100% localized device solution, and adopt a number of technological innovations such as soft switching technology, modular technology, digital control, and technology platform design	Assist the company to expand customers and markets in the data center field
A high-reliability air-cooled 33KW power shelf	To meet the customized power supply requirements of data center customers	In progress	Customize a high-reliability air-cooled 33KW power shelf, based on the company's existing 5.5kW GPU server power supply development, for high-computing power server systems, to achieve a system power of 33kW	Assist the company to expand customers and markets in the data center field

Company R&D; personnel

	2024	2023	Change ratio
Number of R&D; personnel (person)	686	575	19.30%
Proportion of R&D; personnel	14.20%	13.81%	0.39%
R & D personnel education			
Undergraduate	234	152	53.95%
Master	38	26	46.15%
Undergraduate and below	414	397	4.28%
Age composition of R&D; personnel			
Under 30	285	212	34.43%
30 ~ 40 years old	271	251	7.97%
Over 40 years old	130	112	16.07%

The company's R&D; investment in the past three years and its proportion in operating income

	2024	2023	2022
R & D investment amount (yuan)	212,590,626.98	230,188,399.52	197,887,249.04
R & D investment as a percentage of operating income	5.60%	8.02%	7.32%

Amount of capitalized R&D; expenditure (yuan)	0.00	0.00	0.00
Capitalized R&D; expenditure as a percentage of R&D; investment	0.00%	0.00%	0.00%
The proportion of capitalized R&D; expenditure in the current net profit	0.00%	0.00%	0.00%

The reasons and impacts of major changes in the composition of the company's R&D; personnel

■ Applicable Not Applicable

Reasons for the significant change in the proportion of total R&D; investment in operating income compared with the previous year

■ Applicable Not Applicable

Reasons for the substantial change in the capitalization rate of R&D; investment and its rationality

■ Applicable Not Applicable

5. Cash flow

Unit: Yuan

Projects	2024	2023	Year-on-year increase or decrease
Subtotal of cash inflow from operating activities	3,290,201,740.26	2,581,319,711.92	27.46%
Subtotal of cash outflows from operating activities	2,893,137,701.61	2,188,944,929.62	32.17%
Net cash flow from operating activities	397,064,038.65	392,374,782.30	1.20%
Subtotal of cash inflows from investing activities	302,648,031.60	536,267,480.41	-43.56%
Subtotal of cash outflows from investing activities	929,796,275.47	706,658,713.19	31.58%
Net cash flows from investing activities	-627,148,243.87	-170,391,232.78	-268.05%
Subtotal of cash inflows from financing activities	982,574,293.14	225,000,000.00	336.70%
Subtotal of cash outflows from financing activities	424,315,132.80	358,766,423.71	18.27%
Net cash flow from financing activities	558,259,160.34	-133,766,423.71	517.32%
Cash and cash equivalents	346,723,413.39	89,870,014.67	285.81%

Description of the main influencing factors for the significant year-on-year changes in relevant data

Applicable ■ Not applicable

1. The net cash flow from investing activities decreased by 268.05% compared with the same period of the previous year, mainly due to the purchase of wealth management products in the current period.

2. The net cash flow from financing activities increased by 517.32% over the same period of the previous year, mainly due to the receipt of funds raised from convertible bonds during the current period.

Explanation of the reasons for the significant difference between the net cash flow generated by the company's operating activities during the reporting period and the net profit of the current year

Applicable ☒ Not applicable

During the reporting period, the company's net cash flow from operating activities was 397,064 million yuan, net profit was 268,470,200 yuan, and the difference was 128,593,800 yuan. The reasons for the differences are detailed in: Section X, VII, 58, Supplementary Information to the Cash Flow Statement.

V. Non-main business

Applicable ☒ Not applicable

Unit:
Yuan

	Amount	% of total profit	Reasons for formation	Is it sustainable
Investment income	-24,376,062.29	-8.12%	Mainly due to the recognition of investment losses for participating companies based on the equity method.	No
Fair value change	1,379,216.98	0.46%	Changes in the fair value of wealth management products during the reporting period.	No
Asset impairment	-22,775,937.21	-7.59%	This is due to the increase in the provision for falling prices of inventories in the current period.	No
Non-operating income	2,503,132.20	0.83%	Mainly due to the receipt of default deductions and typhoon loss insurance compensation in the current period.	No
Non-operating expenses	4,354,488.03	1.45%	Mainly due to the loss of asset retirement in the current period.	No
Other income	22,843,626.05	7.61%	Mainly government subsidy income.	No
Credit impairment loss	-23,586,957.63	-7.86%	It is due to the provision for bad debts of accounts receivable.	No

VI. Analysis of Assets and Liabilities

1. Significant changes in asset composition

Unit:
Yuan

	End of 2024		Early 2024		Proportion increase or decrease	Description of major changes
	Amount	% of total assets	Amount	% of total assets		
Monetary fund	1,026,474,448.78	19.29%	669,082,320.25	17.84%	1.45%	Mainly due to the receipt of funds raised from the issuance of convertible bonds in the current period.
Accounts Receivable	1,387,878,242.93	26.08%	890,787,486.41	23.76%	2.32%	Mainly due to the increase in sales volume during the current period.
Inventory	464,660,221.88	8.73%	336,461,913.00	8.97%	-0.24%	Mainly due to the increase in sales volume during the current period.
Investment real estate	247,119,393.91	4.64%	120,727,136.94	3.22%	1.42%	Mainly due to the transfer of fixed assets in the current period.
Long-term equity investment	77,049,072.73	1.45%	95,121,442.43	2.54%	-1.09%	No major changes.
Fixed assets	960,690,289.12	18.05%	1,013,803,559.64	27.04%	-8.99%	No major changes.
Construction in progress	149,845,982.50	2.82%	133,048,776.54	3.55%	-0.73%	No major changes.
Right-of-use asset	97,466,146.65	1.83%	40,521,407.26	1.08%	0.75%	Mainly due to the increase in housing leases in the current period.
Short-term loan	236,768,406.69	4.45%	115,057,750.00	3.07%	1.38%	Mainly due to the increase in bank loans during the current period.
Contract liabilities	1,792,045.73	0.03%	3,002,110.54	0.08%	-0.05%	Mainly due to the decrease in advance receipts in the current period.
Long-term loan	216,296,231.74	4.06%	319,550,000.10	8.52%	-4.46%	Mainly the current payment Due to repayment of bank loans.
Lease liabilities	70,977,154.16	1.33%	26,432,950.93	0.70%	0.63%	Mainly due to the increase in housing leases in the current period.

Trading financial assets	350,379,216.98	6.58%			6.58%	Mainly due to the new purchase of wealth management products in the current period.
Other receivables	32,062,887.63	0.60%	73,876,951.61	1.97%	-1.37%	Mainly due to the receipt of the equity transfer payment at the end of the previous year in the current period.
Other Current Assets	75,512,858.49	1.42%	22,798,520.43	0.61%	0.81%	Mainly due to the increase in large-value certificates of deposit deposits during the current period.
Long-term deferred expenses	163,060,861.52	3.06%	55,978,141.31	1.49%	1.57%	Mainly due to the completion and acceptance of the renovation project in this period.
Deferred Tax Assets	42,041,171.59	0.79%	19,714,145.94	0.53%	0.26%	Mainly due to the increase in deductible temporary differences.
Other non-current assets	6,139,043.43	0.12%	23,026,424.99	0.61%	-0.49%	Mainly due to the acceptance of the advance payment from the previous year in the current period.
Account payables	1,241,849,626.93	23.33%	737,489,565.72	19.67%	3.66%	Mainly due to the increase in sales scale during the current period and the corresponding increase in material purchases.
Employee compensation payable	90,476,493.28	1.70%	53,764,039.16	1.43%	0.27%	Mainly due to the increase in employee salaries during the current period.

Taxes payable	27,533,551.41	0.52%	12,190,591.69	0.33%	0.19%	Mainly due to the increase in taxes payable in the current period.
Non-current liabilities due within one year	73,358,459.81	1.38%	45,119,278.31	1.20%	0.18%	Mainly due to the increase in long-term loans and lease liabilities due within one year of the current period.
Bonds payable	546,110,938.58	10.26%		0.00%	10.26%	Mainly due to the issuance of convertible bonds in the current period.
Deferred income	28,743,011.46	0.54%	8,835,651.83	0.24%	0.30%	Mainly due to the increase in government subsidies related to assets received in the current period.
Deferred Tax Liabilities	23,641,310.99	0.44%	9,844,016.79	0.26%	0.18%	Mainly due to the increase in the amount of taxable temporary differences in the current period.

Overseas assets account for a relatively high proportion

■ Applicable Not Applicable

2. Assets and liabilities measured at fair value

Applicable ■ Not applicable

Unit: Yuan

Projects	Beginning of the period	Gains and losses from changes in fair value for the current period	Changes in cumulative fair value included in equity	Impairment accrued in the current period	Purchase amount in the current period	Amount sold in the current period	Other changes	Ending number
Financial assets								
1. Transactional financial assets (excluding derivative financial assets)	0.00	2,755,255.36			583,000,000.00	235,376,038.38		350,379,216.98
Subtotal of financial assets	0.00	2,755,255.36			583,000,000.00	235,376,038.38		350,379,216.98
Receivables Financing	17,633,625.14	0.00			0.00	0.00	221,270.40	17,854,895.54
Other Current Assets	0.00	0.00			48,000,000.00	0.00		48,000,000.00
Total of the above	17,633,625.14	2,755,255.36			631,000,000.00	235,376,038.38	221,270.40	416,234,112.52
Financial liabilities	0.00							0.00

Other changes

It is the increase or decrease in the financing of accounts receivable.

Whether there was any significant change in the measurement attributes of the company's main assets during the reporting period

■ whether

3. Restricted asset rights as of the end of the reporting period

Projects	Book value at the end of the period (yuan)	Restricted reason
Monetary fund	151,871,773.85	Apply to the bank for the security deposit for the issuance of bank acceptance bills, and the funds frozen by the people's court in disputes over contract sales

Notes receivable	7,364,748.55	Apply to the bank for pledged bills receivable to issue a bank acceptance bill
Fixed assets	415,352,814.52	Apply for a loan from a bank to mortgage fixed assets
Investment real estate	233,254,948.00	Apply for a loan from a bank mortgage investment real estate
Intangible assets	25,700,474.35	Apply for a loan from a bank to mortgage intangible assets
Total	833,544,759.27	

VII. Analysis of investment status

1. Overall situation

Applicable ☒ Not applicable

Investment in the reporting period (yuan)	Investment in the same period last year (yuan)	Range of change
929,796,275.47	706,658,713.19	31.58%

2. Significant equity investments obtained during the reporting period

☒ Applicable Not Applicable

3. Major non-equity investments in progress during the reporting period

☒ Applicable Not Applicable

4. Financial asset investment

(1) Securities investment

☒ Applicable Not Applicable

There was no securities investment in the company during the reporting period.

(2) Derivatives investment

Applicable ☒ Not applicable

1) Derivative investments for hedging purposes during the reporting period

Applicable ☒ Not applicable

Unit: ten thousand yuan

Derivatives investment type	Initial investment amount	Amount at the beginning of the period	Gains and losses from changes in fair value for the current period	Cumulative fair value changes included in equity	Amount purchased during the reporting period	Amount sold during the reporting period	Amount at the end of the period	The amount of investment at the end of the period accounted for the company's reporting period
				Move				Net assets ratio at the end
Enhanced Spot Settlement	0	0	0	0	1,419.94	1,419.94	0	0.00%
Total	0	0	0	0	1,419.94	1,419.94	0	0.00%
The accounting policies and specific principles of accounting for hedging business during the reporting period, and an explanation of whether there have been significant changes compared with the previous reporting period	The accounting policies and specific principles of accounting for hedging business during the reporting period, as well as no significant changes compared with the previous reporting period							
Explanation of actual profit and loss during the reporting period	During the reporting period, the company's investment income from foreign exchange derivatives was 66,600 yuan.							
Description of hedging effect	In view of the influence of multiple factors such as frequent fluctuations in the international economic and financial environment and increased uncertainty in the fluctuation of the RMB exchange rate in recent years, in order to prevent the risk of exchange rate and interest rate fluctuations and reduce the impact of market fluctuations on the company's operations and profits and losses, the company and its subsidiaries plan to carry out foreign exchange hedging business. The company will make full use of foreign exchange hedging tools to reduce or avoid exchange rate risks arising from exchange rate fluctuations, reduce exchange losses, avoid risks, and lock in costs, which is conducive to the development of main business. The relevant hedging business conducted by the company during the reporting period achieved the expected results.							
Sources of Funds for Derivatives Investment	Own funds							

<p>Risk analysis of derivative positions during the reporting period and description of control measures (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)</p>	<p>I. Risk analysis: The company's foreign exchange hedging business follows the principle of prudence and does not conduct foreign exchange transactions for speculative purposes. All foreign exchange hedging businesses are based on normal production and operation, relying on specific business operations, and aiming at avoiding and preventing exchange rate risks. However, there are certain risks in foreign exchange hedging business, including: 1. Market risk: In the foreign exchange hedging business carried out by the company and its subsidiaries, there is a market risk of losses due to changes in the price of foreign exchange hedging products due to market price fluctuations such as the underlying exchange rate and interest rate. 2. Liquidity risk: Since the foreign exchange hedging business is carried out through financial institutions, there is a risk that the bank will have to pay fees due to insufficient liquidity and loss of liquidation and liquidation. 3. Credit risk: The counterparties of the company's foreign exchange hedging business are all financial institutions with good credit and have established business dealings with the company, and the overall credit risk is controllable. 4. Operational risk: When conducting specific business, if the operator fails to report and approve according to the prescribed procedures, or fails to accurately, timely and completely record the foreign exchange hedging business information, it may lead to losses or loss of trading opportunities. 5. Legal risks: If traders fail to fully understand the terms of the transaction contract and product information, they will face legal risks and transaction losses. II. Control measures: 1. The company has formulated the "Foreign Exchange Hedging Business Management System", which clearly stipulates the operation regulations, approval authority and information disclosure, management and internal operation procedures, information confidentiality measures, internal risk control procedures and file management of foreign exchange hedging business. 2. In order to avoid the risk of large fluctuations in exchange rates, the company will strengthen the research and analysis of exchange rates, pay attention to changes in the international market environment in real time, adjust business strategies in a timely manner, and avoid exchange losses to the greatest extent. 3. In order to avoid internal control risks, the company's financial department is responsible for the unified management of the company's foreign exchange hedging business. At the same time, the company allocates professionals to conduct foreign exchange hedging product transaction management, financial management and risk control construction. All foreign exchange transactions are based on normal production and operation and rely on specific business operations. Speculation and arbitrage transactions are not allowed, and business operations are carried out in strict accordance with the provisions of the Foreign Exchange Hedging Business Management System. Effectively guarantee the implementation of the system. 4. In order to control the risk of transaction default, the company only conducts foreign exchange hedging business with large banks and other financial institutions with legal qualifications. At the same time, the internal audit department of the company conducts monthly supervision and inspection of foreign exchange hedging business, and reviews the actual operation, capital use and profit and loss of foreign exchange hedging business on a quarterly basis. 5. The company's financial department will continue to track changes in the open market price or fair value of foreign exchange derivatives, timely assess changes in risk exposure of foreign exchange hedging transactions, report abnormal situations to management in a timely manner, prompt risks and implement emergency measures.</p>
<p>Changes in market prices or product fair values of invested derivatives during the reporting period</p>	<p>Not applicable</p>
<p>The analysis of the fair value of derivatives should disclose the specific methods used and the setting of relevant assumptions and parameters</p>	

Litigation-related circumstances (if applicable)	No
Derivatives Investment Approval Board Announcement Date (if any)	April 24, 2024

2) Derivatives investment for speculative purposes during the reporting period

■ Applicable Not Applicable

During the reporting period, the company did not invest in derivatives for speculative purposes.

5. Use of raised funds

Applicable ■ Not applicable

(1) Overall use of raised funds

Applicable ■ Not applicable

Unit: ten thousand yuan

Year of recruitment	Recruitment method	Securities listing date	Total funds raised	Net proceeds raised (1)	The total amount of funds raised in the current period	The total amount of funds raised has been used cumulatively (2)	Proportion of use of raised funds at the end of the reporting period (3) = (2)/(1)	The total amount of funds raised for change of purpose during the reporting period	The total amount of funds raised for cumulative change of purpose	The proportion of the total amount of funds raised for the cumulative change of purpose	The total amount of funds raised has not been used	The purpose and destination of the raised funds have not been used	Amount of funds raised after being idle for more than two years
2020	Initial public offering	August 24, 2020	93,129.3	84,908.98	5,881.18	82,274.76	96.90%	0	25,000	29.44%	5,329.07	Deposited in the company's special account for raised funds	0

2024	Issue convertible public to unspecified objects Company bonds	July 26, 2024	64,452.65	63,241.99	4,187.42	4,187.42	6.62%	25,925.06	25,925.06	40.99%	59,294.27	Deposited in the company's special account for raised funds and	0Wealth Management Account
Total	--	--	157,581.95	148,150.97	10,068.6	86,462.18	58.36%	25,925.06	50,925.06	34.37%	64,623.34	--	0
Description of the overall use of raised funds													
(1) The actual amount of funds raised and the time when the funds arrive in the account													
1. IPO in 2020: With the approval of the China Securities Regulatory Commission's "Approval for the Registration of the Initial Public Offering of Shenzhen Honor Electronic Co., Ltd." (Zheng Jian Li [2020] No. 1600), the company will IPO 25.30 million ordinary shares (A shares) with a par value of 1.00 yuan per share and an issue price of 36.81 yuan per share, The total amount of funds raised from the issuance is RMB 931,293,000.00. After deducting the issuance expenses (excluding VAT) of RMB 82,203,175.63, the actual net proceeds raised are RMB 849,089,824.37. The raised funds have been transferred to the company's designated account on August 17, 2020. Tianzhi International Accounting Firm (special general partnership) verified the availability of raised funds and issued "Tian Vocational Zi [2020] No. 34586" and "Shenzhen Honor Electronic Co., Ltd. Capital Verification Report".													
2. Issuance of convertible corporate bonds to unspecified objects in 2024: After the "Approval for the Registration of Shenzhen Honor Electronic Co., Ltd.'s Issuance of Convertible Corporate Bonds to Unspecified Objects" issued by the China Securities Regulatory Commission (Zheng Jian Li [2024] No. 219), the company issued 6,445,265 convertible corporate bonds to unspecified objects on July 5, 2024, each with a face value of RMB 100, The total amount of funds raised was RMB 644,526,500.00. After deducting various issuance expenses of RMB 12,106,634.44, the actual net amount of funds raised was RMB 632,419,865.56. As of July 11, 2024, all the funds raised by the above-mentioned issuance of the company have been put in place, which has been verified and confirmed by Tianzhi International Accounting Firm (Special General Partnership) with the capital verification report "Tian Vocational Zi [2024] No. 45591".													
(2) The amount used in the current year and the balance at the end of the year													
1. IPO in 2020: As of December 31, 2024, the funds raised from the IPO have invested a total of RMB 822,747,637.59, and the balance of the special account for raised funds is RMB 53,290,710.76, of which the net amount of interest income from raised funds, wealth management income and handling fees is RMB 26,948,523.98													
2. Issuance of convertible corporate bonds to unspecified objects in 2024: As of December 31, 2024, the accumulated investment of funds raised from the issuance of convertible corporate bonds to unspecified objects was RMB 41,874,236.58, and the balance of the special account for raised funds was RMB 592,942,722.87, of which the net amount of interest income from raised funds, wealth management income and handling fees was RMB 2,397,093.89, The balance of cash management using idle raised funds is 349,000,000.00 yuan													

(2) Projects committed to raising funds

Applicable ☒ Not applicable

Unit: ten thousand yuan

Financing project name	Securities listing date	Commitment to investment projects and over-raised funds	Nature of the project	Whether the item has been changed (including some changes)	Total committed investment of raised funds	Adjusted total investment (1)	Amount invested in the reporting period	Cumulative investment amount as of the end of the period (2)	Investment progress as of the end of the period (3) = (2)/(1)	The date when the project reaches the expected usable status	Benefits realized during the reporting period	Cumulative realized benefits as of the end of the reporting period	Whether the expected benefits are achieved	Whether the feasibility of the project has changed significantly
Commitment to investment projects														

2020 Initial Public Offering	August 24, 2020	Ganzhou Power Adapter Production Line Technical Transformation Project	Production construction	No	7,984.58	7,984.58	123.29	3,449.19	43.20%	November 30, 2024	Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Ganzhou Power Adapter Expansion Project	Production construction	Yes	30,275.52	5,275.52	843.83	5,912.02	112.07%	July 31, 2024	Not applicable	Not applicable	Not applicable	No
First public development in 2020	August 24, 2020	R & D center construction project	R & D projects	No	7,133	7,133	0	7,274.39	101.98%	September 30, 2022	Not applicable	Not applicable	Not applicable	No
Row														
2020 Initial Public Offering	August 24, 2020	Supplementary working capital	Replenishment	No	10,000	10,000	0	9,999.86	100.00%		Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Dongguan Honor Electron Information Equipment Manufacturing Center Project	Production construction	No	0	25,000	2,791.61	25,392.45	101.57%	January 16, 2024	Realized income of 559.36 million yuan	Realized income of 781,767,400 yuan	Yes	No

Issuance of convertible corporate bonds to unspecified objects in 2024	July 26, 2024	Honor Electro n's new headquarters and R&D; laboratory upgrade construction project	Production construction	No	27,914.1	27,027.58	4,187.42	4,187.42	15.49%	August 16, 2027	Not applicable	Not applicable	Not applicable	No
Issuance of convertible corporate bonds to unspecified objects in 2024	July 26, 2024	Supplementary working capital	Replenishment	No	11,500	10,289.35	0	0	0.00%		Not applicable	Not applicable	Not applicable	No
Issuance of convertible corporate bonds to unspecified objects in 2024	July 26, 2024	Project with an annual output of 1.45 million data center power supplies	Production construction	Yes	25,925.06	25,925.06	0	0	0.00%	January 22, 2027	Not applicable	Not applicable	Not applicable	No
Subtotal of Committed Investment Projects				--	120,732.26	118,635.09	7,946.15	56,215.33	--	--	Realized income of 559.36 million yuan	Realized income of 781,767,400 yuan	--	--
Over-raised funds invested														
2020 Initial Public Offering	August 24, 2020	Dongguan Power Adapter Expansion Project	Production construction	No	4,800	4,800	0	4,824.01	100.50%	June 30, 2021	Realized income of RMB 280,322,000	Realized income of RMB 1,119,592,200	Yes	No
2020 first public	August 24, 2020	Over-raised funds supplement	Replenishment	No	8,500	8,500	0	8,500	100.00%		Not applicable	Not applicable	Not applicable	No

Development bank	Day	Working capital												
2020 Initial Public Offering	August 24, 2020	Shenzhen Honor Electronic Power Technical Transformation Project	Production construction	No	4,800.39	4,800.39	0	4,631.26	96.48%	June 21, 2022	Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Pay part of the purchase price of the property	Production construction	No	10,000	10,000	0	10,000	100.00%		Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	The remaining over-raised funds will permanently supplement the working capital	Replenishment	No	2,122.45	2,122.45	2,122.45	2,122.45	100.00%		Not applicable	Not applicable	Not applicable	No
Repayment of bank loan (if any)				--	0	0	0	0	0.00%	--	--	--	--	--
Supplementary working capital (if any)				--	0	0	0	0	0.00%	--	--	--	--	--
Over-raised funds invested in subtotal				--	30,222.84	30,222.84	2,122.45	30,077.72	--	--	Realized income of RMB 280,322,000	Realized income of RMB 1,119,592,200	--	--
Total				--	150,955.1	148,857.93	10,068.6	86,293.05	--	--	Realized income of RMB 839.68 million	Realized income of RMB 1,801,359,400	--	--

<p>Sub-project description of the situation and reasons for not reaching the planned progress and expected benefits (including the reasons for selecting "not applicable" for "whether the expected benefits have been achieved")</p>	<p>2020 IPO projects: Competitiveness.(1) Ganzhou power adapter production line technological transformation project: Due to the development of the industry in recent years, the power supply industry cluster has been formed, which has provided the company with a good R & D, production and sales environment. The company is in a rapid development stage as a whole. Based on factors such as long-term development strategy, future business layout and customer orders, the company will rationally and orderly carry out production capacity layout and construction, allocate resources rationally and effectively, and strive to maximize benefits and synergies. In 2021, under the unfavorable environment such as the impact of force majeure, the tight supply of raw materials and the shortage of goods, the company considered the strategic layout, the plan to increase production capacity and the profit performance, and the progress of the project experienced a certain delay. Under the circumstance that the implementation subject, total investment amount and use of funds of the raised funds investment projects remain unchanged, according to the current actual construction progress of the raised funds investment projects, the company held the third meeting of the second board of directors in 2022 and the second meeting of the second board of directors in 2022 on April 20, 2022, and reviewed and approved the "Proposal on the Extension of Some Raised Investment Projects", Agreed to extend the project's available status date to November 30, 2024. Since the construction of the "Ganzhou Power Adapter Production Line Technical Transformation Project", the overall downstream consumer electronics market demand has been relatively weak, and the company's power adapter business revenue growth rate is less than expected. After careful evaluation and evaluation, the company comprehensively considers the macro environment and changes in the market environment, combined with the actual situation of the market and the project, the overall business layout and strategic planning, it plans to terminate the "Ganzhou Power Adapter Production Line Technical Transformation Project", The remaining funds raised from the above-mentioned projects will be permanently supplemented with working capital. The company held the seventh meeting of the third board of directors in 2024 and the sixth meeting of the third board of supervisors in 2024 on October 28, 2024, and reviewed and approved the "Proposal on Terminating Investment Projects with Partially Raised Funds and Permanently Supplementing Working Capital with the Remaining Funds Raised", And on November 18, 2024, the company's second extraordinary general meeting of shareholders in 2024 will be held for deliberation and approval.(2) R&D; center construction project: Affected by the company's actual operating conditions, market environment, force majeure and other factors, the overall progress of the R&D; center project was slightly slower than expected. The company fully considered the project construction cycle and the use of funds. After careful consideration, the company held the third meeting of the second board of directors in 2022 and the second meeting of the second board of directors in 2022 on April 20, 2022. The "Proposal on Extension of Some Fund-raising Projects" was reviewed and approved, and it was agreed to extend the time for the project to reach the expected usable state until September 30, 2022. The R&D; center construction project does not produce direct economic benefits, but it can enhance the company's core technical capabilities and further improve the company's core(3) Ganzhou power adapter expansion project: Due to the development of the industry in recent years, the power supply industry cluster has been formed, which has provided the company with a good environment for R & D, production and sales. The company is in a rapid development stage as a whole. Based on factors such as long-term development strategy, future business layout and customer orders, the company will rationally and orderly carry out production capacity layout and construction, allocate resources rationally and effectively, and strive to maximize benefits and synergies. In 2021, under the unfavorable environment such as the impact of force majeure, the tight supply of raw materials and the shortage of goods, the company considered the strategic layout, the plan to increase production capacity and the profit performance, and the progress of the project experienced a certain delay. Under the circumstance that the implementation subject, total investment amount and use of funds of the raised funds investment projects remain unchanged, according to the current actual construction progress of the raised funds investment projects, the company held the third meeting of the second board of directors in 2022 and the second meeting of the second board of directors in 2022 on April 20, 2022, and reviewed and approved the "Proposal on the Extension of Some Raised Investment Projects", Agreed to extend the project's available status date to July 31, 2024.</p>
<p>Description of major changes in project feasibility</p>	<p>Dongguan Honor Electron Information Equipment Manufacturing Center Project (IPO project in 2020):The company held the sixth meeting of the second board of directors in 2021 and the fifth meeting of the second board of supervisors in 2021 on July 16, 2021, and held the first extraordinary general meeting of shareholders in 2021 on August 2, 2021. The Proposal on Changing the Use of Part of the Funds Raised was reviewed and approved respectively. According to the company's long-term development strategy and the development status of the power adapter industry, in order to better support the company's business development needs, improve production capacity and product structure layout, improve the efficiency of the use of raised funds, and protect the interests of small and medium shareholders, after the company's research and decision, it is planned to change the use of part of the raised funds in the original "Ganzhou Power Adapter Expansion Project" and invest in the newly raised investment project "Dongguan Honor Electron Information Equipment Manufacturing Center Project", The amount of raised funds to be changed is 250 million yuan, accounting for 29.44% of the total net raised funds. The main body of the newly-raised investment project is Dongguan Honor Electron Electronics Co., Ltd., a wholly-owned subsidiary of the company</p>

The amount, purpose and progress of the use of over-raised funds	<p>Applicable</p> <p>(1) Dongguan power adapter expansion project (IPO project in 2020):On September 17, 2020, the first meeting of the second board of directors in 2020 and the first meeting of the second board of supervisors in 2020 reviewed and approved the "Proposal on Using Over-raised Funds to Invest in Dongguan Power Adapter Expansion Project and Open a Special Account for Raised Funds", agreed to use part of the over-raised funds to invest in the Dongguan Power Adapter Expansion Project, and plans to use RMB 48.0 million of over-raised funds to invest in the Dongguan Power Adapter Expansion Project, The project reached its expected usable status on June 30, 2021.(2) Over-raised funds to supplement working capital (IPO project in 2020):The second meeting of the second board of directors in 2021 and the second meeting of the second board of supervisors in 2021 will be held on April 13, 2021. The 2020 annual general meeting of shareholders held on May 7, 2021 reviewed and approved the "Proposal on Permanently Supplementing Working Capital with Part of Over-raised Funds", agreeing that the company will use over-raised funds of RMB 85 million to permanently supplement working capital to meet the company's daily operating needs, The supplementary working capital has been used up.(3) Shenzhen Honor Electron Power Technical Transformation Project (IPO project in 2020):On June 21, 2021, the company held the fourth meeting of the second board of directors in 2021 and the fourth meeting of the second board of supervisors in 2021. It reviewed and approved the "Proposal on Using Over-raised Funds to Invest in Shenzhen Honor Electron Power Transformation Project", agreed to use part of the over-raised funds to invest in Shenzhen Honor Electron Power Transformation Project, and planned to use RMB 48,003,900 of over-raised funds to invest in Shenzhen Honor Electron Power Transformation Project. The project reached its expected usable status on June 21, 2022. The committed investment amount of the project is 48,003,900 yuan, the actual investment amount is 46,312,600 yuan, and the remaining 1,691.3 million yuan is used to supplement the company's working capital.(4) Payment of part of the purchase price of the property (IPO project in 2020):On October 11, 2021, the ninth meeting of the second board of directors in 2021 and the seventh meeting of the second board of supervisors in 2021 were held. The Proposal on Using Over-raised Funds to Pay Part of the Purchase Price of Real Estate was reviewed and approved, and it was agreed that the company should use over-raised funds of 100 million yuan to pay for part of the property price of the main commercial and podium building at No. 175 Hangcheng Avenue, Hangcheng Street, Bao'an District, Shenzhen. The funds have been used up.(5) The remaining over-raised funds will permanently supplement the working capital (IPO project in 2020):The fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024 were held on August 27, 2024. The first extraordinary general meeting of shareholders in 2024 held on September 18, 2024 reviewed and approved the "Proposal on Permanently Supplementing Liquidity with the Surplus Over-raised Funds", agreeing to use the remaining over-raised funds of RMB 21,081,273.83 (the balance as of August 5, 2024, Including interest and cash management income, the specific amount is subject to the actual amount at the time of transfer) to permanently supplement the working capital. The supplementary working capital has been used up.</p>
Changes in the implementation location of investment projects with raised funds	<p>Applicable</p> <p>Occurred during the reporting period</p> <p>Project with an annual output of 1.45 million data center power supplies (convertible corporate bonds will be issued to unspecified objects in 2024):The company held the fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024 on August 27, 2024. The "Proposal on Changing the Implementation Subject, Implementation Location and Project Name of Some Fund-raising Projects" was reviewed and approved. It was agreed to change the implementation entity of the company's fund-raising investment project "Dongguan Honor Electron Data Center Power Supply Construction Project" from Dongguan Honor Electron, a wholly-owned subsidiary of the company, to Suzhou Yundian, a wholly-owned subsidiary of the company; the implementation location was changed from "No. 129, Hongmei Section, Wangsha Road, Hongmei Town, Dongguan City" to "No. 16 Shebang Road, Jiangling Street, Wujiang District, Suzhou City"; The name of the project was changed from "Dongguan Honor Electron Data Center Power Supply Construction Project" to "Annual production of 1.45 million data center power supplies" (the specific project name is subject to subsequent actual filing).</p>
Adjustments to the implementation of investment projects with raised funds	Not applicable

Preliminary investment and replacement of investment projects with raised funds	<p>Applicable</p> <p>(1) IPO in 2020: The amount of self-raised funds invested in advance investment projects and paid issuance expenses is 10.1511 million yuan. Tianzhi International Accounting Firm (special general partnership) has verified the actual situation of the company's investment projects with self-raised funds in advance, It also issued Tian Vocational Zi [2020] No. 35186, "Assurance Report on Shenzhen Honor Electronic Co., Ltd.'s Pre-investment of Raised Funds with Self-raised Funds". The first meeting of the second board of directors of the company held on September 17, 2020 reviewed and approved the "Proposal on Using Raised Funds to Replace Pre-invested Raised Investment Projects and Self-raised Funds Paid for Issuance Fees". The above funds have been replaced.(2) Issuance of convertible corporate bonds to unspecified targets in 2024: The amount of self-raised funds invested in advance investment projects and paid issuance expenses is RMB 27,233,700. Tianjian Certified Public Accountants (special general partnership) verified the actual situation of the company's investment projects with self-raised funds invested in advance with raised funds as of August 27, 2024, It also issued Tianjianshen [2024] No. 3-327 "Assurance Report on Shenzhen Honor Electronic Co., Ltd.'s Pre-investment of Self-raised Funds into Fund-raising Projects and Payment of Issuance Expenses". The fifth meeting of the third board of directors of the company held on August 27, 2024 reviewed and approved the "Proposal on Using Raised Funds to Replace Pre-invested Fund-raising Projects and Self-raised Funds That Have Paid Issuance Expenses", and agreed that the company and its wholly-owned subsidiaries should use RMB 27,233,700 of raised funds to replace self-raised funds that have been invested in pre-investment projects and paid issuance expenses. The above funds have been replaced.</p>
Temporarily supplement working capital with idle raised funds	Not applicable
The amount and reason for the balance of raised funds in the implementation of the project	<p>Applicable</p> <p>2020 IPO projects:(1) The committed investment amount of Shenzhen Honor Electron's power supply technological transformation project is RMB 48,003,900, the actual investment amount is RMB 46,312,600, and the remaining RMB 1,691,300 is used to supplement the company's working capital. The remaining funds of RMB 1,691,300 are due to the company's active efforts to reduce procurement costs, reduce project construction costs, and save raised capital expenditures during the implementation of raised investment projects.(2) After the adjustment of the Ganzhou power adapter expansion project, the raised funds invested 52,755,200 yuan, and the actual accumulated investment amount was 59,122,700 yuan (including the raised capital of 52,755,200 yuan, including the net interest income and expenditure and wealth management income of 6,367,500 yuan). The surplus raised funds were 36,600 yuan to permanently supplement the working capital, and the surplus funds were 36,600 yuan in the process of implementing the fund-raising projects. Based on the principles of reasonableness, economy and effectiveness, the raised funds shall be used cautiously in strict accordance with the relevant regulations on the management of raised funds, and the control, supervision and management of costs in all aspects of project construction shall be strengthened under the premise of ensuring the construction quality of raised investment projects, so as to reasonably reduce project-related costs and expenses.(3) The committed investment amount of the technical transformation project of Ganzhou power adapter production line is 79,845,800 yuan, and the actual investment amount is 34,491,900 yuan. In order to improve the use efficiency of raised funds and reduce the investment risk of raised funds, according to the actual progress of the company's raised investment projects and changes in the market environment, the company terminated some of the raised funds and transferred the remaining raised funds of 51,432,300 yuan (including bank interest, The specific amount is subject to the balance of funds in the special account of the project at the time of actual carry-over) to be used to permanently supplement the working capital.</p>
The purpose and destination of the unused raised funds	<p>(1) As of December 31, 2024, the unused proceeds of the initial public offering of RMB 53,290,700 were deposited in the company's special account for raised funds.(2) As of December 31, 2024, the unused raised funds of 243,942,700 yuan from the issuance of convertible corporate bonds to unspecified objects were deposited in the company's special account for raised funds, and the idle raised funds of 349.0 million yuan have not yet expired.</p>
Problems or other circumstances in the use and disclosure of raised funds	Not applicable

(3) Change of projects with raised funds

Applicable ☒ Not applicable

Unit: ten thousand yuan

Financing project name	Recruitment method	Changed project	Corresponding original commitment project	The total amount of funds to be invested in the project after the change (1)	Actual investment amount during the reporting period	Actual cumulative investment amount as of the end of the period (2)	Investment progress as of the end of the period (3) = (2)/(1)	The date when the project reaches the expected usable status	Benefits realized during the reporting period	Whether the expected benefits are achieved	Whether the feasibility of the changed project has changed significantly
2020 Initial Public Offering	Initial public offering	Dongguan Honor Electron Information Equipment Manufacturing Heart project	Ganzhou Power Adapter Expansion Project	25,000	2,791.61	25,392.45	101.57%	January 16, 2024	55,936.00	Yes	No
Issuance of convertible corporate bonds to unspecified objects in 2024	Issuance of convertible corporate bonds to unspecified objects	Project with an annual output of 1.45 million data center power supplies	Dongguan Honor Electron Data Center Power Supply Construction Project	25,925.06	0	0	0.00%	January 22, 2027	0.00	Not applicable	No
Total	--	--	--	50,925.06	2,791.61	25,392.45	--	--	55,936	--	--

Reasons for changes, decision-making procedures and information disclosure descriptions (by specific items)	<p>1. Dongguan Honor Electron Information Equipment Manufacturing Center Project (IPO project in 2020): The company held the sixth meeting of the second board of directors in 2021 and the fifth meeting of the second board of supervisors in 2021 on July 16, 2021, and held the first extraordinary general meeting of shareholders in 2021 on August 2, 2021. The Proposal on Changing the Use of Part of the Funds Raised was reviewed and approved respectively. The sponsor, Sinolink Securities Co., Ltd., issued a verification opinion. For details, please refer to the "Announcement on Changing the Use of Part of the Funds Raised" and related announcements disclosed by the company on Juchao Information Network (http://www.cninfo.com.cn) on July 17, 2021. The reason for this change of the company is firstly to take into account the gradual implementation of the strategic development plan, the Dongguan factory is close to the headquarters and it is relatively easy to recruit high-end R&D; technical talents and production workers, combined with production needs and logistics arrangements, the priority development of the Dongguan factory is in line with the company's current strategic development, and it is conducive to maximizing the company's interests and synergies, and further improving the industrial chain, so as to improve the efficiency of the use of raised funds and obtain the investment benefits of raised funds as soon as possible, Protect the interests of shareholders and small and medium investors. Secondly, the company has been deeply involved in the power adapter industry for many years and has established a good brand awareness and product reputation. In the future, the company will continue to expand its scale, expand product categories, continue to expand new markets and new customers, and seize the important development opportunities of the global power supply industry's transfer to China and the growth of downstream application market demand. The company's new fundraising projects will provide good support for the company's long-term development strategy. Based on the above reasons, the company decided to use the remaining raised funds of the original raised funds investment project "Ganzhou Power Adapter Expansion Project" for this new raised investment project "Dongguan Honor Electron Information Equipment Manufacturing Center Project". As of December 31, 2024, the Dongguan Honor Electron Information Equipment Manufacturing Center project has invested a total of 253,924,500 yuan.</p> <p>2. Project with an annual output of 1.45 million data center power supplies (convertible corporate bonds will be issued to unspecified objects in 2024): The company held the fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024 on August 27, 2024, and reviewed and approved the "Proposal on Changing the Implementation Subject, Implementation Location and Project Name of Some Fund-raising Projects". It was agreed to change the implementation entity of the company's fund-raising investment project "Dongguan Honor Electron Data Center Power Supply Construction Project" from Dongguan Honor Electron, a wholly-owned subsidiary of the company, to Suzhou Yundian, a wholly-owned subsidiary of the company; the implementation location was changed from "No. 129, Hongmei Section, Wangsha Road, Hongmei Town, Dongguan City" to "No. 16 Shebang Road, Jiangling Street, Wujiang District, Suzhou City"; The name of the project was changed from "Dongguan Honor Electron Data Center Power Supply Construction Project" to "Annual production of 1.45 million data center power supplies" (the specific project name is subject to subsequent actual filing). The fund-raising project involving the change of the implementation subject, implementation location and project name is the "Project with an annual output of 1.45 million data center power supplies". The project has not yet started to invest. In addition, the total investment of the project, the investment of raised funds, and the construction content of the project are unchanged. The changes to the above projects are adjusted based on the actual situation of the company, making full use of the base layout of the wholly-owned subsidiary, optimizing the company's resource allocation, in line with the company's development plan and actual needs, improving the efficiency of the use of raised funds, ensuring the smooth development of raised investment projects, and further improving the company's comprehensive competitiveness. The sponsor, Sinolink Securities Co., Ltd., issued a verification opinion. For details, please refer to the "Announcement on Changing the Implementation Subjects, Implementation Locations and Project Names of Some Fund-raising Projects" and related announcements disclosed by the company on Juchao Information Network (http://www.cninfo.com.cn) on August 29, 2024.</p>
Circumstances and reasons for not reaching the planned schedule or expected benefits (by specific project)	Not applicable
Description of major changes in the feasibility of the project after the change	No major changes in project feasibility

VIII. Major Asset and Equity Sale

1. Sale of major assets

■ Applicable Not Applicable

The company did not sell any major assets during the reporting period.

2. The sale of major equity

■ Applicable Not Applicable

IX. Analysis of major holding companies

Applicable ■ Not applicable

Major subsidiaries and shareholding companies that have an impact on the company's net profit by more than 10%

Unit:
Yuan

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Honor Electron (Ganzhou) Electronics Co., Ltd	Subsidiary	Mainly engaged in the production and processing of power adapters and other power products	126,675,603.00	225,684,478.30	168,237,819.07	180,099,475.35	11,899,330.79	10,166,463.05
Hong Kong Honor Electron Technology Co., Ltd	Subsidiary	Mainly engaged in overseas sales of power adapters and other power products	113,146,724.00	625,785,851.65	306,280,336.90	680,360,447.23	82,213,489.85	82,040,191.97
Dongguan Honor Electron Electronics Co., Ltd	Subsidiary	Mainly engaged in the research and development, production and sales of power adapters and other power products	208,000,000.00	610,119,379.22	146,459,359.40	556,706,991.20	11,651,035.57	11,672,204.23

Vietnam Honor Electron Technology Co., Ltd	Subsidiary	Mainly engaged in the production and overseas sales of various power products	109,969,120.05	556,961,395.58	159,955,675.14	809,603,612.24	33,507,146.90	27,866,596.49
Hangzhou Yundian Technology Energy Co., Ltd	Subsidiary	Mainly engaged in the research and development of various power products and customer service	100,000,000.00	209,692,507.48	36,966,793.96	263,986,165.58	13,288,233.90	13,324,853.01
Suzhou Yundian Electronic Manufacturing Co., Ltd	Subsidiary	Mainly engaged in the production of server power supplies	50,000,000.00	536,450,980.32	59,213,705.04	610,505,195.64	21,406,579.80	18,567,390.05
Shanghai Honor Electron Electronic Technology Co., Ltd	Subsidiary	Mainly engaged in the research and development of various power products and customer service	30,000,000.00	9,857,329.98	4,257,304.66	0.00	-12,338,073.84	-12,344,441.03

Acquisition and disposal of subsidiaries during the reporting period

Applicable ☒ Not applicable

Company name	The method of acquiring and disposing of subsidiaries during the reporting period	Impact on overall production operations and performance
MÉXICO HONOTO INDUSTRY S.A.de C.V.	Investment establishment	No significant impact

X .Structured entities controlled by the company

■ Applicable Not Applicable

11. Prospects for the company's future development

(1) 2025 business plan

1. Continue to increase the scale and actively expand new customers and new areas

In 2025, the company will focus on the three main businesses of power adapters, data center power supplies, and other power supplies, as follows:

1) Power adapter

Power adapters are the company's mature and solid growth core business. In the huge market of 100 billion switching power supplies, there is still room for further expansion of the business volume. Major manufacturers in the global technology and consumer electronics industries are actively exploring new technological breakthroughs and industry development opportunities. At the same time, generative AI technologies such as large language models and multi-modal models are developing rapidly. The combination of AI technology with the consumer electronics industry and smart hardware products is expected to open up new industry development space and bring a new round of development opportunities for global technology and consumer electronics industry manufacturers. The company will continue to expand its product categories horizontally. In addition to office electronics, security monitoring power supplies and other fields, the company will further develop new application scenarios such as smart homes and drones. Vertically, it will continue to cultivate existing customers and continue to increase its share of existing major customers.

2) Data center power supply

Data center power supply is one of the company's long-term development strategies and has become an important engine for the company's performance growth. With the growth of large-model AI server shipments, the number of configurations and power consumption of GPU chips in AI large-model servers have increased significantly compared with traditional servers, which puts forward higher requirements on power infrastructure including server power supply, and promotes power supply products to further iterate in the direction of high power, high efficiency and high density. As a leading company in the switching power supply industry, the company actively grasps the important direction of the industry's technological revolution, responds to industrial changes with a forward-looking layout, and will actively utilize its leading advantages in R&D; investment and technology layout in the field of AI/high power density/high computing power server power supply to prepare for greater development opportunities. In the future, the company will continue to expand the market and expand its business scale, seize the new opportunities brought by the new round of AI industry reform to upgrade the server industry chain, continue to strengthen in-depth cooperation with existing high-quality customers, and consolidate its leading edge. At the same time, it actively cooperates with leading customers to promote a number of national production server power supply projects, achieve the goal of 100% localized device solutions, promote independent control of power components, and provide new growth opportunities for the business. On the basis of stabilizing the domestic market share, the company will actively expand overseas markets. Now it has established sales teams in Taiwan, China and the United States, and continues to promote the introduction of various types of overseas customers including server manufacturers and head cloud manufacturers to further expand the global market.

3) Other power supplies

The company will adhere to the layout of new business areas, continue to track industry trends, maintain necessary strategic investment, actively explore and explore the application of power products in emerging fields, and enhance the company's overall business scale and anti-risk capabilities. In terms of specific business development, on the one hand, the company will continue to stabilize its supply share of existing customers for power tool chargers and chargers; on the other hand, the company will continue to expand new projects and new markets for existing customers through project experience, product quality, production capacity coordination, and delivery capabilities.

2. Actively promote production capacity expansion and accelerate global production capacity layout

In July 2024, the company issued convertible bonds to raise a total of about 645 million yuan, of which 259 million yuan is planned to build a domestic data center power supply production line to enhance the company's production capacity of data center power products and help the company's business continue to develop rapidly.

At the same time, the company will continue to improve its global production capacity layout and build its own production capacity in Vietnam and Mexico. At present, the construction of general-purpose and high-power server power supply lines has been completed in the production base in Vietnam; the production base in Mexico has officially started production in the fourth quarter of 2024. In the future, with the expansion of overseas business, the global delivery of products will be accelerated. In the future, the company will actively promote the construction of production bases at home and abroad, deepen the layout of global production bases, further expand the international market, ensure the long-term sustainable growth of the company's scale, strengthen the development of the company's main business, improve the company's core competitiveness, and promote the improvement of operating performance.

3. Continue to invest in R & D, consolidate technology accumulation, and improve the level of cutting-edge technology

The company drives business development with technological innovation, and will continue to invest in research and development to continuously improve its technical level and innovation capabilities. The company plans to invest 279 million yuan in the upgrade and construction of Honor Electron's new headquarters and R&D; laboratory to speed up the company's new product development process, improve product technology content, enhance product competition, and help the company accelerate the expansion of high-tech switching power supply business. In the construction of the R&D; system, the company's project R&D; and pre-research team collaboration capabilities have been continuously improved, forming a good technology and information cycle, combining the upstream and downstream changes of the industry with customer needs, continuously achieving breakthroughs in cutting-edge technologies and high-end products in the industry, maintaining technological leadership, and leading new business development directions.

4. Continue to improve the level of operation and management, and promote the construction of professional and efficient talent echelon

In terms of management, the company will continue to strengthen the construction of informatization, realize the intelligentization of equipment, products, production, management and services, and build high-quality and high-efficiency smart factories. Strengthen the coordination efficiency of various internal departments and improve the operating efficiency. At the same time, the company will promote the construction of talent echelon, absorb outstanding talents, reserve talents and optimize talent management, build a more complete talent development system and cultivation system, and further enhance the company's comprehensive competitiveness.

(2) Possible risks in future development

1. Market risk

Switching power supply products have a wide range of applications, large market capacity, and relatively many manufacturers. Relying on the advantages of technological innovation and quality control, the company has continuously expanded its business scale. On the one hand, with the further deepening of international industrial transfer and the rapid development of industry technology, the global division of labor system and market competition pattern may change; on the other hand, with the impact of the macroeconomic situation, the market prosperity of downstream related industries may fluctuate, which may cause some customers to reduce purchases from the company, resulting in the company facing a reduction in orders. The company has always insisted on analyzing and evaluating the market situation, predicting the development direction of the industry in advance and making reasonable plans and arrangements, keeping up with the development trend of the industry, and strengthening market development to make up for possible losses with market increments.

2. Fluctuations in theRisk of prices of major raw materials

The main raw materials required for the company's production and operation are semiconductors, resistors and capacitors, magnetic materials, wires, housings, etc. During the reporting period, the company's direct materials accounted for a relatively high proportion of the main business costs. In the future, affected by market demand and the macro environment, the purchase price of the company's main raw materials may fluctuate to a certain extent, which will lead to fluctuations in the company's product sales cost and gross profit margin. Therefore, the company may face the risk that the price fluctuation of major raw materials will adversely affect the company's operating results. The company will pay close attention to the price trend of raw materials, and reduce the impact of raw material price fluctuations on the company through strategies such as strategic inventory, centralized procurement, and payment forms.

3. Exchange rate fluctuation risk

During the reporting period, the company's export business was mainly settled in currencies such as US dollars and Hong Kong dollars, and there was uncertainty about exchange rate fluctuations. The company has the risk of fluctuations in operating performance due to changes in exchange rates. In order to deal with exchange rate risks, the company will pay close attention to changes in foreign exchange market, reasonably control the scale of foreign currency assets held, strengthen foreign exchange risk prevention, and select reasonable foreign exchange hedging tools according to business development needs to reduce the possible adverse effects of exchange rates.

4. Risk of declining gross profit margin

During the reporting period, the company's comprehensive gross profit margin was relatively stable. Affected by factors such as fluctuations in the price of some materials and rising labor costs, the company's gross profit margin fluctuated to a certain extent. In the future, if there are major adverse changes in the factors affecting the company's gross profit margin, the company's gross profit margin may be at risk of further decline. In the future, the company will further summarize and optimize, formulate cost reduction strategies, and implement relevant effective measures to minimize the impact of material price fluctuations and rising labor costs.

5. Risk of trade friction

During the reporting period, the company's operating income from direct sales to the United States accounted for a small proportion. There is a risk that the company's operating results will fluctuate due to changes in tariff policies. In order to deal with tariff risks, the company always pays close attention to the situation of international politics and trade, adheres to the development strategy of prudent operation and independent innovation, and strengthens the company's ability to resist international risks through measures such as a wide range of application fields, a diversified customer structure, and a global production capacity layout. The company has production capacity layout at home and abroad, and has two overseas production bases in Vietnam and Mexico. The company will continue to pay close attention to relevant policy changes, maintain active communication with customers, and allocate corresponding production capacity according to customer needs to reduce the possible adverse effects of tariffs.

6. Uncertain risks caused by force majeure

If force majeure occurs, it may affect the macro economy, which in turn will affect the development of some of the company's overseas businesses. The company will continue to pay attention to changes in the external environment, give full play to its own advantages, be cautious and pragmatic with a positive attitude, and innovate and adapt.

12. Registration form for reception research, communication, interviews and other activities during the reporting period

Applicable ☒ Not applicable

Reception time	Reception location	Reception	Reception object type	Reception object	The main content of the discussion and the information provided	Basic Information Index of the Survey

May 27, 2024	"Roadshow" website	Online communication on network platform	Personal	Investors	For details, please refer to Juchao Information Network(www.cninfo.com.c) "Investor Relations Activity Record Form for May 27, 2024"	For details, please refer to www.cninfo.com.cn) "Investor Relations Activity Record Form for May 27, 2024"
July 04, 2024	"Shanghai Securities News · cnstock.com" website	Online communication on network platform	Personal	Investors	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "2024 Record Form of Investor Relations Activities on July 4	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "2024Record Form of Investor Relations Activities on July 4

August 29, 2024	Shenzhen	Telephone communication	Mechanism	<p>Sinolink Securities, Great Wall Fund, Southern Asset Management, Wells Fargo Fund, Juming Fund, Xingquan Fund, Cinda Securities, CICC Asset Management, Recursive Assets, Everbright Prudential Fund, Yinhua Fund, Xixian Capital, CICC, Yongying Fund, ZY Investment, Beijing Zeming Investment, Maodian Assets, Wuxi Huili Investment, Fosun Prudential Life, Dacheng Fund, China Future Capital, Oriental Fund, Haifutong Fund, Jianxin Life, Chuangjin Hexin Fund Wanxiang Venture Capital, China Europe Fund, Zheshang Asset Management, Shanghai Guiyuan Investment, AVIC Trust, Jiutai Fund, Shanghai Tianyi Investment, Harvest Fund, CITIC Securities, Pacific Insurance, Shanghai Boxiong Investment, Huisheng Fund, Huaxi Securities, Beijing Jingming Zhiyuan, Shangcheng Assets, Shenzhen Qianhai</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on August 29, 2024"</p>	<p>For details, please refer to www.cninfo.com.cn) "Investor Relations Activity Record Form for August 29, 2024"</p>
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XIII. Formulation and implementation of market value management system and valuation enhancement plan

Whether the company has established a market value management system.

■ whether

Has the company disclosed its valuation enhancement plan?

■ whether

XIV. Implementation of the "Quality and Return Double Improvement" Action Plan

Has the company disclosed the announcement of the action plan for "double improvement of quality and return"?

■ whether

Section 4 Corporate Governance

I. The basic situation of corporate governance

During the reporting period, in strict accordance with the "Company Law", "Securities Law", "Listed Company Governance Guidelines", "Shenzhen Stock Exchange ChiNext Stock Listing Rules", "Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 2 - Standardized Operation of Listed Companies on ChiNext" and other relevant laws, regulations and regulatory documents, the company continuously improved its corporate governance structure, established and improved the company's internal control system, and further improved its corporate governance level and risk prevention capabilities.

1. About corporate governance

During the reporting period, the company strictly followed the requirements of relevant laws and regulations and relevant regulatory documents, continuously improved the company's governance structure, established and improved the company's internal control system, promoted the company's standardized operation, and improved the company's governance level. The company has established a corporate governance structure consisting of the general meeting of shareholders, the board of directors, the board of supervisors and the management, and established and improved relevant systems. Under the company's board of directors, there are four special committees, namely the strategy committee, the audit committee, the nomination committee and the remuneration and assessment committee, to strengthen the construction of the internal control system based on the actual situation of the company.

2. About shareholders and general meeting

In strict accordance with the "Company Law", "Listed Company Shareholders' General Meeting Rules", "Articles of Association" and other provisions, the company regulates the convening of shareholders' meetings to ensure that all shareholders, especially small and medium shareholders, enjoy equal status, and ensure shareholders' right to know, participate and vote on major issues of the company. During the reporting period, the shareholders' general meeting was convened by the board of directors. According to relevant laws, administrative regulations, departmental rules, regulatory documents and the company's articles of association, the matters that should be voted by the shareholders' general meeting were approved by the shareholders' general meeting in accordance with the corresponding authority and then submitted to the shareholders' general meeting for deliberation. There was no case of exceeding the authority for approval or first implementing and then deliberation. The qualifications of persons attending the shareholders' general meeting and the convening and voting procedures of the shareholders' general meeting were legal.

3. About the company and controlling shareholders

The controlling shareholder of the company strictly regulates its own behavior in accordance with the provisions and requirements of the "Guidelines for Corporate Governance of Listed Companies", "Rules for the Listing of Stocks on the Growth Enterprise Market of the Shenzhen Stock Exchange", "Guidelines for Self-Regulatory Supervision of Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on the Growth Enterprise Market" and other regulations and requirements, and does not directly or indirectly interfere with the company's decision-making and business activities beyond the general meeting of shareholders, and does not harm the interests of the company and other shareholders. There is no phenomenon of controlling shareholders occupying the company's funds, and the company does not provide guarantees for controlling shareholders. The company has independent and complete business and independent operation capabilities. It is independent of the controlling shareholder in terms of business, personnel, assets, organization and finance. The company's board of directors, board of supervisors and internal institutions operate independently.

4. About Directors and the Board of Directors

The company's board of directors consists of 9 directors, including 3 independent directors. The number, composition and qualifications of the board of directors are in compliance with the requirements of laws, regulations and the Articles of Association. All directors can carry out their work in accordance with the "Company Law", "Rules of Procedures for the Board of Directors", "Work System for Independent Directors", "Guidelines for Self-Regulatory Supervision of Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on the Growth Enterprise Market", etc. During the reporting period, the company held a total of 7 board meetings. All directors of the company actively participate in the training organized by securities regulatory agencies, and through timely study and familiarity with relevant laws and regulations, they can effectively improve the ability of directors to perform their duties.

5. About the Supervisory Board and the Supervisory Board

The board of supervisors of the company consists of 3 supervisors, including 1 employee representative supervisor. The company elects supervisors in strict accordance with the selection procedures stipulated in the "Company Law" and "Articles of Association". The number and composition of the company's board of supervisors meet the requirements of laws and regulations. The supervisors can earnestly study relevant laws and regulations, actively participate in relevant business training, and earnestly perform their duties. In the spirit of being responsible to all shareholders, especially small and medium shareholders, they perform the function of supervising the performance of the company's board of directors and management. During the reporting period, the company held a total of 6 meetings of the board of supervisors to supervise the legality and compliance of regular reports, equity incentives, use of raised funds, financial status, and performance of duties by directors and other senior managers, Safeguard the legitimate rights and interests of the company and shareholders.

6. Information disclosure and transparency

The company attaches great importance to information disclosure and investor relationship management, strictly abides by the "Company Law", "Administrative Measures for Information Disclosure of Listed Companies" and other laws and regulations, as well as the "Investor Relations Management System" and "Insider Registration Management System", and discloses relevant information truthfully, accurately, completely, timely and fairly, And designated "China Securities Journal", "Shanghai Securities News", "Securities Times", "Securities Daily" and Juchao Information Network (<http://www.cninfo.com.cn>) as the designated newspapers and websites for the company's information disclosure, to ensure that all shareholders of the company can obtain information with equal opportunities.

The company attaches great importance to the management of investor relations. Through various channels such as investor special lines, special mailboxes, and the "Interactive Easy" platform of the Shenzhen Stock Exchange, special personnel are responsible for communicating and communicating with investors, actively responding to investor inquiries, and accepting investor visits and research. As the specific implementation agency of investor relations management, the office of the company's board of directors strives to build a good interactive relationship with investors and establish a good image of the company in the capital market.

7. About stakeholders

The company fully respects and safeguards the legitimate rights and interests of relevant stakeholders, strengthens communication and exchanges with all parties, realizes the coordination and balance of the interests of shareholders, employees, society and other parties, and jointly promotes the sustainable and healthy development of the company.

Are there any major differences between the actual status of corporate governance and laws, administrative regulations and the regulations on listed company governance issued by the China Securities Regulatory Commission?

■ whether

There is no major difference between the actual status of corporate governance and laws, administrative regulations and the regulations on listed company governance issued by the China Securities Regulatory Commission.

II. The company's independence from the controlling shareholder and actual controller in guaranteeing the company's assets, personnel, finance, organization, business, etc

The company operates strictly in accordance with the "Company Law", "Securities Law" and other relevant laws and regulations, departmental rules, regulatory documents and the requirements of the "Articles of Association". It is completely separated from the controlling shareholder and actual controller in terms of business, personnel, assets, organization and finance, and has independent and complete business and independent operation capabilities.

III. Horizontal competition

■ Applicable Not Applicable

IV. Relevant information on the annual general meeting and extraordinary general meeting held during the reporting period

1. The general meeting of shareholders during the reporting period

Session	Meeting type	Investor participation ratio	Date	Disclosure date	Meeting resolutions
2023 Annual General Meeting	Annual general meeting	63.36%	May 15, 2024	May 15, 2024	Announcement on Resolutions of the 2023 Annual General Meeting of Shareholders (Announcement No.: 2024-017) Disclosure URL: www.cninfo.com.cn
First Extraordinary General Meeting of Shareholders in 2024	Extraordinary General Meeting	63.21%	September 18, 2024	September 18, 2024	Announcement on Resolutions of the First Extraordinary General Meeting of Shareholders in 2024 (Announcement No.: 2024-052) Disclosure URL: www.cninfo.com.cn
Second Extraordinary General Meeting of Shareholders in 2024	Extraordinary General Meeting	62.86%	November 18, 2024	November 18, 2024	Announcement on Resolutions of the Second Extraordinary General Meeting of Shareholders in 2024 (Announcement No.: 2024-068) Disclosure URL: www.cninfo.com.cn

2. Preferred shareholders whose voting rights have been restored request to convene an extraordinary general meeting

■ Applicable Not Applicable

V. The company has voting rights difference arrangement

■ Applicable Not Applicable

VI. Corporate Governance of Red Chip Structure

■ Applicable Not Applicable

VII. Directors, Supervisors and Senior Management

1. Basic information

Name	Sex	Age	Position	Employment status	Term start date	Term end date	Number of shares held at the beginning of the period (shares)	The number of shares held in the current period (shares)	The number of shares reduced in the current period (shares)	Other changes (shares)	Number of shares held at the end of the period (shares)	Reasons for the increase or decrease of shares
Wang Heqiu	Male	60	Chairman, General Manager	Incumbent	September 17, 2017	September 14, 2026						
Wang Yuetian	Male	35	Vice Chairman	Incumbent	September 17, 2017 Day	September 14, 2026						Day
Jiang Shuxing	Male	54	Director, Deputy General Manager	Incumbent	September 17, 2017	September 14, 2026						
Wang Peng	Male	39	Director	Incumbent	September 17, 2017	September 14, 2026						
Zhao Hongyu	Male	57	Deputy General Manager	Incumbent	September 17, 2017	September 14, 2026						
Zhao Hongyu	Male	57	Director	Incumbent	September 15, 2023	September 14, 2026						
Zhao Peng	Male	47	Deputy General Manager	Incumbent	September 17, 2017	September 14, 2026						
Shang Yunsi	Female	35	Deputy General Manager, Secretary of the Board of Directors	Outgoing	September 17, 2017	August 13, 2024						
Cai Lilin	Female	37	Deputy General Manager, Secretary of the Board of Directors	Incumbent	August 13, 2024	September 14, 2026						
Shang Yunsi	Female	35	Director	Incumbent	September 15, 2023	September 14, 2026						

Zhang Shuyuan	Female	57	Financial officer	Incumbent	October 24, 2022	September 14, 2026						
Wang Hung Roger	Female	48	Supervisor	Incumbent	October 24, 2022	September 14, 2026						
Li Zhiwei	Male	45	Independent director	Incumbent	September 15, 2023	September 14, 2026						
Yang Xiao Ping	Male	56	Independent director	Incumbent	September 15, 2023	September 14, 2026						
You Xiao	Female	44	Independent director	Incumbent	September 15, 2023	September 14, 2026						
Li Meiqin	Female	51	Chairman of the Supervisory Board	Incumbent	September 15, 2023	September 14, 2026						
Xu Zhanjun	Male	51	Supervisor	Incumbent	September 15, 2023	September 14, 2026						
Total	--	--	--	--	--	--	0	0	0	0	0	--

Whether there were any resignations of directors and supervisors and dismissal of senior management during the reporting period

Yes ☐ No ☒

The fourth meeting of the third board of directors in 2024 was held on August 13, 2024, and the "Proposal on Appointment of Deputy General Manager and Secretary of the Board of Directors" was reviewed and approved. Ms. Shang Yunsi, deputy general manager and secretary of the board of directors, proposed to the board of directors to resign from the positions of deputy general manager and secretary of the board of directors due to work adjustment. In order to ensure the smooth development of the work of the company's board of directors, in accordance with the "Company Law" and other relevant laws and regulations, regulatory documents and the provisions of the "Articles of Association", nominated by the chairman and general manager of the company, Mr. Wang Heqiu, and approved by the nomination committee of the board of directors, it was agreed to appoint Ms. Cai Lilin, director of investor relations of the company, as the company's deputy general manager and secretary of the board of directors.

Changes in the company's directors, supervisors and senior management

Applicable ☒ Not applicable ☐

Name	Position held	Type	Date	Reason
Shang Yunsi	Deputy General Manager, Secretary of the Board of Directors	Outgoing	August 13, 2024	Job transfer
Cai Lilin	Deputy General Manager, Secretary of the Board of Directors	Hire	August 13, 2024	Job transfer

2. Employment

The professional background, main work experience and current main responsibilities of the company's current directors, supervisors and senior managers

1. Board members

(1) Mr. Wang Heqiu: born in November 1964, Chinese nationality, no permanent residency abroad, bachelor degree. He used to be a technician of the First Research Institute of Nanjing Semiconductor Device Factory, a production technology manager of Shenzhen Jingdao Electronic Enterprise Co., Ltd., and a production technology manager of Shenzhen Jingquan Electronics Co., Ltd. From November 1995 to November 2017, he served as the general manager of Shenzhen Genoli; from November 1995 to present, he has been the executive director of Shenzhen Genoli; from April 2007 to present, he has been the chairman of Ganzhou Honor Electron; from October 2014 to present, he has been the executive partner of Wang Yuewang; from March 2017 to present, he has been the executive partner of Tongju; and from July 2019 to present, he has been the chairman of Dongguan Honor Electron; From March 2021 to present, he has been the chairman of Shenzhen Zhilian; from April 2021 to present, he has been the director of Anshibo; from November 2023 to present, he has been the chairman of Shanghai Honor Electron; and from May 1996 to present, he has been the chairman and general manager of the company.

(2) Mr. Wang Yuetian: born in May 1989, Chinese nationality, holding a Hong Kong temporary identity card, permanent residency in the United States, and a bachelor's degree. From April 2007 to present, he has been a director of Ganzhou Honor Electron; from October 2015 to present, he has been a director of Hong Kong Honor Electron; from May 2017 to March 25, he has been a manager of Taiwan Honor Electron; from July 2019 to present, he has been a director of Dongguan Honor Electron; from June 2015 to September 2017, he has been the manager of the company's marketing department; from September 2017 to present, he has been a director of the company; from October 2017 to September 2020, he has been the deputy general manager of the company; From September 2020 to present, he has served as the vice chairman of the company; from November 2020 to present, he has served as the manager of (U.S.) Aisineng; from August 4, 2021 to present, he has served as the executive director and general manager of Bodian Yunke; from August 26, 2022 to present, he has served as the executive director and general manager of Suzhou Yundian; from February 1, 2021 to present, he has served as the chairman and general manager of Hangzhou Yundian;

(3) Mr. Jiang Shuxing: born in 1970, Chinese nationality, no permanent residency abroad, college degree. He used to be the head of the quality department of Dongguan Qingxi Liyuan Jetta Electrical Products Factory, the head of the quality department of Dongguan Qingxi Sihai Electrical Appliances Factory, and the production manager of Dongguan Fenggang Yiji Plastic Hardware Products Factory. From December 2016 to present, he has served as the general manager of Ganzhou Honor Electron; from July 2019 to present, he has served as the director and manager of Dongguan Honor Electron; from June 2005 to October 2017, he has served as the head of the quality department and the deputy general manager of the company; from September 2017 to present, he has served as the director and deputy general manager of the company; and from October 2017 to present, he has served as the director and executive deputy general manager of the company.

(4) Mr. Wang Peng: born in 1985, Chinese nationality, no permanent residency abroad, bachelor degree. He used to be the manager of the business department of Taikang Pension Co., Ltd. Shenzhen Branch. From November 2011 to April 2014, he served as Deputy General Manager of Shenzhen Hongshang Health Management Co., Ltd.; from April 2014 to June 2016, he served as Deputy Investment Director of Shenzhen Times Bole Venture Capital Management Co., Ltd.; from September 2015 to April 2016, he served as Supervisor of Shinry Technologies Co., Ltd.; from December 2016 to present, he served as Shenzhen Tongchuangwei

Investment Director of Industrial Asset Management Co., Ltd.; from April 2017 to December 2021, he was a supervisor of Jiangsu Jitaike Electric Co., Ltd.; from January 2020 to August 2024, he was a director of Shenzhen Kungfu Robot Co., Ltd.; from May 2020 to December 2024, he was a director of Hubei Hanruijing Automotive Intelligent System Co., Ltd.; and from September 2017 to present, he has been a director of the company.

(5) Mr. Zhao Hongyu: born in January 1967, Chinese nationality, no permanent residency abroad, graduated from high school. He used to be the head of the plastic department of Shanghai Zhengfeng Industrial Co., Ltd., and the assistant to the general manager of Shenzhen Renzhi Plastic Hardware Products Co., Ltd. From July 2000 to December 2007, he was the manager of the manufacturing department of the company; from March 2014 to May 2018, he was the supervisor of Shenzhen Megami Technology Co., Ltd.; from January 2008 to present, he was the deputy general manager of the company; from October 2017 to present, he was the chairman of Vietnam Honor Electron. From September 2023 to present, he has served as a director of the company.

(6) Ms. Shang Yunsi: born in August 1989, Chinese nationality, holding a Hong Kong temporary identity card, no permanent residency abroad, and a master's degree. From May 2015 to September 2017, he served as the assistant to the chairman of the company; from October 2017 to August 2024, he served as the secretary of the company's board of directors; from September 2020 to August 2024, he served as the company's deputy general manager. From February 2021 to present, he has served as the director of Hangzhou Yundian. From April 2021 to present, he has served as the director of Anshibo, and from January 2025 to present, he has served as the chairman of Anshibo. From September 2023 to present, he has been a director of the company; from April 2021 to present, he has been a director of Jiangsu Solidpro Semiconductor Technology Co., Ltd.; and from June 2021 to present, he has been an executive partner of Shenzhen Jiwei Zeyuan Consulting Partnership (Limited Partnership).

(7) Mr. Yang Xiaoping, born in 1969, Chinese nationality, no permanent residency abroad, master of accounting, certified public accountant, senior accountant and senior auditor. He is currently an independent director of XGD Inc. and a partner of Shenzhen Yongxin Ruihe Certified Public Accountants (special general partnership); from December 2022 to present, he has been an independent director of Shenzhen Longtech Smart Control Co., Ltd.; from September 2023 to present, he has been an independent director of the company.

(8) Mr. Li Zhiwei, born in July 1980, Chinese nationality, no permanent residency abroad, Ph.D. in Management (Accounting) from Xiamen University, a non-practicing member of the Chinese Institute of Certified Public Accountants, and a senior accountant. From May 2018 to February 2021, he was the Deputy Director of the Finance Department of Shenzhen Capital Operation Group Co., Ltd.; from March 2021 to May 2022, he was the Chief Financial Officer of Shenzhen Huanshui Investment Group Co., Ltd.; He joined Electric Connector Technology Co., Ltd. in June 2022 and served as the chief financial officer of Electric Connector Technology Co., Ltd. from September 2022 to February 2025. From September 2023 to present, he has been an independent director of the company; from September 2023 to present, he has been an independent director of Shenzhen Peicheng Electronic Technology Co., Ltd.

(9) Ms. You Xiao, born in 1981, Chinese nationality, has no permanent residency abroad. Graduated from Wuhan University majoring in law with a bachelor's degree. From March 2006 to December 2006, he was a lawyer assistant at Guangdong Shengdian Law Firm; from January 2007 to October 2013, he was a lawyer at Beijing Zhonglun (Shenzhen) Law Firm; from November 2013 to July 2015, he was a partner at Beijing Dacheng (Shenzhen) Law Firm; from July 2015 to June 2020, he was a senior partner at Shanghai Jintiancheng (Shenzhen) Law Firm; From June 2020 to present, he has been a partner of Beijing Zhonglun (Shenzhen) Law Firm. From October 2020 to present, he has been an independent director of Eastroc Beverage (Group) Co., Ltd. (605499). From June 2023 to present, he has been an independent director of Sunwoda Power Technology Co., Ltd. (unlisted). From September 2023 to present, he has been an independent director of the company.

2. Members of the Supervisory Board

(1) Ms. Wang Heng, born in 1976, Chinese nationality, no permanent residency abroad, bachelor degree. Since October 2007, he has been working as the manager of the material department of Shenzhen Honor Electronic Co., Ltd.. From October 2022 to present, he has served as a supervisor of the company.

(2) Ms. Li Meiqin: born in July 1974, Chinese nationality, no permanent residency abroad, bachelor degree. From June 2009 to February 2024, he served as the director of the company's procurement center, and from February 2024 to present, he has been the head of the company's cost center. From September 2023 to present, he has served as the chairman of the company's supervisory board.

(3) Mr. Xu Zhanjun, born in November 1974, Chinese nationality, no permanent residency abroad, college degree, was the director of Shenzhen Honor Electron Engineering Department from 2017 to 2021, the director of Shenzhen Honor Electron Engineering Center from 2022 to 2023, responsible for production process technology and automation; in August 2023, he was the assistant to the general manager of Honor Electron Vietnam, responsible for the operation of Honor Electron Vietnam. From September 2023 to present, he has been a supervisor of the company.

3. Senior management

(1) Wang Heqiu: For your resume, please refer to "1. Board members" in this section

(2) Jiang Shuxing: For details of his resume, please refer to "1. Board members" in this section

(3) Zhao Hongyu: Please refer to "1. Board members" in this section for your resume.

(4) Mr. Zhao Peng: born in 1978, Chinese nationality, no permanent residency abroad, master degree. From May 2014 to present, he has been the deputy general manager of the company.

(5) Ms. Zhang Shuyuan: Chinese nationality, no permanent residency abroad, college degree, intermediate accountant. From July 2016 to October 2022, he served as the deputy chief financial officer of the company; from October 2022 to present, he served as the chief financial officer of the company; from February 2021 to present, he served as the supervisor of Hangzhou Yundian; from April 2021 to present, he served as the supervisor of Anshibo;

(6) Ms. Cai Lilin: Chinese nationality, no right of abode abroad, master degree, graduated from New York University. From 2021 to August 2024, he served as the company's director of investor relations, and since August 2024, he has served as the company's deputy general manager and secretary of the board of directors.

Serving in shareholder units

Applicable ☒ Not applicable

Name of incumbent	Name of shareholder unit	Positions held in shareholder units	Term start date	Term end date	Whether to receive remuneration allowance in the shareholder unit
Wang Heqiu	Shenzhen Genoli Information Consulting Co., Ltd	Executive Director	November 13, 1995		No
Wang Heqiu	Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Executive Partner	October 14, 2014		No

Wang Heqiu	Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	Executive Partner	March 29, 2017		No
Description of the position in the shareholder unit	No				

Serving in other units

Applicable ■ Not applicable

Name of incumbent	Other unit names	Positions held in other units	Term start date	Term end date	Whether to receive remuneration allowance in other units
Wang Peng	Shenzhen Tongchuang Weiye Capital Property Management Co., Ltd	Investment Director	December 01, 2016		YesDay
Shang Yunsi	Jiangsu Solidpro Semiconductor Technology Co., Ltd	Director	April 20, 2021		No
Shang Yunsi	Ren Shenzhen Jiwei Zeyuan Consulting Partnership (Limited Partnership)	Executive Partner	June 30, 2021		No
Shang Yunsi	Shanghai Anshibo Energy Technology Co., Ltd	Director	April 21, 2021		Yes
Shang Yunsi	Shanghai Anshibo Energy Technology Co., Ltd	Chairman	January 02, 2025		Yes
Wang Yuetian	Shanghai Anshibo Energy Technology Co., Ltd	General manager	April 21, 2021		No
Wang Yuetian	Suzhou Bodian Yunke Energy Technology Co., Ltd	General manager	August 04, 2021		No
Yang Xiao Ping	XGD Inc.	Independent director	May 07, 2020		Yes
Yang Xiao Ping	Shenzhen Yongxin Ruihe Certified Public Accountants (Special General Partnership)	Partner	December 24, 2020		Yes
Yang Xiao Ping	Shenzhen Longtech Smart Control Co., Ltd.	Independent director	December 05, 2022		Yes
Li Zhiwei	Electric Connector Technology Co., Ltd. is the head of finance	Financial officer	September 02, 2022	February 18, 2025	Yes

Li Zhiwei	Shenzhen Peicheng Electronic Technology Co., Ltd	Independent director	September 17, 2023		Yes
You Xiao	Served as Beijing Zhonglun (Shenzhen) Law Firm	Partner	June 16, 2020		Yes
You Xiao	Eastroc Beverage (Group) Co., Ltd	Independent director	October 10, 2020		Yes
You Xiao	Sunwoda Power Technology Co., Ltd	Independent director	June 07, 2023		Yes
Zhang Shuyuan	Shanghai Anshibo Energy Technology Co., Ltd	Supervisor	April 21, 2021		No
Description of employment in other units	No				

Penalties of the company's current and resigned directors, supervisors and senior executives in the past three years by securities regulatory agencies

■ Applicable Not Applicable

3. Remuneration of directors, supervisors and senior management

Decision-making procedures, basis for determination, and actual payment of remuneration for directors, supervisors and senior executives

1. Decision-making procedures for the remuneration of directors, supervisors and senior management personnel

According to the relevant provisions of the Articles of Association, the remuneration of directors and supervisors shall be determined by the general meeting of shareholders, and the remuneration of senior management shall be determined by the board of directors.

2. Basis for determining the remuneration of directors, supervisors and senior executives

Remuneration is determined according to the company's remuneration system; independent directors determine remuneration according to the resolutions of the general meeting of shareholders.

3. Actual payment of remuneration for directors, supervisors and senior management

During the reporting period, the total remuneration of the company's directors, supervisors and senior management personnel was 19.1553 million yuan.

Remuneration of directors, supervisors and senior management during the reporting period

Unit: ten thousand yuan

Name	Sex	Age	Position	Employment status	Total pre-tax compensation received from the company	Whether to get paid from the company's affiliates
Wang Heqiu	Male	60	Chairman, General Manager	Incumbent	191.84	
Wang Yuetian	Male	35	Vice Chairman	Incumbent	270.61	
Jiang Shuxing	Male	54	Director, Deputy General Manager	Incumbent	190.84	
Zhao Hongyu	Male	57	Director, Deputy General Manager	Incumbent	430.68	
Shang Yunsi	Female	35	Director	Incumbent	179.64	Yes
Wang Peng	Male	39	Director	Incumbent	0	
You Xiao	Female	44	Independent director	Incumbent	12	
Li Zhiwei	Male	45	Independent director	Incumbent	12	
Yang Xiao Ping	Male	56	Independent director	Incumbent	12	
Zhao Peng	Male	47	Deputy General Manager	Incumbent	106.18	
Zhang Shuyuan	Female	57	Financial officer	Incumbent	185.77	
Cai Lilin	Female	37	Deputy General Manager, Secretary of the Board of Directors	Incumbent	119.91	
Li Meiqin	Female	51	Chairman of the Supervisory Board	Incumbent	62.68	
Xu Zhanjun	Male	51	Supervisor	Incumbent	100.06	
Wang Hung Roger	Female	48	Employee Representative Supervisor	Incumbent	41.32	
Total	--	--	--	--	1,915.53	--

Other information

■ Applicable Not Applicable

VIII. Directors' performance of duties during the reporting period

1. The situation of the board of directors during the reporting period

Session	Date	Disclosure date	Meeting resolutions
The first meeting of the third board of directors in 2024	April 22, 2024	April 24, 2024	Announcement on Resolutions of the First Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-007) Disclosure URL: www.cninfo.com.cn
The second meeting of the third board of directors in 2024	April 24, 2024	Not applicable	The meeting reviewed and approved the "Proposal on the Company's 2024 First Quarter Report" with 9 votes in favor, 0 votes against, and 0 abstentions
The third meeting of the third board of directors in 2024	July 02, 2024	July 03, 2024	Announcement on Resolutions of the Third Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-021) Disclosure URL: www.cninfo.com.cn
The fourth meeting of the third board of directors in 2024	August 13, 2024	August 13, 2024	Announcement on Resolutions of the Fourth Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-032) Disclosure Network Address: Juchao Information Network (www.cninfo.com.cn)
The fifth meeting of the third board of directors in 2024	August 27, 2024	August 29, 2024	Announcement on Resolutions of the Fifth Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-042) Disclosure URL: www.cninfo.com.cn
The sixth meeting of the third board of directors in 2024	September 23, 2024	September 23, 2024	Announcement on Resolutions of the Sixth Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-055) Disclosure URL: www.cninfo.com.cn
The seventh meeting of the third board of directors in 2024	October 28, 2024	October 30, 2024	Announcement on Resolutions of the Seventh Meeting of the Third Board of Directors in 2024 (Announcement No.: 2024-063) Disclosure URL: www.cninfo.com.cn

2. Directors' attendance at the board of directors and general meeting of shareholders

Directors' attendance at the board of directors and general meeting							
Director's name	The number of times to participate in the board of directors during the reporting period	On-site attendance of the board of directors	Participation in the Board of Directors by Correspondence	Number of entrusted attendance at the board of directors	Number of absences from the board of directors	Whether to fail to attend board meetings in person for two consecutive times	Number of attendance at general meetings
Wang Heqiu	7	7	0	0	0	No	3
Wang Yuetian	7	0	7	0	0	No	3
Jiang Shuxing	7	6	1	0	0	No	3
Shang Yunsi	7	5	2	0	0	No	3
Zhao Hongyu	7	7	0	0	0	No	3
Wang Peng	7	0	7	0	0	No	3
Li Zhiwei	7	0	7	0	0	No	3
You Xiao	7	0	7	0	0	No	2
Yang Xiao Ping	7	0	7	0	0	No	3

Explanation of failing to attend the board of directors in person for two consecutive times

No

3. Directors' objections to the company's related matters

Whether the directors raise objections to the company's related matters

☒ whether

During the reporting period, the directors did not raise any objections to the company's relevant matters.

4. Other explanations for directors to perform their duties

Whether the directors' recommendations on the company have been adopted

Yes ☒ No

Directors' statement on whether the company's proposal was adopted or not adopted

During the reporting period, all directors of the company strictly followed the "Company Law", "Shenzhen Stock Exchange's Rules for the Listing of Stocks on the Growth Enterprise Market" and other laws and regulations and the "Articles of Association", conscientiously performed their duties, performed their duties with due diligence, safeguarded the interests of the company, safeguarded the interests of all shareholders, especially small and medium shareholders, actively attended relevant meetings, carefully reviewed various proposals, and expressed relevant opinions on major issues of the company. In addition, in addition to actively understanding the company's production and operation, internal control and financial status, independent directors also maintain close contact with other directors, senior management and relevant staff of the company through on-site/online meetings, WeChat, etc., to keep abreast of the progress of major issues of the company, grasp the company's operation dynamics, put forward suggestions and opinions on the company's operation and management, and often pay attention to relevant reports about the company, and effectively perform the duties of independent directors.

IX. The status of the special committees under the board of directors during the reporting period

Committee name	Membership	Number of meetings held	Date	Meeting content	Important comments and suggestions made	Other performance of duties	Details of the objection (if any)
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Audit Committee	Yang Xiaoping, You Xiao, Wang Peng	4	April 17, 2024	1. Review the "Proposal on the Company's 2023 Financial Statements Report" 2. Review the "Proposal on the Company's 2023 Internal Control Self-evaluation Report" 3. Review the "Proposal on the Full Text and Summary of the Company's 2023 Annual Report" 4. Review the "Proposal on the Company's Engagement of an Accounting Firm for 2024"	No	No	No
			April 24, 2024	1. Review the "Proposal on the Company's 2024 First Quarter Report" 2. Review the "Proposal on the 2024 First Quarter Internal Audit Work Report"	No	No	No
			August 27, 2024	1. Review the "About the Company < 2024 and a half	No	No	No

				Annual Report > and Summary Proposal "2. Review the" Proposal on the Internal Audit Work Report for the Second Quarter of 2024 "3. Review the" Proposal on the Audit Department's Inspection Report on Important Matters in the First Half of 2024 "			
			October 28, 2024	1. Review the "Proposal on the Company's 2024 Third Quarter Report" 2. Review the "Proposal on the 2024 Third Quarter Internal Audit Work Report"	No	No	No
Nomination Committee	Li Zhiwei, You Xiao, Wang Yuetian	1	August 13, 2024	1. Review the Proposal on Nominating Deputy General Manager and Secretary of the Board of Directors	No	No	No
Strategy Committee	Wang Heqiu, Li Zhiwei, Yang Xiaoping	1	April 17, 2024	1. Review the 2024 Business Plan	No	No	No

Remuneration and Appraisal Committee	You Xiao, Yang Xiaoping, Wang Heqiu	3	April 17, 2024	1. Review the "Proposal on Confirmation of Directors and Supervisors' High Salary in 2023"	No	No	No
			August 27, 2024	1. Review the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary 2. Review the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electron Co., Ltd."	No	No	No

				<p>Proposal on the Implementation Evaluation and Management Measures for the Company's 2024 Restricted Stock Incentive Plan</p> <p>3. Deliberation on the Proposal on the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd.</p>			
			September 23, 2024	<p>1. Review the "Proposal on Adjusting the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan and the Number of Grants" 2. Review the "Proposal on Granting Restricted Shares to Incentive Objects of the 2024 Restricted Stock Incentive Plan"</p>	No	No	No

Special meeting of independent directors	Yang Xiaoping, You Xiao, Li Zhiwei	1	July 02, 2024	1. Review the "Proposal on Further Clarifying the Specific Plan for the Company to Issue Convertible Corporate Bonds to Unspecified Objects" 2. Review the "Proposal on Issuing Convertible Corporate Bonds to Unspecified Objects for Listing" 3. Review the "Proposal on Opening a Special Account for Raising Funds from Issuing Convertible Corporate Bonds to Unspecified Objects" and signing the fundraising Proposal for Regulatory Agreements	No	No	No
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X .Work of the Board of Supervisors

Whether the company has risks during the supervision activities of the board of supervisors during the reporting period

■ whether

The Board of Supervisors has no objection to the supervision matters during the reporting period.

11. Company employees

1. Number of employees, professional composition and education level

Number of employees of the parent company at the end of the reporting period (persons)	1,410
Number of employees in major subsidiaries at the end of the reporting period (persons)	3,422

Total number of employees at the end of the reporting period (person)	4,832
The total number of salaried employees in the current period (person)	4,832
The number of retired employees (persons) to be borne by the parent company and its main subsidiaries	0
Professional composition	
Professional composition category	Professional composition (person)
Production staff	3,117
Salesperson	92
Technician	686
Financial officer	43
Administrative staff	111
Other personnel	783
Total	4,832
Education level	
Education category	Quantity (persons)
Bachelor degree and above	573
College	673
High school or technical secondary school	1,366
Junior high school and below	2,220
Total	4,832

2. Salary policy

The company has formulated and improved the "Salary Management Regulations" and "Performance Management Regulations" and other systems, and adopted appropriate assessment standards for all employees to assess and evaluate, and adopted monthly assessments, taking task performance and work attitude as assessment indicators. The assessment results are used as the basis for determining employee salaries, bonuses, and job promotion, demotion, and job transfer. The company continues to improve organizational efficiency by establishing a fair assessment and incentive mechanism.

The company follows the principles of legality, equality and voluntariness to sign written labor contracts with employees, and performs, alters, rescinds and terminates labor contracts in accordance with the law.

3. Training plan

The company has always attached great importance to talent training, followed the objective laws in the process of talent training and talent reserve, focused on cultivating management and technical backbones, and systematically absorbed various professional talents to form a tower structure with reasonable distribution of senior, middle and junior talents. The company formulates corresponding training plans according to development needs and employee levels. Internal training mainly includes employee induction training, pre-job operation training, skills training and safety production training. Technical personnel are the necessary guarantee for the company's sustainable development. The company has formulated clear career development plans and salary incentive policies for product R&D; technical personnel, and introduced a competition mechanism for talent cultivation to ensure the stability and work enthusiasm of the core staff.

4. Labor outsourcing

Applicable ☒ Not applicable

Total number of hours worked by labor outsourcing (hours)	2,104,415.60
Total remuneration paid for labor outsourcing (yuan)	36,386,605.86

12. The company's profit distribution and capitalization of capital reserves

During the reporting period, the profit distribution policy, especially the formulation, implementation or adjustment of the cash dividend policy

Applicable ☒ Not applicable

1. Profit distribution in 2023

The company held the first meeting of the third board of directors in 2024 and the first meeting of the third board of supervisors in 2024 on April 22, 2024. They reviewed and approved the Proposal on Profit Distribution Plan for 2023, following the principle of rewarding shareholders and sharing the company's operating results with shareholders. Under the condition of ensuring the healthy and sustainable development of the company, the company plans to distribute profits based on the total share capital minus the balance of shares in the company's repurchase account. The profit distribution plan for 2023 is: based on the company's existing total share capital of 101,200,000 shares, excluding the company's current share balance of 1,655,300 shares in the repurchase account (the company's shares held by the company through the special repurchase account will not participate in this profit distribution), a total of 99,544,700 shares will be distributed to all shareholders. Based on this, a cash dividend of RMB 3.40 (including tax) will be distributed to all shareholders for every 10 shares. A total of 33,845,198.00 yuan (tax included) of cash dividends were distributed. No bonus shares will be given out this year, and no capital reserve will be converted into share capital. If after the distribution plan is released and before the implementation, the total share capital of the company changes due to share repurchase, equity incentive exercise, etc., the total share capital that the company can participate in the equity distribution will be adjusted according to the principle of unchanged total distribution.

On May 15, 2024, the 2023 Annual General Meeting of Shareholders reviewed and approved the plan, and the implementation will be completed on May 24, 2024. For details, please refer to the 2023 Annual Equity Distribution Implementation Announcement (Announcement No.: 2024-018) disclosed by the company on May 17, 2024

2. 2024 semi-annual profit distribution

The company held the fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024 on August 27, 2024, and respectively reviewed and approved the "Proposal on the Proposal for the 2024 Semi-annual Profit Distribution". According to the "Guidelines for the Supervision of Listed Companies No. 3 - Cash Dividends of Listed Companies", "Guidelines for the Self-Regulatory Supervision of Listed Companies of the Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on the Growth Enterprise Market" and other relevant regulations and the relevant provisions of the Articles of Association, based on the company's current stable operating performance and ensuring the company's healthy and sustainable development, the company plans to distribute profits based on the total share capital minus the balance of shares in the company's repurchase account. The semi-annual profit distribution plan for 2024 is: based on the company's existing total share capital of 101,200,000 shares, excluding the company's current share balance of 1,655,300 shares in the repurchase account (the company's shares held by the company through the repurchase special account will not participate in this profit distribution), a total of 99,544,700 shares will be distributed to all shareholders based on this calculation, and a cash dividend of RMB 3.07 (including tax) will be distributed to every 10 shares. A total of 30,560,222.90 yuan (tax included) of cash dividends were distributed. No bonus shares will be given out in this distribution, and no capital reserve will be converted into share capital. If after the distribution plan is released and before the implementation, the total share capital of the company that can participate in the equity distribution changes due to share repurchase, equity incentive exercise, etc., the distribution ratio will be adjusted according to the principle of unchanged total distribution.

On September 18, 2024, the first extraordinary general meeting of shareholders in 2024 reviewed and approved the plan, and the implementation was completed on October 8, 2024. For details, please refer to the "Announcement on the Implementation of Semi-annual Equity Distribution in 2024" disclosed by the company on September 25, 2024 (Announcement No.: 2024-057)

Special description of cash dividend policy	
Whether it complies with the provisions of the company's articles of association or the requirements of the resolutions of the general meeting of shareholders:	Yes
Whether the dividend standard and ratio are clear and clear:	Yes
Whether the relevant decision-making procedures and mechanisms are complete:	Yes
Whether independent directors perform their duties and play their due role:	Yes
If the company does not distribute cash dividends, it shall disclose the specific reasons and the measures it plans to take in the next step to enhance the level of investor returns:	Not applicable
Whether small and medium shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests are fully protected:	Yes
If the cash dividend policy is adjusted or changed, whether the conditions and procedures are compliant and transparent:	Not applicable

The company's profit distribution plan for the reporting period and the plan for capitalization of capital reserves are consistent with the relevant provisions of the company's articles of association and dividend management measures

Yes ■ No ■ Not applicable

The company's profit distribution plan during the reporting period and the plan for capitalization of capital reserves are in compliance with the relevant provisions of the company's articles of association.

Profit distribution and capitalization of capital reserve for the year

Bonus shares for every 10 shares (shares)	0
Dividend per 10 shares (yuan) (tax included)	5.93
Number of shares transferred per 10 shares (shares)	0
The share capital base of the distribution plan (shares)	104,751,459
Cash dividend amount (yuan) (tax included)	62,117,615.19
Amount of cash dividends in other ways (such as repurchasing shares) (yuan)	0.00
Total cash dividends (including other methods) (yuan)	62,117,615.19
Distributable profit (yuan)	698,438,692.98
The ratio of total cash dividends (including other methods) to total profit distribution	100.00%

The cash dividend distribution

If the company's development stage is in the growth period and has major capital expenditure arrangements, when the profit distribution is carried out, the proportion of cash dividends in this profit distribution should be at least 20%

Detailed description of the plan for profit distribution or capital reserve transfer

In 2024, the company will realize a net profit attributable to ordinary shareholders of the listed company of RMB 267,988,609.87, and the parent company will realize a net profit of RMB 199,717,202.95. According to the Articles of Association and other relevant regulations, if the accumulated amount of the statutory reserve fund is more than 50% of the company's registered capital, it can no longer be withdrawn, and the company's initial statutory surplus reserve of RMB 50,885,000.00 has reached 50% of the registered capital. The statutory surplus reserve will no longer be drawn this year. As of December 31, 2024, the distributable profit of the company's consolidated statement was 877,868,160.48 yuan, and the distributable profit of the parent company was 698,438,692.98 yuan. According to the principle that the company should determine the specific profit distribution ratio based on the principle of the lower of the profit available for distribution in the consolidated statement and the parent company's statement, as of December 31, 2024, the company's profit available for distribution is 698,438,692.98

Yuan.

Following the principle of rewarding shareholders and sharing the company's operating results with shareholders, under the circumstance of ensuring the healthy and sustainable development of the company, the company intends to distribute profits based on the total share capital minus the balance of the company's repurchase account. The profit distribution plan for 2024 is: It is proposed to use the company's total share capital of 106,406,759 shares as of March 31, 2025, excluding the company's current share balance of 1,655,300 shares in the special repurchase account (the company's shares held by the company through the special repurchase account will not participate in this profit distribution), and a total of 104,751,459 shares will be distributed to all shareholders based on this calculation, and a cash dividend of RMB 5.93 (including tax) will be distributed for every 10 shares. A total of 62,117,615.19 yuan (tax included) of cash dividends were distributed. No bonus shares will be given out this year, and no capital reserve will be converted into share capital.

The total cash dividends in this profit distribution are expected to account for 23.18% of the net profit attributable to the owners of the parent company in the consolidated statement for 2024. The cumulative cash dividends in 2024 will be 92,677,837.40 yuan (including the actual cash dividends of 30,560,222.21 yuan for the 2024 half-year completed in October 2024). It accounts for 34.58% of the net profit attributable to owners of the parent company in the 2024 consolidated statement. In 2024, the company did not implement share repurchase transactions.

If after the distribution plan is released and before the implementation, the total share capital of the company that can participate in the equity distribution changes due to share repurchase, equity incentive exercise, etc., the total distribution will be adjusted according to the principle that the distribution ratio per share remains unchanged.

The company made a profit during the reporting period and the parent company's profit available for distribution to shareholders was positive, but no cash dividend distribution plan was proposed

■ Applicable Not Applicable

XIII. Implementation of the company's equity incentive plan, employee stock ownership plan or other employee incentive measures

Applicable ■ Not applicable

1. Equity incentives

1. On August 27, 2024, the company held the fifth meeting of the third board of directors in 2024. The meeting reviewed and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "The Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. ", " The Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle the Company's Equity Incentives "and other proposals. On the same day, the company held the fourth meeting of the third board of supervisors in 2024. Deliberated and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, the "Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. "and the" Proposal on the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. ", The board of supervisors of the company verified the relevant matters of this incentive plan and issued relevant verification opinions.

2. From August 29, 2024 to September 9, 2024, the company publicized the names and positions of the incentive objects to be motivated by this incentive plan on the company's internal bulletin board. During the publicity period, the board of supervisors of the company did not receive any objection to the list of proposed incentive objects, and there was no feedback record. On September 12, 2024, the company's board of supervisors disclosed the "Explanation of the Board of Supervisors' Review Opinions and Publicity on the List of Incentive Objects of the Company's 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-051). On the same day, the company disclosed the "Self-inspection Report on the Buying and Selling of the Company's Shares by Insiders and Incentive Objects of the 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-050).

3. On September 18, 2024, the company held the first extraordinary general meeting of shareholders in 2024. Deliberated and passed the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "The Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. ", and the" Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle the Company's Equity Incentives. ".

4. On September 23, 2024, the company held the sixth meeting of the third board of directors in 2024 and the fifth meeting of the third board of supervisors in 2024, and reviewed and approved the "Proposal on Adjusting the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan and the Number of Grants" and "The Proposal on Granting Restricted Shares to Incentive Objects of the 2024 Restricted Stock Incentive Plan". The Board of Supervisors verified the list of incentive objects on the grant date and issued a verification opinion, agreeing to the list of incentive objects granted by the company's incentive plan this time.

Equity incentives for directors and senior executives

■ Applicable Not Applicable

Evaluation mechanism and incentives for senior managers

The incentive objects include Mr. Zhao Hongyu, the director and deputy general manager of the listed company, and Ms. Cai Lilin, the deputy general manager and secretary of the board of directors. The reason why the company included them in this incentive plan is that Mr. Zhao Hongyu and Ms. Cai Lilin are the company's core management talents and play an important role in the company's strategic planning, operation management, and business development. The company's inclusion in the incentive plan helps to promote the stability and motivation of the company's core personnel.

2. Implementation of the Employee Stock Ownership Plan

■ Applicable Not Applicable

3. Other employee incentives

■ Applicable Not Applicable

XIV. Construction and implementation of internal control system during the reporting period

1. Construction and implementation of internal control

(1) Further improve the construction of internal control system and strengthen internal audit supervision. To sort out and improve the functions and responsibilities of the audit committee of the board of directors and the internal audit department, strengthen the exercise of supervision power under the leadership of the board of directors, strengthen the supervision of the internal audit department on the implementation of the company's internal control system, and improve the depth and breadth of internal audit work.

(2) Strengthen the awareness and responsibility of internal control of the board of directors and key positions, fully understand the importance of internal control in improving enterprise management, enhancing risk prevention and control, and helping enterprises develop with high quality, clarify specific responsible persons, and play an exemplary role.

(3) Strengthen internal control training and learning. The company promptly organizes directors, supervisors and senior management personnel to participate in regulatory compliance learning to improve the management's corporate governance level. Targeted compliance training for middle-level managers and ordinary employees is carried out to improve risk prevention awareness, strengthen compliance management awareness, ensure the effective implementation of internal control systems, effectively improve the company's standardized operation level, and promote the company's healthy and sustainable development.

2. Details of major deficiencies in internal control discovered during the reporting period

■ whether

15. The company's management and control of its subsidiaries during the reporting period

Company name	Integration plan	Integration progress	Problems encountered in integration	Solutions taken	Resolution progress	Follow-up resolution plan
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

16. Internal control evaluation report and internal control audit report

1. Internal control evaluation report

Disclosure date of the full text of the internal control evaluation report	April 22, 2025	
Internal Control Evaluation Report Full Text Disclosure Index	Juchao Information Network (http://www.cninfo.com.cn/)	
The proportion of the total assets of the units included in the evaluation scope to the total assets of the company's consolidated financial statements	100.00%	
The proportion of the operating income of the unit included in the evaluation scope to the operating income of the company's consolidated financial statements	100.00%	
Defect identification standard		
Category	Financial report	Non-financial reporting

Qualitative criteria	<p>(I) Significant deficiencies: refers to a combination of one or more control deficiencies that may cause the enterprise to seriously deviate from the control objectives. The following characteristics are identified as major deficiencies: major deficiencies in the control environment; fraud by directors, supervisors, and senior management; major misstatements in the current financial report, and internal control fails to detect such misstatements during operation; and the audit committee and internal audit department are ineffective in supervising the internal control of financial reporting. (II) Significant deficiencies: refers to a combination of one or more control deficiencies whose severity and economic consequences are lower than those of the major deficiencies but which may still cause the enterprise to deviate from the control objectives. The following characteristics appear, identified as important defects: failure to select and apply accounting policies in accordance with the Accounting Standards for Business Enterprises; no corresponding control mechanism or no implementation and no corresponding compensatory control for the accounting treatment of unconventional or special transactions; one or more defects in the control of the financial reporting process at the end of the period and no reasonable assurance that the prepared financial statements achieve true and accurate goals. (III) General Defects: Refers to control deficiencies other than major deficiencies and major deficiencies.</p>	<p>(I) Defects with the following characteristics should be identified as major defects: the company's business activities seriously violate national laws, administrative regulations and normative documents. The company's decision-making procedures are unscientific, such as decision-making mistakes, which lead to the failure of the company to achieve the expected goals; the lack of institutional control or institutional system failure in important businesses involving the company's production and operation; the failure of internal control for information disclosure, resulting in the company being publicly condemned by the regulatory authorities; the results of internal control evaluation, especially the major defects or major defects, have not been rectified; major losses have occurred, and the losses are caused by one or more control defects. (II) defects with the following characteristics, identified as important defects: general mistakes caused by the company's decision-making procedures; losses caused by the company's violation of internal regulations; serious loss of business personnel in key positions of the company; negative news in the media that spread to local areas; defects in the company's important business systems or systems; and major defects in the company's internal control that have not been rectified. (III) Defects with the following characteristics are identified as general defects: the company violated internal regulations but did not cause losses; the company's general positions and business personnel were lost seriously; there were negative news in the media, but the impact was not significant; the company's general business system or system was flawed; and the company's general defects were not rectified.</p>
Quantitative standard	<p>(I) Major Defects: Misstatement $\geq 1.0\%$ of Total Assets; Misstatement $\geq 5\%$ of Total Profits (II) Major Defects: 0.5% of Total Assets \leq Misstatement $< 1.0\%$ of Total Assets; 3% of Total Profits \leq Misstatement $< 5\%$ of Total Profits (III) General Defects: Misstatement $< 0.5\%$ of Total Assets; Misstatement $< 3\%$ of Total Profits</p>	<p>With reference to the quantitative standard of internal control deficiencies in financial reporting, the quantitative standards for determining the importance of internal control deficiencies in non-financial reporting of listed companies are: (I) major deficiencies: loss amount $\geq 1.0\%$ of total assets; (II) major deficiencies: 0.5% of total assets \leq loss amount $< 1.0\%$ of total assets; and (III) general deficiencies: loss amount $< 0.5\%$ of total assets.</p>
Number of material deficiencies in financial reporting (pieces)		0

Number of material deficiencies in non-financial reporting (pieces)	0
Number of significant deficiencies in financial reporting (a)	0
Number of significant deficiencies in non-financial reporting (a)	0

2. Internal control audit report

Applicable ☒ Not applicable

Deliberation paragraph in the internal control audit report	
We believe that Honor Electron maintained effective internal control over financial reporting in all material aspects as of December 31, 2024 in accordance with the Basic Norms of Internal Control of Enterprises and relevant regulations.	
Disclosure of internal control audit reports	Disclose
Disclosure date of the full text of the internal control audit report	April 22, 2025
Internal Control Audit Report Full Text Disclosure Index	Juchao Information Network (http://www.cninfo.com.cn/)
Internal control audit report opinion type	Standard unqualified opinion
Whether there are material deficiencies in non-financial reporting	No

Whether the accounting firm has issued a non-standard opinion on the internal control audit report

☒ whether

Whether the internal control audit report issued by the accounting firm is consistent with the self-evaluation report of the board of directors

Yes ☒ No

17. The rectification of self-examination problems in the special action of listed company governance

During the reporting period, the company did not have any self-examination and rectification issues for the special actions of listed company governance.

Section 5 Environmental and Social Responsibility

I. Major environmental issues

Whether the listed company and its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department

■ whether

Administrative penalties for environmental issues during the reporting period

Company or subsidiary name	Reason for punishment	Violations	Penalty result	Impact on the production and operation of listed companies	The company's corrective measures
No	No	No	No	No	No

Refer to other environmental information disclosed by key pollutant discharge units

Not applicable

Measures and effects taken to reduce its carbon emissions during the reporting period

Applicable ■ Not applicable

The company strictly abides by relevant laws, regulations and relevant industry norms, and at the same time follows the environmental policy of "complying with regulations, preventing pollution, designing and manufacturing energy-saving and environmentally friendly green products, continuous improvement, and harmonious coexistence with the environment", earnestly implements various environmental protection management systems, and continuously promotes energy conservation, consumption reduction and environmental protection, and promotes the company's sustainable development. At present, the company's main production bases have passed the ISO14001:2015 environmental management system certification. During the reporting period, in order to actively respond to the new national policy on energy conservation and emission reduction, the company actively introduced waste heat utilization systems such as industrial high-temperature flue gas, waste high-temperature water, and steam waste heat recovery to promote energy recycling. In order to promote green production and low energy consumption, Dongguan Honor Electron took the lead in passing the clean production certification, effectively reducing energy consumption and contributing to the cause of environmental protection. For details, please refer to the "Honor Electron 2024 Sustainability Report" disclosed by the company on www.cninfo.com.cn.

Reasons for not disclosing other environmental information

Neither the company nor its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department. During the reporting period, all production and operation of the company were carried out in strict compliance with relevant national laws and regulations, and actively cooperated with all inspections, and no punishment occurred.

II. Social Responsibility

During the reporting period, the company actively fulfilled its obligations and assumed social responsibilities. While continuously creating value for shareholders, the company also actively assumes responsibilities to shareholders, employees, partners, society and other stakeholders.

(1) Protection of shareholders' rights and interests

In strict accordance with the requirements of the Company Law, the Rules for the Listing of Stocks on the Growth Enterprise Market of the Shenzhen Stock Exchange and other relevant laws and regulations, the company continued to improve its corporate governance structure; continuously improved its internal control system and control system, and continuously improved its standardized operation level. The company has established the "Articles of Association" as the

Based on the "Rules of Procedures of the General Meeting of Shareholders", "Rules of Procedures of the Board of Directors" and "Rules of Procedures of the Board of Supervisors" as the main structure, a governance system has been formed in which the general meeting of shareholders, the board of directors and the board of supervisors operate in a coordinated manner. The rights and responsibilities of the company's management are clearly defined, and each performs its own duties, so as to effectively protect the legitimate rights and interests of all shareholders. In order to reasonably return investors, the company actively implements the profit distribution policy to ensure the return on investment of shareholders.

(2) Protection of employees' rights and interests

The company protects the legitimate rights and interests of employees in accordance with the national "Labor Law", "Labor Contract Law" and other laws and regulations, and provides various guarantees for employees' career development and rights protection. The company has established a standardized performance appraisal system and a complete salary management system. The company actively fulfills its social responsibilities and employs 10 disabled employees. At the same time, it pays attention to the health and safety of employees and enriches the professional life of employees.

The company attaches great importance to employee training and career planning to improve employees' own quality and comprehensive ability. The company has carried out various trainings for employees of different levels and categories, including induction training for new employees and skill improvement training for management personnel. Each employing department makes suggestions on training content according to different types of work, and formulates detailed training plans to promote talent development.

The company always puts the safety and health of employees in the first place, implements the "Safety Production Law", and always adheres to the principle of "safety first". The company actively promotes the construction of safety guarantee system, continuously introduces new safety management methods and safety concepts, improves employees' safety awareness, and ensures safe production.

(3) Protection of the rights and interests of suppliers and consumers

The development of the company is inseparable from the strong support and hand in hand of major suppliers. The company has formulated a complete procurement system and process, strictly abides by the relevant national laws and regulations on anti-bribery, anti-fraud, extortion and anti-money laundering, creates an honest and ethical business environment, and protects the legitimate rights and interests of every supplier.

For details, please refer to the "Honor Electron 2024 Sustainability Report" disclosed by the company on www.cninfo.com.cn.

III. Consolidate and expand the achievements of poverty alleviation and rural revitalization

During the reporting period, the company actively fulfilled its corporate social responsibility, participated in social services and charitable activities, and donated 300,000 yuan to the Hubei Provincial Charity Federation for rural infrastructure construction projects to give back to the society with practical actions.

Section 6 Important Matters

I. Fulfillment of commitments

1. The company's actual controllers, shareholders, related parties, acquirers, and the company and other related parties have fulfilled their commitments during the reporting period and have not fulfilled their commitments as of the end of the reporting period

Applicable ☒ Not applicable

Promise	Promise party	Commitment type	Commitment content	Promise time	Commitment period	Performance
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Commitments made in an initial public offering or refinancing	Wang Heqiu, Wang Yulin, Shang Yunsu, Wang Yuetian, Wang Yuefei	Share Locking Commitment and Share Reduction Commitment	<p>1. Within 36 months from the date of listing of the company's shares on the stock exchange, the company shall not transfer or entrust others to manage the shares issued by the company directly or indirectly before the company's public offering of shares, nor shall the company repurchase such shares; If the closing price of the company's shares for 20 consecutive trading days is lower than the issue price within 6 months after listing, or the closing price of the shares at the end of the 6 months after listing is lower than the issue price, the lock-up period of the company's shares held directly or indirectly by me will be automatically extended by 6 months.</p> <p>2. If I reduce my direct or indirect holdings of the company's shares before the public offering within two years after the expiration of the above lock-up period, the annual reduction shall not exceed 25% of the total number of company shares I directly or indirectly hold, and the reduction</p>	August 17, 2020	2020-08-24 to 2025-08-23	Normal performance
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			<p>an the issue price at the time of the public offering.</p> <p>3. After the above-mentioned statutory or voluntary lock-up period expires,</p>			
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			<p>The shares transferred each year during my tenure as a director, supervisor or senior manager of the company shall not exceed 25% of the total shares held directly or indirectly by me; the shares held directly or indirectly by me shall not be transferred within half a year after resignation.</p> <p>4. If I reduce my shareholding in the company, I will carry out the reduction in accordance with the relevant regulations of the China Securities Regulatory Commission, the stock exchange and other regulatory authorities, and actively cooperate with the company's announcement and other information disclosure work.</p> <p>5. In the event of ex-rights or ex-dividends due to the distribution of cash dividends, bonus shares, capitalization, additional issuance of new shares, etc., the issue price or closing price shall be adjusted accordingly in accordance with relevant regulations. If I viola</p>			
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			<p>to the above undertaking, the proceeds from the breach of the undertaking shall belong to the company; the company may withhold the remuneration (and allowances) payable to me in the year of breach of the undertaking and the following year, and I shall not transfer the shares of the company held directly or indirectly during the breach of the undertaking until I fulfill the undertaking. The above commitments will not be invalidated or terminated due to job changes, resignation, etc.</p>			
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	Shenzhen Genoli Information Consulting Co., Ltd., Shenzhen Wangyuewang Investment Co., Ltd	Share Locking Commitment and Share Reduction Commitment	1. Within 36 months from the date of listing of the company's shares on the stock exchange, no	August 17, 2020	2020-08-24 to 2025-08-23	Normal performance
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	Partnership (Limited Partnership)	<p>Transfer or entrust others to manage the shares issued by the company directly or indirectly held by the company before the public offering of shares, and the company will not repurchase that part of the shares; if the closing price of the company's shares for 20 consecutive trading days within 6 months after listing is lower than the issue price, or the closing price of the shares at the end of the 6 months after listing is lower than the issue price, the lock-up period of the company's shares held directly or indirectly by the company will be automatically extended for 6 months. 2. If the company reduces its holdings of the company's shares directly or indirectly held by the company before the public offering within two years after the expiration of the above-mentioned lock-up period, the annual reduction shall not exceed 25% of the total number of company's shares directly or indirectly held by the company, and the reduction price shall be</p>			
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			<p>n the issue price at the time of the public offering.</p> <p>The company will reduce its holdings in accordance with the relevant shareholding reduction regulations of the China Securities Regulatory Commission, the stock exchange and other regulatory authorities, and actively cooperate with the company's announcement and other information disclosure work.</p> <p>3. In the event of ex-rights or ex-dividends due to the distribution of cash dividends, bonus shares, capitalization, additional issuance of new shares, etc., the issue price or closing price shall be adjusted accordingly in accordance with relevant regulations. If the company violates the</p>			
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			<p>The company may withhold the cash dividends payable to the company in the year of the breach of the promise and the following year. At the same time, the company shall not transfer the company's shares held directly or indirectly during the breach of the promise until the company fulfills the promise.</p>			
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	Shenzhen Tongju Information Technology Consulting Partnership (Limited Partnership)	Share reduction commitment	<p>1. Within 36 months from the date of listing of the company's shares on the stock exchange, the company shall not transfer or entrust others to manage the shares issued by the company directly or indirectly before the company's public offering of shares, nor shall the company repurchase such shares. 2. If the company reduces its holdings of the company's shares directly or indirectly held by the company before the public offering within two years after the expiration of the above lock-up period, the annual reduction shall not exceed 25% of the total number of company's shares held directly or indirectly by the company, and the reduction price shall not be lower than the issue price at the time of the public offering. The company will reduce its holdings in accordance with the relevant shareholding reduction regulations of the China Securities Regulatory Commission, the stock exchange and other regulatory authorities.</p>	August 17, 2020	2020-08-24 to 2025-08-23	Normal performance
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			<p>operate with the company's announcement and other information disclosure work.</p> <p>3. Ex-rights and ex-dividends are carried out due to the distribution of cash dividends, bonus shares, capitalization, additional issuance of new shares, etc</p>			
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			<p>, the issue price shall be adjusted accordingly in accordance with relevant regulations. If the company violates the above commitments, the proceeds from the breach of the commitment belong to the company; the company may withhold the cash dividends payable to the company in the year of breach of the commitment and the following year. At the same time, the company may not transfer the company's shares held directly or indirectly during the breach of the commitment until the company fulfills the commitment.</p>			
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	Jiang Shuxing, Zhao Hongyu, Sun Chunping, Zhao Peng	Share Locking Commitment and Share Reduction Commitment	<p>1. Within 36 months from the date of listing of the company's shares on the stock exchange, the company shall not transfer or entrust others to manage the shares issued by the company directly or indirectly before the company's public offering of shares, nor shall the company repurchase such shares; If the closing price of the company's shares for 20 consecutive trading days is lower than the issue price within 6 months after listing, or the closing price of the shares at the end of the 6 months after listing is lower than the issue price, the lock-up period of the company's shares held directly or indirectly by me will be automatically extended for 6 months; within two years after the expiration of the above lock-up period, I will reduce my holdings of the company's shares directly or indirectly held before the public offering, and the reduction price shall not be lower than the issue price at the time of the public offering.</p> <p>2. The above</p>	August 17, 2020	2020-08-24 to 2025-08-23	Sun Chunping has completed the performance, and others are performing normally
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2. If there is a profit forecast for the company's assets or projects, and the reporting period is still in the profit forecast period, the company will explain that the assets or projects have reached the original profit forecast and the reasons for it

■ Applicable Not Applicable

II. Non-operating capital occupation of listed companies by controlling shareholders and other related parties

■ Applicable Not Applicable

During the reporting period, there was no non-operating capital occupation of the listed company by the controlling shareholder and other related parties.

III. Violation of external guarantees

■ Applicable Not Applicable

During the reporting period, the company had no illegal external guarantees.

IV. Explanation of the Board of Directors on the latest "non-standard audit report"

■ Applicable Not Applicable

V. Explanations of the board of directors, the board of supervisors and independent directors (if any) on the "non-standard audit report" of the accounting firm during the reporting period

■ Applicable Not Applicable

VI. Explanation of the Board of Directors on the Accounting Policies, Changes in Accounting Estimates or Corrections of Significant Accounting Errors during the Reporting Period

■ Applicable Not Applicable

VII. Explanation of changes in the scope of consolidated statements compared with the financial report of the previous year

Applicable ■ Not applicable

On April 30, 2024, Hong Kong Honor Electron Technology Co., Ltd. will jointly fund the establishment of MÉXICO HONOTO INDUSTRY S.A. de C.V., with a subscribed registered capital of 72.270 million Mexican pesos, and (U.S.) Axnon Co., Ltd. with a subscribed registered capital of 730 million Mexican pesos, with its registered address in Monterrey, Nuevo Leon, Mexico. Hong Kong Honor Electron Technology Co., Ltd. holds 99% of the shares, (U.S.) Ashneng Co., Ltd. holds 1% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares.

MÉXICO HONOTO INDUSTRY S.A. de C.V. has been incorporated into the scope of consolidation since its inception.

VIII. Appointment and Dismissal of Accounting Firms

Current accounting firm

Name of domestic accounting firm	Tianzhi International Accounting Firm (Special General Partnership)
Remuneration of domestic accounting firms (ten thousand yuan)	111.6
Consecutive years of audit services of domestic accounting firms	5
The name of the certified public accountant of the domestic accounting firm	Wang Shoujun, Fan Kelei
Consecutive years of CPA audit services of domestic accounting firms	Wang Shoujun 1 year, Fan Kelei 3 years

Whether to reappoint an accounting firm

■ whether

Hiring an internal control audit accounting firm, financial consultant or sponsor

Applicable ■ Not applicable

During the year, the company hired Tianzhi International Accounting Firm (special general partnership) to issue an internal control audit report, and the internal control audit fee was 50,000 yuan.

IX. Facing delisting after the disclosure of the annual report

■ Applicable Not Applicable

X .matters related to bankruptcy and reorganization

■ Applicable Not Applicable

During the reporting period, the company did not have any bankruptcy and reorganization related matters.

11. Major litigation and arbitration matters

Applicable ■ Not applicable

Basic Information on Litigation (Arbitration)	Amount involved (ten thousand yuan)	Whether to form estimated liabilities	Litigation (Arbitration) Progress	Litigation (Arbitration) Results and Impact	Enforcement of Litigation (Arbitration) Judgments	Disclosure date	Disclosure Index
Other litigation matters that cumulatively do not meet the disclosure standards for major litigation	621.91	No	Still under trial	No significant impact	Still under trial		Not applicable

12. Punishment and rectification

■ Applicable Not Applicable

During the reporting period, there were no penalties and rectifications.

XIII. The integrity of the company and its controlling shareholders and actual controllers

■ Applicable Not Applicable

XIV. Significant related party transactions

1. Related party transactions related to daily operations

■ Applicable Not Applicable

During the reporting period, the company did not have any related transactions related to its daily operations.

2. Related party transactions arising from the acquisition and sale of assets or equity

■ Applicable Not Applicable

During the reporting period, there were no related transactions involving the acquisition or sale of assets or equity.

3. Related party transactions of joint foreign investment

■ Applicable Not Applicable

During the reporting period, the company did not have any related transactions of joint foreign investment.

4. Related creditor's rights and debts

■ Applicable Not Applicable

During the reporting period, there was no related creditor's rights and debts.

5. Transactions with financial companies that have an associated relationship

■ Applicable Not Applicable

There is no deposit, loan, credit or other financial business between the company and the financial company that has an associated relationship and the associated party.

6. The transactions between the financial company controlled by the company and related parties

■ Applicable Not Applicable

There is no deposit, loan, credit or other financial business between the financial company controlled by the company and related parties.

7. Other major related transactions

Applicable ■ Not applicable

The company held the fourth meeting of the third board of directors in 2023 and the fourth meeting of the third board of supervisors in 2023 on December 4, 2023. The company's "Proposal on the Estimated Daily Related Transactions in 2024" was reviewed and approved. According to the daily operation needs and considering the adjustment of the equity structure of the company's original subsidiaries, Shanghai Anshibo Energy Technology Co., Ltd. and Suzhou Bodian Yunke Energy Technology Co., Ltd. are no longer wholly-owned subsidiaries of the company. The company and its subsidiaries are expected to have a total amount of RMB 50 million in daily connected transactions with Anshibo and its subsidiary Bodian Yunke in 2024. The content of the connected transactions is mainly to provide processing services to related parties. For details, please refer to the "Announcement on the Estimated Daily Operational Related Transactions in 2024" (Announcement No.: 2023-084) disclosed by the company on the Juchao Information Network (<http://www.cninfo.com.cn/>) on December 6, 2023

As of December 31, 2024, the company has not had the above-mentioned daily operating related transactions.

Inquiries about the website for the disclosure of interim reports on major related-party transactions

Temporary announcement name	Interim Announcement Disclosure Date	Temporary announcement discloses website name
Announcement on the Estimated Daily Operational Related Party Transactions in 2024	December 06, 2023	Juchao Information Network(http://www.cninfo.com.cn/)

15. Major contracts and their performance

1. Custody, contracting and leasing matters

(1) Custody

■ Applicable Not Applicable

There was no custody of the company during the reporting period.

(2) Contracting situation

■ Applicable Not Applicable

There was no contract in the company during the reporting period.

(3) Leasing

Applicable ■ Not applicable

Lease description

1. In order to improve economic efficiency and expand its business scale, the company expanded the lease of some dormitories around the company during the reporting period to improve the living environment of employees; Dongguan, Ganzhou and other leased sites are used as warehouses for storage and turnover materials. The above rental prices are fair, and the lessor has no relationship with the company.

2. During the reporting period, the company leased some of its own properties to the outside world. The rental price was fair, and the lessee had no relationship with the company.

Projects that bring the company's profit and loss to more than 10% of the company's total profit in the reporting period

■ Applicable Not Applicable

During the reporting period, there were no leasing projects that brought the company's profits and losses to more than 10% of the company's total profits during the reporting period.

2. Major guarantee

Applicable ☒ Not applicable

Unit: ten thousand yuan

External guarantees of the company and its subsidiaries (excluding guarantees to subsidiaries)										
Guarantee d object name	Disclosur e date of the annou ncement related to the guarantee amount	Guarantee amount	Actual date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-g uarantee (if any)	Guarantee period	Is it fulfilled?	Whether to guarantee a related party
The company's guarantee to its subsidiaries										
Guarantee d object name	Disclosur e date of the annou ncement related to the guarantee amount	Guarantee amount	Actual date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-g uarantee (if any)	Guarantee period	Is it fulfilled?	Whether to guarantee a related party
Dongguan Honor Electron Electronic s Co., Ltd	November 18, 2024	50,000	October 11, 2021	20,104	Joint and several liability guarantee			October 11, 2021 - October 10, 2029	No	No
Vietnam Honor Electron Technolo gy Co., Ltd	November 18, 2024	10,000	March 21, 2024	3,547.1	Joint and several liability guarantee			March 21, 2024 - December 2024 31	Yes	No
During the reporting period, the total amount of guarantees approved for subsidiaries (B1)		130,000		The total actual amount of guarantees to subsidiaries during the reporting period (B2)		3,547.1				
The total amount of guarantees approved for subsidiaries at the end of the reporting period (B3)		130,000		The total balance of actual guarantees to subsidiaries at the end of the reporting period (B4)		20,104				
Subsidiary's guarantee to subsidiary										
Guarantee d object name	Disclosur e date of the annou ncement related to the guarantee amount	Guarantee amount	Actual date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-g uarantee (if any)	Guarantee period	Is it fulfilled?	Whether to guarantee a related party
The total amount of company guarantees (that is, the total of the first three items)										

The total amount of approved guarantees during the reporting period (A1 + B1 + C1)	130,000	The total amount of guarantees actually incurred during the reporting period (A2 + B2 + C2)	3,547.1
The total amount of guarantees approved at the end of the reporting period (A3 + B3 + C3)	130,000	The total actual guarantee balance at the end of the reporting period (A4 + B4 + C4)	20,104
The proportion of the total actual guarantee (ie A4 + B4 + C4) to the company's net assets		9.26%	
Of which:			
For unexpired guarantee contracts, a description of the circumstances in which the guarantee liability occurred during the reporting period or there is evidence that it is possible to bear joint and several liability for repayment (if any)		Not applicable	
Explanation of providing external guarantee in violation of prescribed procedures (if any)		Not applicable	

Description of the specific circumstances of the use of compound guarantees

3. Entrusting others to manage cash assets

(1) Entrusted financial management

Applicable ☒ Not applicable

Overview of entrusted wealth management during the reporting period

Unit: ten thousand yuan

Specific type	Source of funds for entrusted financial management	Entrusted financial management amount	Unexpired balance	Overdue amount	The amount of impairment accrued for overdue financial management
Bank wealth management products	Raise funds	39,400	34,900	0	0
Total		39,400	34,900	0	0

The specific situation of high-risk entrusted wealth management with large single amount or low security and poor liquidity

☒ Applicable Not Applicable

Entrusted wealth management is expected to be unable to recover the principal or there are other situations that may lead to impairment

☒ Applicable Not Applicable

(2) Entrusted loans

☒ Applicable Not Applicable

There was no entrusted loan in the company during the reporting period.

4. Other major contracts

■ Applicable Not Applicable

There were no other major contracts in the company during the reporting period.

16. Explanation of other important matters

Applicable ■ Not applicable

1. Relevant information on convertible corporate bonds

With the approval of the China Securities Regulatory Commission Securities Regulatory Commission [2024] No. 219 document, the company issued 6,445,265 convertible corporate bonds to unspecified objects on July 5, 2024, each with a face value of 100 yuan, with a total issuance of 644,526,500 yuan. With the approval of the Shenzhen Stock Exchange, the company's convertible corporate bonds of RMB 644,526,500 will be listed and traded on the Shenzhen Stock Exchange from July 26, 2024. The abbreviation of the bonds is "European Convertible Bonds" and the bond code is "123241". The conversion period of the convertible corporate bonds issued in this issuance shall start from the first trading day six months after the completion of the issuance of the convertible corporate bonds and end on the maturity date of the convertible corporate bonds, that is, from January 13, 2025 to July 4, 2030.

On October 8, 2024, due to the completion of the company's 2024 semi-annual profit distribution, according to the relevant provisions of the company's convertible bond conversion price adjustment, the conversion price of "Eurocom Convertible Bonds" was adjusted from 44.86 yuan/share to 44.56 yuan/share. The effective date of the conversion price adjustment is October 8, 2024. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2024-058) disclosed by the company on the www.cninfo.com.cn website (<http://www.cninfo.com.cn>) on September 25, 2024.

2. Relevant information about restricted stock incentive plans

On August 27, 2024, the company held the fifth meeting of the third board of directors in 2024 and the fourth meeting of the third board of supervisors in 2024. It reviewed and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. "and other proposals.

On September 12, 2024, the company disclosed the "Self-inspection Report on the Buying and Selling of the Company's Shares by Insiders and Incentive Objects of the 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-050) and the "Explanation on the Review Opinions and Publicity of the Board of Supervisors on the List of Incentive Objects of the Company's 2024 Restricted Stock Incentive Plan" (Announcement No.: 2024-051).

On September 18, 2024, the company held the first extraordinary general meeting of shareholders in 2024, Deliberated and approved the "Proposal on the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. (Draft)" and its summary, "The Proposal on the" Administrative Measures for the Implementation of the 2024 Restricted Stock Incentive Plan of Shenzhen Honor Electronic Co., Ltd. ", and the" Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle the Company's Equity Incentives. ".

On September 23, 2024, the company held the sixth meeting of the third board of directors in 2024 and the fifth meeting of the third board of supervisors in 2024, and reviewed and approved the "Proposal on Adjusting the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan and the" Proposal on Granting Restricted Shares to Incentive Objects of the 2024 Restricted Stock Incentive Plan ". The Board of Supervisors verified the list of incentive objects on the grant date and issued a verification opinion, agreeing to the list of incentive objects granted by the company's incentive plan this time.

17. Major events of the company's subsidiaries

■ Applicable Not Applicable

Section 7 Changes in Shares and Shareholders

I. Changes in shares

1. Changes in shares

Unit: share

	Before this change		Increase or decrease in this change (+, -)					After this change	
	Quantity	Proportion	Issue new shares	Bonus shares	Provident fund conversion	other	Subtotal	Quantity	Proportion
I. Shares subject to sales restrictions	0	0.00%						0	0.00%
1. State shareholding									
2. State-owned legal person holding shares									
3. Other domestic shares	0	0.00%						0	0.00%
Of which: domestic legal person holdings	0	0.00%						0	0.00%
Domestic natural person holdings	0	0.00%						0	0.00%
4. Foreign shareholding	0	0.00%						0	0.00%
Of which: overseas legal person holdings									
Shares held by foreign natural persons	0	0.00%						0	0.00%
II. Unrestricted Shares	101,200,000	100.00%						101,200,000	100.00%
1. RMB ordinary shares	101,200,000	100.00%						101,200,000	100.00%

2. Domesti cally listed foreign shares									
3. Foreign shares listed overseas									
4. Its									
He									
III. Total number of shares	101,200,00 0	100.00%						101,200,00 0	100.00%

Reasons for changes in shares

■ Applicable Not Applicable

Approval of changes in shares

■ Applicable Not Applicable

Transfer of share changes

■ Applicable Not Applicable

The impact of share changes on financial indicators such as basic and diluted earnings per share, net assets per share attributable to common shareholders of the company in the most recent year and the most recent period ■ Applicable Not applicable

Other disclosures that the company deems necessary or required by securities regulators

■ Applicable Not Applicable

2. Changes in restricted shares

■ Applicable Not Applicable

II. Securities Issuance and Listing

1. Securities issuance (excluding preferred shares) during the reporting period

■ Applicable Not Applicable

2. Explanation of changes in the total number of shares of the company and the structure of shareholders, and changes in the structure of assets and liabilities of the company

■ Applicable Not Applicable

3. Existing internal employee shares

■ Applicable Not Applicable

III. Shareholders and actual controllers

1. The number of shareholders and shareholding of the company

Unit: share

Total number of common shareholders at the end of the reporting period	10,932	The total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report	16,503	The total number of preferred shareholders with voting rights restored at the end of the reporting period, if any (see Note 9)	0	The total number of preferred shareholders (if any) whose voting rights were restored at the end of the previous month before the disclosure date of the annual report (see Note 9)	0	Total number of shareholders holding special voting shares (if any)	0
Shareholding of shareholders holding more than 5% of the shares or the top 10 shareholders (excluding shares lent through refinancing)									
Name of shareholder	Nature of Shareholders	Shareholding ratio	Number of shares held at the end of the reporting period	Changes during the reporting period	Number of shares subject to sales restrictions	The number of shares held without selling restrictions	Pledge, mark or freeze		
							Share status	Quantity	
Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Domestic non-state-owned legal person	28.89%	29,234,023	0	0	29,234,023	Not applicable		0
Shenzhen Genoli Information Consulting Co., Ltd	Domestic non-state-owned legal person	28.89%	29,234,023	0	0	29,234,023	Pledge		15,760,000
Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	Domestic non-state-owned legal person	3.59%	3,635,231	0	0	3,635,231	Not applicable		0

Hong Kong Securities Clearing Company Limited	Foreign legal person	1.23%	1,243,789	-558060	0	1,243,789	Not applicable	0
Qiu Mingjing	Domestic natural persons	1.03%	1,042,900	1042900	0	1,042,900	Not applicable	0
Ruizhong Life Insurance Co., Ltd.-own funds	other	0.92%	927,696	927696	0	927,696	Not applicable	0
Industrial and Commercial Bank Of China Ltd. - Wells Fargo Emerging Industries Equity Securities Investment Fund	other	0.82%	825,100	825100	0	825,100	Not applicable	0
Shanghai Guqu Private Equity Fund Management Co., Ltd.-Guqu Times Selected Extraordinary Private Equity Securities Investment Fund	other	0.43%	431,400	431400	0	431,400	Not applicable	0
Gold								

Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth Stock Traditional Available-for-sale Single Asset Management Plan	other	0.41%	415,129	-763614	0	415,129	Not applicable	0
Wells Fargo Fund-China Life Insurance Company Limited-Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	other	0.35%	358,355	-820300	0	358,355	Not applicable	0
Strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares (if any) (see Note 4)	No							

Description of the above-mentioned shareholders' connected relationship or concerted action	The actual controllers of the company are Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei, and they act in concert. Among them, Wang Heqiu and Wang Yulin control 28.89% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei control 28.89% of the company's shares through Nanjing Wangyueke Wang Venture Capital Partnership (Limited Partnership), and Wang Heqiu is the executive partner and actual controller of Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership). In addition, the company does not know whether there is an associated relationship among the above-mentioned other shareholders, nor whether they are persons acting in concert as stipulated in the Administrative Measures for the Disclosure of Information Disclosure of Changes in Shareholding of Listed Companies.		
Explanation of the above shareholders involved in entrusted/entrusted voting rights and abstention from voting rights	No		
Special instructions (if any) for the existence of special repurchase accounts among the top 10 shareholders (see Note 10)	The company repurchased 1,655,300 shares through a centralized auction transaction through a special securities repurchase account, accounting for 1.64% of the company's current total share capital		
Shareholding of the top 10 shareholders with unrestricted sales conditions (excluding shares lent through refinancing and locked shares by executives)			
Name of shareholder	The number of unrestricted shares held at the end of the reporting period	Type of shares	
		Type of shares	Quantity
Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	29,234,023	RMB ordinary shares	29,234,023
Shenzhen Genoli Information Consulting Co., Ltd	29,234,023	RMB ordinary shares	29,234,023
Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	3,635,231	RMB ordinary shares	3,635,231
Hong Kong Securities Clearing Company Limited	1,243,789	RMB ordinary shares	1,243,789
Qiu Mingjing	1,042,900	RMB ordinary shares	1,042,900
Ruizhong Life Insurance Co., Ltd.-own funds	927,696	RMB ordinary shares	927,696
Industrial and Commercial Bank Of China Ltd. - Wells Fargo Emerging Industries Equity Securities Investment Fund	825,100	RMB ordinary shares	825,100

Shanghai Guqu Private Equity Fund Management Co., Ltd.-Guqu Times Selected Extraordinary Private Equity Securities Investment Fund	431,400	RMB ordinary shares	431,400
Wells Fargo Fund-China Life Insurance Company Limited-Traditional Insurance-Wells Fargo Fund China Life Shares Growth Stock Traditional Available-for-sale Single Asset Management Plan	415,129	RMB ordinary shares	415,129
Wells Fargo Fund-China Life Insurance Company Limited-Participating Insurance-Wells Fargo Fund China Life Shares Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	358,355	RMB ordinary shares	358,355
Description of the associated relationship or concerted action among the top 10 shareholders of tradable shares without tradable shares, and between the top 10 shareholders of tradable shares without tradable shares and the top 10 shareholders	<p>The actual controllers of the company are Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yungsi and Wang Yuefei, and they act in concert. Among them, Wang Heqiu and Wang Yulin control 28.89% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yungsi and Wang Yuefei control 28.89% of the company's shares through Nanjing Wangyueke Wang Venture Capital Partnership (Limited Partnership), and Wang Heqiu is the executive partner and actual controller of Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership). In addition, the company does not know whether there is an associated relationship among the above-mentioned other shareholders, nor whether they are persons acting in concert as stipulated in the Administrative Measures for the Disclosure of Information Disclosure of Changes in Shareholding of Listed Companies.</p>		
Description of shareholders participating in margin financing and securities lending business (if any) (see Note 5)	<p>Among the top 10 shareholders of the company, the company's shareholder Qiu Mingjing holds 1,042,900 shares of the company's stock through a credit account, and Shanghai Guqu Private Equity Fund Management Co., Ltd.-Guqu Times Selected Extraordinary Private Equity Securities Investment Fund holds 431,400 shares of the company's stock through a credit account.</p>		

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of tradable shares without selling restrictions participated in the refinancing business and lent shares

■ Applicable Not Applicable

The top 10 shareholders and the top 10 shareholders of tradable shares without selling restrictions have changed from the previous period due to refinancing, lending/return

■ Applicable Not Applicable

Whether the company has a voting rights difference arrangement

■ Applicable Not Applicable

Whether the company's top 10 common shareholders and top 10 common shareholders with unrestricted sales conditions conducted agreed repurchase transactions during the reporting period

■ whether

The top 10 common shareholders of the company and the top 10 common shareholders with unrestricted sales conditions did not conduct agreed repurchase transactions during the reporting period.

2. The controlling shareholder of the company

Nature of controlling shareholder: natural person holding

Controlling shareholder type: legal person

Name of controlling shareholder	Legal representative/person in charge of the unit	Date of establishment	Organization code	Main business
Shenzhen Genoli Information Consulting Co., Ltd	Wang Heqiu	November 13, 1995	914403001923931279	Information consulting; marketing planning; business information consulting; business management consulting; corporate image planning; exhibition planning. (Except for projects prohibited by laws, administrative regulations, and decisions of the State Council, restricted projects can only be operated after obtaining permits)

Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Wang Heqiu	October 14, 2014	91440300319383058K	Equity investment, investment management, investment consulting, investment and establishment of industries (except for projects prohibited by laws, administrative regulations, and decisions of the State Council, and restricted projects can only be operated after obtaining permits).
Equity situation of other domestic and overseas listed companies that the controlling shareholder controls and participates in during the reporting period	No			

Change of controlling shareholder during the reporting period

■ Applicable Not Applicable

The controlling shareholder of the company did not change during the reporting period.

3. The actual controller of the company and those acting in concert

Nature of actual controller: domestic natural person

Type of actual controller: natural person

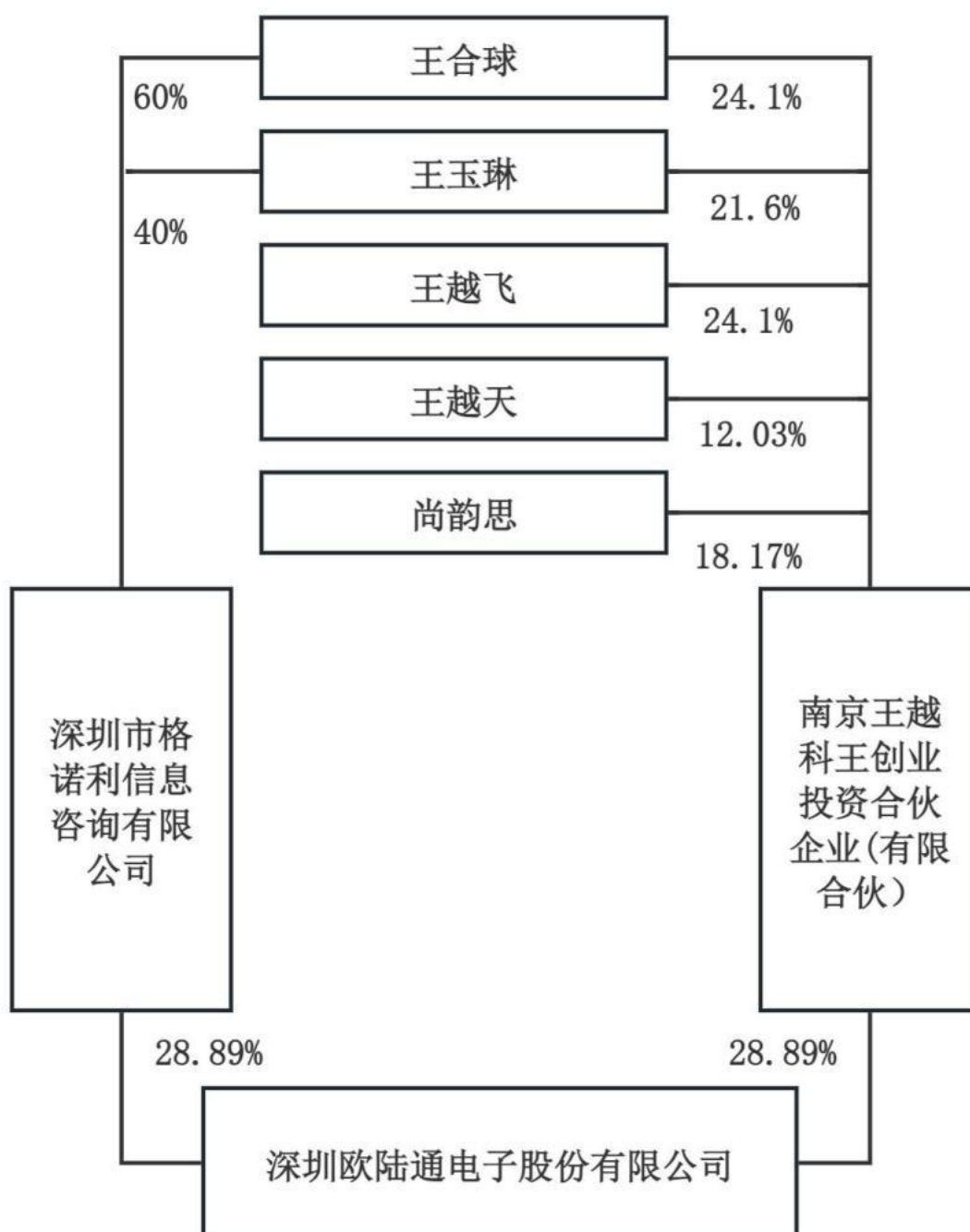
Name of actual controller	Relationship with the actual controller	Nationality	Whether to obtain the right of abode in other countries or regions
Wang Heqiu	Myself	China	No
Wang Yuetian	Myself	China	Yes
Wang Yulin	Myself	China	No
Wang Yuefei	Myself	China	Yes
Shang Yunsu	Myself	China	No
Main occupation and position	Wang Heqiu is the chairman and general manager of the company; Wang Yuetian is the vice chairman of the company; Shang Yunsu is the director of the company; Wang Yulin is the director of Hong Kong Honor Electron but does not serve in the company, and Wang Yuefei does not serve in the company.		
Domestic and overseas listed companies that have held holdings in the past 10 years	No		

Change of actual controller during the reporting period

■ Applicable Not Applicable

The actual controller of the company did not change during the reporting period.

Block diagram of the property rights and control relationship between the company and the actual controller



The actual controller controls the company through trust or other asset management methods

■ Applicable Not Applicable

4. The accumulated pledged shares of the company's controlling shareholder or the largest shareholder and its concerted parties account for 80% of the company's shares held by them

■ Applicable Not Applicable

5. Other corporate shareholders holding more than 10% of the shares

■ Applicable Not Applicable

6. Restricted shareholding reduction of controlling shareholders, actual controllers, restructuring parties and other commitment entities

■ Applicable Not Applicable

IV. The specific implementation of share repurchase during the reporting period

Progress in the implementation of share repurchase

■ Applicable Not Applicable

The progress of the implementation of the use of centralized bidding transactions to reduce the shareholding of repurchased shares

■ Applicable Not Applicable

Section 8 Relevant Information on Preferred Shares

■ Applicable Not Applicable

During the reporting period,
the company did not have
preferred shares.

Section 9 Bond Related Information

Applicable ☒ Not applicable

I. Corporate bonds

☒ Applicable Not Applicable

During the reporting period, the company did not have corporate bonds.

II. Corporate bonds

☒ Applicable Not Applicable

During the reporting period, the company did not have corporate bonds.

III. Debt financing instruments of non-financial enterprises

☒ Applicable Not Applicable

During the reporting period, the company did not have non-financial corporate debt financing instruments.

IV. Convertible corporate bonds

Applicable ☒ Not applicable

1. The previous adjustments of the conversion price

The initial conversion price of the convertible corporate bonds issued this time is 44.86 yuan per share.

On October 8, 2024, due to the completion of the company's 2024 semi-annual profit distribution, according to the relevant provisions of the company's convertible bond conversion price adjustment, the conversion price of "Eurocom Convertible Bonds" was adjusted from 44.86 yuan/share to 44.56 yuan/share. The effective date of the conversion price adjustment is October 8, 2024. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2024-058) disclosed by the company on the www.cninfo.com.cn website (<http://www.cninfo.com.cn>) on September 25, 2024.

Up to now, the latest conversion price of "European Convertible Bonds" is 44.56 yuan per share.

2. Cumulative share conversion

☒ Applicable Not Applicable

3. Top ten convertible bond holders

Serial number	Convertible Bond Holder Name	Nature of Convertible Bond Holder	The number of convertible bonds held at the end of the reporting period (sheets)	Amount of convertible bonds held at the end of the reporting period (yuan)	Proportion of convertible bonds held at the end of the reporting period
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1	Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Domestic non-state-owned legal person	1,851,702	185,170,200.00	28.73%
2	Shenzhen Genoli Information Consulting Co., Ltd	Domestic non-state-owned legal person	1,851,000	185,100,000.00	28.72%
3	China Merchants Bank Co., Ltd. - Bosera China Securities Convertible Bonds and Exchangeable Bonds Trading Open-end Index Securities Investment Fund	other	297,894	29,789,400.00	4.62%
4	Bank of China Ltd. - Ping An Strategic Pioneer Hybrid Securities Investment Fund	other	218,840	21,884,000.00	3.40%
5	Agricultural Bank of China Co., Ltd. - Penghua Convertible Bond Bond Securities Investment Fund	other	173,610	17,361,000.00	2.69%
6	# Hainan Leiqiu Private Equity Fund Management Partnership (Limited Partnership) -Leiqiu O'Neill Securities Investment Private Equity Fund	other	172,510	17,251,000.00	2.68%
7	Bank of China Ltd. - Ping An Quality Optimal Hybrid Securities Investment Fund	other	88,380	8,838,000.00	1.37%
8	Industrial and Commercial Bank Of China Ltd. - China-Europe Convertible Bond Bond Securities Investment Fund	other	88,349	8,834,900.00	1.37%
9	Cathay Pacific Golden Age Hybrid Pension Product-Industrial and Commercial Bank Of China Ltd.	other	79,070	7,907,000.00	1.23%

10	Cathay Pacific Golden Age Stable Fixed Income Pension Products-A gricultural Bank of China Co., Ltd.	other	70,137	7,013,700.00	1.09%
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4. Significant changes in the guarantor's profitability, asset status and credit status

■ Applicable Not Applicable

5. At the end of the reporting period, the company's liabilities, changes in credit standing, and cash arrangements for debt repayment in future years

1. For details of the company's liabilities and other relevant indicators at the end of the reporting period, please refer to this section "VIII. Major accounting data and financial indicators of the company in the past two years as of the end of the reporting period".

2. Credit status

During the reporting period, CSCI Pengyuan Credit Rating Co., Ltd. was the company's credit rating agency. According to the rating report issued by the credit rating agency, the company's main credit rating was AA-, the rating outlook was stable, and the current bond credit rating was AA-. For details, please refer to the "Credit Rating Report on Shenzhen Honor Electronic Co., Ltd. Issuing Convertible Corporate Bonds to Unspecified Objects" disclosed by the company on Juchao.com on July 3, 2024

3. Cash arrangements for debt repayment in future years

The company's operating conditions are stable, its asset scale and profitability have grown steadily, and its asset-liability ratio has remained at a reasonable level. The company will maintain stable and sufficient funds to make arrangements for future payment of interest on convertible corporate bonds and repayment of bonds.

V. During the reporting period, the loss in the scope of the consolidated statement exceeded 10% of the net assets at the end of the previous year

■ Applicable Not Applicable

VI. Overdue status of interest-bearing debts other than bonds at the end of the reporting period

■ Applicable Not Applicable

VII. Whether there was any violation of the rules and regulations during the reporting period

■ whether

VIII. Major accounting data and financial indicators of the company in the past two years as of the end of the reporting period

Unit: ten thousand yuan

Projects	At the end of the reporting period	End of last year	Increase or decrease at the end of the reporting period compared to the end of the previous year
Current ratio	1.55	1.42	9.15%
Asset■liability ratio	59.22%	50.49%	8.73%
Quick ratio	1.31	1.19	10.08%
	This reporting period	Same period last year	This reporting period increased or decreased compared with the same period of the previous year
Net profit after deducting non-recurring gains and losses	25,629.32	6,871.71	272.97%
EBITDA total debt ratio	15.18%	19.19%	-4.01%
Interest coverage multiple	11.41	10.65	7.14%
Cash Interest Coverage Multiple	13.77	17.95	-23.29%
EBITDA interest coverage multiple	16.59	16.62	-0.18%
Loan repayment rate	100.00%	100.00%	0.00%
Interest repayment rate	100.00%	100.00%	0.00%

Section X Financial Report

I. Audit report

Type of audit opinion	Standard unqualified opinion
Audit report signing date	April 18, 2025
Audit institution name	Tianzhi International Accounting Firm (Special General Partnership)
Audit report number	Tian Occupation Word [2025] No. 19185
CPA name	Wang Shoujun, Fan Kelei

Audit report body

I. Audit opinion

We have audited the financial statements of Shenzhen Honor Electronic Co., Ltd. (hereinafter referred to as "Shenzhen Honor Electron "), including the consolidated and parent company balance sheet at December 31, 2024, the consolidated and parent company income statement for 2024, the consolidated and parent company cash flow statement, the consolidated and parent company statement of changes in shareholders' equity, and the notes to the financial statements.

In our opinion, the attached financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all material respects and fairly reflect the consolidated financial position of Shenzhen Honor Electron on December 31, 2024 and the operating results and cash flows of the parent company in 2024.

II. The basis for the formation of an audit opinion

We performed our audit work in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these standards are further elaborated in the "CPA's Responsibility for the Audit of Financial Statements" section of the audit report. In accordance with the Chinese CPA Code of Professional Ethics, we are independent of Shenzhen Honor Electron and have fulfilled other responsibilities in terms of professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for the audit opinion.

III. Key audit matters

The key audit matters are the matters that we believe are the most important for the audit of the current financial statements based on our professional judgment. These matters should be dealt with in the context of the audit of the financial statements as a whole and the formation of an audit opinion, and we do not express a separate opinion on these matters.

Key audit matters	How the matter is dealt with in the audit
1. Revenue recognition	

<p>In 2024, the operating income of Shenzhen Honor Electron will be 3,797,533,100 yuan. According to the method of Shenzhen Honor Electron's sales revenue recognition, Shenzhen Honor Electron's products sold to domestic customers are delivered to the buyer's designated location, and the sales revenue is recognized after the customer signs for receipt; Shenzhen Honor Electron's products sold to overseas customers are exported through customs declaration, and the sales revenue is recognized after customs declaration procedures; Shenzhen Honor Electron and customers manage inventory with suppliers (For products that are traded in the form of VMI), the sales revenue is recognized after the customer actually receives the goods. Considering that the amount of operating income is a key operating indicator of Shenzhen Honor Electron, there may be potential misstatement of whether the sales income of products is included in the appropriate accounting period. Therefore, we regard the recognition of operating income as a key audit matter. Please refer to the accounting policies described in "(28) Income" in the notes to the financial statements "III. Significant Accounting Policies and Accounting Estimates", "(41) Operating Income, Operating Costs" in "VI. Notes to Items in the Consolidated Financial Statements" and "(IV) Operating Income, Operating Costs" in "18. Notes to Main Items in the Financial Statements of the Parent Company".</p>	<p>Our primary audit procedures for revenue recognition include, but are not limited to: (1) Understand, evaluate and test the effectiveness of the design and operation of internal controls related to sales and collection of Shenzhen Honor Electron; (2) Understand the revenue recognition policy through management interviews, check the relevant terms of major customer contracts, analyze and evaluate whether the actual revenue recognition policy is appropriate, and review whether the relevant accounting policies are consistently used; (3) Inquire and understand the background information of major customers through public channels, such as industrial and commercial registration materials, and confirm whether there is a potential unidentified related party relationship between the customer and Shenzhen Honor Electron and related parties; (4) Combined with the gross profit margin of companies in the same industry, implement analysis procedures on revenue and costs, and analyze the rationality of the trend of gross profit margin changes; (5) Combined with the audit of accounts receivable, the sales and balances of major customers are verified by letter, and alternative tests are performed on customers who have not responded to the letter; (6) Take samples to check the relevant documents of sales revenue transactions, such as sales contracts (orders), invoices, receipts, customs declarations, statements and sales invoices, etc., to verify whether the confirmed sales revenue is true; (7) Comparatively analyze the data of the customs or the application service platform of the State Administration of Foreign Exchange to verify the authenticity of export sales; (8) Sample the sales revenue transactions recorded before and after the balance sheet date, and check them to the supporting vouchers for revenue recognition under each model to evaluate whether the sales revenue is recorded in the appropriate accounting period.</p>
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Key audit matters	How the matter is dealt with in the audit
2. Impairment of accounts receivable	

<p>At the end of 2024, the book value of Shenzhen Honor Electron's accounts receivable was RMB 1,387,878,200. Since the book value of accounts receivable is relatively large, the assessment of bad debt provision involves management's significant accounting estimates and judgments. Therefore, we regard the bad debt provision of accounts receivable as a key audit matter. Please refer to the accounting policies described in "(13) Accounts Receivable" in Notes to Financial Statements "III. Significant Accounting Policies and Accounting Estimates", "(4) Accounts Receivable" in "VI. Notes to Items in Consolidated Financial Statements" and "(1) Accounts Receivable" in "18. Notes to Main Items in Financial Statements of Parent Company".</p>	<p>Our key audit procedures for the recognition of impairment of accounts receivable include, but are not limited to: (1) Understand, evaluate and test the effectiveness of the design and operation of internal controls related to Shenzhen Honor Electron's credit policy and accounts receivable management; (2) Analyze the rationality of the accounting policies for the provision of expected credit losses on accounts receivable, including the basis for determining the combination of accounts receivable, the expected credit loss rate, the judgment of a single significant amount, the judgment of a single provision for bad debts, and review whether it complies with the relevant accounting policies; (3) Analyze the credit period of accounts receivable of major customers, and understand the reasons for the accounts receivable exceeding the credit period, so as to identify whether there is any situation that affects the evaluation result of bad debt provision of Shenzhen Honor Electron's accounts receivable; (4) For accounts receivable with provision for bad debts using the expected credit loss model based on aging characteristics, obtain Shenzhen Honor Electron's accounts receivable aging analysis table and bad debt provision withdrawal table, analyze and check the aging of accounts receivable and the rationality and accuracy of bad debt provision; (5) Combined with the turnover rate of accounts receivable of companies in the same industry, implement analysis procedures for accounts receivable to analyze its rationality.</p>
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IV. Other information

The management of Shenzhen Honor Electron (hereinafter referred to as the "management ") is responsible for other information. Other information includes information covered in the 2024 annual report, but does not include the financial statements and our audit report.

Our audit opinion on the financial statements does not cover other information, nor do we issue any form of assurance conclusion on other information. In conjunction with our audit of the financial statements, our responsibility is to read other information and, in the process, consider whether other information is materially inconsistent with the financial statements or what we learned during the audit or appears to be materially misstated. Based on the work we have performed, if we determine that other information is materially misstated, we should report that fact. In this regard, we have nothing to report.

V. Management and Governance Responsibilities for Financial Statements

The management is responsible for preparing the financial statements in accordance with the provisions of the Accounting Standards for Business Enterprises, making them fairly reflected, and designing, implementing and maintaining the necessary internal controls so that the financial statements are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing Shenzhen Honor Electron's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and applying the going concern assumption, unless liquidation, termination of operations or no other realistic option is planned.

The management is responsible for overseeing the financial reporting process of Shenzhen Honor Electron.

VI. CPA's responsibility for auditing financial statements

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement due to fraud or error, and to issue an audit report containing an audit opinion. Reasonable assurance is a high-level assurance, but it does not guarantee that an audit performed in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements may be due to fraud or error and are generally considered material if it is reasonably expected that the misstatements, individually or in aggregate, may affect the economic decisions made by users of financial statements based on the financial statements.

In performing audit work in accordance with auditing standards, we use professional judgment and maintain professional skepticism. At the same time, we also perform the following tasks:

(1) Identify and assess the risks of material misstatement of financial statements due to fraud or error, design and implement audit procedures to address these risks, and obtain sufficient and appropriate audit evidence as the basis for issuing an audit opinion. Since fraud may involve collusion, forgery, intentional omission, misrepresentation or overriding internal controls, the risk of failing to detect a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement due to error.

(2) Understand internal controls related to auditing in order to design appropriate audit procedures.

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

(4) Draw conclusions on the appropriateness of management's use of the going concern assumption. At the same time, based on the audit evidence obtained, it is possible to draw conclusions on whether there are major uncertainties in matters or circumstances that may cause major doubts about Shenzhen Honor Electron's ability to continue operations. If we conclude that there is a material uncertainty, the auditing standards require that we draw the attention of the users of the financial statements in the audit report to the relevant disclosures in the financial statements; if the disclosures are insufficient, we should issue a qualified opinion. Our conclusions are based on information available as of the audit report date. However, future events or circumstances may cause Shenzhen Honor Electron to be unable to operate as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and evaluate whether the financial statements fairly reflect relevant transactions and events.

(6) Obtain sufficient and appropriate audit evidence on the financial information of entities or business activities in Shenzhen Honor Electron to express an audit opinion on the financial statements. We are responsible for directing, supervising and performing group audits and assume full responsibility for audit opinions.

We communicate with governance on matters such as planned audit scope, timing, and major audit findings, including communicating internal control deficiencies of concern that we identify in the audit.

We also provide management with a statement that we have complied with professional ethics requirements related to independence, and communicate with management all relationships and other matters that may reasonably be believed to affect our independence, as well as relevant precautions.

From the matters communicated with the governance level, we determine which matters are most important to the audit of the consolidated financial statements for the current period and thus constitute the key audit matters. We describe these matters in our audit reports, unless laws and regulations prohibit public disclosure of these matters, or in rare cases, we determine that we should not communicate the matter in our audit reports if the negative consequences of communicating a matter in our audit reports would reasonably be expected to outweigh the benefits in the public interest.

II. Financial Statements

The unit of the statement in the financial notes is: yuan

1. Consolidated Balance Sheets

Prepared by: Shenzhen Honor Electronic Co., Ltd.

Unit:
Yuan

Projects	Ending balance	Opening balance
Current assets:		
Monetary fund	1,026,474,448.78	669,082,320.25
Settlement reserve		
borrowed funds		
Trading financial assets	350,379,216.98	
Derivative financial assets		
Notes receivable	152,830,327.18	162,177,531.62
Accounts Receivable	1,387,878,242.93	890,787,486.41
Receivables Financing	17,854,895.54	17,633,625.14
Advance payment	2,436,770.21	3,018,853.80
Premiums receivable		
Reinsurance accounts receivable		
Reserve for reinsurance contracts receivable		
Other receivables	32,062,887.63	73,876,951.61
Including: interest receivable	6,484,007.37	421,991.68
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	464,660,221.88	336,461,913.00
Among them: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	75,512,858.49	22,798,520.43
Total current assets	3,510,089,869.62	2,175,837,202.26
Non-current assets:		
Issue loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	77,049,072.73	95,121,442.43
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	247,119,393.91	120,727,136.94
Fixed assets	960,690,289.12	1,013,803,559.64
Construction in progress	149,845,982.50	133,048,776.54
Productive biological assets		
Oil and gas assets		
Right-of-use asset	97,466,146.65	40,521,407.26
Intangible assets	68,707,096.81	71,828,871.13
Among them: data resources		
Development expenditure		
Among them: data resources		
Goodwill		
Long-term deferred expenses	163,060,861.52	55,978,141.31
Deferred Tax Assets	42,041,171.59	19,714,145.94
Other non-current assets	6,139,043.43	23,026,424.99
Total non-current assets	1,812,119,058.26	1,573,769,906.18
Total assets	5,322,208,927.88	3,749,607,108.44

Current Liabilities:		
Short-term loan	236,768,406.69	115,057,750.00
Borrowing from the Central Bank		
Borrowed funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	481,324,555.30	468,760,151.92
Account payables	1,241,849,626.93	737,489,565.72
Advance receipt	202,612.49	280,811.77
Contract liabilities	1,792,045.73	3,002,110.54
Financial assets sold for repurchase		
Deposits and interbank deposits		
Securities brokerage		
Acting as an agent for underwriting securities		
Employee compensation payable	90,476,493.28	53,764,039.16
Taxes payable	27,533,551.41	12,190,591.69
Other payables	26,978,522.85	23,434,022.39
Including: interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	73,358,459.81	45,119,278.31
Other current liabilities	85,974,026.74	69,522,971.58
Total Current Liabilities	2,266,258,301.23	1,528,621,293.08
Non-Current Liabilities:		
Insurance contract reserves		
Long-term loan	216,296,231.74	319,550,000.10
Bonds payable	546,110,938.58	
Of which: preferred stock		
Perpetual bond		
Lease liabilities	70,977,154.16	26,432,950.93
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	28,743,011.46	8,835,651.83
Deferred Tax Liabilities	23,641,310.99	9,844,016.79
Other non-current liabilities		
Total Non-Current Liabilities	885,768,646.93	364,662,619.65
Total liabilities	3,152,026,948.16	1,893,283,912.73
Owners' equity:		
Capital stock	101,200,000.00	101,200,000.00
Other equity instruments	96,996,500.63	
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,107,211,415.49	1,089,736,446.16
Less: treasury shares	62,600,689.07	62,600,689.07
Other comprehensive income	-899,483.16	3,778,013.64
Special reserve		
Surplus reserve	50,885,000.00	50,885,000.00
General risk preparation		
Undistributed profit	877,868,160.48	674,284,970.82
Total owner's equity attributable to parent Company	2,170,660,904.37	1,857,283,741.55
Minority interests	-478,924.65	-960,545.84
Total owner's equity	2,170,181,979.72	1,856,323,195.71
Total liabilities and owners' equity	5,322,208,927.88	3,749,607,108.44

Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

2. Parent company balance sheet

Unit:
Yuan

Projects	Ending balance	Opening balance
Current assets:		
Monetary fund	780,458,844.48	495,842,864.53
Trading financial assets	350,379,216.98	
Derivative financial assets		
Notes receivable	152,830,327.18	162,177,531.62
Accounts Receivable	1,369,484,319.46	951,854,200.13
Receivables Financing	14,283,199.23	17,633,625.14
Advance payment	520,387.13	2,448,340.02
Other receivables	41,214,953.40	95,521,231.52
Including: interest receivable	6,484,007.37	361,080.46
Dividends receivable		
Inventory	209,090,423.50	209,090,722.40
Among them: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	49,105,993.71	4,655,839.77
Total current assets	2,967,367,665.07	1,939,224,355.13
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables	171,216,875.00	165,955,625.00
Long-term equity investment	638,177,934.45	626,596,965.51
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	247,119,393.91	120,727,136.94
Fixed assets	324,597,704.70	482,053,132.95
Construction in progress	78,974,800.05	76,541,829.03
Productive biological assets		
Oil and gas assets		
Right-of-use asset	14,780,225.98	26,070,649.00
Intangible assets	27,389,420.91	28,792,422.16
Among them: data resources		
Development expenditure		
Among them: data resources		
Goodwill		
Long-term deferred expenses	70,881,608.49	7,789,310.57
Deferred Tax Assets	18,737,890.13	14,922,378.87
Other non-current assets	5,534,306.83	6,931,935.59
Total non-current assets	1,597,410,160.45	1,556,381,385.62
Total assets	4,564,777,825.52	3,495,605,740.75
Current Liabilities:		
Short-term loan	186,568,406.69	95,057,750.00
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	531,324,555.30	488,760,151.92
Account payables	910,302,042.90	742,504,152.62
Advance receipt	202,612.49	280,811.77
Contract liabilities	1,276,116.53	2,264,234.85
Employee compensation payable	45,563,004.07	31,646,765.58
Taxes payable	12,723,379.80	9,108,899.78

Other payables	19,014,596.12	12,426,818.69
Including: interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	37,205,824.97	41,349,932.58
Other current liabilities	86,106,955.94	69,512,942.70
Total Current Liabilities	1,830,287,494.81	1,492,912,460.49
Non-Current Liabilities:		
Long-term loan	162,110,000.14	229,550,000.10
Bonds payable	546,110,938.58	
Of which: preferred stock		
Perpetual bond		
Lease liabilities	4,869,461.58	16,553,101.38
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	23,377,118.81	7,935,651.84
Deferred Tax Liabilities	5,891,891.57	6,306,859.61
Other non-current liabilities		
Total Non-Current Liabilities	742,359,410.68	260,345,612.93
Total liabilities	2,572,646,905.49	1,753,258,073.42
Owners' equity:		
Capital stock	101,200,000.00	101,200,000.00
Other equity instruments	96,996,500.63	
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,107,211,415.49	1,089,736,446.16
Less: treasury shares	62,600,689.07	62,600,689.07
Other comprehensive income		
Special reserve		
Surplus reserve	50,885,000.00	50,885,000.00
Undistributed profit	698,438,692.98	563,126,910.24
Total owner's equity	1,992,130,920.03	1,742,347,667.33
Total liabilities and owners' equity	4,564,777,825.52	3,495,605,740.75

3. Consolidated income statement

Unit:
Yuan

Projects	2024	2023
I. Total operating income	3,797,533,142.40	2,869,998,960.72
Including: operating income	3,797,533,142.40	2,869,998,960.72
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating cost	3,449,805,306.84	2,783,681,891.94
Including: operating cost	2,986,319,686.23	2,304,137,034.52
Interest expense		
Fees and commissions		
Surrender money		
Net compensation expense		
Withdrawal of net insurance liability contract reserves		
Policy dividend payout		
Reinsurance fees		
Taxes & surcharges	20,636,020.66	17,555,090.91
Selling expense	88,215,520.04	71,964,904.20

Administration expense	155,959,268.28	151,905,711.61
R&D; expenses	212,590,626.98	230,188,399.52
Finance expense	-13,915,815.35	7,930,751.18
Including: interest expense	28,834,093.25	21,854,846.03
Interest income	17,621,657.58	5,530,692.27
Plus: other income	22,843,626.05	18,928,144.74
Investment income (losses are listed with "- ")	-24,376,062.29	134,029,742.82
Including: investment income in associates and joint ventures	-25,772,525.00	-3,560,391.81
Derecognition of financial assets measured at amortized cost		
Exchange gains (losses are listed with "- ")		
Net exposure hedging gain (losses are listed with "- ")		
Gain from change in fair value (losses are listed with "- ")	1,379,216.98	
Credit impairment losses (losses based on"-Fill in)	-23,586,957.63	-12,409,506.50
Asset impairment losses (losses based on"-Fill in)	-22,775,937.21	-15,709,287.10
Asset disposal gains (losses based on"-Fill in)	693,960.23	107,625.87
III. Operating profit (loss based onFill in the "-Column)	301,905,681.69	211,263,788.61
Plus: non-operating income	2,503,132.20	926,083.76
Less: non-operating expenses	4,354,488.03	1,289,490.48
IV. Total profit (total loss is listed with "- ")	300,054,325.86	210,900,381.89
Less: income tax expense	31,584,094.80	16,808,625.54
V. Net profit (net loss is based onFill in the "-Column)	268,470,231.06	194,091,756.35
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss is listed with "- ")	268,470,231.06	194,091,756.35
2. Net profit from discontinued operations (net loss is listed with "- ")		
(2) Classification by ownership		
1. Net profit attributable to shareholders of the parent company	267,988,609.87	195,731,160.07
2. Minority shareholder gains and losses	481,621.19	-1,639,403.72
VI. Net after-tax other comprehensive income	-4,677,496.80	-866,691.46
After-tax net of other comprehensive income attributable to owners of the parent company	-4,677,496.80	-866,691.46
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Re-measurement of defined benefit plan changes		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in the fair value of the company's own credit risk		
5. Other		
(2) Other comprehensive income that will be reclassified into profit or loss	-4,677,496.80	-866,691.46

1. Other comprehensive income that can be transferred to profit and loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provision for other debt investments		
5. Cash Flow Hedge Reserve		
6. Translation differences of foreign currency financial statements	-4,677,496.80	-866,691.46
7. Other		
Net after-tax other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	263,792,734.26	193,225,064.89
Total comprehensive income attributable to owners of the parent company	263,311,113.07	194,864,468.61
Total comprehensive income attributable to minority shareholders	481,621.19	-1,639,403.72
VIII. Earnings per share		
(1) Basic earnings per share	2.69	1.93
(2) Diluted earnings per share	2.72	1.93

If a business combination under the same control occurs in the current period, the net profit realized by the merged party before the merger is: 0.00 yuan, and the net profit realized by the merged party in the previous period is: 0.00 yuan. Legal representative: Wang Heqiu Person in charge of accounting work: Zhang Shuyuan Person in charge of accounting department: Tan Qun

4. Income statement of the parent company

Unit: Yuan

Projects	2024	2023
I. Operating income	3,138,963,095.14	2,682,272,930.32
Less: operating costs	2,588,113,147.61	2,270,550,820.88
Taxes & surcharges	15,718,251.20	13,811,575.76
Selling expense	82,694,996.03	52,724,190.38
Administration expense	89,782,111.04	86,840,611.85
R&D; expenses	127,207,829.40	111,534,968.65
Finance expense	-16,722,542.03	3,805,765.76
Including: interest expense	22,929,590.81	16,468,081.51
Interest income	20,199,263.24	10,762,278.32
Plus: other income	13,870,248.42	16,610,597.38
Investment income (losses are listed with "- ")	-24,343,713.61	-39,828,413.71
Including: investment income in associates and joint ventures	-25,719,751.99	-29,351,549.75
Gold measured at amortized cost		
Derecognition of gains on financing assets (losses are listed with "- ")		
Net exposure hedging gain (losses are listed with "- ")		
Gain from change in fair value (losses are listed with "- ")	1,379,216.98	
Credit impairment losses (losses based on "- Fill in)	-2,402,905.46	-5,404,825.99
Asset impairment losses (losses based on "- Fill in)	-17,563,354.75	-8,909,794.71

Asset disposal gains (losses based on "-Fill in)	312,601.10	293,222.03
II. Operating profit (loss based onFill in the "-Column)	223,421,394.57	105,765,782.04
Plus: non-operating income	209,399.70	95,230.95
Less: non-operating expenses	3,693,996.31	842,533.34
III. Total profit (total loss is listed with "-")	219,936,797.96	105,018,479.65
Less: income tax expense	20,219,595.01	8,924,802.88
IV. Net profit (net loss is based onFill in the "-Column)	199,717,202.95	96,093,676.77
(1) Net profit from continuing operations (net loss is listed with "-")	199,717,202.95	96,093,676.77
(2) Net profit from discontinued operations (net loss is listed with "-")		
V. Net after-tax other comprehensive income		
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Re-measurement of defined benefit plan changes		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in the fair value of the company's own credit risk		
5. Other		
(2) Other comprehensive income that will be reclassified into profit or loss		
1. Other comprehensive income that can be transferred to profit and loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment provision for other debt investments		
5. Cash Flow Hedge Reserve		
6. Translation differences of foreign currency financial statements		
7. Other		
VI. Total comprehensive income	199,717,202.95	96,093,676.77
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

5. Consolidated cash flow statement

Unit:
Yuan

Projects	2024	2023
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	2,989,698,233.22	2,384,782,987.34
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from original insurance contract premiums		
Net cash received from reinsurance business		
Net increase in deposits and investment funds of policyholders		
Cash for interest, fees and commissions		
Net increase in borrowed funds		
Net increase in repurchase business funds		
Net cash received from brokerage of securities		
Tax refunds received	120,868,493.18	93,973,731.34
Receive other cash related to operating activities	179,635,013.86	102,562,993.24
Subtotal of cash inflow from operating activities	3,290,201,740.26	2,581,319,711.92
Cash paid for purchasing goods and receiving labor services	1,837,963,632.75	1,368,656,489.93
Net increase in loans and advances to customers		
Net increase in deposits with central banks and interbanks		
Cash for payment of original insurance contract claims		
Net increase in borrowing funds		
Cash for payment of interest, fees and commissions		
Cash to pay policy dividends		
Cash paid to and for employees	636,527,232.06	505,820,267.47
Taxes paid	81,006,370.53	74,985,548.04
Other cash payments related to operating activities	337,640,466.27	239,482,624.18
Subtotal of cash outflows from operating activities	2,893,137,701.61	2,188,944,929.62
Net cash flow from operating activities	397,064,038.65	392,374,782.30
II. Cash flow from investing activities:		
Cash received from investment	44,000,000.00	
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,894,200.49	4,607.14
Net cash received from disposal of subsidiaries and other business units		66,577,124.16
Receipt of other cash related to investing activities	256,753,831.11	469,685,749.11

Subtotal of cash inflows from investing activities	302,648,031.60	536,267,480.41
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	294,102,687.99	288,535,170.59
Cash paid for investments		
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investing activities	635,693,587.48	418,123,542.60
Subtotal of cash outflows from investing activities	929,796,275.47	706,658,713.19
Net cash flows from investing activities	-627,148,243.87	-170,391,232.78
III. Cash flow from financing activities:		
Cash received from investment		20,000,000.00
Including: cash received by the subsidiary from absorbing minority shareholders' investment		20,000,000.00
Cash received from borrowing	140,000,000.00	160,000,000.00
Other cash received in connection with financing activities	842,574,293.14	45,000,000.00
Subtotal of cash inflows from financing activities	982,574,293.14	225,000,000.00
Cash paid for debt repayment	210,346,884.16	277,389,999.96
Cash paid for distribution of dividends, profits or interest payments	79,613,874.50	27,922,741.11
Including: dividends and profits paid by subsidiaries to minority shareholders		
Other cash payments related to financing activities	134,354,374.14	53,453,682.64
Subtotal of cash outflows from financing activities	424,315,132.80	358,766,423.71
Net cash flow from financing activities	558,259,160.34	-133,766,423.71
IV. The impact of exchange rate changes on cash and cash equivalents	18,548,458.27	1,652,888.86
V. Net increase in cash and cash equivalents	346,723,413.39	89,870,014.67
Add: balance of cash and cash equivalents at the beginning of the period	527,879,261.54	438,009,246.87
VI. Balance of cash and cash equivalents at the end of the period	874,602,674.93	527,879,261.54

6. Parent company cash flow statement

Unit:
Yuan

Projects	2024	2023
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	2,552,280,994.84	2,244,254,079.23
Tax refunds received	118,438,714.47	81,658,263.98
Receive other cash related to operating activities	308,483,873.88	97,894,118.56
Subtotal of cash inflow from operating activities	2,979,203,583.19	2,423,806,461.77
Cash paid for purchasing goods and receiving labor services	2,203,068,373.27	1,489,103,455.24
Cash paid to and for employees	255,008,466.35	238,819,977.08
Taxes paid	41,891,273.40	46,251,061.93
Other cash payments related to operating activities	299,156,175.11	200,420,142.21
Subtotal of cash outflows from operating activities	2,799,124,288.13	1,974,594,636.46
Net cash flow from operating activities	180,079,295.06	449,211,825.31
II. Cash flow from investing activities:		
Cash received from investment	44,000,000.00	3,207,053.01
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	14,910,027.71	4,607.14
Net cash received from disposal of subsidiaries and other business units		100,000,000.00
Receipt of other cash related to investing activities	282,627,288.38	547,527,011.20
Subtotal of cash inflows from investing activities	341,537,316.09	650,738,671.35
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	102,498,656.11	91,159,498.06
Cash paid for investments	25,000,000.00	156,500,000.00
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investing activities	672,297,093.15	514,000,000.00
Subtotal of cash outflows from investing activities	799,795,749.26	761,659,498.06
Net cash flows from investing activities	-458,258,433.17	-110,920,826.71
III. Cash flow from financing activities:		
Cash received from investment		
Cash received from borrowing	140,000,000.00	120,000,000.00
Other cash received in connection with financing activities	682,772,910.36	3,209,000.00
Subtotal of cash inflows from financing activities	822,772,910.36	123,209,000.00
Cash paid for debt repayment	192,439,999.96	277,389,999.96
Cash paid for distribution of dividends, profits or interest payments	75,208,981.62	24,498,410.81
Other cash payments related to financing activities	37,852,073.95	45,069,418.10
Subtotal of cash outflows from financing activities	305,501,055.53	346,957,828.87
Net cash flow from financing activities	517,271,854.83	-223,748,828.87
IV. The impact of exchange rate changes on cash and cash equivalents	13,606,448.09	-235,688.88
V. Net increase in cash and cash equivalents	252,699,164.81	114,306,480.85

Add: balance of cash and cash equivalents at the beginning of the period	375,887,905.82	261,581,424.97
VI. Balance of cash and cash equivalents at the end of the period	628,587,070.63	375,887,905.82

7. Consolidated Statement of Changes in Owners' Equity

Amount for the current period

Unit:
Yuan

Projec ts	2024														
	Owners' equity attributable to the parent company													Minor ity int erests	Total owne r's eq uity
	Capita l stock	Other equity instruments			Capita l reser ve	Less: t reasur y shares	Other compr ehensi ve inc ome	Specia l reser ve	Surplu s reser ve	Gener al risk prepar ation	Undist ribute d profit	other	Subtot al		
Prefer red stock		Perpet ual bond	other												
I. Bala nce at the end of the pr evious year	101,20 0,000. 00				1,089, 736,4 46.16	62,60 0,689. 07	3,778, 013.6 4		50,88 5,000. 00		674,2 84,97 0.82		1,857, 283,7 41.55	-960,5 45.84	1,856 ,323, 195.7 1
Plus: accou nting policy chang es															
Period error c orrecti on															
He															
II. Bal ance at the begin ning of the year	101,20 0,000. 00				1,089, 736,4 46.16	62,60 0,689. 07	3,778, 013.6 4		50,88 5,000. 00		674,2 84,97 0.82		1,857, 283,7 41.55	-960,5 45.84	1,856 ,323, 195.7 1

III. A mount of incr ease or dec rease in the curren t period (decre ase is listed with "- ")				96,99 6,500. 63	17,47 4,969. 33		-4,677 ,496.8 0				203,5 83,18 9.66		313,3 77,16 2.82	481,6 21.19	313,8 58,78 4.01
(1) Total compr ehensi ve inc ome							-4,677 ,496.8 0				267,9 88,60 9.87		263,3 11,11 3.07	481,6 21.19	263,7 92,73 4.26
(2) O wner input and re ductio n of capital					9,774, 814.0 3								9,774, 814.0 3		9,774 ,814. 03
1. Co mmon stock i nveste d by the owner															
2. Cap ital in vested by hol ders of other equity instru ments															

3. Amount of share-based payment included in owner's equity					9,774,814.03								9,774,814.03		9,774,814.03
4. Other															
(3) Profit distribution											-64,405,420.21		-64,405,420.21		-64,405,420.21
1. Withdrawal of surplus reserves															
2. Take general risk reserves															
3. To the owner (or share)											-64,405,420.21		-64,405,420.21		-64,405,420.21
East) distribution															
4. Other															
(4) Internal carry-over of owners' equity															

1. Capital reserve is converted into capital (or share capital)															
2. Conversion of surplus reserves to capital (or share capital)															
3. Surplus reserve to cover losses															
4. Defined benefit plan changes carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Other															

(5) Special reserve															
1. Withdrawal in this period															
2. Use in this period															
(6) Other				96,996,500.63	7,700,155.30								104,696,655.93		104,696,655.93
IV. Balance at the end of the period	101,200,000.00			96,996,500.63	1,107,211,415.49	62,600,689.07	-899,483.16		50,885,000.00		877,868,160.48		2,170,660,904.37	-478,924.65	2,170,181,979.72

Amount of the previous period

Unit:
Yuan

Projects	2023													
	Owners' equity attributable to the parent company												Minority interests	Total owner's equity
	Capital stock	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk preparation	Undistributed profit	other	Subtotal	
I. Balance at the end of the previous year	101,770,000.00				1,063,935,917.21	81,287,282.67	4,644,705.10		50,885,000.00		487,577,371.50		1,627,525,711.14	1,628,204,569.02
Plus: accounting policy changes														

Period error c orrecti on															
He															
II. Bal ance at the begin ning of the year	101,77 0,000. 00				1,063, 935,9 17.21	81,28 7,282. 67	4,644, 705.1 0		50,88 5,000. 00		487,5 77,37 1.50		1,627, 525,7 11.14	678,8 57.88	1,628 ,204, 569.0 2
III. A mount of incr ease or dec rease in the curren t period (decre ase is listed with "- ")	-570,0 00.00				25,80 0,528. 95	-18,68 6,593. 60	-866,6 91.46				186,7 07,59 9.32		229,7 58,03 0.41	-1,639 ,403.7 2	228,1 18,62 6.69
(one							-				195,		194,	-	193,
) Total compr ehensi ve inc ome							866,6 91.46				731,1 60.07		864,4 68.61	1,639, 403.7 2	225,0 64.89
(2) O wner input and re ductio n of capital	-570,0 00.00				21,57 7,164. 02	-18,68 6,593. 60							39,69 3,757. 62		39,69 3,757 .62
1. Co mmon stock i nveste d by the owner															

2. Capital invested by holders of other equity instruments															
3. Amount of share-based payment included in owner's equity					40,024,150.01							40,024,150.01		40,024,150.01	
4. Other	-570,000.00				-18,446,985.99	-18,686,593.60						-330,392.39		-330,392.39	
(3) Profit distribution										-9,058,567.15		-9,058,567.15		-9,058,567.15	
1. Withdrawal of surplus reserves															
2. Take general risk reserves															
3. To the owner (or Shareholder s)										-9,058,567.15		-9,058,567.15		-9,058,567.15	
4. Other															

(4) Internal carry-over of owners' equity															
1. Capital reserve is converted into capital (or share capital)															
2. Conversion of surplus reserves to capital (or share capital)															
3. Surplus reserve to cover losses															
4. Defined benefit plan changes carried forward to retained earnings															

5. Other comprehensive income carried forward to retained earnings															
6. Other															
(5) Special reserve															
1. Withdrawal in this period															
2. Use in this period															
(6) Other					4,223,364.93						35,006.40		4,258,371.33		4,258,371.33
IV. Balance at the end of the period	101,200,000.00				1,089,736,446.16	62,600,689.07	3,778,013.64		50,885,000.00		674,284,970.82		1,857,283,741.55	-960,545.84	1,856,323,195.71

8. Statement of changes in owner's equity of the parent company

Amount for the current period

Unit:
Yuan

Projects	2024											
	Capital stock	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	other	Total owner's equity
		Preferred stock	Perpetual bond	other								

I. Balance at the end of the previous year	101,200 ,000.00				1,089,7 36,446. 16	62,600, 689.07			50,885, 000.00	563,126 ,910.24		1,742,3 47,667. 33
Plus: ac countin g policy changes												
Period error co rrection												
He												
II. Balance at the be ginning of the year	101,200 ,000.00				1,089,7 36,446. 16	62,600, 689.07			50,885, 000.00	563,126 ,910.24		1,742,3 47,667. 33
III. The amount of change in the current period (decrease with "-"				96,996, 500.63	17,474, 969.33					135,311 ,782.74		249,78 3,252.7 0
Fill in)												
(1) Total co mprehe nsive income										199,717 ,202.95		199,71 7,202.9 5
(2) Owner input and red uction of capital					9,774,8 14.03							9,774,8 14.03
1. Com mon stock invested by the owner												
2. Capital invested by holders of other equity i nstrume nts												

3. Amount of share -based payment included in owner's equity					9,774,8 14.03							9,774,8 14.03
4. Other												
(3) Profit di stributio n										-64,405, 420.21		-64,405 ,420.21
1. With drawal of surplus reserves												
2. Distri bution to owners (or shar eholders)										-64,405, 420.21		-64,405 ,420.21
3. Other												
(4) Internal carry-ov er of owners' equity												
1. Capital reserve is conve rted into capital (or share capital)												
2. Conv ersion of surplus reserves to capital (or share capital)												
3. Surplus reserve to cover losses												

4. Defined benefit plan changes carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Other												
(5) Special reserve												
1. With drawal in this period												
2. Use in this period												
(6) Other				96,996,500.63	7,700,155.30							104,696,655.93
IV. Balance at the end of the period	101,200,000.00			96,996,500.63	1,107,211,415.49	62,600,689.07			50,885,000.00	698,438,692.98		1,992,130,920.03

Amount of the previous period

Unit:
Yuan

Projects	2023											
	Capital stock	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	other	Total owner's equity
		Preferred stock	Perpetual bond	other								
I. Balance at the end of the previous year	101,770,000.00				1,063,935,917.21	81,287,282.67			50,885,000.00	510,417,702.48		1,645,721,337.02
Plus: accounting policy changes												
Period error correction												
He												
II. Balance at the beginning of the year	101,770,000.00				1,063,935,917.21	81,287,282.67			50,885,000.00	510,417,702.48		1,645,721,337.02
III. Amount of increase or decrease in the current period (decrease is listed with "-")	-570,000.00				25,800,528.95	-18,686,593.60				52,709,207.76		96,626,330.31
(1) Total comprehensive income										96,093,676.77		96,093,676.77
(2) Owner	-570,000.00				21,577,164.02	-18,686,593.60						39,693,757.62
Invest and reduce capital												
1. Common stock invested by the owner												

2. Capital invested by holders of other equity i nstrume nts												
3. Amount of share -based payment included in owner's equity					40,024, 150.01							40,024, 150.01
4. Other	-570,00 0.00				-18,446, 985.99	-18,686, 593.60						-330,39 2.39
(3) Profit di stributio n										-9,058,5 67.15		-9,058, 567.15
1. With drawal of surplus reserves												
2. Distri bution to owners (or shar eholders)										-9,058,5 67.15		-9,058, 567.15
3. Other												
(4) Internal carry-ov er of owners' equity												
1. Capital Corpora tion												
Accumu lated capital (or share capital)												

2. Conversion of surplus reserves to capital (or share capital)												
3. Surplus reserve to cover losses												
4. Defined benefit plan changes carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Other												
(5) Special reserve												
1. With drawal in this period												
2. Use in this period												
(6) Other					4,223,364.93					-34,325,901.86		-30,102,536.93
IV. Balance at the end of the period	101,200,000.00				1,089,736,446.16	62,600,689.07			50,885,000.00	563,126,910.24		1,742,347,667.33

III. Basic information of the company

Registered address and headquarters address: No. 19, Building 1, China Southern Airlines Pearl Garden, No. 175, Hangcheng Avenue, Sanwei Community, Hangcheng Street, Bao'an District, Shenzhen (one photo and multiple locations).

Legal representative: Wang Heqiu

The main business activities that the company is actually engaged in: The company is mainly engaged in the research and development, production and sales of switching power supply products. The company's main products include power adapters, server power supplies and other power supplies. The company's products are widely used in office electronics, network communications, security monitoring, smart home, new consumer electronic equipment, data centers, power battery equipment, pure electric vehicles, chemical composition equipment and many other fields.

Financial statement approval date: This financial report was approved by the company's board of directors on April 18, 2025.

IV. Basis for Preparation of Financial Statements

1. Compilation basis

The financial statements are based on the assumption of the company's going concern, based on actual transactions, in accordance with the relevant provisions of the Accounting Standards for Business Enterprises, and based on the important accounting policies and accounting estimates described below.

2. Continuing operations

For the 12 months since the end of the reporting period, the Company has no factors or other matters that have material doubts about its ability to continue as a going concern.

V. Significant Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates tips:

The following important accounting policies and accounting estimates of the Company are formulated in accordance with the Accounting Standards for Business Enterprises. Businesses not mentioned shall be implemented in accordance with the relevant accounting policies in the Accounting Standards for Business Enterprises.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Company on the basis of the above preparation comply with the requirements of the latest Accounting Standards for Business Enterprises and their application guidelines, interpretations and other relevant regulations (collectively referred to as "Accounting Standards for Business Enterprises ") issued by the Ministry of Finance, and truly and completely reflect the relevant information of the Company's financial status, operating results and cash flows.

In addition, the preparation of this financial report refers to the presentation and disclosure requirements of the "Regulations No. 15 for the Compilation and Reporting of Information Disclosure by Companies Offering Securities to the Public - General Provisions on Financial Reporting" (revised in 2023) issued by the China Securities Regulatory Commission.

2. Accounting period

The company's fiscal year runs from January 1 to December 31 of the Gregorian calendar.

3. Business cycle

The company takes 12 months as a business cycle.

4. Standard currency for bookkeeping

The company uses Renminbi as the functional currency for bookkeeping.

5. The method for determining the importance standard and the basis for selection

Applicable ☒ Not applicable

Projects	Materiality standard
Significant single provision for bad debt receivables	≥ RMB 1 million
Important accounts payable	≥ RMB 1 million
Important advance receipts	≥ RMB 1 million
Important construction in progress	Investment budget ≥ RMB 5 million
Important joint ventures or associates	The book value of the investment in a joint venture or associate accounts for ≥ 1% of the company's total assets

6. Accounting treatment of business combinations under the same control and not under the same control

1. Accounting treatment of business combinations under the same control

The company acquires a business combination under the same control in one transaction or through multiple transactions step by step. The assets and liabilities acquired in the business combination are measured at the book value of the combined party in the consolidated financial statements of the ultimate controlling party on the combination date. The difference between the book value of the net assets obtained by the company and the book value of the combined consideration paid (or the total face value of the issued shares) shall be adjusted to the capital reserve; if the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

2. Accounting treatment of business combinations not under common control

The difference between the merger cost and the fair value share of the acquiree's identifiable net assets obtained in the merger on the purchase date shall be recognized as goodwill by the Company; If the merger cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the merger, the fair value of the acquired identifiable assets, liabilities and contingent liabilities of the acquiree and the measurement of the merger cost shall be reviewed first. After the review, if the merger cost is still less than the fair value share of the identifiable net assets of the acquiree obtained in the merger, the difference shall be included in the current profit and loss.

A step-by-step realization of a business combination not under the same control through multiple transactions shall be processed in the following order:

(1) Adjust the initial investment cost of long-term equity investment. If the equity held before the purchase date is accounted for using the equity method, it shall be re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and its book value shall be included in the current investment income; If the equity of the acquiree held before the purchase date involves other comprehensive income under the equity method and changes in other owners' equity, it shall be converted into the current income on the purchase date, except for other comprehensive income arising from the remeasurement of the net liabilities or changes in net assets of the defined benefit plan and changes in the fair value of other equity instrument investments held by the investee.

(2) Recognize goodwill (or the amount included in the current profit and loss). Comparing the initial investment cost of the long-term equity investment after the first step adjustment with the fair value share of the identifiable net assets of the subsidiary on the purchase date, the former is greater than the latter, and the difference is recognized as goodwill; the former is less than the latter, and the difference is included in the current profit and loss.

The situation where the equity is disposed of step by step through multiple transactions to the loss of control of the subsidiary:

(1) The principle of judging whether each transaction in the process from the step-by-step disposal of equity to the loss of control of the subsidiary is a "package deal" The terms, conditions and economic impact of each transaction of the disposal of the equity investment in the subsidiary meet one or more of the following circumstances, usually indicating that multiple transactions should be treated as a package deal Accounting treatment:

- 1) These transactions were entered into at the same time or taking into account the influence of each other;
- 2) These transactions as a whole can achieve a complete commercial outcome;
- 3) The occurrence of one transaction depends on the occurrence of at least one other transaction;
- 4) A transaction is uneconomical on its own, but economical when considered together with other transactions.

(2) The accounting treatment method for each transaction in the process from the step-by-step disposal of equity to the loss of control of the subsidiary is a "package deal". If each transaction from the disposal of equity investment in a subsidiary to the loss of control is a package deal, each transaction shall be treated as a transaction in which the disposal of the subsidiary and the loss of control is accounted for; However, the difference between the disposal price and the share of the subsidiary's net assets corresponding to the disposal investment before the loss of control shall be recognized as other comprehensive income in the consolidated financial statements, and shall be transferred to the profit and loss for the current period when the control is lost.

In the consolidated financial statements, the remaining equity should be remeasured at its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity, minus the difference between the original shareholding ratio and the share of the net assets of the atomic company that should be calculated continuously from the date of purchase, shall be included in the investment income in the period of loss of control. Other comprehensive income related to the equity investment of an atomic company shall be converted into current investment income or retained income when control is lost.

(3) The accounting treatment method for each transaction in the process from the step-by-step disposal of equity to the loss of control of the subsidiary is not a "package deal"

If the disposal of the investment in the subsidiary does not lose control, the difference between the disposal price in the consolidated financial statements and the share of the net assets of the subsidiary corresponding to the disposal investment shall be included in the capital reserve (capital premium or share capital premium). If the capital premium is insufficient to offset, the retained earnings shall be adjusted.

If the disposal of the investment in the subsidiary loses control, in the consolidated financial statements, the remaining equity shall be remeasured at its fair value on the date of loss of control. The sum of the consideration obtained from the disposal of the equity and the fair value of the remaining equity, minus the difference between the original shareholding ratio and the share of the net assets of the original subsidiary that should be continuously calculated from the date of purchase, is included in the investment income in the current period of loss of control. Other comprehensive income related to the equity investment of the original subsidiary shall be converted into current investment income or retained income when control is lost.

7. Judgment criteria for control and preparation method of consolidated financial statements

The consolidation scope of the company's consolidated financial statements shall be determined on the basis of control.

Control means that the Group has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use its power over the investee to influence the amount of its return. Related activities refer to activities that have a significant impact on the return of the investee. The relevant activities of the investee should be judged according to the specific circumstances, usually including the sale and purchase of goods or services, the management of financial assets, the purchase and disposal of assets, Research And Development activities, and financing activities.

The company judges whether to control the investee on the basis of comprehensive consideration of all relevant facts and circumstances. Once changes in relevant facts and circumstances lead to changes in the relevant elements involved in the definition of control, the Company shall re-evaluate.

The consolidated financial statements are based on the financial statements of the parent company and its subsidiaries, and based on other relevant information, are prepared by the Company in accordance with the Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements.

8. Classification of joint venture arrangements and accounting treatment of joint operations

1. Identification and classification of joint venture arrangements

A joint venture arrangement refers to an arrangement that is jointly controlled by two or more participants. A joint venture arrangement has the following characteristics: (1) each participant is bound by the arrangement; (2) two or more participants exercise joint control over the arrangement. No one participant can control the arrangement alone, and any one participant with common control over the arrangement can prevent other participants or a combination of participants from controlling the arrangement alone.

Joint control refers to the common control of an arrangement in accordance with relevant agreements, and the relevant activities of the arrangement must be unanimously agreed by the participants who share the control rights before making decisions.

Joint venture arrangements are divided into joint operations and joint ventures. Joint operation refers to a joint arrangement in which the joint venture party enjoys the assets related to the arrangement and assumes the liabilities related to the arrangement. A joint venture refers to a joint arrangement in which the joint venture party has rights only to the net assets of the arrangement.

2. Accounting treatment of joint arrangements

The joint operation participants shall recognize the following items related to their share of interests in the joint operation, and perform accounting treatment in accordance with the relevant accounting standards for enterprises: (1) recognize the assets held separately and the assets held jointly according to their share; (2) recognize the liabilities borne separately and the liabilities jointly borne according to their share; and (3) recognize the income from the sale of their share of the output of the joint operation; (4) Recognize the income generated by the joint operation from the sale of output according to its share; (5) recognize the expenses incurred separately, and recognize the expenses incurred by the joint operation according to its share.

The parties to the joint venture shall account for the investment in the joint venture in accordance with the "Accounting Standards for Enterprises No. 2 - Long-term Equity Investment".

9. Criteria for determining cash and cash equivalents

Cash in the cash flow statement refers to the company's cash on hand and deposits that can be used for payment at any time. Cash equivalents refer to investments that are held for a short period of time (generally within three months from the date of purchase), are highly liquid, are easy to convert into known amounts of cash, and have little risk of value changes.

10. Foreign currency business and foreign currency statement translation

1. Foreign currency business translation

When foreign currency transactions are initially confirmed, they are converted into RMB amounts at the spot exchange rate on the transaction date. On the balance sheet date, monetary items in foreign currencies are converted at the spot exchange rate on the balance sheet date, and the exchange differences arising from different exchange rates are included in the current profits and losses, except for the exchange differences on the principal and interest of foreign currency special loans related to the acquisition and construction of assets eligible for capitalization; non-monetary items in foreign currencies measured at historical cost are still converted at the spot exchange rate on the transaction date, and their RMB amounts are not changed; Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate on the date when the fair value is determined, and the difference is included in the current profit and loss or other comprehensive income.

2. Translation of foreign currency financial statements

The assets and liabilities items in the balance sheet are converted using the approximate exchange rate of the spot exchange rate on the balance sheet date; the owner's equity items are converted using the spot exchange rate on the transaction date except for the "undistributed profit" item; the income and expense items in the income statement are converted using the spot exchange rate on the transaction date or the approximate exchange rate on the spot exchange rate on the transaction date. The translation difference of the foreign currency financial statements arising from the above translation is recognized as other comprehensive income.

11. Financial instruments

1. Confirmation and derecognition of financial instruments

The Company recognizes a financial asset or financial liability when it becomes a party to a financial instrument contract.

Buying and selling financial assets in the conventional way is recognized and derecognized according to the accounting on the transaction date. The conventional way of buying and selling financial assets refers to the collection or delivery of financial assets within the time limit specified by laws and regulations or common practice in accordance with the terms of the contract. The trading day refers to the date on which the company promises to buy or sell financial assets.

If the following conditions are met, the financial asset (or part of the financial asset, or part of a group of similar financial assets) is derecognized, that is, it is written off from its account and balance sheet:

(1) The right to receive cash flow from financial assets expires;

(2) transferred the right to receive cash flows from financial assets, or assumed the obligation to pay the full amount of cash flows received to a third party in a timely manner under a "pass-through agreement"; and (a) substantially transferred almost all the risks and rewards in the ownership of the financial assets, or (b) gave up control of the financial assets although substantially neither transferred nor retained almost all the risks and rewards in the ownership of the financial assets.

2. Classification and measurement of financial assets

At the time of initial recognition, the company's financial assets are classified according to the company's business model of managing financial assets and the contractual cash flow characteristics of financial assets: financial assets measured at amortized cost, financial assets measured at fair value and whose changes are included in other comprehensive income, and financial assets measured at fair value and whose changes are included in current profit and loss. Subsequent measurement of financial assets depends on their classification.

The company's classification of financial assets is based on the company's business model for managing financial assets and the cash flow characteristics of financial assets.

(1) Financial assets measured at amortized cost

Financial assets that meet the following conditions are classified as financial assets measured at amortized cost: The company's business model for managing the financial assets is to collect contractual cash flows; the contract terms of the financial assets stipulate that the cash flows generated on a specific date are only the payment of principal and interest based on the outstanding principal amount. For such financial assets, the effective interest method is adopted, and subsequent measurement is carried out at amortized cost, and the gains or losses arising from their amortization or impairment are included in the current profit and loss.

(2) Investments in debt instruments measured at fair value through other comprehensive income

Financial assets that meet the following conditions are classified as financial assets measured at fair value and whose changes are included in other comprehensive income: The company's business model for managing the financial assets is to both collect contractual cash flows and sell financial assets; the contractual terms of the financial assets stipulate that the cash flows generated on a specific date are only the payment of principal and interest based on the outstanding principal amount. For such financial assets, fair value is used for subsequent measurement. Its discount or premium is amortized using the effective interest method and recognized as interest income or expense. Except for impairment losses and exchange differences of foreign currency monetary financial assets, which are recognized as current profits and losses, changes in the fair value of such financial assets are recognized as other comprehensive income. Until the financial assets are derecognized, their accumulated gains or losses are transferred to current profits and losses. Interest income related to such financial assets is included in the current profit and loss.

(3) Equity instrument investments measured at fair value with changes included in other comprehensive income

The Company irrevocably chooses to designate part of the non-trading equity instrument investments as financial assets measured at fair value and whose changes are included in other comprehensive income, and only the relevant dividend income is included in the current profit and loss, and the changes in fair value are recognized as other comprehensive income, until the financial asset is derecognized, and its accumulated gains or losses are transferred to retained earnings.

(4) Financial assets measured at fair value and whose changes are included in the current profit and loss

The above-mentioned financial assets measured at amortized cost and financial assets other than financial assets measured at fair value and whose changes are included in other comprehensive income are classified as financial assets measured at fair value and whose changes are included in current profits and losses. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, financial assets can be designated as financial assets that are measured at fair value and whose changes are included in the current profit and loss. For such financial assets, fair value is used for subsequent measurement, and all changes in fair value are included in the current profit and loss.

All affected related financial assets are reclassified when and only when the Company changes its business model for managing financial assets.

For financial assets that are measured at fair value and whose changes are included in the current profit and loss, the relevant transaction costs are directly included in the current profit and loss, and the relevant transaction costs of other types of financial assets are included in their initial recognition amount.

3. Classification and measurement of financial liabilities

The company's financial liabilities are classified at the time of initial recognition as: financial liabilities measured at amortized cost and financial liabilities measured at fair value and whose changes are included in the current profit and loss.

Financial liabilities that meet one of the following conditions can be designated as financial liabilities measured at fair value and whose changes are included in current profits and losses at the time of initial measurement: (1) the designation can eliminate or significantly reduce accounting mismatches; (2) According to the company's risk management or investment strategy stated in the official written document, the management and performance evaluation of the financial liability portfolio or the portfolio of financial assets and financial liabilities is carried out on the basis of fair value, and reported to key management personnel within the company on this basis; (3) the financial liability contains embedded derivatives that need to be separated separately.

The Company determines the classification of financial liabilities at the time of initial recognition. For financial liabilities that are measured at fair value and whose changes are included in the current profit and loss, the relevant transaction costs are directly included in the current profit and loss, and the relevant transaction costs of other financial liabilities are included in their initial recognition amount.

Subsequent measurement of financial liabilities depends on their classification:

(1) Financial liabilities measured at amortized cost

For such financial liabilities, the effective interest method is used, and subsequent measurement is carried out at amortized cost.

(2) Financial liabilities measured at fair value and whose changes are included in the current profit and loss

Financial liabilities measured at fair value and whose changes are included in the current profit and loss include transactional financial liabilities (including derivatives that are financial liabilities) and financial liabilities designated at fair value at the time of initial recognition and whose changes are included in the current profit and loss.

4. Offsetting of financial instruments

If the following conditions are met at the same time, the financial assets and financial liabilities are listed in the balance sheet as the net amount after offsetting each other: there is a statutory right to offset the recognized amount, and such statutory right is currently enforceable; it is planned to settle on a net basis, or to realize the financial asset and pay off the financial liability at the same time.

5. Impairment of financial assets

The Company recognizes loss provisions on the basis of expected credit losses for financial assets measured at amortized cost, debt instrument investments measured at fair value with changes included in other comprehensive income, and financial guarantee contracts. Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be collected by the company discounted at the original effective interest rate, that is, the present value of the total cash shortage.

The Company estimates the expected credit losses of financial assets measured at amortized cost and financial assets measured at fair value with changes included in other comprehensive income (debt instruments) on a single or combined basis, taking into account all reasonable and evidence-based information, including forward-looking information.

(1) General model of expected credit loss

If the credit risk of the financial instrument has increased significantly since its initial recognition, the Company measures its loss allowance at an amount equivalent to the expected credit loss over the entire life of the financial instrument; if the credit risk of the financial instrument has not increased significantly since its initial recognition, the Company measures its loss allowance at an amount equivalent to the expected credit loss of the financial instrument within the next 12 months. The resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain. For the Company's specific assessment of credit risk, please refer to the note "IX. Risks Related to Financial Instruments".

Usually more than 30 days overdue, the company believes that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

Specifically, the Company divides the process of credit impairment of financial instruments that have not suffered credit impairment at the time of purchase or origin into three stages, and there are different accounting treatments for the impairment of financial instruments at different stages:

The first stage: the credit risk has not increased significantly since the initial recognition

For financial instruments at this stage, the enterprise should measure the loss provision based on the expected credit loss in the next 12 months, and calculate the interest income based on its book balance (that is, without deducting the impairment provision) and the actual interest rate (if the instrument is a financial asset, the same below).

The second stage: the credit risk has increased significantly since the initial recognition, but the credit impairment has not yet occurred

For financial instruments at this stage, the enterprise should measure the loss provision according to the expected credit loss for the entire duration of the instrument, and calculate the interest income according to its book balance and actual interest rate.

The third stage: credit impairment occurs after initial recognition

For financial instruments at this stage, the enterprise should measure the loss provision according to the expected credit loss for the entire duration of the instrument, but the calculation of interest income is different from that of financial assets in the first two stages. For financial assets that have experienced credit impairment, enterprises should calculate interest income based on their amortized cost (book balance minus provision for impairment, that is, book value) and actual interest rate.

For financial assets whose credit impairment has occurred at the time of purchase or origin, the enterprise shall only recognize the change in expected credit loss for the entire duration after initial recognition as loss provision, and calculate interest income based on its amortized cost and credit-adjusted effective interest rate.

(2) For financial instruments with lower credit risk on the balance sheet date, the Company chooses not to compare with the credit risk at the time of initial recognition, and directly assumes that the credit risk of the instrument has not increased significantly since the initial recognition.

If the enterprise determines that the default risk of the financial instrument is low, the borrower has a strong ability to fulfill its contractual cash flow obligation in the short term, and even if there are adverse changes in the economic situation and business environment over a longer period of time, it will not necessarily reduce the borrower's ability to fulfill its contractual cash flow obligation, then the financial instrument may be regarded as having low credit risk.

(3) Receivables and lease receivables

The Company adopts the simplified model of expected credit loss for the receivables specified in the Accounting Standard for Business Enterprises No. 14 - Income, which does not contain a significant financing component (including the situation where the financing component of contracts not exceeding one year is not considered according to the standard), and its loss provision is always measured according to the amount of expected credit loss throughout the lifetime.

For receivables with significant financing components and lease receivables regulated by Accounting Standards for Business Enterprises No. 21 - Leases, the Company made an accounting policy choice and chose to adopt a simplified model of expected credit losses, that is, the loss provision is measured at an amount equivalent to the expected credit losses over the entire lifetime.

6. Transfer of financial assets

If the company has transferred almost all the risks and rewards of the ownership of the financial asset to the transferee, the recognition of the financial asset shall be terminated; if the company retains almost all the risks and rewards of the ownership of the financial asset, the recognition of the financial asset shall not be terminated.

If the company neither transfers nor retains almost all the risks and rewards in the ownership of financial assets, it shall be dealt with in the following situations: if it has given up control of the financial asset, it shall terminate the recognition of the financial asset and recognize the resulting assets and liabilities; if it has not given up control of the financial asset, the relevant financial assets shall be recognized according to the extent of its continued involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly.

If the financial assets continue to be involved by providing financial guarantees for the transferred financial assets, the assets formed by the continued involvement shall be recognized according to the lower of the book value of the financial assets and the amount of financial guarantees. The amount of financial guarantee refers to the maximum amount that will be required to be repaid among the consideration received.

12. Notes receivable

For the receivables specified in the Accounting Standards for Business Enterprises No. 14 - Income, which do not contain significant financing components (including the case where the financing components of contracts not exceeding one year are not considered according to the standards), the Company adopts the simplified model of expected credit loss, that is, the loss provision is always measured according to the amount of expected credit loss throughout the lifetime, and the amount of the resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain.

For receivables with significant financing components, the Group chooses to use a simplified model of expected credit losses, that is, its loss allowance is always measured at the amount of expected credit losses throughout its lifetime.

Simplified model of expected credit losses: Always measure its loss allowance by the amount of expected credit losses over the entire lifetime.

The Company estimates the expected credit loss on notes receivable on a single or combined basis, taking into account all reasonable and evidence-based information, including forward-looking information.

Combination name	The basis for determining the combination
Bank Acceptance Draft	Banks with lower credit risk
Commercial acceptance bill	Businesses with higher credit risk

13. Accounts receivable

For the receivables specified in the Accounting Standards for Business Enterprises No. 14 - Income, which do not contain significant financing components (including the case where the financing components of contracts not exceeding one year are not considered according to the standards), the Company adopts the simplified model of expected credit loss, that is, the loss provision is always measured according to the amount of expected credit loss throughout the lifetime, and the amount of the resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain.

For receivables with a significant financing component, the Company chooses to use a simplified model of expected credit losses, that is, its loss allowance is always measured at the amount of expected credit losses throughout its lifetime.

Simplified model of expected credit losses: Always measure its loss allowance by the amount of expected credit losses over the entire lifetime.

The Company estimates expected credit losses on accounts receivable on a single or combined basis, taking into account all reasonable and evidence-based information, including forward-looking information. And using a simplified model of expected credit losses, the loss provision is always measured according to the expected credit losses for the entire duration. The accrual method is as follows:

1. At the end of the period, the accounts receivable that have objective evidence that they have been impaired shall be separately tested for impairment, and the impairment loss shall be recognized according to the difference between the present value of its estimated future cash flows and its book value, and the provision for bad debts shall be made.

2. When a single financial asset cannot evaluate the information of expected credit loss at a reasonable cost, it is feasible to evaluate whether the credit risk has increased significantly on the basis of combination. On the basis of the actual loss rate of accounts receivable in previous years, the judgment of future recovery risk and the analysis of credit risk characteristics, the Company determines the expected credit loss rate and makes provision for bad debts accordingly.

Combination name	Withdrawal method
Aging credit risk feature portfolio	Expected credit loss
Related party nature combination	Expected credit loss

For accounts receivable classified as a combination of aging credit risk characteristics, the Company compiles a comparison table between the aging combination of accounts receivable and the expected credit loss rate for the entire duration with reference to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, and calculates expected credit losses.

The impairment ratio of expected credit losses based on the combination of aging credit risk characteristics:

Aging	Expected credit loss ratio
Within 1 year (including 1 year)	5%
1 ~ 2 years (including 2 years)	10%
2 ~ 3 years (including 3 years)	20%
3 ~ 4 years (including 4 years)	50%
More than 4 years	100%

3. The Company classifies accounts receivable from subsidiaries within the scope of consolidation that have no significant risk of recovery as related party portfolios, and makes provision for impairment based on expected credit losses.

14. Accounts receivable financing

Financial assets that meet the following conditions are classified as financial assets measured at fair value and whose changes are included in other comprehensive income: The company's business model for managing the financial assets is to both collect contractual cash flows and sell financial assets; the contractual terms of the financial assets stipulate that the cash flows generated on a specific date are only the payment of principal and interest based on the outstanding principal amount.

The company transfers the receivables held by the company in the form of discounts or endorsements, and this type of business is relatively frequent and involves a large amount, and its management business model is essentially to collect contractual cash flows and sell them. According to the relevant provisions of the financial instrument standards, they are classified into financial assets that are measured at fair value and whose changes are included in other comprehensive income.

15. Other receivables

The Company uses the general model of expected credit losses for other receivables (see Note 3. (11) Financial Instruments for details). The Company measures the loss provision for other receivables according to the following circumstances: ① For financial assets whose credit risk has not increased significantly since the initial recognition, the Company measures the loss provision according to the amount of expected credit loss in the next 12 months; ② For financial assets whose credit risk has increased significantly since the initial recognition, the Company measures the loss provision according to the amount equivalent to the expected credit loss over the entire life of the financial instrument; ③ For the purchase or generation of financial assets that have experienced credit impairment, the Company shall measure the loss provision at an amount equivalent to the expected credit loss during the entire duration. For other receivables, the Company cannot obtain sufficient evidence of a significant increase in credit risk at a reasonable cost at the level of individual instruments, and it is feasible to assess whether the credit risk has increased significantly on the basis of combination. Therefore, the Company groups other receivables according to the common risk characteristics of financial instrument type, credit risk rating, initial recognition date and remaining contract term, and considers whether the credit risk has increased significantly on the basis of combination.

1. The expected credit loss is measured on a portfolio basis, and the Company accrues the expected credit loss ratio according to the corresponding aging portfolio. The impairment ratios for expected credit losses based on the combination of aging credit risk characteristics are as follows:

Aging	Expected credit loss ratio of other receivables
Within 1 year (including 1 year)	5%
1 ~ 2 years (including 2 years)	10%
2 ~ 3 years (including 3 years)	20%
3 ~ 4 years (including 4 years)	50%
More than 4 years	100%

2. The Company classifies accounts receivable from subsidiaries within the scope of consolidation that have no significant risk of recovery into related party portfolios, and makes provision for impairment based on expected credit losses.

3. The Company separately conducts impairment tests on other receivables with significantly different credit risk characteristics such as the debtor's credit status has deteriorated significantly, the possibility of future repayment is low, and credit impairment has occurred.

16. Contract assets

1. Recognition methods and standards of contract assets

The Company lists contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The consideration (except receivables) to which the Company has transferred goods or provided services to customers is shown as contract assets.

2. Determination method and accounting treatment method of expected credit loss of contract assets

For contract assets that do not contain significant financing components, the Company adopts a simplified model of expected credit losses, that is, the loss provision is always measured at an amount equivalent to the expected credit loss for the entire lifetime, and the resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain.

For contract assets with significant financing components, the Company chooses to adopt a simplified model of expected credit losses, that is, the loss provision is always measured at an amount equivalent to the expected credit loss for the entire lifetime, and the resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain.

17. Inventory

1. Classification of inventory

Inventory refers to the finished products or commodities held by the enterprise for sale in daily activities, the products in the production process, the products in the entrusted processing, the materials and materials consumed in the production process or the provision of labor services, etc.

The company's inventory is divided into raw materials, products in progress, goods in stock, goods shipped, etc.

2. Valuation method for issued inventory

Issued inventory adopts the month-end weighted average method.

3. The basis for determining the net realizable value of inventories and the method of accruing inventory depreciation reserves

On the balance sheet date, inventories are measured at the lower of cost and net realizable value, and inventory depreciation reserves are made based on the difference between the cost of the inventory category and the net realizable value. For inventories directly used for sale, the net realizable value shall be determined by the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes in the normal production and operation process; for inventories that need to be processed, the net realizable value shall be determined by the estimated selling price of the finished goods produced in the normal production and operation process minus the estimated costs to be incurred at the time of completion, estimated selling expenses and relevant taxes; On the balance sheet date, if part of the same inventory has a contract price agreement and other parts do not have a contract price, the net realizable value shall be determined respectively, and the corresponding cost shall be compared, and the amount of provision for inventory depreciation shall be determined respectively.

4. Inventory system

The inventory system adopts the perpetual inventory system.

5. Amortization method of low-value consumables and packaging

Amortization is carried out according to the one-off write-off method.

18. Long-term equity investment

1. Determination of investment cost

(1) In the case of a business combination under the same control, if the merging party pays cash, transfers non-cash assets, assumes debts or issues equity securities as the merger consideration, the initial investment cost shall be the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the ultimate controlling party on the merger date. The difference between the initial investment cost of the long-term equity investment and the book value of the combined consideration paid or the total face value of the issued shares shall be adjusted to the capital reserve (capital premium or share capital premium); if the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

If a business combination under the same control is realized step by step, the initial investment cost of the investment shall be the share of the book owner's equity of the merged party on the merger date calculated based on the shareholding ratio. The difference between the initial investment cost and the book value of the original long-term equity investment plus the book value of the newly paid consideration for further shares obtained on the merger date shall be adjusted to the capital reserve (capital premium or share capital premium). If the capital reserve is insufficient to offset, the retained earnings shall be offset.

(2) In the case of a business combination not under the same control, the fair value of the merger consideration paid on the purchase date shall be used as its initial investment cost.

(3) Except for the formation of a business combination: if it is obtained by paying cash, the actual purchase price paid shall be used as its initial investment cost; if it is obtained by issuing equity securities, the fair value of the issued equity securities shall be used as its initial investment cost; if the investor invests, the value agreed in the investment contract or agreement shall be used as its initial investment cost (except if the value agreed in the contract or agreement is not fair).

2. Subsequent measurement and profit and loss recognition method

Long-term equity investments in which the Company can exercise control over the investee are accounted for using the cost method in the Company's individual financial statements; long-term equity investments with common control or significant influence are accounted for using the equity method.

When the cost method is adopted, the long-term equity investment is priced at the initial investment cost. Except for the declared but not yet distributed cash dividends or profits included in the actual payment or consideration when the investment is obtained, the cash dividends or profits declared and distributed by the investee are recognized as current investment income, and whether the long-term investment is impaired is considered according to the relevant asset impairment policy.

When the equity method is adopted, if the initial investment cost of a long-term equity investment is greater than the fair value share of the investee's identifiable net assets at the time of investment, it shall be included in the initial investment cost of the long-term equity investment; if the initial investment cost of the long-term equity investment is less than the fair value share of the investee's identifiable net assets at the time of investment, the difference shall be included in the current profit and loss, and the cost of the long-term equity investment shall be adjusted at the same time.

When the equity method is adopted, after the long-term equity investment is obtained, the investment profit and loss shall be recognized and the book value of the long-term equity investment shall be adjusted according to the share of the net profit and loss realized by the invested entity that should be enjoyed or shared. When confirming the share that should be entitled to the net profit and loss of the investee, based on the fair value of the identifiable assets of the investee at the time of acquisition of the investment, in accordance with the accounting policies and accounting period of the Company, and offsetting the internal transaction gains and losses that occur with associates and joint ventures, the part attributable to the invested enterprise shall be calculated according to the shareholding ratio (but if the internal transaction losses are asset impairment losses, they shall be fully recognized), and the net profit of the investee shall be recognized after adjustment. Calculate the portion that should be distributed according to the profit or cash dividend declared by the investee, and reduce the book value of the long-term equity investment accordingly. The company recognizes the net loss incurred by the investee, and the book value of the long-term equity investment and other long-term equity that substantially constitutes the net investment in the investee are written down to zero, unless the company has the obligation to bear additional losses. For other changes in the owner's equity of the investee other than the net profit and loss, the book value of the long-term equity investment is adjusted and included in the owner's equity.

3. Determine the basis for controlling and having significant influence on the investee

Control refers to having the power over the investee, enjoying variable returns by participating in the relevant activities of the investee, and having the ability to use the power over the investee to influence the amount of return; significant influence means that the investor has the power to participate in decision-making on the financial and operating policies of the investee, but cannot control or jointly control the formulation of these policies with other parties.

4. Disposal of long-term equity investments

(1) Partial disposal of long-term equity investments in subsidiaries without losing control

When the long-term equity investment in a subsidiary is partially disposed of without losing control, the difference between the disposal price and the book value corresponding to the disposal investment shall be recognized as the current investment income.

(2) Circumstances where control of the subsidiary is lost due to partial disposal of equity investment or other reasons

If part of the equity investment is disposed of or the control of the subsidiary is lost due to other reasons, the book value of the long-term equity investment corresponding to the equity sold shall be carried forward, and the difference between the sale proceeds and the book value of the long-term equity investment shall be recognized as investment income (loss); at the same time, the remaining equity shall be recognized as a long-term equity investment or other relevant financial assets based on its book value. If the remaining equity after disposal can exercise joint control or have a significant influence on the subsidiary, the accounting treatment shall be carried out in accordance with the relevant provisions of the conversion of the cost method to the equity method.

5. Impairment test method and impairment provision method

For investments in subsidiaries, associates and joint ventures, if there is objective evidence on the balance sheet date that they are impaired, the corresponding impairment provision shall be made according to the difference between the book value and the recoverable amount.

19. Investment real estate

Investment real estate measurement model

Cost method measurement

Depreciation or amortization method

1. Investment real estate includes leased land use rights, land use rights held and ready to be transferred after appreciation, and leased buildings.

2. Investment real estate is initially measured according to cost, and subsequent measurement is carried out using the cost model, and depreciation or amortization is carried out using the same method as fixed assets and intangible assets. On the balance sheet date, if there are signs that the investment real estate is impaired, the corresponding impairment provision shall be made according to the difference between the book value and the recoverable amount.

20. Fixed assets

(1) Confirmation conditions

The fixed assets of a company refer to the tangible assets held for the production of goods, the provision of labor services, the lease or the operation and management, and the useful life exceeds one fiscal year.

Fixed assets are recorded at the actual cost at the time of acquisition, and depreciation is accrued using the average life method from the month after they reach the expected usable state.

(2) Depreciation method

Category	Depreciation method	Depreciation period	Residual value rate	Annual depreciation rate
Houses and buildings	Life average method	20-50 years	5.00%	4.75%-1.90%
Machine equipment	Life average method	5-10 years	5.00%	9.50%-19.00%
Means of transport	Life average method	4-10 years	5.00%	9.50%■23.75%
Electronic equipment and others	Life average method	3-5 years	5.00%	19.00%■31.67%

21. Construction in progress

1. When the construction in progress reaches the expected usable state, it shall be transferred to fixed assets according to the actual cost of the project. If it has reached the expected usable state but has not yet completed the final accounts, it shall be transferred to the fixed assets according to the estimated value. After the final accounts are completed, the original provisional estimated value shall be adjusted according to the actual cost, but the original depreciation shall not be adjusted.

2. On the balance sheet date, if there are signs that the construction in progress is impaired, the corresponding impairment provision shall be made according to the difference between the book value and the recoverable amount.

22. Borrowing costs

1. Recognition principles for capitalization of borrowing costs

The company's borrowing costs, which can be directly attributable to the acquisition, construction or production of assets that meet the capitalization conditions, are capitalized and included in the cost of the relevant assets; other borrowing costs are recognized as expenses when incurred and included in the current profit and loss.

2. Period of capitalization of borrowing costs

(1) Capitalization begins when the borrowing costs meet the following conditions: 1) the expenditure on the asset has been incurred; 2) the borrowing costs have been incurred; and 3) the acquisition, construction or production activities necessary to bring the asset into its intended usable or saleable state have started.

(2) If an asset that meets the capitalization conditions is abnormally interrupted during the acquisition, construction or production process, and the interruption lasts for more than 3 consecutive months, the capitalization of borrowing costs shall be suspended; the borrowing costs incurred during the interruption period shall be recognized as current expenses until the acquisition, construction or production activities of the asset restart.

(3) When the purchased, constructed or produced assets that meet the capitalization conditions reach the intended usable or saleable state, the borrowing costs shall cease to be capitalized.

3. Capitalized amount of borrowing costs

Where special loans are borrowed for the purpose of purchasing, constructing or producing assets that meet the capitalization conditions, the amount of interest that should be capitalized shall be determined based on the actual interest expenses incurred in the current period of the special loans (including the amortization of discounts or premiums determined according to the effective interest rate method), minus the amount of interest income obtained by depositing the unused borrowed funds in the bank or investment income obtained by making temporary investments; If general borrowings are occupied for the acquisition, construction or production of assets that meet the capitalization conditions, the amount of interest that should be capitalized for general borrowings shall be calculated and determined based on the weighted average number of accumulated asset expenditures exceeding the asset expenditures of special borrowings multiplied by the capitalization rate of general borrowings.

23. Intangible assets

(1) The useful life and its determination basis, estimate, amortization method or review procedure

1. Intangible assets include land use rights, software, etc., which are initially measured at cost.

2. Intangible assets with a limited useful life shall be amortized systematically and reasonably according to the expected realization method of the economic benefits related to the intangible asset within the useful life. If the expected realization method cannot be reliably determined, the straight-line method shall be used for amortization.

Land use rights are amortized evenly over the remaining useful life (usually 50 years), and software is amortized evenly over 3-5 years.

3. For intangible assets with a definite useful life, if there are signs of impairment on the balance sheet date, the corresponding impairment provision shall be made according to the difference between the book value and the recoverable amount; intangible assets with indefinite useful life and intangible assets that have not yet reached the usable state, regardless of whether there are signs of impairment, shall be tested for impairment every year. The company currently has no intangible assets with uncertain useful lives.

(2) The collection scope of R&D; expenditure and related accounting treatment methods

Expenses in the research phase of internal research and development projects are included in the current profit and loss when incurred. Expenditures in the development stage of an internal research and development project are recognized as intangible assets if the following conditions are met: (1) it is technically feasible to complete the intangible asset so that it can be used or sold; (2) it has the intention to complete the intangible asset and use or sell it; (3) the way in which the intangible asset generates economic benefits, including the ability to prove that the product produced by the intangible asset exists in the market or the intangible asset itself exists in the market, and the intangible asset will be used internally, which can prove its usefulness; (4) it has sufficient technical, financial and other resource support to complete the development of the intangible asset and has the ability to use or sell the intangible asset; and (5) the expenditure attributable to the development stage of the intangible asset can be reliably measured.

24. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual amount and amortized evenly in installments over the benefit period or the specified period. If the long-term deferred expense item cannot benefit future accounting periods, all the amortized value of the item that has not been amortized shall be transferred to the current profit and loss.

25. Contract liabilities

The Company lists contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The obligation of the Company to transfer goods or provide services to customers for the consideration received or receivable from customers is listed as contract liabilities.

26. Employee compensation

(1) Accounting treatment of short-term compensation

During the accounting period when employees provide services, the Company recognizes the actual short-term compensation as a liability and includes it in the current profit and loss or the cost of related assets. Among them, non-monetary benefits are measured at fair value.

(2) Accounting treatment of post-employment benefits

The employees of the company have participated in the basic social endowment insurance organized and implemented by the local labor and social security departments. The company pays endowment insurance premiums to the local social basic endowment insurance agency on a monthly basis based on the locally prescribed social basic endowment insurance payment base and proportion. After employees retire, the local labor and social security departments are responsible for paying basic social pensions to retired employees. During the accounting period when the employees provide services, the company will recognize the amount payable according to the above-mentioned social security regulations as a liability and include it in the current profit and loss or the cost of related assets.

(3) Accounting treatment of dismissal benefits

The Company terminates the labor relationship with the employee before the expiration of the employee's labor contract, or proposes to provide compensation to encourage the employee to voluntarily accept the layoff. When the Company cannot unilaterally withdraw the plan to terminate the labor relationship or the layoff proposal and confirm the costs and expenses related to the reorganization involving the payment of dismissal benefits, the liabilities arising from the compensation for the termination of the labor relationship with the employee shall be recognized and included in the current profit and loss.

27. Share-based payment

1. Types of share-based payments

Includes equity-settled share-based payments and cash-settled share-based payments.

2. How to determine the fair value of equity instruments

(1) If there is an active market, it shall be determined according to the quoted price in the active market.

(2) If there is no active market, it shall be determined by using valuation techniques, including reference to prices used in recent market transactions by parties familiar with the situation and voluntarily trading, reference to the current fair value of other financial instruments that are substantially the same, discounted cash flow method and option pricing models, etc.

3. The basis for confirming the best estimate of exercisable equity instruments

Estimates are made based on the latest obtained follow-up information such as changes in the number of exercisable employees.

4. Relevant accounting treatment for the implementation, modification and termination of share-based payment plans

(1) Equity-settled share-based payments

Equity-settled share-based payments that are exercisable in exchange for employee services immediately after the grant are included in the relevant costs or expenses based on the fair value of the equity instruments on the grant date, and the capital reserve is adjusted accordingly. For equity-settled share-based payments in exchange for employee services after completing the service within the waiting period or meeting the specified performance conditions, on each balance sheet date during the waiting period, based on the best estimate of the number of exercisable equity instruments, the services obtained in the current period are included in the relevant costs or expenses at the fair value on the date of grant of the equity instruments, and the capital reserve is adjusted accordingly. If the fair value of the services of other parties can be reliably measured, the equity-settled share-based payment in exchange for the services of other parties shall be measured at the fair value of the services of other parties on the acquisition date; if the fair value of the services of other parties cannot be reliably measured, but the fair value of the equity instruments can be reliably measured, the equity instruments shall be measured at the fair value of the services on the acquisition date and included in the relevant costs or expenses, and the owner's equity shall be increased accordingly.

(2) Cash-settled share-based payments

The cash-settled share-based payments that are exercisable in exchange for employee services immediately after the grant are included in the relevant costs or expenses at the fair value of the liabilities assumed by the Group on the date of grant, and the liabilities are increased accordingly. For cash-settled share-based payments in exchange for employee services after completing the service within the waiting period or meeting the specified performance conditions, on each balance sheet date during the waiting period, based on the best estimate of the exercisability, the services obtained in the current period are included in the relevant costs or expenses and corresponding liabilities based on the fair value of the liabilities assumed by the Company.

(3) Modification and termination of share-based payment plan

If the modification increases the fair value of the equity instruments granted, the Company recognizes the increase in the obtained services according to the increase in the fair value of the equity instruments; if the modification increases the number of equity instruments granted, the Company recognizes the increase in the fair value of the increased equity instruments as the increase in the obtained services; if the Company modifies the vesting conditions in a way that is beneficial to the employees, the Company will consider the revised vesting conditions when dealing with the vesting conditions.

If the modification reduces the fair value of the equity instruments granted, the Company continues to recognize the amount of services obtained based on the fair value of the equity instruments at the grant date, regardless of the reduction in the fair value of the equity instruments; if the modification reduces the number of equity instruments granted, the Company will treat the reduction as the cancellation of the equity instruments granted; If the exercise conditions are modified in a way that is not conducive to the employees, the revised exercise conditions will not be considered when dealing with the exercise conditions.

If the Company cancels the granted equity instrument or settles the granted equity instrument within the waiting period (except for cancellation due to non-fulfillment of the vesting condition), the cancellation or settlement will be treated as an accelerated vesting, and the amount originally recognized within the remaining waiting period will be immediately recognized.

28. Income

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

1. Recognition of revenue

The Company's revenue primarily consists of sales of power adapters and server power supplies.

The Company fulfills its performance obligations in the contract, that is, recognizes revenue when the customer obtains control of the relevant product. Obtaining control of the relevant commodity refers to being able to dominate the use of the commodity and obtain almost all economic benefits from it.

2. According to the relevant provisions of the revenue standard, the Company determines that the relevant performance obligations are "performance obligations performed within a certain period of time" or "performance obligations performed at a certain point in time", and revenue is recognized according to the following principles.

(1) If the company meets one of the following conditions, it is a performance obligation within a certain period of time:

① The customer obtains and consumes the economic benefits brought by the company's performance at the same time as the company performs the contract.

② The customer can control the assets under construction in the process of the company's performance.

③ The assets produced by the company in the process of performance are irreplaceable, and the company has the right to receive payment for the accumulated performance part during the entire contract period.

For performance obligations performed within a certain period of time, the Company recognizes revenue according to the performance progress during that period, unless the performance progress cannot be reasonably determined. The company considers the nature of the commodity and adopts the output method or the input method to determine the appropriate performance progress.

(2) For performance obligations that are not performed within a certain period of time, but are performed at a certain point in time, the Company recognizes revenue when the customer obtains control of the relevant product.

When judging whether a customer has obtained control of a product, the Company considers the following indications:

① The company has the current right to receive payment for the product, that is, the customer has the current payment obligation for the product.

② The company has transferred the legal ownership of the commodity to the customer, that is, the customer already has the legal ownership of the commodity.

③ The company has transferred the commodity to the customer in kind, that is, the customer has physical possession of the commodity.

④ The company has transferred the main risks and rewards of the ownership of the product to the customer, that is, the customer has obtained the main risks and rewards of the ownership of the product.

⑤ The customer has accepted the product.

⑥ Other signs that the customer has obtained control of the product.

The specific policy of the company's revenue recognition:

For products sold by the company to domestic customers, the goods are delivered to the location designated by the buyer, and the sales revenue is recognized after the customer signs for it; for products sold by the company to overseas customers, the goods are exported through customs declaration, and the sales revenue is recognized after the customs declaration procedures are completed; for products traded by the company and customers through VMI, the sales revenue is recognized after the customers actually receive the goods.

3. Income measurement

The company shall measure revenue based on the transaction price allocated to each individual performance obligation. When determining the transaction price, the Company considers the influence of factors such as variable consideration, significant financing components in the contract, non-cash consideration, and consideration payable to customers.

(1) Variable consideration

The company determines the best estimate of the variable consideration based on the expected value or the most likely amount, but the transaction price including the variable consideration should not exceed the amount of the accumulated recognized revenue that will most likely not be reversed materially when the relevant uncertainty is eliminated. When assessing whether the accumulated recognized income is unlikely to undergo a major reversal, the enterprise shall also consider the possibility and proportion of the reversal of income.

(2) Significant financing component

If there is a significant financing component in the contract, the company shall determine the transaction price based on the amount payable in cash when the customer assumes control of the product. The difference between the transaction price and the contract consideration shall be amortized using the effective interest method during the contract period.

(3) Non-cash consideration

If the customer pays the non-cash consideration, the company determines the transaction price based on the fair value of the non-cash consideration. If the fair value of the non-cash consideration cannot be reasonably estimated, the Company indirectly determines the transaction price with reference to the individual selling price of the commodity it promises to transfer to the customer.

(4) Consideration payable to customers

For the consideration payable to the customer, the consideration payable shall be offset against the transaction price, and the current income shall be offset against the later of the recognition of the relevant revenue and the payment (or commitment to pay) the customer consideration, except that the consideration payable to the customer is to obtain other clearly distinguishable commodities from the customer.

If the consideration paid by the enterprise to the customer is to obtain other clearly distinguishable commodities from the customer, the purchased commodities shall be confirmed in a manner consistent with other purchases by the enterprise. If the consideration payable by the enterprise to the customer exceeds the fair value of the clearly distinguishable commodity obtained from the customer, the transaction price shall be offset by the excess amount. If the fair value of the clearly distinguishable commodity obtained from the customer cannot be reasonably estimated, the enterprise shall offset the transaction price in full against the consideration payable to the customer.

Similar businesses adopt different business models and involve different revenue recognition methods and measurement methods

29. Government subsidies

1. Government grants include government grants related to assets and government grants related to earnings.

2. If the government subsidy is a monetary asset, it shall be measured according to the amount received or receivable; if the government subsidy is a non-monetary asset, it shall be measured at fair value, and if the fair value cannot be obtained reliably, it shall be measured at the nominal amount.

3. Government subsidies use the gross method:

(1) Government subsidies related to assets are recognized as deferred income and included in profit and loss in installments over the useful life of the relevant assets in a reasonable and systematic manner. If the relevant assets are sold, transferred, scrapped or damaged before the end of their useful life, the balance of the relevant deferred income that has not been distributed shall be transferred to the profit and loss of the current period of asset disposal.

(2) Government subsidies related to income, which are used to compensate related expenses or losses in subsequent periods, are recognized as deferred income, and are included in the current profit and loss during the period when the relevant expenses are recognized; if they are used to compensate related expenses or losses that have occurred, they are directly included in the current profit and loss.

4. Government subsidies use the net method:

(1) Government subsidies related to assets to offset the book value of related assets;

(2) Government subsidies related to income, which are used to compensate related expenses or losses in subsequent periods, are recognized as deferred income, and the relevant costs are offset during the period when the relevant expenses are recognized; if they are used to compensate related expenses or losses that have been incurred, the relevant costs are directly offset.

5. The company uses the gross method to account for the government subsidies received.

6. For government subsidies that include both asset-related parts and income-related parts, different parts are accounted for separately; if it is difficult to distinguish, the whole is classified as income-related government subsidies.

7. The Company shall include the government subsidies related to the Company's daily activities as other income according to the substance of the economic business; the government subsidies not related to the Company's daily activities shall be included in the non-operating income and expenditure.

8. The company will obtain the policy preferential loan interest discount according to the two situations where the finance will allocate the interest discount funds to the lending bank and the finance will directly allocate the interest discount funds to the company:

(1) If the finance department allocates the interest subsidy funds to the lending bank, and the lending bank provides loans to the company at a policy-based preferential interest rate, the company chooses to conduct accounting treatment according to the following methods:

1) The actual loan amount received is used as the entry value of the loan, and the relevant borrowing costs are calculated according to the loan principal and the policy preferential interest rate.

2) The fair value of the loan is used as the entry value of the loan and the borrowing cost is calculated according to the effective interest method. The difference between the amount actually received and the fair value of the loan is recognized as deferred income. Deferred income is amortized using the effective interest method over the duration of the loan to offset related borrowing costs.

(2) If the finance company directly allocates the interest discount funds to the company, the company will offset the relevant borrowing costs with the corresponding interest discount.

30. Deferred Tax/Deferred Tax Assets Liabilities

1. According to the difference between the book value of assets and liabilities and their tax bases (if the tax bases of items not recognized as assets and liabilities can be determined in accordance with the provisions of the tax law, the difference between the tax bases and their book amounts), the Deferred Tax Assets or Deferred Tax Liabilities are calculated and recognized at the applicable tax rate during the period when the assets are expected to be recovered or the liabilities are liquidated.

2. Confirm that the Deferred Tax Assets are limited to the taxable income that is likely to be obtained to offset the deductible temporary differences. On the balance sheet date, if there is conclusive evidence that it is likely to obtain sufficient taxable income in the future period to offset the deductible temporary differences, the Deferred Tax Assets that have not been recognized in the previous accounting period are recognized.

3. On the balance sheet date, the book value of the Deferred Tax Assets is reviewed. If it is likely that sufficient taxable income cannot be obtained in the future to offset the benefits of the Deferred Tax Assets, the book value of the Deferred Tax Assets is written down. The amount written down is reversed when it is probable that sufficient taxable income will be obtained.

4. The current income tax and Deferred Income Taxes of the Company are included in the current profit and loss as income tax expenses or income, but do not include the income tax arising from the following circumstances: (1) business combination; (2) transactions or events recognized directly in owner's equity.

31. Lease

(1) Accounting treatment method for lease as lessee

When the Company is the lessee, on the start date of the lease term, in addition to short-term leases and low-value asset leases that choose to use simplified treatment, right-of-use assets and lease liabilities are recognized for the lease.

After the start date of the lease term, the Company adopts the cost model for subsequent measurement of the right-of-use assets. Depreciation is made for right-of-use assets with reference to the relevant depreciation provisions of "Accounting Standards for Business Enterprises No. 4 - Fixed Assets". If the lessee can reasonably determine that it obtains the ownership of the leased asset when the lease term expires, it shall make depreciation within the remaining useful life of the leased asset. If it cannot be reasonably determined that the ownership of the leased asset can be obtained at the expiration of the lease term, depreciation shall be accrued within the shorter of the lease term and the remaining useful life of the leased asset. In accordance with the "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", the Company determines whether the right-of-use assets are impaired, and accounts for the identified impairment losses.

The Company calculates the interest expense of the lease liability for each period of the lease term at a fixed periodic interest rate and includes it in the current profit and loss. If it should be included in the cost of relevant assets in accordance with the "Accounting Standards for Business Enterprises No. 17 - Borrowing Costs" and other standards, those provisions shall prevail.

For short-term leases and low-value asset leases, the Company chooses not to recognize right-of-use assets and lease liabilities, and the lease payments for short-term leases and low-value asset leases are included in the relevant asset cost or current profit and loss on a straight-line basis during each period of the lease term.

(2) Accounting treatment method for lease as lessor

(1) Finance lease

If the Company is the lessor, on the start date of the lease term, it recognizes the finance lease receivables for the finance lease, and terminates the recognition of the finance lease assets, and calculates and recognizes the interest income for each period of the lease term at a fixed cyclical interest rate.

(2) Operating lease

The Company, as the lessor, adopts the straight-line method to recognize the lease receipts from operating leases as rental income during each period of the lease term. The initial direct expenses incurred related to the operating lease are capitalized, apportioned on the same basis as the rental income during the lease term, and included in the current profit and loss in installments.

For the fixed assets in the operating lease assets, the company shall use the depreciation policy of similar assets to accrue depreciation; for other operating lease assets, it shall be amortized in a systematic and reasonable manner in accordance with the accounting standards for enterprises applicable to the assets. In accordance with the "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", the Company determines whether the operating lease assets are impaired and conducts corresponding accounting treatments.

32. Changes in significant accounting policies and accounting estimates

(1) Changes in important accounting policies

Applicable ☒ Not applicable

Unit: Yuan

Contents and reasons for changes in accounting policies	The name of the report item that is significantly affected	Amount affected
1. Since January 1, 2024, the Company has adopted the relevant provisions of the Accounting Standards for Business Enterprises Interpretation No. 17 (Caikuai [2023] No. 21).	No effect	
2. From January 1, 2024, the Company adopts the relevant provisions of "Accounting Standards for Business Enterprises Interpretation No. 18" (Cai Kuai [2024] No. 24).	No effect	

1. From January 1, 2024, the Company adopts the relevant provisions of "Accounting Standards for Business Enterprises Interpretation No. 17" (Caikuai [2023] No. 21) to adjust the amount of relevant items in the financial statements according to the cumulative impact. This change in accounting policy has no impact on the financial report for the reporting period.

2. From January 1, 2024, the Company adopts the relevant provisions of "Accounting Standards for Business Enterprises Interpretation No. 18" (Cai Kuai [2024] No. 24) to adjust the amount of relevant items in the financial statements according to the cumulative impact. This change in accounting policy has no impact on the financial report for the reporting period.

(2) Changes in significant accounting estimates

■ Applicable Not Applicable

(3) From 2024 onwards, the new accounting standards will be implemented for the first time to adjust the items related to the financial statements at the beginning of the year

■ Applicable Not Applicable

VI. Taxes

1. Main taxes and tax rates

Tax	Tax basis	Tax rate
VAT	Taxable income	5%,6%,9%,13%
Urban maintenance and construction tax	Actual turnover tax paid	5%,7%
Corporate income tax	Taxable income	See the table below for details
Education surcharge	Taxable income	3%
Local education fee surcharge	Taxable income	2%

If there are taxpayers with different corporate income tax rates, the disclosure statement

Taxpayer name	Income tax rate
Shenzhen Honor Electronic Co., Ltd.	15%
Honor Electron (Ganzhou) Electronics Co., Ltd	15%
Dongguan Honor Electron Electronics Co., Ltd	15%
Hong Kong Honor Electron Technology Co., Ltd	16.50%
Vietnam Honor Electron Technology Co., Ltd	20.00%
Hong Kong Business Hong Kong Honor Electron Technology Co., Ltd. Taiwan Branch	20.00%
(USA) Axnon LLC	21.00%
Hangzhou Yundian Technology Energy Co., Ltd	15.00%
Shenzhen Honor Electron Zhilian Technology Co., Ltd	25.00%
Suzhou Yundian Electronic Manufacturing Co., Ltd	25.00%
Shanghai Honor Electron Electronic Technology Co., Ltd	25.00%
MÉXICO HONOTO INDUSTRY S.A.de C.V	30.00%

2. Tax incentives

Note 1: On December 26, 2024, Shenzhen Municipal Bureau of Industry and Information Technology, Shenzhen Municipal Bureau of Finance, and Shenzhen Municipal Taxation Bureau of the State Administration of Taxation identified the company as a high-tech enterprise (certificate number: GR202444200421), valid for three years, and the company enjoys a preferential tax rate of 15%.

Note 2: According to the relevant tax policies of the Announcement on Continuing the Enterprise Income Tax Policy for the Western Development by the Ministry of Finance, the General Administration of Customs and the State Administration of Taxation (Announcement No. 23 of 2020 of the Ministry of Finance), from January 1, 2021 to December 31, 2030, the enterprise income tax will be levied at a reduced rate of 15% for enterprises in encouraged industries located in the western region. Honor Electron (Ganzhou) Electronics Co., Ltd. enjoys preferential corporate income tax policies.

Note 3: On December 28, 2023, Guangdong Provincial Department of Science and Technology, Guangdong Provincial Department of Finance, and Guangdong Provincial Taxation Bureau of the State Administration of Taxation identified Dongguan Honor Electron as a high-tech enterprise (certificate number: GR 202344007059), valid for three years, and Dongguan Honor Electron enjoys a preferential tax rate of 15%.

Note 4: On December 8, 2023, Zhejiang Provincial Department of Science and Technology, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Taxation Bureau of the State Administration of Taxation identified Hangzhou Yundian as a high-tech enterprise (certificate number: GR202333005336), valid for three years, and Hangzhou Yundian enjoys a preferential tax rate of 15%.

3. Other

VII. Notes to items in the consolidated financial statements

1. Monetary funds

Unit:
Yuan

Projects	Ending balance	Opening balance
Cash on hand	28,961.12	27,752.25
Bank deposit	867,133,852.15	520,421,625.93
Other monetary funds	159,311,635.51	148,632,942.07
Total	1,026,474,448.78	669,082,320.25
Including: the total amount of money deposited abroad	181,745,107.71	104,637,246.17

Other instructions:

The balance of other monetary funds at the end of the period was 159,311,635.51 yuan, of which the ending balance of the special securities account for repurchase was 7,439,861.66 yuan, the ending balance of bank acceptance bill margin was 147,897,949.47 yuan, and the frozen funds for sales contract disputes were 3,973,824.38 yuan. For details of the restrictions, please refer to Note VII. (19).

2. Transactional financial assets

Unit:
Yuan

Projects	Ending balance	Opening balance
Financial assets measured at fair value and whose changes are included in the current profit and loss	350,379,216.98	0.00
Of which:		
Debt instrument investment	350,379,216.98	0.00
Of which:		
Total	350,379,216.98	

Other instructions:

3. Notes receivable

(1) Classification of bills receivable

Unit:
Yuan

Projects	Ending balance	Opening balance
Bank acceptance note	136,066,471.06	143,980,667.52

Commercial acceptance note	16,763,856.12	18,196,864.10
Total	152,830,327.18	162,177,531.62

(2) Disclosure by classification according to bad debt accrual method

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Bills receivable with provision for bad debts on a single-item basis	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Of which:										
Total										
Notes receivable with provision for bad debts by portfolio	153,712,635.40	100.00%	882,308.22	0.57%	152,830,327.18	163,135,261.31	100.00%	957,729.69	0.59%	162,177,531.62
Of which:										
Including: Commercial Acceptance Bill	17,646,164.34	11.48%	882,308.22	5.00%	16,763,856.12	19,154,593.79	11.74%	957,729.69	5.00%	18,196,864.10
Bank Acceptance Draft	136,066,471.06	88.52%			136,066,471.06	143,980,667.52	88.26%			143,980,667.52
Total	153,712,635.40	100.00%	882,308.22	0.57%	152,830,327.18	163,135,261.31	100.00%	957,729.69	0.59%	162,177,531.62

Provision for bad debts by combination: RMB 882,308.22

Unit:
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year	17,646,164.34	882,308.22	5.00%
Total	17,646,164.34	882,308.22	

Description of the basis for determining the combination:

If the provision for bad debts of bills receivable is made according to the general model of expected credit loss:

■ Applicable Not Applicable

(3) Provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit:
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Write off	other	
Notes receivable with expected credit loss by portfolio	957,729.69	-75,421.47				882,308.22
Total	957,729.69	-75,421.47				882,308.22

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

■ Applicable Not Applicable

(4) Notes receivable pledged by the company at the end of the period

Unit:
Yuan

Projects	Pledged amount at the end of the period
Commercial acceptance note	7,752,366.89
Total	7,752,366.89

(5) Notes receivable that have been endorsed or discounted by the company at the end of the period and are not yet due on the balance sheet date

Unit:
Yuan

Projects	Termination amount at the end of the period	Unrecognized amount at the end of the period
Bank acceptance note	0.00	132,267,002.77
Commercial acceptance note	0.00	300,000.00
Total	0.00	132,567,002.77

4. Accounts receivable

(1) Disclosure by age

Unit:
Yuan

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	1,454,498,796.43	934,645,648.64
1 to 2 years	7,557,175.15	3,588,198.89
2 to 3 years	539,581.11	216,201.10
More than 3 years	10,599,711.29	11,968,243.46
3 to 4 years	741.29	9,767,033.71
4 to 5 years	9,651,252.01	2,201,209.75
More than 5 years	947,717.99	0.00
Total	1,473,195,263.98	950,418,292.09

(2) Disclosure by classification according to bad debt accrual method

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Receivables with provision for bad debts on a single-item basis	11,899,044.89	0.81%	11,899,044.89	100.00%	0.00	11,411,340.49	1.20%	11,292,708.21	98.96%	118,632.28
Accounts										
Of which:										
Accounts receivable with provision for bad debts by portfolio	1,461,296,219.09	99.19%	73,417,976.16	5.02%	1,387,878,242.93	939,006,951.60	98.80%	48,338,097.47	5.15%	890,668,854.13
Of which:										
Total	1,473,195,263.98	100.00%	85,317,021.05	5.79%	1,387,878,242.93	950,418,292.09	100.00%	59,630,805.68	6.27%	890,787,486.41

Provision for bad debts by single item: RMB 11,899,044.89

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Sichuan Yihaihua Technology Co., Ltd	2,971,390.41	2,971,390.41	2,971,390.41	2,971,390.41	100.00%	Not expected to be recovered
Yihaihua (Hong Kong) Technology Co., Ltd	3,983,314.09	3,983,314.09	4,042,759.83	4,042,759.83	100.00%	Not expected to be recovered
Beijing Yixin Huiming Technology Co., Ltd	1,229,423.99	1,229,423.99	1,229,423.99	1,229,423.99	100.00%	Not expected to be recovered
E-POWER(HK) TEC HNOLOGY CO., LIMITED	3,102,335.92	3,102,335.92	3,148,634.21	3,148,634.21	100.00%	Not expected to be recovered
other			506,836.45	506,836.45	100.00%	Not expected to be recovered
Shanghai Anshibo Energy Technology Co., Ltd	124,876.08	6,243.80				
Total	11,411,340.49	11,292,708.21	11,899,044.89	11,899,044.89		

Provision for bad debts by combination: RMB 73,417,976.16

Unit:
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	1,454,286,768.26	72,714,338.36	5.00%
1-2 years (including 2 years)	6,982,523.63	698,252.36	10.00%
2-3 years (including 3 years)	26,927.20	5,385.44	20.00%
Total	1,461,296,219.09	73,417,976.16	

Description of the basis for determining the combination:

If the provision for bad debts of accounts receivable is made according to the general model of expected credit loss:

■ Applicable Not Applicable

(3) Provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit:
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Write off	other	
Provision for bad debts on a single-item basis	11,292,708.21	606,336.68				11,899,044.89
Provision for bad debts by portfolio	48,338,097.47	25,382,102.90			-302,224.21	73,417,976.16
Total	59,630,805.68	25,988,439.58			-302,224.21	85,317,021.05

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

Unit:
Yuan

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	The basis and rationality for determining the proportion of the original bad debt provision

(4) Accounts receivable and contract assets of the top five accounts receivable and contract assets at the end of the period collected by the owing party

Unit:
Yuan

Unit name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	As a percentage of the combined ending balance of accounts receivable and contract assets	The ending balance of the provision for bad debts of accounts receivable and the provision for impairment of contract assets
First place	136,004,233.75		136,004,233.75	9.23%	6,800,211.69
Second place	125,339,000.21		125,339,000.21	8.51%	6,266,950.01
Third place	105,257,222.40		105,257,222.40	7.14%	5,262,998.89
Fourth place	89,495,621.94		89,495,621.94	6.07%	4,474,781.10
Fifth place	82,440,908.06		82,440,908.06	5.60%	4,133,850.20
Total	538,536,986.36		538,536,986.36	36.55%	26,938,791.89

5. Receivables financing

(1) Classification of accounts receivable financing

Unit:
Yuan

Projects	Ending balance	Opening balance
Bank Acceptance Draft	17,854,895.54	17,633,625.14
Total	17,854,895.54	17,633,625.14

(2) Receivable financing that has been endorsed or discounted by the company at the end of the period and is not yet due on the balance sheet date

Unit:
Yuan

Projects	Termination amount at the end of the period	Unrecognized amount at the end of the period
Bank Acceptance Draft	235,836,579.10	
Total	235,836,579.10	

6. Other receivables

Unit:

Projects	Ending balance	Opening balance
Interest receivable	6,484,007.37	421,991.68
Other receivables	25,578,880.26	73,454,959.93
Total	32,062,887.63	73,876,951.61

(1) Interest receivable

1) Classification of interest receivable

Unit:
Yuan

Projects	Ending balance	Opening balance
Margin interest income	362,332.22	361,080.46
Interest accrued on time deposits	6,121,675.15	60,911.22
Total	6,484,007.37	421,991.68

2) Disclosure by classification of bad debt accrual method

Applicable ☒ Not applicable

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Provision for bad debts on a single-item basis	6,484,007.37	100.00%			6,484,007.37	421,991.68	100.00%			421,991.68
Of which:										
Of which:										
Total	6,484,007.37	100.00%			6,484,007.37	421,991.68	100.00%			421,991.68

Provision for bad debts by individual item: RMB 0.00

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Margin interest income	361,080.46		362,332.22			Bank interest, lower loss ratio
Interest accrued on time deposits	60,911.22		6,121,675.15			Bank interest, lower loss ratio
Total	421,991.68		6,484,007.37			

Provision for bad debts based on the general model of expected credit losses:

Unit:
Yuan

Provision for bad debts	First stage	Second stage	Third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance at January 1, 2024 in the current period				

The basis for the division of each stage and the ratio of provision for bad debts

Changes in the book balance with significant changes in the amount of loss reserves in the current period

■ Applicable Not Applicable

3) The provision for bad debts accrued, recovered or reversed in the current period

Unit:
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Resell or write off	Other changes	

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

Unit:
Yuan

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	The basis and rationality for determining the proportion of the original bad debt provision
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Other instructions:

4) Interest receivables actually written off in the current period

Unit:
Yuan

Projects	Write-off amount
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Among them, the important write-off of interest receivable

Unit:
Yuan

Unit name	Nature of payment	Write-off amount	Reason for write-off	Write-off procedures performed	Whether the payment is generated by a related party transaction
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Write-off instructions:

Other instructions:

(2) Other receivables

1) Classification of other receivables by nature of payment

Unit:
Yuan

Nature of payment	Book balance at the end of the period	Book balance at the beginning of the period
Deposit and security deposit	20,126,983.61	9,508,452.89

Receivables	3,948,748.76	5,177,693.34
Equity transfer payment		44,000,000.00
Withholding and paying social security provident fund	3,041,467.88	2,081,140.33
Export tax rebate		18,778,740.52
other	4,868,092.31	2,590,702.66
Total	31,985,292.56	82,136,729.74

2) Disclosure by age

Unit:
Yuan

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	22,601,309.67	72,296,527.25
1 to 2 years	3,718,394.58	1,715,582.32
2 to 3 years	1,265,926.94	4,296,293.27
More than 3 years	4,399,661.37	3,828,326.90
3 to 4 years	3,286,699.95	64,347.50
4 to 5 years		704,645.74
More than 5 years	1,112,961.42	3,059,333.66
Total	31,985,292.56	82,136,729.74

3) Disclosure by classification of bad debt accrual method

Applicable ☒ Not applicable

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Provision for bad debts on a single-item basis	2,866,873.56	8.96%	2,838,409.74	99.01%	28,463.82	47,242,871.29	57.52%	3,242,871.29	6.86%	44,000,000.00
Of which:										
Provision for bad debts by portfolio	29,118,419.00	91.04%	3,568,002.56	12.25%	25,550,416.44	34,893,858.45	42.48%	5,438,898.52	15.59%	29,454,959.93
Of which:										
Total	31,985,292.56	100.00%	6,406,412.30	20.03%	25,578,880.26	82,136,729.74	100.00%	8,681,769.81	10.57%	73,454,959.93

Provision for bad debts by single item: 2,838,409.74 yuan

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Tekway Technology Co., Ltd	1,141,979.14	1,141,979.14	1,159,021.67	1,159,021.67	100.00%	Not expected to be recovered
Shenzhen Jingweixin Technology Co., Ltd	617,698.05	617,698.05	617,698.05	617,698.05	100.00%	Not expected to be recovered
SHENZHEN ALEXANDER POWER ELECTRONIC TECHNOLOGY CO.,LTD	536,514.53	536,514.53	544,521.30	544,521.30	100.00%	Not expected to be recovered
Great Star(HK) Electronics Company Limited	385,083.57	385,083.57	390,830.43	390,830.43	100.00%	Not expected to be recovered
other	124,480.58	124,480.58	154,802.11	126,338.29	81.61%	Not expected to be recovered
NuVolta Technologies(Hefei) Co., Ltd.	363,108.78	363,108.78			100.00%	Not expected to be recovered
Kem Lye	74,006.64	74,006.64			100.00%	Employee borrowed and resigned
Wang Yuetian	26,400,000.00				0.00%	Equity transfer of related parties outside the merger
Shang Yunsi	17,600,000.00				0.00%	Equity transfer of related parties outside the merger
Total	47,242,871.29	3,242,871.29	2,866,873.56	2,838,409.74		

Provision for bad debts by combination: RMB 3,568,002.56

Unit:
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	22,572,845.85	1,128,642.40	5.00%
1-2 years (including 2 years)	2,519,751.52	251,975.15	10.00%
2-3 years (including 3 years)	243,858.31	48,771.66	20.00%
3-4 years (including 4 years)	3,286,699.95	1,643,349.98	50.00%
4-5 years (including 5 years)			
More than 5 years	495,263.37	495,263.37	100.00%
Total	29,118,419.00	3,568,002.56	

Description of the basis for determining the combination:

Provision for bad debts based on the general model of expected credit losses:

Unit:
Yuan

Provision for bad debts	First stage	Second stage	Third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance at January 1, 2024	5,438,898.52		3,242,871.29	8,681,769.81
Balance at January 1, 2024 in the current period				
Provision for the current period	-1,921,598.92		-404,461.55	-2,326,060.47
Other changes	50,702.96			50,702.96
Balance at December 31, 2024	3,568,002.56		2,838,409.74	6,406,412.30

The basis for the division of each stage and the ratio of provision for bad debts

Changes in the book balance with significant changes in the amount of loss reserves in the current period

■ Applicable Not Applicable

4) Provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit:

Category	Opening balance	Amount of change in the current period				Yuan
		Accrue	Take back or turn back	Resell or write off	other	Ending balance
Provision for bad debts on a single-item basis	3,242,871.29	-404,461.55				2,838,409.74
Provision for bad debts by portfolio	5,438,898.52	-1,921,598.92			50,702.96	3,568,002.56
Total	8,681,769.81	-2,326,060.47			50,702.96	6,406,412.30

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

Unit: Yuan

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	The basis and rationality for determining the proportion of the original bad debt provision
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5) Other receivables of the top five ending balances collected by the owing party

Unit: Yuan

Unit name	Nature of money	Ending balance	Aging	As a percentage of the total ending balance of other receivables	Ending balance of bad debt provision
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First place	Rent deposit	8,015,066.00	Within 1 year	25.06%	400,753.30
Second place	Deposit, security deposit	5,110,000.00	Within 1 year	15.98%	255,500.00
Third place	Deposit, security deposit	3,012,684.00	Within 4 years	9.42%	1,412,247.00
Fourth place	Insurance claims receivable	2,820,639.59	Within 1 year	8.82%	141,031.98
Fifth place	Equipment disposal payment	1,646,530.54	Within 2 years	5.15%	164,653.05
Total		20,604,920.13		64.43%	2,374,185.33

7. Prepayments

(1) Prepayments are shown by age

Unit: Yuan

Aging	Ending balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	2,321,779.19	95.28%	3,018,853.80	100.00%
1 to 2 years	114,991.02	4.72%		
Total	2,436,770.21		3,018,853.80	

Explanation of the reasons why the prepayments with an age of more than 1 year and an important amount are not settled in time:

(2) Prepayments of the top five ending balances collected by prepayment objects

Unit name	Ending balance	Percentage of total balance of prepaid accounts at the end of the period (%)
First place	1,729,559.76	70.98
Second place	145,004.83	5.95
Third place	116,926.88	4.80
Fourth place	88,000.00	3.61
Fifth place	77,006.79	3.16
Total	2,156,498.26	88.50

Other instructions:

8. Inventory

Do companies need to comply with real estate industry disclosure requirements?

No

(1) Inventory classification

Unit:
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Inventory impairment provision or contract performance cost impairment provision	Book value	Book balance	Inventory impairment provision or contract performance cost impairment provision	Book value
Raw materials	194,006,783.10	19,238,605.23	174,768,177.87	139,895,238.50	6,603,442.62	133,291,795.88
In product	1,314,042.95		1,314,042.95	14,427,166.81		14,427,166.81
Stock item	220,451,614.73	14,289,775.77	206,161,838.96	165,790,471.71	15,572,394.21	150,218,077.50
Issue goods	82,743,764.92	327,602.82	82,416,162.10	36,534,433.19	42,731.49	36,491,701.70
Entrusted processing materials				2,033,171.11		2,033,171.11
Total	498,516,205.70	33,855,983.82	464,660,221.88	358,680,481.32	22,218,568.32	336,461,913.00

(2) Inventory impairment provision and contract performance cost impairment provision

Unit:
Yuan

Projects	Opening balance	Increase in the current period		Amount of reduction in the current period		Ending balance
		Accrue	other	Reverse or resell	other	
Raw materials	6,603,442.62	15,817,807.32		3,182,644.71		19,238,605.23
Stock item	15,572,394.21	6,639,612.45		7,961,888.05	-39,657.16	14,289,775.77
Issue goods	42,731.49	318,517.44		33,646.11		327,602.82
Total	22,218,568.32	22,775,937.21		11,178,178.87	-39,657.16	33,855,983.82

For the specific basis for determining the net realizable value, please refer to the description of "Inventory" in Note 5 (17); the decrease in the provision for inventory depreciation in the current period is all written off with the production or sale of inventory.

Provision for inventory depreciation by combination

Unit:
Yuan

Combination name	End of period			Beginning of the period		
	Ending balance	Reserve for falling prices	Proportion of provision for falling price	Opening balance	Reserve for falling prices	Proportion of provision for falling price

The accrual standard for the provision of inventory depreciation by combination

(3) Explanation that the ending balance of inventory includes the capitalized amount of borrowing costs

No

(4) Explanation of the amortization amount of contract performance costs in the current period

No

9. Other Current Assets

Unit:
Yuan

Projects	Ending balance	Opening balance
Retained tax credits and input tax to be certified	27,512,858.49	18,909,189.02
Prepaid income tax		1,738,363.77
Bond issuance fee		2,150,967.64
Large denomination certificate of deposit	48,000,000.00	
Total	75,512,858.49	22,798,520.43

Other instructions:

10. Long-term equity investment

Unit:
Yuan

Investee	Opening balance (book value)	Opening balance of impairment provision	Changes in the current period								Ending balance (book value)	Ending balance of impairment provision
			Addition al investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Changes in other equity	Declaration of cash dividends or profits	Provision for impairment	other		
I. Joint venture												
Shenzhen Hangheng Enterprise Headquarters Management Co., Ltd	796,790.14				-52,773.01						744,017.13	
Subtotal	796,790.14				-52,773.01						744,017.13	
II. Joint ventures												

Shanghai Anshibo Energy Technology Co., Ltd	94,324,652.29				-25,719,751.99		7,700,155.30				76,305,055.60	
Subtotal	94,324,652.29				-25,719,751.99		7,700,155.30				76,305,055.60	
Total	95,121,442.43				-25,772,525.00		7,700,155.30				77,049,072.73	

The recoverable amount is determined as the net amount of fair value less disposal expenses

■ Applicable Not Applicable

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

■ Applicable Not Applicable

Reasons for discrepancies between the foregoing information and the information used in previous years' impairment tests or external information

The reason for the difference between the information used in the previous year's impairment test and the actual situation of the current year

Other instructions:

11. Investment real estate

(1) Investment real estate using cost measurement model

Applicable ■ Not applicable

Unit:
Yuan

Projects	Houses, buildings	Land use rights	Construction in progress	Total
I. Original book value				
1. Opening balance	132,422,232.33			132,422,232.33
2. Increase in the current period	144,426,851.80			144,426,851.80
(1) Outsourcing				
(2) Inventory\ fixed assets\ transfer in construction in progress	144,426,851.80			144,426,851.80
(3) Increase in business combinations				
3. Amount of reduction in the current period				
(1) Disposal				
(2) Other transfers				
4. Ending balance	276,849,084.13			276,849,084.13
II. Accumulated depreciation and accumulated amortization				
1. Opening balance	11,695,095.39			11,695,095.39

2. Increase in the current period	18,034,594.83			18,034,594.83
(1) Provision or amortization	3,164,021.17			3,164,021.17
(2) Transfer of fixed assets	14,870,573.66			14,870,573.66
3. Amount of reduction in the current period				
(1) Disposal				
(2) Other transfers				
Go out				
4. Ending balance	29,729,690.22			29,729,690.22
III. Provision for impairment				
1. Opening balance				
2. Increase in the current period				
(1) Accrual				
3. Amount of reduction in the current period				
(1) Disposal				
(2) Other transfers				
4. Ending balance				
IV. Book value				
1. Book value at the end of the period	247,119,393.91			247,119,393.91
2. Book value at the beginning of the period	120,727,136.94			120,727,136.94

The recoverable amount is determined as the net amount of fair value less disposal expenses

■ Applicable Not Applicable

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

■ Applicable Not Applicable

Reasons for discrepancies between the foregoing information and the information used in previous years' impairment tests or external information

The reason for the difference between the information used in the previous year's impairment test and the actual situation of the current year

Other instructions:

(2) Investment real estate using fair value measurement model

■ Applicable Not Applicable

12. Fixed assets

Unit:
Yuan

Projects	Ending balance	Opening balance
Fixed assets	960,690,289.12	1,013,803,559.64
Total	960,690,289.12	1,013,803,559.64

(1) Fixed assets

Unit:
Yuan

Projects	Houses and buildings	Machine equipment	Means of transport	Electronic equipment and others	Total
I. Original book value:					
1. Opening balance	743,350,571.67	434,813,941.82	8,011,026.78	119,568,378.88	1,305,743,919.15
2. Increase in the current period	33,612,471.03	125,502,755.21	2,430,884.96	14,863,468.28	176,409,579.48
(1) Purchase		118,602,614.33	2,446,760.40	13,391,590.97	134,440,965.70
Buy					
(2) Transfer of construction in progress	36,076,878.78	9,477,157.75		2,016,403.90	47,570,440.43
(3) Increase in business combinations					
(3) Exchange rate changes	-2,464,407.75	-2,577,016.87	-15,875.44	-544,526.59	-5,601,826.65
3. Amount of reduction in the current period	144,426,851.80	15,415,565.03	1,397,152.95	2,023,670.54	163,263,240.32
(1) Disposal or scrapping		15,415,565.03	1,397,152.95	2,023,670.54	18,836,388.52
(2) Transfer to investment real estate	144,426,851.80				144,426,851.80
4. Ending balance	632,536,190.90	544,901,132.00	9,044,758.79	132,408,176.62	1,318,890,258.31
II. Accumulated depreciation					
1. Opening balance	66,125,768.10	163,842,821.40	4,739,808.28	57,231,961.73	291,940,359.51
2. Increase in the current period	21,816,104.31	58,413,868.39	883,250.78	14,127,206.89	95,240,430.37
(1) Accrual	22,139,706.84	60,130,065.14	894,322.23	14,376,892.82	97,540,987.03
(2) Exchange rate changes	-323,602.53	-1,716,196.75	-11,071.45	-249,685.93	-2,300,556.66
3. Amount of reduction in the current period	14,870,573.66	11,455,631.43	1,001,638.72	1,652,976.88	28,980,820.69
(1) Disposal or scrapping		11,455,631.43	1,001,638.72	1,652,976.88	14,110,247.03
(2) Transfer to investment real estate	14,870,573.66				14,870,573.66
4. Ending balance	73,071,298.75	210,801,058.36	4,621,420.34	69,706,191.74	358,199,969.19
III. Provision for impairment					
1. Opening balance					
2. Increase in the current period					
(1) Accrual					
3. Amount of reduction in the current period					
(1) Disposal or scrapping					
4. Ending balance					
IV. Book value					
1. Book value at the end of the period	559,464,892.15	334,100,073.64	4,423,338.45	62,701,984.88	960,690,289.12

2. Book value at the beginning of the period	677,224,803.57	270,971,120.42	3,271,218.50	62,336,417.15	1,013,803,559.64
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(2) Fixed assets leased out through operating leases

Unit:
Yuan

Projects	Book value at the end of the period
Houses and buildings	2,709,166.18
Electronic equipment and others	209,397.85
Total	2,918,564.03

(3) The situation of fixed assets for which the title certificate has not been completed

Unit:
Yuan

Projects	Book value	Reasons for not completing the title certificate
Vietnam Honor Electron Housing and Buildings	58,741,544.48	In process

Other instructions:

(4) Impairment test of fixed assets

■ Applicable Not Applicable

13. Construction in progress

Unit:
Yuan

Projects	Ending balance	Opening balance
Construction in progress	149,845,982.50	133,048,776.54
Total	149,845,982.50	133,048,776.54

(1) Construction in progress

Unit:
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Bao'an Aviation City Innovation Industry R&D; Joint Base Project	76,861,871.54		76,861,871.54	31,776,514.37		31,776,514.37
Mexico factory construction project	46,820,880.46		46,820,880.46			

Suzhou Yundian Factory Decoration Project	9,046,256.87		9,046,256.87	54,300.00		54,300.00
Ganzhou Power Adapter Expansion Project	4,260,736.94		4,260,736.94	37,582,741.93		37,582,741.93
Equipment and software installation engineering	11,446,815.38		11,446,815.38	2,763,581.31		2,763,581.31
Ganzhou Power Adapter Production Line Technical Transformation Project	1,047,067.33		1,047,067.33	2,010,958.83		2,010,958.83
Dongguan Honor Electron Information Equipment Manufacturing Center Project	362,353.98		362,353.98	15,534,687.77		15,534,687.77
Decoration of Pearl Office Headquarters Building				41,793,306.25		41,793,306.25
Vietnam Eurotel Factory				1,155,327.59		1,155,327.59
Housing construction project						
Shenzhen Honor Electron Human Resource Management Optimization Project				377,358.49		377,358.49
Total	149,845,982.50		149,845,982.50	133,048,776.54		133,048,776.54

(2) Changes in important construction projects in progress during the current period

Unit:
Yuan

Name of project	Budget	Opening balance	Increase in the current period	Amount of fixed assets tr ansfere d in the current period	Other re ductions in the current period	Ending balance	The cu mulativ e invest ment in the project account s for the proporti on of the budget	Project progress	Cumulat ive amount of interest capitaliz ation	Includin g: the amount of interest capitaliz ed in the current period	Interest capitaliz ation rate for the current period	Source of funds
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Bao'an Aviation City Innovation Industry R&D; Joint Base Project	112,687,497.19	31,776,514.37	45,085,357.17			76,861,871.54	68.21%	68.21				Raised funds/own funds
Mexico factory construction project	68,807,704.39		46,722,011.54			46,722,011.54	67.90%	67.90				other
Suzhou Yundian Factory Decoration Project	11,082,954.12	54,300.00	8,991,956.87			9,046,256.87	81.62%	81.62				other
Ganzhou Power Adapter Expansion Project	46,860,804.46	37,582,741.93	7,128,499.69	34,179,205.28	6,271,299.40	4,260,736.94	95.41%	95.41				Raise funds
Dongguan Honor Electron Information Equipment Manufacturing Center Project	321,605,611.33	15,534,687.77	16,594,538.50	6,475,569.70	25,291,302.59	362,353.98	99.89%	99.89	754,027.78			Raise funds
Decoration of Pearl Office Headquarters Building	48,389,559.25	41,793,306.25	7,496,925.26		49,290,231.51		101.86%	100.00				other
Vietnam Continental	2,342,510.	1,155,327.	1,206,469.	2,361,796.			100.00%	100.00				other
Through plant construction project	03	59	10	69								

Dongguan Honor Electron Park Infrastructure Decoration Project	7,004,084.70		7,004,084.70		7,004,084.70		100.00 %	100.00				other
Total	618,780,725.47	127,896,877.91	140,229,842.83	43,016,571.67	87,856,918.20	137,253,230.87			754,027.78			

(3) Impairment test of construction in progress

■ Applicable Not Applicable

14. Right-of-use assets

(1) Right-of-use assets

Unit:
Yuan

Projects	Houses and buildings	Total
I. Original book value		
1. Opening balance	67,690,559.38	67,690,559.38
2. Increase in the current period	98,592,309.16	98,592,309.16
(1) New lease	102,485,280.28	102,485,280.28
(2) Changes in the original value caused by changes in exchange rates	-3,892,971.12	-3,892,971.12
3. Amount of reduction in the current period	17,586,502.15	17,586,502.15
(1) Disposal	17,586,502.15	17,586,502.15
4. Ending balance	148,696,366.39	148,696,366.39
II. Accumulated depreciation		
1. Opening balance	27,169,152.12	27,169,152.12
2. Increase in the current period	27,275,376.70	27,275,376.70
(1) Accrual	28,064,308.09	28,064,308.09
(2) Changes in accumulated depreciation due to changes in exchange rates	-788,931.39	-788,931.39
3. Amount of reduction in the current period	3,214,309.08	3,214,309.08
(1) Disposal	3,214,309.08	3,214,309.08
4. Ending balance	51,230,219.74	51,230,219.74
III. Provision for impairment		
1. Opening balance		
2. Increase in the current period		
(1) Accrual		
3. Amount of reduction in the current period		
(1) Disposal		
4. Ending balance		
IV. Book value		
1. Book value at the end of the period	97,466,146.65	97,466,146.65

2. Book value at the beginning of the period	40,521,407.26	40,521,407.26
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(2) Impairment test of right-of-use assets

■ Applicable Not Applicable

Other instructions:

15. Intangible assets

(1) Intangible assets

Unit:
Yuan

Projects	Land use rights	Patent	Non-patent technology	Software	Total
I. Original book value					
1. Opening balance	75,676,093.99			14,491,592.75	90,167,686.74
2. Increase in the current period	-500,472.42			1,043,470.85	542,998.43
(1) Acquisition				1,067,214.89	1,067,214.89
(2) Internal R & D					
(3) Increase in business combinations					
(2) Foreign currency translation impact	-500,472.42			-23,744.04	-524,216.46
3. Amount of reduction in the current period					
(1) Disposal					
4. Ending balance	75,175,621.57			15,535,063.60	90,710,685.17
II. Accumulated amortization					
1. Opening balance	7,791,464.93			10,547,350.68	18,338,815.61
2. Increase in the current period	1,880,500.70			1,784,272.05	3,664,772.75
(1) Accrual	1,945,963.63			1,804,464.27	3,750,427.90
(2) Foreign currency translation impact	-65,462.93			-20,192.22	-85,655.15
3. Amount of reduction in the current period					
(1)					
Buy					
4. Ending balance	9,671,965.63			12,331,622.73	22,003,588.36
III. Provision for impairment					
1. Opening balance					
2. Increase in the current period					
(1) Accrual					

3. Amount of reduction in the current period					
(1) Disposal					
4. Ending balance					
IV. Book value					
1. Book value at the end of the period	65,503,655.94			3,203,440.87	68,707,096.81
2. Book value at the beginning of the period	67,884,629.06			3,944,242.07	71,828,871.13

At the end of the period, the intangible assets formed through the company's internal research and development accounted for 0.00% of the balance of intangible assets.

(2) Data resources recognized as intangible assets

■ Applicable Not Applicable

(3) The situation of land use rights for which the title certificate has not been completed

Unit:
Yuan

Projects	Book value	Reasons for not completing the title certificate
Land use rights of Honor Electron, Vietnam	11,991,677.08	In process

Other instructions:

(4) Impairment test of intangible assets

■ Applicable Not Applicable

16. Long-term deferred expenses

Unit:
Yuan

Projects	Opening balance	Increase in the current period	Amortization amount for the current period	Other reductions	Ending balance
Factory decoration project	32,359,159.22	43,323,245.03	10,317,125.38	2,376.58	65,362,902.29
Decoration of Pearl Office Headquarters Building	532,906.76	70,849,308.58	5,650,454.57		65,731,760.77
Canteen decoration project	2,703,302.42	217,155.96	218,555.52		2,701,902.86
Dormitory decoration project	12,272,503.57	696,290.70	621,101.22		12,347,693.05
Workshop decoration project	7,968,303.79	9,988,790.51	1,017,390.63	88,671.59	16,851,032.08

Office and front desk decoration	141,965.55		72,120.36	4,274.72	65,570.47
Total	55,978,141.31	125,074,790.78	17,896,747.68	95,322.89	163,060,861.52

Other instructions:

17. Deferred Tax Assets/Deferred Tax Liabilities

(1) Unoffset Deferred Tax Assets

Unit:
Yuan

Projects	Ending balance		Opening balance	
	Deductible temporary differences	Deferred Tax Assets	Deductible temporary differences	Deferred Tax Assets
Provision for assets impairment	30,543,048.63	4,906,584.76	13,277,518.11	1,991,627.72
Unrealized profit on internal transactions	13,732,152.42	2,059,822.85	9,672,705.40	1,450,905.81
Credit impairment provision	63,935,559.24	9,766,028.70	50,741,706.15	7,611,255.93
Share-based payment	5,629,493.44	848,125.20		
Lease liabilities	96,293,984.16	20,560,884.55	41,205,425.17	7,470,008.70
Income recognition tax will vary	2,621,051.43	393,157.71		
Deferred income	23,377,118.81	3,506,567.82	7,935,651.84	1,190,347.78
Total	236,132,408.13	42,041,171.59	122,833,006.67	19,714,145.94

(2) Unoffset Deferred Tax Liabilities

Unit:
Yuan

Projects	Ending balance		Opening balance	
	Taxable temporary differences	Deferred Tax Liabilities	Taxable temporary differences	Deferred Tax Liabilities
Technology and Intellectual Property Licensing	23,119,834.14	3,467,975.12	15,975,081.71	2,396,262.26
Gains and losses from changes in fair value of trading financial assets	1,379,216.98	206,882.55		
Right-of-use asset	93,024,104.89	19,966,453.32	40,494,724.71	7,447,754.53
Total	117,523,156.01	23,641,310.99	56,469,806.42	9,844,016.79

(3) Deferred Tax Assets or liabilities shown as net of offset

Unit:
Yuan

Projects	The amount of Deferred Tax Assets and liabilities offset at the end of the period	The ending balance of Deferred Tax Assets or liabilities after offset	The initial offset amount of Deferred Tax Assets and liabilities	Opening balance of Deferred Tax Assets or liabilities after offset
Deferred Tax Assets		42,041,171.59		19,714,145.94

Deferred Tax Liabilities		23,641,310.99		9,844,016.79
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(4) Details of unrecognized Deferred Tax Assets

Unit:
Yuan

Projects	Ending balance	Opening balance
Deductible temporary differences	25,693,809.26	17,026,418.14
Deductible losses	244,387,634.26	211,381,840.20
Total	270,081,443.52	228,408,258.34

(5) Deductible losses on unrecognized Deferred Tax Assets will expire in the following years

Unit:
Yuan

Year	Amount at the end of the period	Amount at the beginning of the period	Remarks:
2024			
2025			
2026	46,963,103.41	46,963,103.41	
2027	65,262,488.10	65,401,840.20	
2028	88,989,466.85	99,016,896.59	
2029	43,172,575.90		
Total	244,387,634.26	211,381,840.20	

Other instructions:

18. Other non-current assets

Unit:
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepayment for engineering equipment	6,139,043.43		6,139,043.43	23,026,424.99		23,026,424.99
Total	6,139,043.43		6,139,043.43	23,026,424.99		23,026,424.99

Other instructions:

19. Assets with restricted ownership or use rights

Unit:
Yuan

Projects	End of period				Beginning of the period			
	Book balance	Book value	Restricted type	Restricted situation	Book balance	Book value	Restricted type	Restricted situation
Monetary fund	151,871,773.85	151,871,773.85	Special purpose/freeze	Apply to the bank for the security deposit for the issuance of bank acceptance bills, and the funds frozen by the people's court in disputes over contract sales	141,203,058.71	141,203,058.71	Special purpose/freeze	Apply to the bank for the security deposit for the issuance of bank acceptance bills, unexpired time deposits, and funds frozen by the people's court in contract sales disputes
Notes receivable	7,752,366.89	7,364,748.55	Pledge	Apply to the bank for pledged bills receivable to issue a bank acceptance bill	74,944,505.75	74,252,126.34	Pledge	Apply to the bank for pledged bills receivable to issue a bank acceptance bill
Fixed assets	445,888,541.04	415,352,814.52	Mortgage	Apply for a loan from a bank to mortgage fixed assets	576,125,249.49	550,694,167.95	Mortgage	Apply for a loan from a bank to mortgage fixed assets
Intangible assets	28,294,100.00	25,700,474.35	Mortgage	Apply for a loan from a bank to mortgage intangible assets				
Investment real estate	248,452,170.72	233,254,948.00	Mortgage	Apply for a loan from a bank mortgage investment real estate	118,215,462.27	113,043,641.96	Mortgage	Apply for a loan from a bank mortgage investment real estate
Total	882,258,952.50	833,544,759.27			910,488,276.22	879,192,994.96		

Other instructions:

20. Short-term loans

(1) Classification of short-term borrowings

Unit:
Yuan

Projects	Ending balance	Opening balance
Credit loan	140,000,000.00	95,000,000.00
Bill discount	96,701,491.47	20,000,000.00
Interest payable	66,915.22	57,750.00
Total	236,768,406.69	115,057,750.00

Description of the classification of short-term borrowings:

21. Notes payable

Unit:
Yuan

Kind	Ending balance	Opening balance
Bank Acceptance Draft	481,324,555.30	468,760,151.92
Total	481,324,555.30	468,760,151.92

The total amount of due and unpaid notes payable at the end of the period is 0.00 yuan, and the reason for the due and unpaid is.

22. Accounts payable

(1) Accounts payable presentation

Unit:
Yuan

Projects	Ending balance	Opening balance
Within 1 year (including 1 year)	1,235,011,683.43	733,712,931.50
1-2 years (including 2 years)	4,972,085.09	1,890,464.93
More than 2 years	1,865,858.41	1,886,169.29
Total	1,241,849,626.93	737,489,565.72

23. Other payables

Unit:
Yuan

Projects	Ending balance	Opening balance
Other payables	26,978,522.85	23,434,022.39
Total	26,978,522.85	23,434,022.39

(1) Other payables**1) List other payables by nature of payment**Unit:
Yuan

Projects	Ending balance	Opening balance
Shipping and storage fees	9,775,569.69	5,693,558.71
Service charge	0.00	5,820,488.39
Rent, utilities, testing fees	6,855,999.06	5,917,766.42
Deposit, security deposit	4,282,793.34	2,379,669.34
other	6,064,160.76	3,622,539.53
Total	26,978,522.85	23,434,022.39

Other instructions:

24. Advance receipts**(1) List of advance receipts**Unit:
Yuan

Projects	Ending balance	Opening balance
Within 1 year (including 1 year)	21,458.84	54,898.86
1-2 years (including 2 years)	52,115.90	119,448.20
More than 2 years	129,037.75	106,464.71
Total	202,612.49	280,811.77

25. Contract liabilitiesUnit:
Yuan

Projects	Ending balance	Opening balance
Accounts receivable in advance	1,792,045.73	3,002,110.54
Total	1,792,045.73	3,002,110.54

Significant contract liabilities aged over 1 year

Unit:
Yuan

Projects	Ending balance	Reasons for non-payment or carry-over
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The amount and reason for the significant change in the book value during the reporting period

Unit:
Yuan

Projects	Amount of change	Reason for change
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26. Employee compensation payable**(1) List of employee compensation payable**Unit:
Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term compensation	53,584,020.32	632,155,923.51	595,665,008.69	90,074,935.14
II. Post-employment benefits-defined contribution plan	180,018.84	40,653,683.45	40,432,144.15	401,558.14
III. Dismissal benefits		335,898.75	335,898.75	
Total	53,764,039.16	673,145,505.71	636,433,051.59	90,476,493.28

(2) List of short-term compensation

Unit:
Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
1. Salaries, bonuses, allowances and subsidies	53,398,698.98	593,782,351.16	557,408,798.12	89,772,252.02
2. Employee welfare expenses	1,012.14	12,718,445.32	12,719,457.46	
3. Social insurance premiums	184,309.20	13,249,667.17	13,131,293.25	302,683.12
Including: medical insurance premiums	182,056.97	10,921,550.47	10,806,514.50	297,092.94
Work injury insurance	2,252.23	1,499,410.80	1,496,072.85	5,590.18
Maternity insurance premiums		828,705.90	828,705.90	
4. Housing Provident Fund		11,563,948.55	11,563,948.55	
5. Trade union funds and employee education funds		841,511.31	841,511.31	
Total	53,584,020.32	632,155,923.51	595,665,008.69	90,074,935.14

(3) List of defined contribution plans

Unit:
Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic pension insurance	105,104.44	38,623,899.54	38,418,438.67	310,565.31
2. Unemployment insurance premiums	3,753.79	1,729,666.19	1,723,406.06	10,013.92
3. Enterprise annuity payment	71,160.61	300,117.72	290,299.42	80,978.91
Total	180,018.84	40,653,683.45	40,432,144.15	401,558.14

Other instructions:

27. Taxes payable

Unit:
Yuan

Projects	Ending balance	Opening balance
VAT	5,558,948.65	2,100,376.55
Corporate income tax	18,864,871.08	5,930,418.51
Personal income tax	2,071,189.33	1,431,592.27
Urban maintenance and construction tax	109,676.38	1,212,244.94
Educational add-on	49,252.95	519,533.55
Local education supplement	32,835.30	346,355.68
Stamp duty	645,070.94	518,984.79
Property tax	182,568.78	111,947.40
Land use tax	19,138.00	19,138.00
Total	27,533,551.41	12,190,591.69

Other instructions:

28. Non-current liabilities due within one year

Unit:
Yuan

Projects	Ending balance	Opening balance
Long-term borrowings due within one year	43,111,856.08	30,318,292.28
Bonds payable due within one year	322,263.25	
Lease liabilities due within one year	29,924,340.48	14,800,986.03
Total	73,358,459.81	45,119,278.31

Other instructions:

29. Other current liabilities

Unit:
Yuan

Projects	Ending balance	Opening balance
Pending write-off tax	108,515.44	94,995.01
Unconfirmed notes	85,865,511.30	69,427,976.57
Total	85,974,026.74	69,522,971.58

Changes in short-term bonds payable:

Unit:
Yuan

Bond name	Face value	Coupon rate	Issue date	Bond maturity	Issue amount	Opening balance	Current issue	Interest accrued at face value	Premium and discount amortization	Repayment in the current period		Ending balance	Whether in breach of contract
Total													

Other instructions:

30. Long-term loans

(1) Classification of long-term borrowings

Unit:
Yuan

Projects	Ending balance	Opening balance
Mortgage loan	216,296,231.74	277,050,000.10
Credit loan		42,500,000.00
Total	216,296,231.74	319,550,000.10

Description of long-term loan classification:

Other descriptions, including interest rate ranges:

31. Bonds payable

(1) Bonds payable

Unit:
Yuan

Projects	Ending balance	Opening balance
Convertible corporate bonds	546,110,938.58	
Total	546,110,938.58	

(2) Changes in bonds payable (excluding other financial instruments such as preferred stocks and perpetual bonds classified as financial liabilities)

Unit: Yuan

Bond name	Face value	Coupon rate	Issue date	Bond maturity	Issue amount	Opening balance	Current issue	Interest accrued at face value	Premium and discount amortization	Repayment in the current period		Ending balance	Whether in breach of contract
Eurocom Convertible Bond	100.00	Note 1	July 5, 2024	6 years	644,526,500.00		535,423,364.92	322,263.25	10,687,573.66			546,110,938.58	No
Total	--				644,526,500.00		535,423,364.92	322,263.25	10,687,573.66			546,110,938.58	--

Note 1: Eurocom convertible bonds are issued for 6 years, and the coupon rates are: 0.10% in the first year, 0.30% in the second year, 0.60% in the third year, 1.00% in the fourth year, 1.50% in the fifth year, and 2.00% in the sixth year.

(3) Description of convertible corporate bonds

Projects	Conversion conditions	Conversion time
Eurocom Convertible Bond	The initial conversion price of Eurocom convertible bonds is 44.86 yuan/share. Due to the half-year profit distribution in 2024, the conversion price will be adjusted to 44.56 yuan/share from October 8, 2024.	The conversion period starts from the first trading day six months after the end of the issuance of the convertible corporate bonds (July 11, 2024) and ends on the maturity date of the convertible corporate bonds, that is, from January 13, 2025 to July 4, 2030 (in case of statutory holidays or rest days, it will be postponed to the first trading day thereafter; interest payments during the postponement period will not accrue additional interest)

32. Lease liabilities

Unit: Yuan

Projects	Ending balance	Opening balance
Lease Payment Amount	108,776,172.34	42,869,772.77
Less: unrecognized financing charges	-7,874,677.70	-1,635,835.81
Reclassification to non-current liabilities due within one year	-29,924,340.48	-14,800,986.03
Total	70,977,154.16	26,432,950.93

Other instructions:

33. Deferred income

Unit: Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Government subsidy	8,835,651.83	24,804,138.00	4,896,778.37	28,743,011.46	For details, please refer to Note 11, (2), (3)
Total	8,835,651.83	24,804,138.00	4,896,778.37	28,743,011.46	

Other instructions:

34. Share capital

Unit: Yuan

	Opening balance	Increase or decrease in this change (+, -)					Ending balance
		Issue new shares	Bonus shares	Provident fund conversion	other	Subtotal	
Total number of shares	101,200,000.00						101,200,000.00

Other instructions:

35. Other equity instruments

(1) Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Financial instruments issued	Release time	Dividend rate or interest rate	Issue price	Quantity	Amount	Expiry date or renewal	Conversion conditions	Conversion
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Convertible corporate bonds	July 5, 2024	Year 1 0.10%, Year 2 0.30%, Year 3 0.60%, Year 4 1.00%, Year 5 1.50%, Year 6 2.00%	100	6,445,265.00	644,526,500.00	July 4, 2030	The initial conversion price of Eurocom convertible bonds is 44.86 yuan/Shares, due to the half-year profit distribution in 2024, the conversion price will be adjusted to RMB 44.56 per share.	For details, please refer to the note "VII" of this financial statement (3) Transferable Exchange Company coupons
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(2) Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Unit:
Yuan

Financial instruments issued	Beginning of the period		Increase in the current period		Decrease in the current period		End of period	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Convertible corporate bonds			6,445,265.00	96,996,500.63			6,445,265.00	96,996,500.63
Total			6,445,265.00	96,996,500.63			6,445,265.00	96,996,500.63

Changes in other equity instruments in the current period, explanations of reasons for changes, and the basis for relevant accounting treatments:

Other instructions:

36. Capital reserve

Unit:
Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (equity premium)	1,019,057,603.93			1,019,057,603.93
Other capital reserves	70,678,842.23	17,474,969.33		88,153,811.56
Total	1,089,736,446.16	17,474,969.33		1,107,211,415.49

Other explanations, including changes in the current period and explanations of reasons for changes:

Note: The change in capital reserve is due to the increase in capital reserve of RMB 9,774,814.03 and the adjustment of long-term equity investment equity by RMB 7,700,155.30 confirmed by the company's implementation of the equity incentive plan in the current period.

37. Treasury stocks

Unit:
Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Treasury stock	62,600,689.07			62,600,689.07
Total	62,600,689.07			62,600,689.07

Other explanations, including changes in the current period and explanations of reasons for changes:

38. Other comprehensive income

Projects	Opening balance	Amount in the current period						Unit: Yuan
		Amount before income tax for the current period	Less: included in other comprehensive income in the previous period and transferred to profit and loss in the current period	Less: Included in other comprehensive income in the previous period and transferred to retained earnings in the current period	Less: income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	Ending balance
II. Other comprehensive income reclassified into profit or loss	3,778,013.64	-4,677,496.80				-4,677,496.80		-899,483.16
Foreign currency financial statements	3,778,013.64	-4,677,496				-4,677,496		-899,483.1
Conversion difference		.80				.80		6
Total other comprehensive income	3,778,013.64	-4,677,496.80				-4,677,496.80		-899,483.16

Other explanations, including the adjustment of the effective part of the cash flow hedging gains and losses to the initial recognition amount of the hedged item:

39. Surplus Reserve

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserve	50,885,000.00			50,885,000.00
Total	50,885,000.00			50,885,000.00

A description of the surplus reserve, including the changes in the current period and the reasons for the changes:

40. Undistributed profits

Unit:
Yuan

Projects	Current period	Previous period
Undistributed profit at the end of the previous period before adjustment	674,284,970.82	487,577,371.50
Adjust the undistributed profit at the beginning of the later period	674,284,970.82	487,577,371.50
Add: Net profit attributable to owners of the parent company for the current period	267,988,609.87	195,731,160.07
Distribute profit	64,405,420.21	9,058,567.15
other		-35,006.40
Undistributed profit at the end of the period	877,868,160.48	674,284,970.82

Details of undistributed profit at the beginning of the adjustment period:

- 1) Due to the retrospective adjustment of the Accounting Standards for Business Enterprises and related new regulations, the undistributed profit at the beginning of the period was affected by RMB 0.00.
- 2) Due to the change of accounting policy, the undistributed profit at the beginning of the period was affected by RMB 0.00.
- 3) Due to the correction of major accounting errors, the undistributed profit at the beginning of the period was affected by RMB 0.00.
- 4) The change in the scope of consolidation due to the same control affects the undistributed profit at the beginning of the period by RMB 0.00.
- 5) The total impact of other adjustments on the undistributed profit at the beginning of the period is RMB 0.00.

41. Operating income and operating costs

Unit:

Projects	Amount in the current period		Amount in the previous period Yuan	
	income	Cost	income	Cost
Main business	3,779,999,761.15	2,977,745,009.33	2,840,388,920.89	2,283,079,092.21
Other business	17,533,381.25	8,574,676.90	29,610,039.83	21,057,942.31
Total	3,797,533,142.40	2,986,319,686.23	2,869,998,960.72	2,304,137,034.52

Whether the lower of the audited net profit before and after the deduction of non-recurring gains and losses is negative

■ whether

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the revenue corresponding to the performance obligations that have signed contracts but have not been fulfilled or have not been fulfilled is RMB 914,952,695.38, of which RMB 914,952,695.38 is expected to be recognized as revenue in 2025.

42. Taxes and surcharges

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Urban maintenance and construction tax	6,233,427.52	5,026,225.42
Education surcharge	2,673,717.74	2,154,095.99
Property tax	7,168,534.99	6,734,328.60
Land use tax	188,578.71	188,578.71
Vehicle and vessel use tax	11,269.44	10,739.44
Stamp duty	2,558,851.90	1,994,499.57
Local education supplement	1,782,478.50	1,436,063.99
other	19,161.86	10,559.19
Total	20,636,020.66	17,555,090.91

Other instructions:

43. Administrative expenses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Employee compensation	63,098,620.95	50,735,758.82
depreciation and amortization	40,656,702.06	28,135,142.51
Office expenses	12,372,624.09	6,523,090.82
Consultation fee	12,146,519.59	8,342,088.87
Property water and electricity bills	6,896,528.93	5,669,901.93
Hospitality	6,028,136.00	3,318,391.18
Travel expenses	4,432,302.00	2,618,837.83
Renovation and maintenance costs	3,757,999.44	2,134,431.91
Share-based payment	869,777.10	40,024,150.01
other	5,700,058.12	4,403,917.73
Total	155,959,268.28	151,905,711.61

Other instructions:

44. Selling expenses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Employee compensation	50,316,420.60	40,272,293.19
Hospitality	16,284,858.44	13,779,019.22
Sample testing fee	4,705,147.64	2,950,842.66
Travel expenses	4,364,912.00	4,600,504.45
After-sales service fee	4,043,382.01	2,582,712.06
Depreciation And Amortization	2,135,464.15	850,457.54
Share-based payment	2,035,648.51	
Office expenses	1,351,701.62	1,319,760.72
Storage fee	1,019,043.59	1,053,976.16
Publicity and exhibition fee	466,519.03	1,164,133.90
Property water and electricity bills	173,949.63	233,426.80
Renovation and maintenance costs	94,711.14	87,507.64
Customs fees	7,479.01	2,011,199.33
other	1,216,282.67	1,059,070.53
Total	88,215,520.04	71,964,904.20

Other instructions:

45. R&D; expenses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Staff and labor costs	152,131,079.38	152,521,152.49
Direct input cost	20,038,032.61	32,533,851.11
Depreciation and Amortization Expenses	18,398,693.76	24,452,757.54
Share-based payment	5,618,389.89	
Other expenses	16,404,431.34	20,680,638.38
Total	212,590,626.98	230,188,399.52

Other instructions:

46. Financial expenses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Interest expense	28,834,093.25	21,854,846.03
Less: interest income	17,621,657.58	5,530,692.27
Exchange gains and losses	-27,373,597.49	-9,957,110.17
Financial institution fees	2,245,346.47	1,462,544.97
other		101,162.62
Total	-13,915,815.35	7,930,751.18

Other instructions:

47. Other income

Unit:
Yuan

Sources of other income	Amount in the current period	Amount in the previous period
Government subsidy	11,443,363.89	11,317,917.36
VAT deduction	11,124,445.68	7,297,113.31
Withholding tax handling fee refund	275,816.48	313,114.07
Total	22,843,626.05	18,928,144.74

48. Gain from change in fair value

Unit:
Yuan

Sources of Gain from change in fair value	Amount in the current period	Amount in the previous period
Trading financial assets	1,379,216.98	
Total	1,379,216.98	

Other instructions:

49. Investment income

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Long-term equity investment income accounted for by the equity method	-25,772,525.00	-3,560,391.81
Investment income from disposal of long-term equity investments		134,981,978.53
Investment income from disposal of trading financial assets	1,376,038.38	2,547,660.33
Interest income from time deposits	20,424.33	60,495.77
Total	-24,376,062.29	134,029,742.82

Other instructions:

50. Credit impairment losses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Bad debt loss on notes receivable	75,421.47	-664,091.18
Bad debt loss on accounts receivable	-25,988,439.57	-7,773,431.08
Bad debt loss on other receivables	2,326,060.47	-3,971,984.24
Total	-23,586,957.63	-12,409,506.50

Other instructions:

51. Asset impairment loss

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
I. Inventory depreciation loss and contract performance cost impairment loss	-22,775,937.21	-15,709,287.10
Total	-22,775,937.21	-15,709,287.10

Other instructions:

52. Asset disposal income

Unit:
Yuan

Sources of asset disposal proceeds	Amount in the current period	Amount in the previous period
Disposal of fixed assets	182,620.30	107,625.87
Terminate lease	511,339.93	
Total	693,960.23	107,625.87

53. Non-operating income

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period	Amount included in non-recurring gains and losses for the current period
other	2,503,132.20	926,083.76	2,503,132.20

Total	2,503,132.20	926,083.76	2,503,132.20
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Other instructions:

Note: "Others" in this period mainly refer to default deductions and typhoon loss insurance compensation.

54. Non-operating expenses

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period	Amount included in non-recurring gains and losses for the current period
External donation	300,000.00	20,000.00	300,000.00
Loss on disposal of non-current assets	2,531,223.36	621,530.76	2,531,223.36
other	1,523,264.67	647,959.72	1,523,264.67
Total	4,354,488.03	1,289,490.48	4,354,488.03

Other instructions:

55. Income tax expense

(1) Income tax expense statement

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Current income tax expense	40,076,319.49	16,639,843.48
Deferred Income Taxes expense	-8,492,224.69	168,782.06
Total	31,584,094.80	16,808,625.54

(2) Accounting profit and income tax expense adjustment process

Unit:
Yuan

Projects	Amount in the current period
Total profit	300,054,325.86
Income tax expense at statutory/applicable tax rate	45,008,148.88
The impact of different tax rates applied to subsidiaries	2,312,575.03
Effect of adjusting income tax for previous periods	88,713.72
Impact of non-taxable income	-1,049,312.09
Impact of non-deductible costs, expenses and losses	5,878,789.74
Effect of using deductible losses of previously unrecognized Deferred Tax Assets	-2,862,440.54
The impact of deductible temporary differences or deductible losses on Deferred Tax Assets not recognized in the current period	8,140,524.69
other	-96,706.66
Income tax expense	31,584,094.80

Other instructions:

56. Other comprehensive income

For details, please refer to Note 38. Other comprehensive income.

57. Cash flow statement items

(1) Cash related to operating activities

Other cash received related to operating activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Note margin recovered	119,954,958.71	80,938,745.29
Government subsidy	31,350,723.52	14,031,512.14
Interest income	16,821,352.54	5,530,692.27
other	11,507,979.09	2,062,043.54
Total	179,635,013.86	102,562,993.24

Description of other cash received related to operating activities:

Other cash paid related to operating activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Note deposit paid	161,151,121.29	127,373,000.16
Cash management expenses + sales expenses + R&D; expenses	115,092,983.61	107,952,910.94
Net material procurement	50,919,061.26	
Other payments	9,778,780.07	2,749,105.85
Fees	398,520.04	1,387,607.23
Donation spending	300,000.00	20,000.00
Total	337,640,466.27	239,482,624.18

Description of other cash paid related to operating activities:

(2) Cash related to investing activities

Other cash received related to investing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Financial products	256,753,831.11	469,685,749.11
Total	256,753,831.11	469,685,749.11

Significant cash received related to investing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Net disposal of 60% equity of Shanghai Anshibo, a subsidiary	44,000,000.00	66,577,124.16
Total	44,000,000.00	66,577,124.16

Description of other cash received related to investing activities:

Other cash paid related to investing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Financial products	635,297,093.15	418,123,542.60
other	396,494.33	
Total	635,693,587.48	418,123,542.60

Significant cash paid related to investing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
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Description of other cash paid related to investing activities:

(3) Cash related to financing activities

Other cash received in connection with financing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Issuance of convertible corporate bonds	636,276,500.00	
Letter of Credit, Bank Acceptance Bill Discount	206,297,793.14	45,000,000.00
Total	842,574,293.14	45,000,000.00

Description of other cash received in connection with financing activities:

Other cash paid related to financing activities

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Letter of Credit/Acceptance Draft Payment at Due Date	105,000,000.00	
Pay rent	28,584,723.40	32,238,078.05
Convertible bond issuance costs	769,650.74	2,258,418.60
Restricted stock repurchase obligations		18,957,185.99
Total	134,354,374.14	53,453,682.64

Description of other cash paid in connection with financing activities:

Changes in various liabilities arising from financing activities

Applicable ☒ Not applicable

Unit:
Yuan

Projects	Opening balance	Increase in the current period		Decrease in the current period		Ending balance
		Change in cash	Non-cash change	Change in cash	Non-cash change	
Short-term loan	205,152,624.98	236,701,491.47	50,009,165.22	182,938,978.09		308,924,303.58
Long-term loans (including part due within one year)	259,773,417.40			72,521,226.47		187,252,190.93

Lease liabilities (including part due within one year)	41,233,936.96		88,252,281.08	28,584,723.40		100,901,494.64
Bonds payable		535,423,364.92	10,687,573.66			546,110,938.58
Total	506,159,979.34	772,124,856.39	148,949,019.96	284,044,927.96		1,143,188,927.73

58. Supplementary information on cash flow statement

(1) Supplementary information on cash flow statement

Unit:
Yuan

Supplementary information	Amount for the current period	Amount of the previous period
1. Reconcile net profit to cash flow from operating activities		
Net profit	268,470,231.06	194,091,756.35
Add: asset impairment provision	46,362,894.84	28,118,793.60
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	100,705,008.20	91,201,508.04
Depreciation of right-of-use assets	28,064,308.09	27,438,991.98
Amortization of intangible assets	2,827,907.74	3,235,501.95
Amortization of long-term deferred expenses	17,896,747.68	8,661,195.05
Loss on disposal of fixed assets, intangible assets and other long-term assets (gains are listed with "- ")	-693,960.23	-107,625.87
Loss of scrapping of fixed assets (income is listed with "- ")	2,531,223.36	621,530.76
Loss from changes in fair value (gains are listed with "- ")	-1,379,216.98	
Financial expenses (income is listed with "- ")	10,139,612.48	20,353,416.55
Investment loss (gains are listed with "- ")	24,376,062.29	-134,029,742.82
Decrease in Deferred Tax Assets (increases are listed with "- ")	-22,252,236.66	-6,903,464.77
Increase in Deferred Tax Liabilities (decrease is listed with "- ")	13,760,011.97	7,072,246.83
Decrease in inventory (increases are marked with "- ")	-153,435,391.65	13,673,733.50
Decrease in operating receivables (increases are listed with "- ")	-566,277,089.18	-307,736,502.76
Increase in operating payables (decrease is listed with "- ")	648,109,926.73	406,659,293.90
other	-22,142,001.09	40,024,150.01
Net cash flow from operating activities	397,064,038.65	392,374,782.30
2. Significant investing and financing activities that do not involve cash receipts and payments		
Debt to capital		
Convertible corporate bonds maturing within one year		
Finance lease of fixed assets		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	874,602,674.93	527,879,261.54
Less: opening balance of cash	527,879,261.54	438,009,246.87

Add: ending balance of cash equivalents		
Less: opening balance of cash equivalents		
Cash and cash equivalents	346,723,413.39	89,870,014.67

(2) Net cash received from disposal of subsidiaries in the current period

Unit:
Yuan

	Amount
Of which:	
Of which:	
Add: Cash or cash equivalents received in the current period from the disposal of a subsidiary in a previous period	44,000,000.00
Of which:	
Shanghai Anshibo Energy Technology Co., Ltd	44,000,000.00
Net cash received from disposal of subsidiaries	44,000,000.00

Other instructions:

(3) Composition of cash and cash equivalents

Unit:
Yuan

Projects	Ending balance	Opening balance
I. Cash	874,602,674.93	527,879,261.54
Of which: cash on hand	28,961.12	27,752.25
Bank deposits that can be used for payment at any time	867,133,852.15	520,421,625.93
Other monetary funds that can be used for payment at any time	7,439,861.66	7,429,883.36
III. Balance of cash and cash equivalents at the end of the period	874,602,674.93	527,879,261.54

59. Notes to items in the statement of changes in owner's equity

Explain the names of "other" items and the adjusted amount that adjusted the balance at the end of the previous year:

No

60. Foreign currency monetary items

(1) Foreign currency monetary items

Unit:
Yuan

Projects	Foreign currency balance at the end of the period	Converted exchange rate	RMB balance converted at the end of the period
Monetary fund			400,906,349.19
Of which: US dollars	55,057,574.64	7.1884	395,775,869.54
EUR			
HKD	108,924.42	0.9260	100,868.37
Vietnamese dong	10,822,397,898.00	0.0003	3,052,608.40
New Taiwan Dollar	3,353,087.00	0.2194	735,552.83
Mexican peso	3,549,304.75	0.3498	1,241,450.05
Accounts Receivable			559,058,517.80
Of which: US dollars	77,702,647.77	7.1884	558,557,713.23
EUR			
HKD	540,802.31	0.9260	500,804.57
Long-term loan			
Of which: US dollars			
EUR			
HKD			
Other receivables			13,300,473.30
Of which: US dollars	1,423,929.90	7.1884	10,235,777.69
Vietnamese dong	10,354,963,460.00	0.0003	2,920,761.99
New Taiwan Dollar	656,135.00	0.2194	143,933.62
Account payables			153,377,543.94
Of which: US dollars	20,601,478.19	7.1884	148,091,665.82
Vietnamese dong	18,739,998,316.00	0.0003	5,285,878.12
Other payables			5,280,343.14
Of which: US dollars	40,020.19	7.1884	287,681.13
HKD	672,304.99	0.9260	622,581.31
Vietnamese dong	15,143,682,896.00	0.0003	4,271,487.15
New Taiwan Dollar	449,448.00	0.2194	98,593.55
Employee compensation payable			10,361,086.23
Of which: Hong Kong dollars	2,676,792.71	0.9260	2,478,817.12
Vietnamese dong	21,676,198,235.00	0.0003	6,114,074.29
New Taiwan Dollar	8,060,483.00	0.2194	1,768,194.82

Other instructions:

(2) The description of overseas business entities, including important overseas business entities, should disclose their main overseas business locations, accounting standard currency and the basis for selection, and the reasons for changes in accounting standard currency should also be disclosed.

Applicable ☒ Not applicable

1. The main business place of Hong Kong Honor Electron Technology Co., Ltd., a subsidiary of the Company, is Hong Kong, with Hong Kong dollar as the functional currency.
2. The main business place of Vietnam Honor Electron Technology Co., Ltd., a subsidiary of the Company, is Vietnam, and the Vietnamese dong is the functional currency for accounting.
3. The main place of business of the company's subsidiary (USA) Axnon Co., Ltd. is the United States, and the US dollar is the functional currency for accounting.
4. The main place of business of MÉXICO HONOTO INDUSTRY S.A.de C.V., a subsidiary of the Company, is Mexico, and the Mexican peso is the standard currency for accounting.

61. Lease

(1) The Company as the lessee

Applicable ☒ Not applicable

Variable lease payments not included in the measurement of lease liabilities

☒ Applicable Not Applicable

Simplify lease fees for short-term leases or low-value assets

Applicable ☒ Not applicable

Projects	Number of current period	Number of previous periods
Short-term rental expenses	9,487,544.91	4,945,526.70
Total	9,487,544.91	4,945,526.70

Circumstances involving sale and leaseback transactions

(2) The company acts as the lessor

Operating lease as lessor

Applicable ☒ Not applicable

Unit: Yuan

Projects	Rental income	Including: income related to variable lease payments not included in lease receipts
China Southern Airlines Pearl Garden shops for rent	3,499,890.84	
Ganzhou factory for rent	311,757.84	
Dongguan Container Supermarket Rental	37,155.96	
Total	3,848,804.64	

Finance lease 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 Lease Investment

(3) Recognize the profit and loss of finance lease sales as a manufacturer or distributor

☒ Applicable Not Applicable

VIII. R&D; expenditure

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Staff and labor costs	152,131,079.38	152,521,152.49
Direct input cost	20,038,032.61	32,533,851.11
Depreciation and Amortization Expenses	18,398,693.76	24,452,757.54
Share-based payment	5,618,389.89	

Other expenses	16,404,431.34	20,680,638.38
Total	212,590,626.98	230,188,399.52
Including: cost-based R&D; expenditure	212,590,626.98	230,188,399.52

IX. Changes in the scope of consolidation

1. Changes in the scope of consolidation due to other reasons

Explain the changes in the scope of consolidation caused by other reasons (such as newly established subsidiaries, liquidation subsidiaries, etc.) and related circumstances:

On April 30, 2024, Hong Kong Honor Electron Technology Co., Ltd. will jointly fund the establishment of MÉXICO HONOTO INDUSTRY S.A. de C.V., with a subscribed registered capital of 72.270 million Mexican pesos, and (U.S.) Axnon Co., Ltd. with a subscribed registered capital of 730 million Mexican pesos, with its registered address in Monterrey, Nuevo Leon, Mexico. Hong Kong Honor Electron Technology Co., Ltd. holds 99% of the shares, (U.S.) Ashneng Co., Ltd. holds 1% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares.

MÉXICO HONOTO INDUSTRY S.A. de C.V. has been incorporated into the scope of consolidation since its inception.

X. rights and interests in other entities

1. Interests in subsidiaries

(1) Composition of enterprise groups

Unit:
Yuan

Subsidiary name	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio		How to get
					Direct	Indirect	
Honor Electron (Ganzhou) Electronics Co., Ltd	126,675,603.00	Jiangxi Province	Ganzhou City, Jiangxi Province	Mainly engaged in the production and processing of power adapters and other power products	100.00%		Merge under the same control
Hong Kong Honor Electron Technology Co., Ltd	113,146,724.00	Hongkong	Hongkong	Mainly engaged in overseas sales of power adapters and other power products	100.00%		Investment establishment

Dongguan Honor Electron Electronics Co., Ltd	208,000,000.00	Guangdong Province	Dongguan City, Guangdong Province	Mainly engaged in the research and development, production and sales of power adapters and other power products	100.00%		Investment establishment
(USA) Axnon LLC	6,575,500.00	U.S	U.S	Mainly engaged in the sales and customer service of various power products	100.00%		Investment establishment
Hangzhou Yundian Technology Energy Co., Ltd	100,000,000.00	Zhejiang Province	Hangzhou City, Zhejiang Province	Mainly engaged in the research and development of various power products and customer service	80.00%		Investment establishment
Shenzhen Honor Electron Zhilian Technology Co., Ltd	20,000,000.00	Guangdong Province	Shenzhen City, Guangdong Province	Mainly engaged in customer service for various power products	100.00%		Investment establishment
Suzhou Yundian Electronic Manufacturing Co., Ltd	50,000,000.00	Jiangsu Province	Suzhou City, Jiangsu Province	Mainly engaged in the production of server power supplies	100.00%		Investment establishment
Shanghai Honor Electron Electronic Technology Co., Ltd	30,000,000.00	Shanghai	Shanghai	Mainly engaged in the research and development of various power products and customer service	100.00%		Investment establishment
Vietnam Honor Electron Technology Co., Ltd	109,969,120.05	Vietnam	Vietnam	Mainly engaged in the production and overseas sales of various power products		100.00%	Investment establishment
MÉXICOHONOTO INDUSTRY S.A. de C.V.	30,476,349.52	Mexico	Mexico	Mainly engaged in the production and overseas sales of various power products		100.00%	Investment establishment

Explanation that the shareholding ratio in the subsidiary is different from the voting rights ratio:

The basis for holding half or less of the voting rights but still controlling the investee, and holding more than half of the voting rights but not controlling the investee:

For important structured entities included in the scope of consolidation, the basis for control is:

Basis for determining whether a company is an agent or a principal:

Other instructions:

(2) Important non-wholly owned subsidiaries

Unit:
Yuan

Subsidiary name	Minority shareholding ratio	Profit and loss attributable to minority shareholders for the current period	Dividends declared to minority shareholders in the current period	Balance of minority shareholders' equity at the end of the period
Hangzhou Yundian Technology Energy Co., Ltd	20.00%	481,621.19		-478,924.65

Explanation that the shareholding ratio of minority shareholders of the subsidiary is different from the voting rights ratio:

Other instructions:

(3) Major financial information of important non-wholly owned subsidiaries

Unit:
Yuan

Subsidiary name	Ending 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
Hangzhou Yundian Technology Energy Co., Ltd	185,494,394.35	24,198,113.13	209,692,507.48	170,238,291.01	2,487,422.51	172,725,713.52	17,127,798.49	11,094,577.53	28,222,376.02	17,586,132.91	103,292.61	17,689,425.52

Unit:
Yuan

Subsidiary name	Amount in the current period				Amount in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Hangzhou Yundian Technology Energy Co., Ltd	263,986,165.58	13,324,853.01	13,324,853.01	42,618,320.95	14,004,075.69	-39,892,157.07	-39,892,157.07	-24,436,196.44

Other instructions:

2. Interests in joint arrangements or associates

(1) Important joint ventures or associates

Name of joint venture or associate	Main place of business	Place of registration	Nature of business	Shareholding ratio		Accounting treatment of investments in joint ventures or associates
				Direct	Indirect	
Shanghai Anshibo Energy Technology Co., Ltd	Shanghai	Shanghai	Mainly engaged in the research and development of various power products and customer service	32.55%		Equity method accounting

A description of the proportion of shares held in a joint venture or associate that is different from the proportion of voting rights:

Basis for holding less than 20% of the voting rights but having significant influence, or holding 20% or more of the voting rights but not having significant influence:

(2) Main financial information of important associates

	Balance at the end of the period/amount incurred in the current period	Unit: Balance at the beginning of the period/Amount incurred in the previous period
		Yuan
	Shanghai Anshibo	Shanghai Anshibo
Current assets	337,703,439.43	146,673,225.08
Non-current assets	108,871,927.21	85,458,899.14
total assets	446,575,366.64	232,132,124.22
Current liabilities	354,160,013.81	89,025,597.71
Non-Current liabilities	20,331,904.33	29,964,974.80
Total liabilities	374,491,918.14	118,990,572.51
Minority interests		
Shareholders' equity attributable to common shareholders of parent company	72,083,448.50	113,141,551.71
Share of net assets calculated by shareholding ratio	24,717,414.49	41,771,860.89
Adjustment matters		
- goodwill		
--Unrealized profit on internal transactions		
--other		
Book value of equity investment in associates	76,305,055.60	94,324,652.29
Fair value of equity investments in associates with publicly quoted prices		
Operating income	309,417,749.22	172,702,194.60
Net profit	-76,078,400.80	-74,108,562.54
Net profit from discontinued operations		
Other comprehensive income	20,297.59	
Total comprehensive income	-76,058,103.21	-74,108,562.54
Dividends received from associates during the year		

Other instructions:

(3) Consolidated financial information of insignificant joint ventures and associates

Unit:
Yuan

	Balance at the end of the period/amount incurred in the current period	Balance at the beginning of the period/Amount incurred in the previous period
Joint venture:		
Total book value of investments	744,017.13	796,790.14
The total number of the following items calculated according to the shareholding ratio		
--net profit	-52,773.01	-61,679.17
--total comprehensive income	-52,773.01	-61,679.17
Associates:		
The total number of the following items calculated according to the shareholding ratio		

Other instructions:

11. Government subsidies

1. Government subsidies recognized according to the amount receivable at the end of the reporting period

☒ Applicable ☐ Not Applicable

Reasons for not receiving the estimated amount of government grants at the estimated time

☒ Applicable ☐ Not Applicable

2. Liability items involving government subsidies

Applicable ☒ Not applicable

Unit: Yuan

Accounting subjects	Opening balance	New subsidy amount in this period	Amount included in non-operating income for the current period	Amount transferred to other income in the current period	Other changes in the current period	Ending balance	Related to assets/income
Deferred income	8,835,651.83	24,804,138.00		4,896,778.37		28,743,011.46	Related to assets
Total	8,835,651.83	24,804,138.00		4,896,778.37		28,743,011.46	

3. Government subsidies included in current profits and losses

Applicable ☒ Not applicable

Unit: Yuan

Accounting subjects	Amount in the current period	Amount in the previous period
Other income	11,443,363.89	11,317,917.36
Total	11,443,363.89	11,317,917.36

Other instructions

XII. Risks associated with financial instruments

1. Various risks arising from financial instruments

The Company's main financial instruments include monetary funds, notes receivable, accounts receivable, other receivables, notes payable, accounts payable, other payables, etc.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and market risk.

(I) Classification of financial instruments

(1) Book value of various financial assets on the balance sheet date

① December 31, 2024

Financial Assets Project	Financial assets measured at amortized cost	Financial assets measured at fair value and whose changes are included in the current profit and loss	Financial assets measured at fair value through other comprehensive income	Total
Monetary fund	1,026,474,448.78	-	-	1,026,474,448.78
Trading financial assets	-	350,379,216.98	-	350,379,216.98
Notes receivable	152,830,327.18	-	-	152,830,327.18
Accounts Receivable	1,387,878,242.93	-	-	1,387,878,242.93
Receivables Financing	-	-	17,854,895.54	17,854,895.54
Other receivables	32,062,887.63	-	-	32,062,887.63
Other Current Assets	-	-	48,000,000.00	48,000,000.00

② December 31, 2023

Financial Assets Project	Financial assets measured at amortized cost	Financial assets measured at fair value and whose changes are included in the current profit and loss	Financial assets measured at fair value through other comprehensive income	Total
Monetary fund	669,082,320.25	-	-	669,082,320.25
Notes receivable	162,177,531.62	-	-	162,177,531.62
Accounts Receivable	890,787,486.41	-	-	890,787,486.41
Receivables Financing	-	-	17,633,625.14	17,633,625.14
Other receivables	73,876,951.61	-	-	73,876,951.61

(2) Book value of various financial liabilities on the balance sheet date

① December 31, 2024

Financial Liability Items	Financial liabilities measured at fair value with changes in current profit and loss	Other financial liabilities	Total
Short-term loan	-	236,768,406.69	236,768,406.69
Notes payable	-	481,324,555.30	481,324,555.30
Account payables	-	1,241,849,626.93	1,241,849,626.93
Other payables	-	26,978,522.85	26,978,522.85
Non-current liabilities due in one year	-	73,358,459.81	73,358,459.81
Other current liabilities	-	85,865,511.30	85,865,511.30
Long-term loan	-	216,296,231.74	216,296,231.74
Bonds payable	-	546,110,938.58	546,110,938.58
Lease liabilities	-	70,977,154.16	70,977,154.16

② December 31, 2023

Financial Liability Items	Financial liabilities measured at fair value with changes in current profit and loss	Other financial liabilities	Total
Short-term loan	-	115,057,750.00	115,057,750.00
Notes payable	-	468,760,151.92	468,760,151.92
Account payables	-	737,489,565.72	737,489,565.72
Other payables	-	23,434,022.39	23,434,022.39
Non-current liabilities due in one year	-	45,119,278.31	45,119,278.31
Other current liabilities	-	69,427,976.57	69,427,976.57
Long-term loan	-	319,550,000.10	319,550,000.10
Lease liabilities	-	26,432,950.93	26,432,950.93

(2) Credit risk

Credit risk refers to the risk of financial losses incurred by the other party due to the non-performance of obligations by financial instruments.

The Company manages credit risk by portfolio classification. Credit risk mainly arises from bank deposits and accounts receivable. The Company's bank deposits are mainly deposited in banks with higher credit ratings, and the Company expects that there is no significant credit risk in bank deposits.

For accounts receivable, the Company sets relevant policies to control credit risk exposure. The company evaluates the debtor's credit qualifications based on the debtor's financial status, credit history and other factors such as current market conditions, and sets the corresponding amount of arrears and credit period. The Company's maximum credit risk exposure is the carrying amount of each financial asset in the balance sheet. The Company has not provided any guarantees that may expose the Company to credit risk.

For quantitative data on the Company's credit risk exposure arising from accounts receivable and other receivables, please refer to the disclosures in Notes VI, (IV) and VI, (VII) of this Note.

(3) Market risk

The risks to the Group from changes in market interest rates are mainly related to the Group's long-term liabilities with floating interest rates.

Market risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk mainly includes exchange rate risk and interest rate risk.

1. Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. The risk of foreign exchange changes faced by the Company is mainly related to the Company's operating activities, due to the sales of the operating units in currencies other than its functional currency.

For the listing of foreign currency financial assets and foreign currency financial liabilities of the Company at the end of the period, please refer to the description of foreign currency monetary items in Note VI. (58) of this Note.

2. Interest rate risk

The Company's interest rate risk arises from interest-bearing debts such as bank loans. Financial liabilities with floating interest rates expose the Company to cash flow interest rate risk, and financial liabilities with fixed interest rates expose the Company to fair value interest rate risk.

(4) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when the company fulfills its settlement obligations by delivering cash or other financial assets.

When managing liquidity risk, the Company maintains and monitors cash and cash equivalents that management believes are sufficient to meet the Company's operating needs and reduce the impact of cash flow fluctuations. The Company's management monitors the use of bank borrowings and ensures compliance with borrowing agreements.

The company's goal is to use a variety of financing means to maintain a balance between continuity and flexibility in financing.

The company regards bank borrowings and estimated cash flows from operations as its main sources of funds. The company can meet its own continuous operation requirements by utilizing operating cash flow and unused loan lines.

The financial liabilities held by the Company are analyzed according to the maturity period of the undiscounted remaining contractual obligations as follows:

Projects	December 31, 2024				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Short-term loan	236,768,406.69	-	-	-	236,768,406.69
Notes payable	481,324,555.30	-	-	-	481,324,555.30
Account payables	1,235,011,683.43	4,972,085.09	1,065,603.23	800,255.18	1,241,849,626.93
Other payables	33,989,910.89	748,211.62	116,350.00	626,266.80	35,480,739.31
Non-current liabilities due in one year	73,358,459.81	-	-	-	73,358,459.81
Other current liabilities	85,865,511.30	-	-	-	85,865,511.30
Long-term loan	-	-	-	216,296,231.74	216,296,231.74
Lease liabilities	-	22,347,536.96	8,000,225.05	40,629,392.15	70,977,154.16
Bonds payable	-	-	-	546,110,938.58	546,110,938.58

Continue to the table:

Projects	December 31, 2023				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Short-term loan	115,057,750.00	-	-	-	115,057,750.00
Notes payable	468,760,151.92	-	-	-	468,760,151.92
Account payables	733,712,931.50	1,890,464.93	626,465.98	1,259,703.31	737,489,565.72
Other payables	22,299,242.84	432,562.66	191,019.03	511,197.86	23,434,022.39
Non-current liabilities due in one year	45,119,278.31	-	-	-	45,119,278.31
Other current liabilities	69,427,976.57	-	-	-	69,427,976.57
Long-term loan	-	-	-	319,550,000.10	319,550,000.10
Lease liabilities	-	14,574,448.03	6,749,796.25	5,108,706.65	26,432,950.93

2. Financial assets

(1) Classification of transfer methods

Applicable ☒ Not applicable

Unit:
Yuan

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Termination of confirmation	Judgment basis for termination of confirmation
Endorsement	Bank acceptance bills not yet due in notes receivable	85,865,511.30	Confirmation not terminated	Since the bank acceptance bills in the bills receivable are accepted by banks with low credit ratings, the endorsed bank acceptance bills do not affect the right of recourse, and the credit risk and deferred payment risk related to the bills have not been transferred, so the recognition has not been terminated.
Endorsement	Bank acceptance bills not yet due in receivables financing	171,342,589.87	Terminate confirmation	Since the bank acceptance bill in the receivable financing is accepted by the bank with higher credit rating, the credit risk and deferred payment risk are very small, and the interest rate risk related to the bill has been transferred to the bank, it can be judged that the main risk and reward on the ownership of the bill have been transferred, so the confirmation is terminated.

Discount	Bank acceptance bills not yet due in notes receivable	46,401,491.47	Confirmation terminated not	Since the bank acceptance bills in the bills receivable are accepted by banks with low credit ratings, the discounted bank acceptance bills do not affect the right of recourse, and the credit risk and deferred payment risk related to the bills have not been transferred, so the recognition has not been terminated.
Discount	Commercial acceptance bills not yet due in notes receivable	300,000.00	Confirmation terminated not	Since the commercial acceptance bills in the bills receivable are accepted by the company, the credit risk and deferred payment risk are very high. After the discounted bills, the credit risk and deferred payment risk related to the bills have not been transferred, so the recognition has not been terminated.
Discount	Bank acceptance bills not yet due in receivables financing	64,493,989.23	Terminate confirmation	Since the bank acceptance bill in the receivable financing is accepted by the bank with higher credit rating, the credit risk and deferred payment risk are very small, and the interest rate risk related to the bill has been transferred to the bank, it can be judged that the main risk and reward on the ownership of the bill have been transferred, so the termination is confirmed Recognize.
Total		368,403,581.87		

(2) Financial assets derecognized due to transferApplicable ☒ Not applicableUnit:
Yuan

Projects	How to transfer financial assets	Amount of derecognized financial assets	Gains or losses related to derecognition
Bank acceptance bills not yet due in receivables financing	Endorsement	171,342,589.87	
Bank acceptance bills not yet due in receivables financing	Discount	64,493,989.23	-339,560.98
Total		235,836,579.10	-339,560.98

(3) Financial assets that continue to be involved in the transfer of assets☒ Applicable Not Applicable

Other instructions

XIII. Disclosure of Fair Value**1. End-of-period fair value of assets and liabilities measured at fair value**Unit:
Yuan

Projects	Fair value at the end of the period			
	First-level fair value measurement	Level 2 Fair Value Measurement	Level 3 Fair Value Measurement	Total
I. Ongoing fair value measurement	--	--	--	--
(1) Transactional financial assets			350,379,216.98	350,379,216.98
1. Financial assets measured at fair value with changes in current profit and loss			350,379,216.98	350,379,216.98
(1) Debt instrument investment			350,379,216.98	350,379,216.98
(2) Other Current Assets			48,000,000.00	48,000,000.00
(3) Receivable financing			17,854,895.54	17,854,895.54
Total assets continuously measured at fair value			416,234,112.52	416,234,112.52
II. Discontinuous fair value measurement	--	--	--	--

2. The basis for determining the market price of continuous and non-continuous first-level fair value measurement items

The Company does not hold ongoing and non-ongoing Tier 1 fair value measurement items.

3. Qualitative and quantitative information on the valuation techniques and important parameters used for ongoing and non-ongoing Level 2 fair value measurement items

The Company does not hold ongoing and non-ongoing Level 2 fair value measurement items.

4. Qualitative and quantitative information on the valuation techniques and important parameters used for ongoing and non-ongoing Level 3 fair value measurement items

The trading financial assets measured at fair value at the third level held by the Company are wealth management products, and the Company estimates future cash flows based on the expected yield to determine their fair value.

The third-level fair value-measured receivables held by the Company are bank acceptance bills receivable, which have low credit risk and short remaining maturity, and the Company determines their fair value based on their par balance.

5. Fair value of financial assets and financial liabilities not measured at fair value

The Company's financial assets and financial liabilities not measured at fair value mainly include: monetary funds, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables, other current liabilities, non-current liabilities due within one year, long-term borrowings and bonds payable, etc. The difference between the book value and fair value of the above financial assets and financial liabilities that are not measured at fair value is very small.

14. Related parties and related transactions

1. The parent company of the company

Parent company name	Place of registration	Nature of business	Registered capital	Parent company's shareholding ratio in the company	The proportion of voting rights of the parent company to the company
Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership)	Nanjing City, Jiangsu Province	Equity investment	Rmb83.00mn	28.89%	28.89%
Shenzhen Genoli Information Consulting Co., Ltd	Shenzhen City, Guangdong Province	Equity investment	RMB 1.4 million	28.89%	28.89%

Description of the parent company of the enterprise

As of December 31, 2024, Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership) and Shenzhen Genoli Information Consulting Co., Ltd. each hold 28.89% of the company's equity, and together hold 57.78% of the company's equity, and are the company's controlling shareholders.

The ultimate controllers of the enterprise are Wang Heqiu, Wang Yulin, Wang Yuetian, Wang Yuefei and Shang Yunsi.

Other instructions:

2. The company's subsidiaries

For details of the company's subsidiaries, please refer to Note X. Equity in other entities\ 1. Equity in subsidiaries.

3. The situation of the joint venture and joint venture of the enterprise

For details of the company's important joint ventures or associates, please refer to Note X. Interests in other entities\ 2. Interests in joint venture arrangements or associates.

Other joint ventures or associates that have related party transactions with the company in the current period, or have related party transactions with the company in the previous period to form a balance are as follows:

Joint venture or joint venture name	Relationship with the company
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Other instructions:

4. Related party transactions

(1) Related-party transactions involving the purchase and sale of goods, the provision and acceptance of labor services

Procurement of goods/acceptance of labor status table

Unit: Yuan

Related party	Related transaction content	Amount in the current period	Approved transaction amount	Whether the transaction limit is exceeded	Amount in the previous period
Shenzhen Hangcheng Enterprise Headquarters Management Co., Ltd	Project management service fee	177,805.03		No	184,322.20
Suzhou Bodian Yunke Energy Technology Co., Ltd	Processing fee			No	255,948.48

Sales of goods/provision of services

Unit: Yuan

Related party	Related transaction content	Amount in the current period	Amount in the previous period
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Description of related party transactions for purchase and sale of goods, provision and acceptance of labor services

(2) Related guarantees

The company as the guarantor

Unit: Yuan

Guaranteed party	Guaranteed amount	Guarantee start date	Guarantee Expiry Date	Whether the guarantee has been fulfilled
Dongguan Honor Electron Electronics Co., Ltd	201,040,000.00	October 11, 2021	October 10, 2029	No
Vietnam Honor Electron Technology Co., Ltd	34,759,500.00	March 21, 2024	December 31, 2024	Yes

The company as the guaranteed party

Unit: Yuan

Guarantor	Guaranteed amount	Guarantee start date	Guarantee Expiry Date	Whether the guarantee has been fulfilled
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Description of related guarantees

The company as the guarantor

Note 1: On October 11, 2021, Dongguan Honor Electron, a subsidiary of the company, signed a fixed asset loan contract numbered GDK 476790120210153 with Bank of China Ltd. Dongguan Branch. Dongguan Honor Electron can apply to Bank of China Ltd. Dongguan Branch for a maximum loan amount of RMB 201.40 million. The joint and several liability guarantees are jointly undertaken by Shenzhen Honor Electronic Co., Ltd.'s debts under the above-mentioned contracts; and the joint and several liability guarantees are jointly undertaken by Dongguan Honor Electron's own real estate as collateral under the above-mentioned contracts. The guarantee numbers are GBZ 476790120210118 Maximum Guarantee Contract and GDY 47679012023093 Maximum Mortgage Contract respectively.

Note 2: On November 4, 2022, a "letter of offer" financing agreement, Vietnam Honor Electron can apply to Citibank N.A., Hanoi Branch for the use of a maximum amount not exceeding the equivalent of US \$5,000,000.00

High borrowing limit; Shenzhen Honor Electronic Co., Ltd. applies for a bank guarantee/standby certificate from Citibank (China) Co., Ltd., and Citibank (China) Co., Ltd. issues a bank guarantee/standby certificate to Citibank, N. A., Hanoi Branch according to the application of Shenzhen Honor Electronic Co., Ltd., Citibank, N. A., Hanoi Branch release the loan limit according to the bank guarantee/standby certificate issued. As of December 31, 2024, the "letter of offer" financing agreement signed by Honor Electron Vietnam and Citibank, N. A., Hanoi Branch has not been executed, and Shenzhen Honor Electronic Co., Ltd. has not applied for a bank guarantee/backup certificate from Citibank (China) Co., Ltd.

(3) Remuneration of key management personnel

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Remuneration of key management personnel	19,155,255.32	15,347,460.36

(4) Other related party transactions

In 2023, the company transferred 60% of the shares of Shanghai Anshibo to the actual controllers of the company, Mr. Wang Yuetian and Ms. Shang Yunsi, at a transaction consideration of RMB 144 million. By the end of 2023, the company had received the first equity transfer payment totaling RMB 100 million from the counterparties, Mr. Wang Yuetian and Ms. Shang Yunsi, and received the remaining equity transfer payment of RMB 44 million in the current period.

5. Accounts receivable and payable from related parties

(1) Receivables

Unit:
Yuan

Name of project	Related party	Ending balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts Receivable	Shanghai Anshibo Energy Technology Co., Ltd			124,876.08	6,243.80
Other receivables	Wang Yuetian, Shang Yunsi			44,000,000.00	

(2) Payable items

Unit:
Yuan

Name of project	Related party	Book balance at the end of the period	Book balance at the beginning of the period
Account payables	Suzhou Bodian Yunke Energy Technology Co., Ltd		503,595.88

15. Share-based payment

1. The overall situation of share-based payment

Applicable ☒ Not applicable

Unit:
Yuan

Grant object category	Granted in the current period		Exercise in the current period		Unlocked in this issue		Expiration of the current period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Company director	140,000.0	2,965,918						
Affairs, senior management	0	.07						
Middle management and core backbone	2,506,000.00	53,089,933.48						
Total	2,646,000.00	56,055,851.55						

Stock options or other equity instruments issued at the end of the period

Applicable ☒ Not applicable

Grant object category	Stock options outstanding at the end of the period		Other equity instruments issued at the end of the period	
	Range of exercise price	Remaining term of contract	Range of exercise price	Remaining term of contract
Company directors and senior managers	18.45/share	33 months	Not applicable	Not applicable
Middle management and core backbone	18.45/share	33 months	Not applicable	Not applicable

Other instructions:

2. Equity-settled share-based payments

Applicable ☒ Not applicable

Unit:
Yuan

How to determine the fair value of equity instruments on the grant date	Option pricing model
Important parameters for the fair value of equity instruments on the grant date	The stock price volatility selects the historical volatility of the Shenzhen Stock Exchange
The basis for determining the number of exercisable equity instruments	Determined based on the number of grantees who have not separated at the end of each reporting period
Reasons for significant differences between the current estimate and the previous estimate	No
The cumulative amount of equity-settled share-based payments included in the capital reserve	9,774,814.03
The total amount of expenses recognized for equity-settled share-based payments in the current period	9,774,814.03

Other instructions:

3. Cash-settled share-based payments

☒ Applicable Not Applicable

4. Share-based payment fees for the current period

Applicable ☒ Not applicable

Unit:
Yuan

Grant object category	Equity-settled share-based payment fees	Cash-settled share-based payment fees
R&D; personnel	5,618,389.89	
Salesperson	2,035,648.51	
Production staff	1,250,998.53	
Manager	869,777.10	
Total	9,774,814.03	

Other instructions:

5. Modification and termination of share-based payment

In view of the fact that two of the incentive objects determined by the original review voluntarily gave up all the restricted shares to be granted by the company due to personal reasons, and one person was no longer eligible for incentive objects due to resignation, on September 23, 2024, the company held the sixth meeting of the third board of directors in 2024 and the fifth meeting of the third board of supervisors in 2024, The "Proposal on Adjusting the List of Incentive Objects of the 2024 Restricted Stock Incentive Plan and the Number of Grants" and the "Proposal on Granting Restricted Shares to the Incentive Objects of the 2024 Restricted Stock Incentive Plan" were reviewed and approved. The Board of Supervisors verified the list of incentive objects on the grant date and issued a verification opinion, agreeing to the list of incentive objects granted by the company's incentive plan this time. After this adjustment, the number of incentive objects has been changed from 199 to 196, and the total number of restricted shares granted by this incentive plan has been adjusted from 2.661 million shares to 2.646 million shares.

XVI. Commitments and Contingencies

1. Important commitments

Important commitments existing on the balance sheet date

At the end of the reporting period, the company had no major commitments that should be disclosed.

2. Contingencies

(1) Important contingencies existing on the balance sheet date

At the end of the reporting period, the Company had no material contingencies that should be disclosed.

(2) The company has no important contingencies that need to be disclosed and should also be explained

The company has no material contingencies that need to be disclosed.

VII. Events after the balance sheet date

1. Profit distribution

The number of dividends to be distributed per 10 shares (yuan)	5.93
Proposed distribution of dividends for every 10 shares (shares)	5.93
The number of shares to be allocated for every 10 shares (shares)	5.93
The number of dividends per 10 shares declared after deliberation and approval (yuan)	0.00
For every 10 dividend shares (shares) declared for distribution after deliberation and approval	0.00
The number of shares (shares) for every 10 shares issued after deliberation and approval	0.00

Profit distribution plan	<p>The company held the second meeting of the third board of directors in 2025 and the first meeting of the third board of supervisors in 2025 on April 18, 2025, and respectively reviewed and approved the "Proposal on the Profit Distribution Plan for 2024". The profit distribution plan for 2024 is: It is proposed to use the company's total share capital of 106,406,759 shares as of March 31, 2025, excluding the company's current share balance of 1,655,300 shares in the special repurchase account (the company's shares held by the company through the special repurchase account will not participate in this profit distribution), and a total of 104,751,459 shares will be distributed to all shareholders based on this calculation, and a cash dividend of RMB 5.93 (including tax) will be distributed for every 10 shares, A total of 62,117,615.19 yuan (tax included) of cash dividends were distributed. Book No bonus shares will be given out during the year, and no capital reserve will be converted into share capital. The 2024 profit distribution plan still needs to be submitted to the company's 2024 annual general meeting for review and approval.</p>
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2. Description of other events after the balance sheet date

On July 5, 2024, the company issued 6,445,265 convertible corporate bonds to unspecified objects, each with a face value of RMB 100. The total amount of funds raised was RMB 644,526,500.00. After deducting various issuance expenses of RMB 12,106,634.44, the actual net amount of funds raised was RMB 632,419,865.56.

As of April 17, 2025, a total of 2,368,539 "Eurocom Convertible Bonds" have been converted into shares (with a total face value of RMB 236,853,900), and the conversion price is RMB 44.56 per share, and a total of 5,313,279.00 shares of "Honor Electron" have been converted into shares. The remaining 4,076,726 "Eurocom Convertible Bonds" have a total face value of RMB 407,672,600.

XVIII. Notes to the main items in the financial statements of the parent company

1. Accounts receivable

(1) Disclosure by age

Unit:
Yuan

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	1,403,065,084.93	979,245,798.04
1 to 2 years	7,243,887.35	7,489,004.26
2 to 3 years	595,029.24	215,433.51
More than 3 years	7,786,511.33	9,056,013.57
3 to 4 years	0.00	6,854,803.82
4 to 5 years	6,838,793.34	2,201,209.75
More than 5 years	947,717.99	0.00
Total	1,418,690,512.85	996,006,249.38

(2) Disclosure by classification according to bad debt accrual method

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Accounts receivable with provision for bad debts on a single-item basis	616,360,519.12	43.45%	8,748,333.23	1.42%	607,612,185.89	301,527,708.03	30.27%	8,190,372.29	2.72%	293,337,335.74
Of which:										
Accrual by combination	802,329,993.73	56.55%	40,457,860.16	5.04%	761,872,133.57	694,478,541.35	69.73%	35,961,676.96	5.18%	658,516,864.39
Accounts receivable										
Of which:										
Total	1,418,690,512.85	100.00%	49,206,193.39	3.47%	1,369,484,319.46	996,006,249.38	100.00%	44,152,049.25	4.43%	951,854,200.13

Provision for bad debts by single item: 8,748,333.23 yuan

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Vietnam Honor Electron Technology Co., Ltd	127,371,739.49		307,524,932.61			No bad debts are accrued within the scope of consolidation
Suzhou Yundian Electronic Manufacturing Co., Ltd	56,778,099.73		140,341,054.85			No bad debts are accrued within the scope of consolidation
Hong Kong Honor Electron Technology Co., Ltd	48,199,017.22		122,174,169.32			No bad debts are accrued within the scope of consolidation
Hong Kong Business Hong Kong Honor Electron Technology Co., Ltd. Taiwan Branch	20,589,559.41		35,108,134.55			No bad debts are accrued within the scope of consolidation
Yihaihua (Hong Kong) Technology Co., Ltd	3,983,314.09	3,983,314.09	4,042,759.83	4,042,759.83	100.00%	Not expected to be recovered

Sichuan Yihaihua Technology Co., Ltd	2,971,390.41	2,971,390.41	2,971,390.41	2,971,390.41	100.00%	Not expected to be recovered
Dongguan Honor Electron Electronics Co., Ltd	40,110,391.80		2,261,721.04			No bad debts are accrued within the scope of consolidation
Beijing Yixin Huiming Technology Co., Ltd	1,229,423.99	1,229,423.99	1,229,423.99	1,229,423.99	100.00%	Not expected to be recovered
Shandong Guojin Automobile Manufacturing Co., Ltd			200,612.50	200,612.50	100.00%	Not expected to be recovered
Shenzhen Innovation Technology Co., Ltd			227,706.50	227,706.50	100.00%	Not expected to be recovered
(USA) Axnon LLC	163,185.41		172,569.04			No bad debts are accrued within the scope of consolidation
Shenzhen Zhuiguang Intelligent Manufacturing Technology Co., Ltd			76,440.00	76,440.00	100.00%	Not expected to be recovered
Hangzhou Yundian Technology Energy Co., Ltd	6,710.40		29,604.48			No bad debts are accrued within the scope of consolidation
Shanghai Anshibo Energy Technology Co., Ltd	124,876.08	6,243.80				
Total	301,527,708.03	8,190,372.29	616,360,519.12	8,748,333.23		

Provision for bad debts by combination: RMB 40,457,860.16

Unit:
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	795,556,638.71	39,777,831.94	5.00%
1-2 years (including 2 years)	6,746,427.82	674,642.78	10.00%
2-3 years (including 3 years)	26,927.20	5,385.44	20.00%
Total	802,329,993.73	40,457,860.16	

Description of the basis for determining the combination:

If the provision for bad debts of accounts receivable is made according to the general model of expected credit loss:

■ Applicable Not Applicable

(3) Provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit:
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Write off	other	
Provision for bad debts on a single-item basis	8,190,372.29	557,960.94				8,748,333.23
Provision for bad debts by portfolio	35,961,676.96	4,496,183.20				40,457,860.16
Total	44,152,049.25	5,054,144.14				49,206,193.39

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

Unit:
Yuan

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	The basis and rationality for determining the proportion of the original bad debt provision

(4) Accounts receivable and contract assets of the top five accounts receivable and contract assets at the end of the period collected by the owing party

Unit:
Yuan

Unit name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	As a percentage of the combined ending balance of accounts receivable and contract assets	The ending balance of the provision for bad debts of accounts receivable and the provision for impairment of contract assets
First place	307,524,932.61		307,524,932.61	21.68%	
Second place	140,341,054.85		140,341,054.85	9.89%	
Third place	136,004,233.75		136,004,233.75	9.59%	6,800,211.69
Fourth place	125,339,000.21		125,339,000.21	8.83%	6,266,950.01
Fifth place	122,174,169.32		122,174,169.32	8.61%	
Total	831,383,390.74		831,383,390.74	58.60%	13,067,161.70

2. Other receivables

Unit:
Yuan

Projects	Ending balance	Opening balance
Interest receivable	6,484,007.37	361,080.46
Other receivables	34,730,946.03	95,160,151.06
Total	41,214,953.40	95,521,231.52

(1) Interest receivable

1) Classification of interest receivable

Unit:
Yuan

Projects	Ending balance	Opening balance
Margin interest income	362,332.22	361,080.46
Interest accrued on time deposits	6,121,675.15	
Total	6,484,007.37	361,080.46

2) Disclosure by classification of bad debt accrual method

Applicable ☒ Not applicable

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Provision for bad debts on a single-item basis	6,484,007.37	100.00%			6,484,007.37	361,080.46	100.00%			361,080.46
Of which:										
Of which:										
Total	6,484,007.37	100.00%			6,484,007.37	361,080.46	100.00%			361,080.46

Provision for bad debts by individual item: RMB 0.00

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Margin interest income	361,080.46		362,332.22			Bank interest, lower loss ratio
Interest accrued on time deposits			6,121,675.15			Bank interest, lower loss ratio

Provision for bad debts based on the general model of expected credit losses

Unit:
Yuan

Provision for bad debts	First stage	Second stage	Third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance at January 1, 2024 in the current period				

The basis for the division of each stage and the ratio of provision for bad debts

Changes in the book balance with significant changes in the amount of loss reserves in the current period

■ Applicable Not Applicable

3) The provision for bad debts accrued, recovered or reversed in the current period

Unit:
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Resell or write off	Other changes	

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

Unit:
Yuan

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	The basis and rationality for determining the proportion of the original bad debt provision
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Other instructions:

4) Interest receivables actually written off in the current period

Unit:
Yuan

Projects	Write-off amount
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Among them, the important write-off of interest receivable

Unit:
Yuan

Unit name	Nature of payment	Write-off amount	Reason for write-off	Write-off procedures performed	Whether the payment is generated by a related party transaction
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Write-off instructions:

Other instructions:

(2) Other receivables

1) Classification of other receivables by nature of payment

Unit:
Yuan

Nature of payment	Book balance at the end of the period	Book balance at the beginning of the period
Equity transfer payment		44,000,000.00
Royalties	24,771,948.55	17,020,158.02
Current payment	671,580.64	10,003,750.00
Deposit and security deposit	9,152,366.35	8,198,649.15
Export tax rebate		18,778,740.52
Withholding and paying social security provident fund	1,517,383.05	1,049,466.06
other	1,636,405.23	1,703,942.31
Total	37,749,683.82	100,754,706.06

2) Disclosure by age

Unit:
Yuan

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (including 1 year)	33,445,519.42	92,885,110.84
1 to 2 years	14,180.67	32,400.00
2 to 3 years	112,571.31	4,165,412.95
More than 3 years	4,177,412.42	3,671,782.27
3 to 4 years	3,165,412.95	13,220.00
4 to 5 years		628,198.05
More than 5 years	1,011,999.47	3,030,364.22
Total	37,749,683.82	100,754,706.06

3) Disclosure by classification of bad debt accrual method

Unit:
Yuan

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Withdrawal ratio		Amount	Proportion	Amount	Withdrawal ratio	
Provision for bad debts on a single-item basis	26,061,227.24	69.04%	617,698.05	2.37%	25,443,529.19	71,641,606.07	71.10%	617,698.05	0.86%	71,023,908.02
Of which:										
Provision for bad debts by portfolio	11,688,456.58	30.96%	2,401,039.74	20.54%	9,287,416.84	29,113,099.99	28.90%	4,976,856.95	17.09%	24,136,243.04
Of which:										
Total	37,749,683.82	100.00%	3,018,737.79	8.00%	34,730,946.03	100,754,706.06	100.00%	5,594,555.00	5.55%	95,160,151.06

Provision for bad debts by individual item: RMB 617,698.05

Unit:
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
Vietnam Honor Hingh Tech Company Limited	17,020,158.02		24,771,948.55			Related parties within the scope of consolidation do not accrue
Hong Kong Honor Electron Technology Co., Ltd			671,580.64			Related parties within the scope of consolidation do not accrue
Shenzhen Jingweixin Technology Co., Ltd	617,698.05	617,698.05	617,698.05	617,698.05	100.00%	Not expected to be recovered
Ganzhou Honor Electron	10,003,750.00					
Wang Yuetian	26,400,000.00					
Shang Yunsi	17,600,000.00					
Total	71,641,606.07	617,698.05	26,061,227.24	617,698.05		

Provision for bad debts by combination: RMB 2,401,039.74

Unit:
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	8,001,990.23	400,099.51	5.00%
1-2 years (including 2 years)	14,180.67	1,418.07	10.00%
2-3 years (including 3 years)	112,571.31	22,514.26	20.00%
3-4 years (including 4 years)	3,165,412.95	1,582,706.48	50.00%
4-5 years (including 5 years)			
More than 5 years	394,301.42	394,301.42	100.00%
Total	11,688,456.58	2,401,039.74	

Description of the basis for determining the combination:

Provision for bad debts based on the general model of expected credit losses:

Unit:
Yuan

Provision for bad debts	First stage	Second stage	Third stage	Total
	Expected credit loss for the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance at January 1, 2024	4,976,856.95		617,698.05	5,594,555.00
Balance at January 1, 2024 in the current period				
Provision for the current period	-2,575,817.21			-2,575,817.21

Balance at December 31, 2024	2,401,039.74		617,698.05	3,018,737.79
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The basis for the division of each stage and the ratio of provision for bad debts

Changes in the book balance with significant changes in the amount of loss reserves in the current period

■ Applicable Not Applicable

4) Provision for bad debts accrued, recovered or reversed in the current period

Provision for bad debts in the current period:

Category	Opening balance	Amount of change in the current period				Unit: Yuan
		Accrue	Take back or turn back	Resell or write off	other	Ending balance
Provision for bad debts on a single-item basis	617,698.05					617,698.05
Provision for bad debts by portfolio	4,976,856.95	-2,575,817.21				2,401,039.74
Total	5,594,555.00	-2,575,817.21				3,018,737.79

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

Unit name	Amount recovered or reversed	Turn back the reason	Recovery method	Unit: Yuan
				The basis and rationality for determining the proportion of the original bad debt provision

5) Other receivables of the top five ending balances collected by the owing party

Unit name	Nature of money	Ending balance	Aging	As a percentage of the total ending balance of other receivables	Unit: Yuan
					Ending balance of bad debt provision
First place	Royalties	24,771,948.55	Within 1 year	65.62%	
Second place	Deposit, security deposit	5,110,000.00	Within 1 year	13.54%	255,500.00
Third place	Deposit, security deposit	3,012,684.00	Within 4 years	7.98%	1,412,247.00
Fourth place	Withholding and paying social security	1,086,618.14	Within 1 year	2.88%	54,330.91
Fifth place	Current payment	671,580.64	Within 1 year	1.78%	
Total		34,652,831.33		91.80%	1,722,077.91

3. Long-term equity investment

Unit:
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	614,425,670.26		614,425,670.26	584,825,104.63		584,825,104.63
Investment in associates and joint ventures	23,752,264.19		23,752,264.19	41,771,860.88		41,771,860.88
Total	638,177,934.45		638,177,934.45	626,596,965.51		626,596,965.51

(1) Investment in subsidiaries

Unit:
Yuan

Investee	Opening balance (book value)	Opening balance of impairment provision	Changes in the current period				Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Reduce investment	Provision for impairment	other		
Honor Electron (Ganzhou) Electronics Co., Ltd	121,134,361.50		92,529.48				121,226,890.98	
Hong Kong Honor Electron Technology Co., Ltd	113,146,724.00		277,588.43				113,424,312.43	
Dongguan Honor Electron Electronics Co., Ltd	208,000,000.00		325,703.76				208,325,703.76	
(USA) Axnon LLC	6,575,500.00						6,575,500.00	
Hangzhou Yundian Technology Energy Co., Ltd	81,468,519.13		13,108,990.45				94,577,509.58	
Shenzhen Honor Electron Zhilian Technology Co., Ltd	3,500,000.00						3,500,000.00	
Suzhou Yundian Electronic Manufacturing Co., Ltd	50,000,000.00		37,011.79				50,037,011.79	

Shanghai Honor Electron Electronic Technology Co., Ltd	1,000,000.00		15,740,235.82				16,740,235.82	
Vietnam Honor Electron Technology has			18,505.90				18,505.90	
Limited company								
Total	584,825,104.63		29,600,565.63				614,425,670.26	

(2) Investment in associates and joint ventures

Unit:
Yuan

Investee	Opening balance (book value)	Opening balance of impairment provision	Changes in the current period								Ending balance (book value)	Ending balance of impairment provision
			Addition al investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Changes in other equity	Declaration of cash dividends or profits	Provision for impairment	other		
I. Joint venture												
II. Joint ventures												
Shanghai Anshibo Energy Technology Co., Ltd	41,771,860.88				-25,719,751.99		7,700,155.30				23,752,264.19	
Subtotal	41,771,860.88				-25,719,751.99		7,700,155.30				23,752,264.19	
Total	41,771,860.88				-25,719,751.99		7,700,155.30				23,752,264.19	

The recoverable amount is determined as the net amount of fair value less disposal expenses

■ Applicable Not Applicable

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

■ Applicable Not Applicable

Reasons for discrepancies between the foregoing information and the information used in previous years' impairment tests or external information

The reason for the difference between the information used in the previous year's impairment test and the actual situation of the current year

4. Operating income and operating costs

Unit:
Yuan

Projects	Amount in the current period		Amount in the previous period	
	income	Cost	income	Cost
Main business	2,523,809,206.28	2,129,556,071.69	2,164,580,496.00	1,818,856,175.75
Other business	615,153,888.86	458,557,075.92	517,692,434.32	451,694,645.13
Total	3,138,963,095.14	2,588,113,147.61	2,682,272,930.32	2,270,550,820.88

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the revenue corresponding to the performance obligations that have signed contracts but have not been fulfilled or have not been fulfilled is 476,623,667.92 yuan, of which 476,623,667.92 yuan is expected to be recognized as revenue in 2025.

5. Investment income

Unit:
Yuan

Projects	Amount in the current period	Amount in the previous period
Long-term equity investment income accounted for by the equity method	-25,719,751.99	-29,351,549.75
Investment income from disposal of long-term equity investments		-12,684,377.93
Income from Bank Wealth Management Products	1,376,038.38	2,207,513.97
Total	-24,343,713.61	-39,828,413.71

XIX. Supplementary information

1. Current non-recurring profit and loss schedule

Applicable ☒ Not applicable

Unit:
Yuan

Projects	Amount	Description
Gains and losses on disposal of illiquid assets	-1,837,263.13	Mainly due to the disposal loss of non-current assets.
Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the company's normal business operations, comply with national policies and regulations, are enjoyed according to determined standards, and have a continuous impact on the company's profit and loss)	11,443,363.89	Mainly government subsidy income.

In addition to the effective hedging business related to the company's normal business operations, the gains and losses from changes in fair value arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	1,379,216.98	It is mainly to accrue the income of wealth management products in the current period.
Profit and loss of entrusting others to invest or manage assets	1,396,462.71	It is the income from wealth management products actually received in the current period.
Other non-operating revenue and expenditure other than the above-mentioned items	679,867.53	
Other profit and loss items that meet the definition of non-recurring profit and loss	275,816.48	
Less: Income tax impact amount	1,593,514.60	
Amount of impact on minority shareholders' equity (after tax)	48,539.48	
Total	11,695,410.38	--

Details of other profit and loss items that meet the definition of non-recurring profit and loss:

Applicable ☒ Not applicable

Other profit and loss items that meet the definition of non-recurring profit and loss are mainly the deduction of individual tax handling fees.

Explanation of the situation of defining the non-recurring profit and loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public-Non-recurring Profit and Loss" as recurring profit and loss items

☒ Applicable Not Applicable

2. Return on equity and earnings per share

Profit for the reporting period	Weighted average return on equity	EPS	
		Basic earnings per share (yuan/share)	Diluted earnings per share (yuan/share)
Net attributable to common shareholders of the company	13.33%	2.69	2.72
Profit			
Net profit attributable to common shareholders of the company after deducting non-recurring gains and losses	12.74%	2.57	2.61

3. Differences in accounting data under domestic and foreign accounting standards

(1) Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards

■ Applicable Not Applicable

(2) Differences in net profit and net assets in financial reports disclosed in accordance with overseas accounting standards and Chinese accounting standards at the same time

■ Applicable Not Applicable

(3) Explanation of the reasons for the differences in accounting data under the domestic and foreign accounting standards. If the data that has been audited by an overseas audit institution is adjusted for differences, the name of the overseas institution shall be indicated

■ Applicable Not Applicable