



# 深圳欧陆通电子股份有限公司 2025 年年度报告

公告编号：2026-026

2026 年 4 月

# **2025 Annual Report**

## **Section 1 Important Tips, Contents and Interpretation**

**The board of directors, directors and senior management 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 profit distribution plan reviewed and approved by the board of directors of the company is: based on the company's total share capital of 109,030,681 shares as of March 31, 2026, a cash dividend of 3.09 yuan (including tax) will be distributed to all shareholders for every 10 shares, 0 bonus shares (including tax) will be distributed, and 4 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 2025 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.

## 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 INDUSTRIES.A. de C.V.	Depend on	MÉXICO HONOTO INDUSTRIES.A. de C.V., a subsidiary of Hong Kong Honor Electron Holdings,(U.S.) Axaltron shares in the company, and the company indirectly holds 100% of the shares.
Anbo	Depend on	Shanghai Anshibo Energy Technology Co., Ltd., the company's shareholding company
Bodian Yunke	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
Evolvex Technology INC	Depend on	Evolvex Technology INC, a wholly-owned subsidiary of Honor Electron Hong Kong
ASPOWER MANUFACTURING Inc.	Depend on	ASPOWER MANUFACTURING Inc., a wholly-owned subsidiary of Evolvex Technology INC

HONOTO HIGH TECH(Thailand) CO., LTD.	Depend on	HONOTO HIGH TECH (Thailand) CO., LTD. is a subsidiary of Hong Kong Honor Electron Holdings and a shareholding company of Evolvex Technology INC
Shenzhen Gnoli, 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
Taizhou Tongju, 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.
Shareholders' meeting	Depend on	Shenzhen Honor Electronic Co., Ltd. Shareholders' Meeting
Board of directors	Depend on	Board of Directors 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, 2025 to December 31, 2025
Same period last year, last period	Depend on	January 1, 2024 to December 31, 2024
Juchao Information Network	Depend on	The GEM information disclosure website designated by the China Securities Regulatory Commission <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>

## 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. The registered address before the change is 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 URL	<a href="http://www.honor-cn.com">http://www.honor-cn.com</a>		
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: <a href="http://www.szse.cn">http://www.szse.cn</a>
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 ( <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> )
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

Yes  No

	2025	2024	Increase or decrease this year over the previous year	2023
Operating income (yuan)	4,462,017,401.19	3,797,533,142.40	17.50%	2,869,998,960.72
Net profit attributable to shareholders of listed companies (yuan)	244,002,491.40	267,988,609.87	-8.95%	195,731,160.07
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (yuan)	224,673,939.34	256,293,199.49	-12.34%	68,717,093.34
Net cash flow from operating activities (yuan)	429,336,720.30	397,064,038.65	8.13%	392,374,782.30
Basic earnings per share (yuan/share)	2.32	2.69	-13.75%	1.93
Diluted earnings per share (yuan/share)	2.28	2.72	-16.18%	1.93
Weighted average return on equity	9.92%	13.33%	-3.41%	10.52%
	End of 2025	End of 2024	Increase or decrease at the end of this year compared to the end of the previous year	End of 2023
Total assets (yuan)	5,414,334,142.59	5,322,208,927.88	1.73%	3,749,607,108.44
Net assets attributable to shareholders of listed companies (yuan)	2,646,868,668.94	2,170,660,904.37	21.94%	1,857,283,741.55

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

■ Yes ■ No

During the reporting period, the company's total audited profit, net profit, and net profit after deducting non-recurring gains and losses, whichever is lower, is negative

■ Yes ■ No

Companies with equity incentives and employee stock ownership plans may disclose their net profit after deducting the impact of share-based payments

Major accounting data	2025	2024	Increase or decrease in the current period over the same period of the previous year (%)	2023
Net profit after deducting the impact of share-based payment (yuan)	267,030,863.86	277,763,423.90	-3.86%	235,755,310.08

Whether the share capital of the company has changed from the end of the reporting period to the disclosure date of the annual report 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)	2.2379

## VI. Main Financial Indicators by Quarter

Unit:  
Yuan

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	888,256,987.39	1,232,133,329.99	1,266,700,592.47	1,074,926,491.34
Net profit attributable to shareholders of listed companies	49,570,718.71	84,132,240.21	87,951,799.41	22,347,733.07
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	46,165,699.68	81,200,175.07	82,941,613.16	14,366,451.43
Net cash flow from operating activities	219,597,030.86	18,774,753.36	183,215,317.86	7,749,618.22

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

■ Yes ■ No

## 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. Differences in 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	2025 amount	2024 Amount	2023 Amount	Description
Gains and losses on disposal of illiquid assets (including the write-off portion of the provision for asset impairment)	106,272.86	-1,837,263.13	134,468,073.64	Mainly the income from asset disposal.
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)	13,163,085.34	11,443,363.89	11,317,917.36	Mainly government subsidy income.
Except for the normal business of the same company	3,997,265.86	1,379,216.98		It is mainly to accrue the income of wealth management products in the current period.
In addition to the effective hedging business related to business, 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				

Profit and loss of entrusting others to invest or manage assets	1,076,492.01	1,396,462.71	2,608,156.10	It is the income from wealth management products actually received in the current period.
Reversal of provision for impairment of receivables that have been separately tested for impairment	209,180.82			
Other non-operating revenue and expenditure other than the above-mentioned items	3,519,535.28	679,867.53	258,124.04	
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	2,662,489.37	1,593,514.60	1,120,096.81	
Amount of impact on minority shareholders' equity (after tax)	80,790.74	48,539.48	-225,208.09	
Total	19,328,552.06	11,695,410.38	127,014,066.73	--

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

Applicable  Not applicable

The company does not have other specific circumstances of profit and loss items that meet the definition of non-recurring profit and loss.

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 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, and has formulated management systems such as "Contract Management Regulations", "Supplier Payment Management System", "Procurement Control Procedures", "Raw Materials, Outsourcing Suppliers Management Control Procedures", "Feed Test and Inspection Control Procedures" and other management systems.

##### 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 focuses on independent production, 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 customer-oriented and provides customized products for customers in different market segments. Through the layered R&D; model of standard series - customized products - regional safety certification, taking into account the efficiency and precision of R & D, we continuously enrich the relevant 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 PVT and other production testing stages.

## **II. 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. The China Power Supply Society subdivides power supply products into switching power supplies, UPS power supplies, new energy power supplies, linear power supplies and other power supplies according to product functions and effects.

In recent years, the scale of China's power supply market has continued to grow, and the development trend in various fields is good. According to data from the China Power Supply Society, the domestic power supply market will be about 610.5 billion yuan in 2024, a year-on-year increase of about 14%. It is estimated that the size of China's power supply market will reach more than 700 billion yuan in 2025, and the size of China's power supply market will exceed 800 billion yuan in 2026.

Looking ahead, with the sustained and rapid development of China's economy, as well as the continuous investment by the 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**

As the "heart" of power systems and electronic equipment, the power supply industry is the core basic industry that guarantees energy conversion, transmission and application. Its product system is rich and diverse, classified according to input/output types, including AC power supply (AC/AC), DC power supply (AC/DC or DC/DC); classified by application market, covering core sectors such as new energy power generation, power transmission and distribution equipment, new infrastructure application power supply and new consumer life application power supply, as well as traditional power generation, base station power supply, medical power supply, explosion-proof power supply and other sub-sectors. With the continuous growth of demand in various fields, the market scale is expected to further expand.

In the output value scale of the power supply industry, switching power supply products account for a relatively high proportion. 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. 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.

### **(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 2025, due to the shortage of memory chips and rising prices caused by the expansion of the AI industry, traditional consumer electronic terminals have faced certain demand pressures. With the rapid development of the smart terminal equipment market in 2025, AI technology will continue to empower smart consumer electronic terminals. High-end, scenario-based and ecological integration have become a clear development direction. In the future, AI empowerment and high-end upgrades are expected to open up long-term development space. In 2026, emerging smart consumer terminals will further integrate AI capabilities, expand multi-scenario applications, and comprehensively upgrade user experience through intelligent interaction and ecological collaboration, becoming the core force for the growth of the consumer electronics industry and building a good market foundation for the company's continuous and steady growth of the company's power adapter business.

Office electronics is one of the important downstream markets for power adapters. Among them, in the display industry, according to the statistics of Luotu Technology (RUNTO), in 2025, the shipment of brand complete machines in the global display market will be 128 million units, a year-on-year increase of 1.1%. In terms of shipment rhythm, in the first half of the year, driven by multiple positive factors, the global display market shipments increased by 2.8% year-on-year. On the one hand, the termination of Windows 10 service triggers a commercial replacement cycle, and enterprises accelerate equipment updates and release procurement demand; on the other hand, the Chinese market, as a core growth engine, benefits from the national subsidy policy and the e-sports boom, and terminal consumption is active, which promotes market recovery. In the second half of the year, the market was under pressure, and shipments fell slightly by 0.5% year-on-year. The tightening supply and demand of raw materials has pushed up terminal prices and restrained the demand for non-rigid replacement. The North American market has been dragged down by tariff policies, and commercial and consumer demand has declined, which has exacerbated the downward trend of the global market. The shipments of TOP brands in the global display market were differentiated. Among them, the global shipments of HP and LGE fell by 15% and 20% year-on-year, respectively. HP was affected by weak commercial demand in Europe and the United States and the impact of tariff policies, combined with insufficient consumer layout and cost pressure, resulting in a significant reduction in shipments. LGE ranked first among top brands in decline due to weak market layout and intensified competition. Looking ahead to 2026, global display market shipments are expected to drop to 127 million units, a slight decrease of 0.9% YoY. The sharp rise in the cost of accessories such as storage at the supply chain end, as well as potential policy frictions in some regions, may inhibit the market's willingness to replace machines. At the same time, the market is also facing multiple positive opportunities: including product upgrade dividends brought by OLED, MiniLED technology upgrades and AI empowerment, as well as market expansion driven by booming scenarios such as e-sports industry, content creation ecology, and AI PC replacement cycle.

In the personal computer (PC) industry, according to market research firm Omdia, PC shipments in 2025 will reach 278.7 million units, an increase of 9.1% compared to 2024. Among them, notebook (including mobile workstations) shipped 219.7 million units, up 7.5% from 2024; desktop (including desktop workstations) shipped 59.1 million units, up 14.5% year-on-year. Based on the sharp increase in memory and storage prices, Omdia expects global desktop, notebook and workstation shipments to decline 12% to 245 million units in 2026. High-end products are likely to maintain strong demand resilience. The penetration rate of AI PCs is expected to increase rapidly, which is expected to continue to stimulate industry shipments. According to the forecast of well-known research organization Gartner, global shipments of AI PCs are expected to reach 77.8 million units by the end of 2025, and their share in the global PC market will reach 31%. AI PC shipments will reach 143 million units in 2026, accounting for 55% of the entire PC market, and AI PCs will become the norm in 2029.

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 adapter business. According to the analysis of International Data Corporation (IDC), in 2025, driven by the national subsidy policy, China's annual shipments of smart home equipment are expected to reach 279 million units, a year-on-year increase of 4.6%. China's smart home market is ushering in profound changes intertwined with multiple variables of policy, demand and technology. It is estimated that China's smart home equipment shipments will exceed 300 million units in 2026.

## **(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 rapid expansion stage.

The growth of intelligent computing power is expected to become the main driving force for the growth of overall computing power demand. As the global AI model enters the critical stage of technological iteration and industrial penetration, there is a higher demand for the underlying computing power infrastructure. The demand for AI servers is expected to continue to maintain a high level of prosperity driven by the accelerated iterative implementation of AI applications. In March 2026, the "Outline of the Fifteenth Five-Year Plan for National Economic and Social Development of the People's Republic of China" was officially released, clearly taking scientific and technological self-reliance and self-reliance as the core goal, and clearly stated in the "Strengthening the Support of Computing Power Facilities" that "Accelerate the construction of national hub computing power facilities clusters, support qualified areas to appropriately develop computing power according to the needs of low-latency scenarios, and promote the coordinated development of cloud edge and end. Strengthen the supply of high-performance and high-quality intelligent computing resources, and demonstrate the construction of ultra-large-scale intelligent computing clusters "and so on. In recent years, the annual growth rate of my country's total computing power is about 30%, and the scale of intelligent computing power has grown particularly rapidly. According to data from the Ministry of Industry and Information Technology, my country has built 42 Wanka intelligent computing clusters, and the scale of intelligent computing power exceeds 1,590 EFLOPS, ranking first in the world.

According to an IDC research report, the total shipment of China's AI accelerator card market in 2025 is about 4 million, which is a significant increase from the total shipment in 2024 (about 2.7 million). In addition, the intelligent computing center projects that have been accelerated in various places since 2025 generally tend to use domestic chips when purchasing equipment, which directly promotes the rapid growth of the market share of local manufacturers. With the transformation of AI computing power demand from "cloud training" to "training + reasoning" two-wheel drive in 2026, domestic AI chip manufacturers are expected to achieve accelerated development on this basis.

According to IDC statistics, the global server market will reach a record US \$444.1 billion in 2025, a year-on-year increase of 80.4%, of which single-quarter revenue in the fourth quarter exceeded US \$125.3 billion, a year-on-year increase of 52.4%. IDC said that the large-scale AI infrastructure investment wave is leading a new round of technology investment super cycle. In 2025, global service providers' spending on data center infrastructure (including servers, storage and network equipment) is expected to increase by 86% in 2025, and the annual scale is close to 0.5 trillion US dollars. Global IT spending is expected to reach US \$4.25 trillion in 2025. The survey shows that most enterprises plan to continue to increase their IT budgets in 2026, and global IT spending is expected to increase by 10% in 2026.

Goldman (GS) pointed out that the global server market is ushering in structural changes, and the capital expenditure of global cloud service providers has increased significantly. The global server industry will maintain a high boom cycle from 2025 to 2027. It is estimated that the total global server revenue will reach 433.1 billion US dollars, 606.1 billion US dollars and 763.9 billion US dollars from 2025 to 2027, with year-on-year growth rates of 71%, 40% and 26% respectively. Among them, the global shipments of AI high-power training servers (8 GPU equivalent units) from 2025 to 2027 are expected to be 692,000 units, 952,000 units and 1.227 million units, a year-on-year increase of 26%, 38% and 29%; the shipments of AI full cabinet servers (including Nvidia, AMD and other multi-platforms) will surge from 19,000 cabinets in 2025 to 80,000 cabinets in 2027, a year-on-year increase of 185% in 2026; General-purpose server shipments will increase from 13.872 million units in 2025 to 15.196 million units in 2027, and the growth rate will gradually stabilize.

Looking forward to 2026, the global technology industry is entering an upward cycle of AI infrastructure construction, and the scale of investment in AI infrastructure, cloud service data centers and global computing power layout is expected to continue to maintain a high growth rate. With the continuous breakthrough in the performance and ecology of domestic AI chips, the competitive landscape of China's cloud AI accelerator market is expected to be further reshaped. The continuous increase in the share of domestic AI chips and the realization of large-scale commercial use are expected to drive the construction of domestic data centers and the demand for servers to continue to rise, laying a good foundation for the company's data center power supply products. Market demand environment; 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 opportunities for rapid growth for the company's high-power 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 increasing 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, since 2024, with the continuous launch of new products, downstream channels have continued to replenish inventory, while 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, global power tool shipments in 2024 increased by 24.8% year-on-year to 570 million units, Drive the global power tool market to 56.64 billion US dollars. 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 EVTank data, the global shipment of small batteries (SMALL LIB) in 2025 was 133.9 GWh, a year-on-year increase of 7.9%. New fields such as AI, humanoid robots, eVTOL and others started the early stage of industrial application, creating a larger market imagination for small batteries in the future. 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 cooperation relationships with many well-known companies such as LG, HP, Honeywell, Roku, 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, Xihuasan, 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.

### **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, Sagemcom, TTI, etc.; well-known domestic customers include Inspur, Dahua Technology, Hikvision, Heshuo, 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 quality management advantages, production scale advantages 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 the scale of production, and enhance the level of internal management.

#### **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, who 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 "Bao'an District Mayor Quality Award-Grand Prize".

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, Korea KC, Japan PSE, Mexico NOM, South Africa NRCS, U.S. UL, U.S. FCC, Germany GS, EU CE, India BIS, Russia EAC, etc.

#### **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 the 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, 2025, it has obtained 30 invention patents, 177 utility model patents, 38 design patents, and 103 software copyrights.

The company builds multiple R&D; teams according to the market characteristics and technical characteristics of power products, accurately serves customers, establishes R&D; strategies from platform-based standard products to precise customization, and establishes R&D; projects based on customer precise needs. The R&D; department implements dual-axis management of "technical indicators-market returns", the technical solutions are managed by the R&D; leader, and the 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 will continue to stay ahead 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	Top 500 Guangdong Enterprises in 2025	Guangdong Enterprise Confederation, Guangdong Entrepreneurs Association	2025
2	Top 500 Manufacturing Enterprises in Guangdong Province in 2025	Guangdong Manufacturing Association, Guangdong Development and Reform Research Institute, and University Industrial Economic Research Institute	2025
3	2025 Shenzhen Top 500 Enterprises	Shenzhen Enterprise Confederation, Shenzhen Entrepreneurs Association	2025
4	The 5th "Shenzhen Top 100 Quality Enterprises"	Shenzhen Enterprise Confederation, Shenzhen Entrepreneurs Association	2025
5	The 4th "Shenzhen Top 100 Brands"	Shenzhen Quality City Promotion Association	2025
6	Top 100 Shenzhen Industry Leaders in 2025	Shenzhen Industry Leaders Enterprise Development Promotion Association, Shenzhen Economic Daily	2025
7	2024 Guangdong-Hong Kong-Macao Greater Bay Area Enterprise Innovation Power List "Innovation Achievement List"	Expert Review Committee of Enterprise Innovation List in Guangdong-Hong Kong-Macao Greater Bay Area	2025
8	The 23rd Shenzhen Enterprise Innovation Record "Independent Innovation Benchmarking Enterprise"	Shenzhen Federation of Industry	2025
9	The 12th Shenzhen Growth Enterprise-Best Employer-Enterprise Development Award	Shenzhen Best Employer Selection Committee, Shenzhen Federation of Commerce, Shenzhen List Network Co., Ltd	2025

10	The 10th Shenzhen Craftsman Cultivation Demonstration Unit	Shenzhen Baiyou Craftsman Expert Evaluation Committee, Shenzhen Federation of Industry	2025
11	2025 Excellent Innovation Organization (Enterprise)	Shenzhen Excellent Performance Management Promotion Association	2025
12	Outstanding Enterprise in Fulfilling Social Responsibility in 2025	Shenzhen Federation of Industry	2025
13	The 10th Bao'an District Mayor Quality Award-Grand Prize	People's Government of Bao'an District, Shenzhen	2025
14	China National Accreditation Service for Conformity Assessment Laboratory Accreditation Certificate	China National Accreditation Service for Conformity Assessment	2025
15	Intelligent manufacturing capability maturity level 3	BRICS Future Network Research Institute (Shenzhen, China)	2025
16	Shenzhen manufacturing single champion enterprise	Shenzhen Municipal Bureau of Industry and Information Technology	2025
17	The 23rd Shenzhen Enterprise Innovation Record ① "A high-power battery charging power supply" ② "A high-speed electric motorcycle vehicle power supply" ③ "A high-power server power supply"	Shenzhen Enterprise Innovation Record Review Committee, Shenzhen Enterprise Innovation Record Organization Committee	2025
18	Excellent partner	ODCC-Open Data Center Council	2025
19	Strategic Suppliers by 2025	Nanjing LG Xingang New Technology Co., Ltd	2025
20	2025 Outstanding Innovation Contribution Award	Yadi	2025
21	Strategic Partner of the Year 2025	Hangzhou Hikvision Digital Technology Co., Ltd.	2025
22	2024-2025 Excellent Supplier Award	IEIT SYSTEMS	2025
23	The 19th China Listed Companies Growth Top 100 Enterprises	Securities Times	2025
24	The 9th China Excellence IR-Excellence ESG Award	China Excellent IR Jury	2025
25	The 9th China Excellent IR-Excellence Capital Market Communication Award	China Excellent IR Jury	2025
26	The second session of the Board of Directors of Top 100 ESG Companies	The Organizing Committee for the Selection of Board Secretaries and Ju Board Secretaries	2025
27	The second session of the Board of Directors Top 100 IRM Company (Top 20)	The Organizing Committee for the Selection of Board Secretaries and Ju Board Secretaries	2025
28	Typical Practice Cases of the Board of Directors of Listed Companies in 2025	China Association of Listed Companies	2025
29	Best Board of Directors Award for Listed Companies	National Business Daily	2025
30	2025 Excellent Practice Cases of Directors and Offices of Listed Companies	China Association of Listed Companies	2025
31	2024 Golden Letter Award	China Securities Journal	2025
32	The 6th Panorama Investor Relations Gold Award List-Outstanding IR Company	Shenzhen Panorama Network Co., Ltd	2025
33	The 6th Panorama Investor Relations Gold Award List-Outstanding IR Team	Shenzhen Panorama Network Co., Ltd	2025
34	The 6th Panorama Investor Relations Gold Award List-Outstanding Small and Medium Investor Concern Award	Shenzhen Panorama Network Co., Ltd	2025
35	The 6th Panorama Investor Relations Gold Award List-Outstanding Institutional Concern Award	Shenzhen Panorama Network Co., Ltd	2025
36	Best Investor Relations Team Award	Financial Association	2025
37	Best Investor Relations Management Award 2025	Bohan Finance	2025

## IV. Main business analysis

### 1. Overview

#### 1. Overview of the overall operation

In 2025, the global economy will face a complex pattern in which the escalation of international trade frictions and the structural cycle of artificial intelligence development are intertwined. Geopolitical conflicts continue to be disturbed, trade protectionism continues to rise, tariff policies fluctuate sharply, and the price center of key commodities has moved upward. The layout of the global industrial chain and supply chain has been deeply reshaped, and the uncertainty of economic growth has increased significantly. During the reporting period, the company's operating income maintained a growth trend and its business scale continued to expand. However, due to multiple factors such as fluctuations in the external environment and intensified market competition, the overall gross profit margin and profitability were under pressure in stages, and the overall development trend continued to be stable.

In the face of multiple challenges from the external environment, the company has always anchored its strategic development goals, deeply cultivated in the field of switching power supply, with technological innovation as the core driving force, seized the development opportunities of artificial intelligence industrialization, accelerated the development of core strategic business, gave full play to the advantages of technology and product strength, promoted the accelerated growth of high-growth business, continued to improve market competitiveness and profitability, continued to focus on core business, and consolidated the foundation for medium and long-term high-quality development.

In terms of revenue, during the reporting period, the company achieved operating income of 4.462 billion yuan, a year-on-year increase of 17.50%, and the scale of operating income exceeded a record high. The main reason is that the revenue of the data center power supply business has achieved rapid growth, and the revenue of high-power server power supply has increased significantly. In the second half of the year, it achieved operating income of 2.342 billion yuan, a year-on-year increase of 6.52% and a month-on-month increase of 10.43%. The operating conditions are stable and improving.

In terms of gross profit margin, during the reporting period, the company's gross profit margin was 19.84%, a year-on-year decrease of 1.52 percentage points; in the second half of the year, the gross profit margin was 19.42%, a year-on-year decrease of 2.24 percentage points and a month-on-month decrease of 0.88 percentage points. By actively optimizing the customer and product structure, the company increased the proportion of shipments of high-value volume and high-margin products. However, due to the decline in the sales price of some products, the gross profit margin declined.

In terms of expenses, during the reporting period, the company's expenses amounted to 580 million yuan, a year-on-year increase of 30.88%; the expense ratio was 12.99%, a year-on-year increase of 1.33 percentage points. The annual sales expenses were 101 million yuan, a year-on-year increase of 14.34%, and the sales expense ratio was 2.26%, a slight decrease of 0.06 percentage points year-on-year, mainly due to the increase in the company's sales scale. Administrative expenses were 160 million yuan, a year-on-year increase of 2.86%, mainly due to the increase in equity-based incentive expenses; the administrative expense ratio was 3.60%, a year-on-year decrease of 0.51 percentage points. R & D expenses were 299 million yuan, a year-on-year increase of 40.68%; R&D; expense ratio was 6.70%, a year-on-year increase of 1.10 percentage points, mainly because 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 amounted to RMB 19,252,900, a significant increase over the same period last year, mainly due to the year-on-year decrease in foreign exchange gains during the current period.

In terms of EBITDA, during the reporting period, the company's EBITDA was 492 million yuan, a year-on-year increase of 2.84%, mainly due to the increase in depreciation and amortization expenses due to the increase in the company's overall revenue and asset scale investment.

In terms of net profit, during the reporting period, the company's net income attributable to parent was 244 million yuan, a year-on-year decrease of 8.95%; the net profit margin was 5.47%, a year-on-year decrease of 1.59 percentage points, mainly due to the decline in the gross profit margin of main products and the increase in expenses during the period.

## **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 1.780 billion yuan, a year-on-year increase of 6.41%. Affected by the global macroeconomic uncertainty and the cautious sentiment of consumer demand, the global consumer electronics market is facing the challenge of slowing growth. 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 15.68%, a year-on-year decrease of 2.58 percentage points, mainly due to the slowdown in industry growth, the pricing pressure brought by intensified market competition, 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. At present, the global consumer electronic terminal demand is facing the challenge of slowing growth, and the industry competition pattern is further intensified. In this context, the company actively responds to market changes, actively expands new markets at home and abroad, taps new customers, and taps new application areas. At present, it has successfully developed internationally renowned customers such as Meta and Amazon.com, providing strong support for the stable development of power adapter and PD fast charging business.

In the future, with the gradual stabilization of the macro economy and the continuous restoration of consumer confidence, the consumer electronics market demand is expected to gradually recover. At the same time, the deep integration of artificial intelligence (AI) technology and the consumer electronics field will accelerate the transformation and innovation of terminal equipment, promote the iteration of power adapters in the direction of higher power, higher efficiency and intelligence, and inject new momentum into the development of the industry. Based on the huge market space of 100 billion-level switching power supplies, the company will continue to expand more product categories horizontally, and vertically cultivate market segments to increase customer share. At the same time, it will continue to improve operating efficiency, optimize product structure, strengthen technological innovation, and take multiple measures to enhance market competitiveness and operational anti-risk capabilities, so as to promote the sustained and stable development of the power adapter business.

### **(2) Data center power supply: high-power products continue to grow, expand overseas markets and expand business scale**

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 supply products and solutions, the company has launched core products including 800-3600W air-cooled CRPS power supply, 1600-3500W immersed liquid-cooled power supply, 3300-5500W customized GPU power supply, centralized power supply system and other solutions, and its 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 2.015 billion yuan, a year-on-year increase of 38.15%. 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 1.299 billion yuan, an increase of 66.52% over the same period last year, and the proportion of the overall revenue of the data center power supply business increased to 64.47%, maintaining a strong growth momentum.

During the reporting period, the gross profit margin of the data center power supply business was 23.83%, a year-on-year decrease of 1.21 percentage points, mainly due to the decrease in the unit price of some products due to market competition.

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. In the domestic market, the company has successively shipped to well-known domestic server system vendors such as Inspur, Foxconn, Hixih, Lenovo, ZTE, Sugon, and Xinhua 3. The company has also maintained close cooperation with domestic leading CSP brands and other end customers, and its comprehensive strength has been highly recognized by customers. In terms of overseas markets, the company has already established sales and after-sales service teams in Taiwan, China and the United States, and continues to promote the introduction of various types of overseas customers, including server system vendors, CSP brand vendors, etc

Juniper and other important customers have established cooperative relations; in addition, it has maintained technical exchanges and business contacts with mainstream server system vendors such as Inventec and Compal to further develop the global market.

The increase in GPU computing power promotes the increase in the power consumption of AI servers, thereby driving the development of server power to high power, high power density, high efficiency, and adaptation to HVDC architecture. The company will continue to focus on core competitiveness, take technological innovation as the engine, and actively seize the important opportunities of the technological revolution in the industry, focusing on the core server power supply technology directions such as high power, high power density, high efficiency, third-generation semiconductor applications, high-efficiency liquid cooling compatible design, and high-voltage DC input. Including 5.5KW, 12KW, 18.4KW and other server power products and 33KW, 60KW, 72KW, 110KW and other centralized power supply products, it provides industry customers with high-performance server power supply solutions with leading technology and rich products.

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: explore and extend the layout of new fields and maintain a stable development trend**

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 635 million yuan, a year-on-year decrease of 2.11%. In 2025, the global power tool market demand will show a weak trend. The company actively explores the product layout in new areas, superimposes the introduction of new customers, and the income of other power supply business will remain stable as a whole.

During the reporting period, the gross profit margin of other power supply business was 17.29%, a year-on-year decrease of 3.01 percentage points, mainly due to the low gross profit margin of some new products at the initial stage of introduction.

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, including power battery chargers in the fields of large drones, robots, robot dogs, electric two-wheelers and tricycles, as well as businesses such as intelligent controllers and power supplies for chemical components and equipment are 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

	2025		2024		Year-on-year increase or decrease
	Amount	Proportion of operating income	Amount	Proportion of operating income	
Total operating income	4,462,017,401.19	100%	3,797,533,142.40	100%	17.50%
By industry					
Computer, communications and other electronic equipment manufacturing	4,430,093,278.41	99.28%	3,779,999,761.15	99.54%	17.20%
Other business	31,924,122.78	0.72%	17,533,381.25	0.46%	82.08%
Sub-product					
Power adapter	1,779,778,833.86	39.89%	1,672,517,032.28	44.04%	6.41%
Data center power supply	2,015,471,005.67	45.17%	1,458,925,278.39	38.42%	38.15%
Other power	634,843,438.88	14.22%	648,557,450.48	17.08%	-2.11%
Other business	31,924,122.78	0.72%	17,533,381.25	0.46%	82.08%
By regions					
Domestic sales	2,593,487,319.06	58.12%	2,129,518,119.50	56.08%	21.79%
Overseas sales	1,868,530,082.13	41.88%	1,668,015,022.90	43.92%	12.02%
Sub-sales model					
Direct selling	4,462,017,401.19	100.00%	3,797,533,142.40	100.00%	17.50%

### (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 to the same period last year
<b>By industry</b>						
Computer, communications and other electronic equipment manufacturing	4,430,093,278.41	3,560,961,517.51	19.62%	17.20%	19.59%	-1.60%
<b>Sub-product</b>						
Power adapter	1,779,778,833.86	1,500,634,576.91	15.68%	6.41%	9.76%	-2.58%
Data center power supply	2,015,471,005.67	1,535,266,095.12	23.83%	38.15%	40.38%	-1.21%
Other power	634,843,438.88	525,060,845.48	17.29%	-2.11%	1.57%	-3.01%
<b>By regions</b>						
Domestic sales	2,593,487,319.06	2,123,722,227.37	18.11%	21.79%	23.33%	-1.03%
Overseas sales	1,868,530,082.13	1,452,907,709.37	22.24%	12.02%	14.92%	-1.96%
<b>Sub-sales model</b>						
Direct selling	4,462,017,401.19	3,576,629,936.74	19.84%	17.50%	19.77%	-1.52%

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	2025	2024	Year-on-year increase or decrease
Computer, communications and other electronic equipment manufacturing	Sales volume		99,382,552.00	105,420,122.00	-5.73%
	Production volume		99,010,590.00	109,083,090.00	-9.23%
	Inventory		9,955,392.00	10,587,286.00	-5.97%

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

Applicable  Not applicable

**(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	2025		2024		Year-on-year increase or decrease
		Amount	% of operating costs	Amount	% of operating costs	
Computer, communications and other electronic equipment manufacturing	Direct material	2,637,900,540.81	73.75%	2,214,653,776.82	74.16%	19.11%
Computer, communications and other electronic equipment manufacturing	Direct labor	246,767,827.13	6.90%	243,865,545.17	8.17%	1.19%
Computer, communications and other electronic equipment manufacturing	Manufacturing expenses	552,075,561.39	15.44%	421,441,859.17	14.11%	31.00%
Computer, communications and other electronic equipment manufacturing	other	124,217,588.18	3.47%	97,783,828.17	3.27%	27.03%
Other business expenses	Operating cost	15,668,419.23	0.44%	8,574,676.90	0.29%	82.73%
Total		3,576,629,936.74	100.00%	2,986,319,686.23	100.00%	19.77%

Description

No

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

■ Yes ■ No

On October 24, 2025, Hong Kong Honor Electron Technology Co., Ltd. invested in the establishment of Evolvex Technology INC with a subscribed registered capital of US \$10,000.00. As of December 31, 2025, there is no actual payment. The registered address is Sussex County, Lewis City, Delaware. Hong Kong Honor Electron Technology Co., Ltd. holds 100% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares. Evolvex Technology INC has been incorporated into the scope of consolidation since its establishment.

On October 28, 2025, Evolvex Technology INC invested in the establishment of ASPOWER MANUFACTURING Inc., with a subscribed registered capital of US \$10,000.00. As of December 31, 2025, there is no actual payment. The registered address is Diamond Bar, California, Evolvex Technology INC holds 100% of the shares, Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares, and ASPOWER MANUFACTURING Inc. has been incorporated into the scope of consolidation since its inception.

On December 8, 2025, Hong Kong Honor Electron Technology Co., Ltd. subscribed to the registered capital of 1,960,000.00 baht, Evolvex

Technology INC established HONOTO HIGH TECH (Thailand) CO., LTD., with a subscribed registered capital of 40,000.00 baht, which has not been paid as of December 31, 2025. The registered address is Palangyao County, Chonburi Province, Thailand. Hong Kong Honor Electron Technology Co., Ltd. holds 98% of the shares, Evolvex Technology INC holds 2% of the shares, Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares, and HONOTO HIGH TECH (Thailand) CO., LTD. has been incorporated into the scope of consolidation since its establishment.

**(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)	1,550,301,298.85
The proportion of the total sales amount of the top five customers to the total annual sales	34.74%
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	518,649,407.64	11.62%
2	Second place	296,284,063.80	6.64%
3	Third place	284,656,810.71	6.38%
4	Fourth place	230,165,789.35	5.16%
5	Fifth place	220,545,227.35	4.94%
Total	--	1,550,301,298.85	34.74%

Other descriptions of major customers

■ Applicable ■ Not applicable

The company's main suppliers

The total purchase amount of the top five suppliers (yuan)	402,208,010.96
The proportion of the total purchase amount of the top five suppliers to the total annual purchase amount	13.52%
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	116,713,203.91	3.93%
2	Second place	80,234,806.09	2.70%

3	Third place	73,157,350.81	2.46%
4	Fourth place	70,232,987.56	2.36%
5	Fifth place	61,869,662.59	2.07%
Total	--	402,208,010.96	13.52%

Other descriptions of major suppliers

■ Applicable ■ Not applicable

During the reporting period, the company's trading business income accounted for more than 10% of its operating income

■ Applicable ■ Not applicable

### 3. Fees

	2025	2024	Year-on-year increase or decrease	Description of major changes
Selling expense	100,865,693.56	88,215,520.04	14.34%	No major changes.
Administration expense	160,415,573.27	155,959,268.28	2.86%	No major changes.
Finance expense	19,252,920.50	-13,915,815.35	238.35%	Mainly due to the decrease in foreign exchange gains during the current period.
R&D; expenses	299,069,258.17	212,590,626.98	40.68%	Mainly due to the increase in R&D; investment in this period.

### 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
A high-performance 3600W server power supply	To meet the customized power supply requirements of data center customers	Finished	Customize a high-performance 3600W server power supply with a peak efficiency of 96.5%. It meets Ruby efficiency standards, 3600W output, server power supply that meets GPU dynamic load, and adopts intelligent energy monitoring and management and digital control technology, and the power density is further improved by 112W/inch <sup>3</sup> .	Assist the company to expand customers and markets in the data center field

<p>An ATS dual input 3200W server power supply</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customized an ATS dual-input 3200W server power supply with ATS components with a peak efficiency of over 96%, which meets the titanium efficiency standard. It adopts advanced all-digital control technology, combined with patented topology, and has the characteristics of high efficiency, high density, digitization and high reliability. It supports hot swap and is applied to server power supply with centralized power supply.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>A high-power and high-efficiency 3200W server power supply</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customize a high-power and high-efficiency 3200W server power supply with a peak efficiency of 96 +%, which meets the titanium efficiency standard, and has a 3200W output. It adopts advanced all-digital control technology and combines patented topology. It has the characteristics of high efficiency, high density, digitalization and high reliability, and supports hot swap</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>An M-CRPS 3200W low-voltage server power supply</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customize an M-CRPS 3200W low-voltage server power supply to meet the requirements of low-voltage 40V-72V input, and realize intelligent monitoring and management of the power supply. The server power supply that meets the dynamic load of the CPU, and adopts intelligent energy monitoring and management and digital control technology.</p>	<p>Assist the company to expand customers and markets in the data center field</p>

<p>An ATS dual-input 2U60KW server centralized power supply system</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customize an ATS dual-input 2U 60KW server centralized power supply system, dual-input ATS switching + centralized power supply, realize the system power of 66kW, support N + 1 or N + 2 redundancy, and use it for high computing power server system.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>An ATS dual input 3300W server power supply</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customize an ATS dual-input 3300W server power supply with ATS components with a peak efficiency of over 97%, which meets the super-titanium efficiency standard. It adopts advanced all-digital control technology, combined with patented topology, and has the characteristics of high efficiency, high density, digitization, and high reliability. It supports hot swap and application Server power for centralized power supply.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>A high-power 5500W server power supply and 33KW centralized power supply system</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customize a high-power 5500W server power supply and a 33KW centralized power supply system. The server power supply achieves 5.5kW output power, the system power is 33kW, and the peak efficiency is as high as 97.5% +, which is used for high computing power server systems.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>A high-power and high-efficiency server power supply that supports 400 Vdc input</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>In progress</p>	<p>Customize a high-power and high-efficiency server power supply that supports 400 Vdc input, achieves 97.5% peak efficiency, and supports 200% EDPP and 400 Vdc input to be compatible with the next-generation HVDC power supply architecture.</p>	<p>Assist the company to expand customers and markets in the data center field</p>

<p>A dual-output digital power supply that meets the localization of EDPP</p>	<p>To meet the customized power supply requirements of data center customers</p>	<p>Finished</p>	<p>Customized a two-way output to meet the EDPP localized digital power supply, with 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, and drop.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>An ultra-thin LED backlight driver with built-in power supply</p>	<p>To meet the customized power supply needs of consumer electronics customers</p>	<p>Finished</p>	<p>Customize an ultra-thin LED backlight driver built-in power supply, with high performance and low energy consumption, to achieve high power density and small size design to meet the market's power demand for ultra-thin large-screen TVs.</p>	<p>Assist the company to expand customers and markets in the power adapter field</p>
<p>A high-efficiency gateway power supply</p>	<p>To meet the customized power supply requirements of network equipment customers</p>	<p>Finished</p>	<p>Customize a high-efficiency gateway power supply with 6KV lightning protection design, high efficiency, high-voltage DC input, etc., to meet the high-efficiency performance requirements in the field of gateway terminals.</p>	<p>Assist the company to expand customers and markets in the data center field</p>
<p>A high voltage power tool charger</p>	<p>To meet the customized power supply requirements of power tools</p>	<p>Finished</p>	<p>Customize a high-voltage power tool charger that can intelligently monitor the battery and control the charging, so as to achieve fast charging and effectively protect the battery; and it has high requirements on the output voltage range, efficiency, reliability and volume of the product.</p>	<p>Assist the company to expand customers and markets in other power supply fields</p>

A GaN high-power LCDPD 3.2 charger	To meet the customized power supply needs of consumer electronics customers	Finished	Customized a GaN high-power LCD PD3.2 charger, which can effectively reduce the standby power consumption of the charger, can work at a wider ambient temperature (0 ~ 35 degrees), and has a wider output Output voltage 5-48V, lower electrolytic capacitor temperature, smaller volume, longer product life; can provide 240Wmax continuous output power.	Assist the company to expand customers and markets in the power adapter field
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#### Company R&D; personnel

	2025	2024	Change ratio
Number of R&D; personnel (person)	959	686	39.80%
The proportion of R&D; personnel	17.23%	14.20%	3.03%
R & D personnel education			
Undergraduate	393	234	67.95%
Master	79	38	107.89%
Undergraduate and below	487	414	17.63%
Age composition of R&D; personnel			
Under 30	407	285	42.81%
30 ~ 40 years old	350	271	29.15%
Over 40 years old	202	130	55.38%

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

	2025	2024	2023
R & D investment amount (yuan)	299,069,258.17	212,590,626.98	230,188,399.52
R & D investment as a percentage of operating income	6.70%	5.60%	8.02%
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	2025	2024	Year-on-year increase or decrease
Subtotal of cash inflow from operating activities	4,254,567,944.56	3,290,201,740.26	29.31%
Subtotal of cash outflows from operating activities	3,825,231,224.26	2,893,137,701.61	32.22%
Net cash flow from operating activities	429,336,720.30	397,064,038.65	8.13%
Subtotal of cash inflows from investing activities	1,049,868,770.05	302,648,031.60	246.89%
Subtotal of cash outflows from investing activities	1,248,635,495.40	929,796,275.47	34.29%
Net cash flows from investing activities	-198,766,725.35	-627,148,243.87	68.31%
Subtotal of cash inflows from financing activities	320,764,507.46	982,574,293.14	-67.35%
Subtotal of cash outflows from financing activities	523,271,814.24	424,315,132.80	23.32%
Net cash flow from financing activities	-202,507,306.78	558,259,160.34	-136.27%
Cash and cash equivalents	22,066,109.30	346,723,413.39	-93.64%

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 increased by 68.31% compared with the same period of the previous year, mainly due to the recovery of wealth management products at maturity during the current period.

2. The net cash flow from financing activities decreased by 136.27% compared with the same period of the previous year, mainly due to the receipt of funds raised from convertible bonds in the previous 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 net cash flow generated by the company's operating activities was 429,336,700 yuan, the net profit was 245,101,500 yuan, and the difference was 184,235,200 yuan. The reasons for the differences are detailed in: Section VIII, VII, 59, 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	-25,640,335.41	-9.25%	Mainly due to the recognition of investment losses for participating companies based on the equity method.	No
Fair value change	3,997,265.86	1.44%	Changes in the fair value of wealth management products during the reporting period.	No
Asset impairment	-13,329,316.07	-4.81%	This is due to the increase in the provision for falling prices of inventories in the current period.	No
Non-operating income	3,808,435.68	1.37%		No
Non-operating expenses	1,211,290.57	0.44%	Mainly due to the loss of asset retirement in the current period.	No
Other income	25,815,598.67	9.31%	Mainly government subsidy income.	No
Credit impairment loss	-1,948,381.82	-0.70%	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 2025		Early 2025		Proportion increase or decrease	Description of major changes
	Amount	% of total assets	Amount	% of total assets		
Monetary fund	1,096,594,973.95	20.25%	1,026,474,448.78	19.29%	0.96%	No major changes.
Accounts Receivable	1,324,172,057.65	24.46%	1,387,878,242.93	26.08%	-1.62%	No major changes.
Inventory	528,521,382.18	9.76%	464,660,221.88	8.73%	1.03%	No major changes.
Investment real estate	241,049,949.67	4.45%	247,119,393.91	4.64%	-0.19%	No major changes.
Long-term equity investment	56,315,314.38	1.04%	77,049,072.73	1.45%	-0.41%	No major changes.
Fixed assets	1,043,486,791.67	19.27%	960,690,289.12	18.05%	1.22%	No major changes.
Construction in progress	128,280,432.90	2.37%	149,845,982.50	2.82%	-0.45%	No major changes.
Right-of-use asset	101,088,006.84	1.87%	97,466,146.65	1.83%	0.04%	No major changes.
Short-term loan	76,319,990.96	1.41%	236,768,406.69	4.45%	-3.04%	Mainly due to the maturity of short-term loans in the current period.

Contract liabilities	8,936,491.43	0.17%	1,792,045.73	0.03%	0.14%	Mainly due to the increase in advance receipts in the current period.
Long-term loan	173,449,347.58	3.20%	216,296,231.74	4.06%	-0.86%	No major changes.
Lease liabilities	76,801,103.36	1.42%	70,977,154.16	1.33%	0.09%	No major changes.
Receivables Financing	95,182,974.50	1.76%	17,854,895.54	0.34%	1.42%	This was due to the increase in bills receivable with high credit ratings at the end of the period.
Advance payment	4,916,896.52	0.09%	2,436,770.21	0.05%	0.04%	Mainly due to the increase in the advance payment for materials in the current period.
Other Current Assets	29,927,107.03	0.55%	75,512,858.49	1.42%	-0.87%	Mainly due to the maturity of large-denomination certificates of deposit in the current period.
Other non-current assets	18,527,537.55	0.34%	6,139,043.43	0.12%	0.22%	Mainly due to the increase in equipment prepayments in the current period.
Notes payable	687,181,499.00	12.69%	481,324,555.30	9.04%	3.65%	Mainly due to the increase in payment of bank acceptance bills in the current period.
Other payables	39,081,087.76	0.72%	26,978,522.85	0.51%	0.21%	Mainly due to the receipt of restricted stock subscription payments in the current period.
Bonds payable	229,260,860.47	4.23%	546,110,938.58	10.26%	-6.03%	Mainly due to the conversion of convertible bonds in the current period.

Overseas assets account for a relatively high proportion

■ Applicable ■ Not applicable

The specific content of the asset	Reason for formation	Asset size	Location	Operating model	Control measures to ensure asset security	Income status	The proportion of overseas assets in the company's net assets	Whether there is a significant risk of impairment
Hong Kong Honor Electron Technology Co., Ltd	Investment establishment	Net assets as of December 31, 2025 40,028.71 Ten thousand yuan	Hongkong	Wholly-owned subsidiary, independent operation	Parent company control	Net profit from January to December 2025 5,738.45	15.12%	No Ten thousand yuan

## 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
<b>Financial assets</b>								
1. Transactional financial assets (excluding derivative financial assets)	350,379,216.98	5,073,757.87			924,000,000.00	996,791,100.87		282,661,873.98
Subtotal of financial assets	350,379,216.98	5,073,757.87			924,000,000.00	996,791,100.87		282,661,873.98
Receivables Financing	17,854,895.54	0.00			0.00	0.00	77,328,078.96	95,182,974.50
Other Current Assets	48,000,000.00	0.00			10,000,000.00	48,000,000.00		10,000,000.00
Total of the above	416,234,112.52	5,073,757.87			934,000,000.00	1,044,791,100.87	77,328,078.96	387,844,848.48
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

■ Yes ■ No

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

Projects	Book value (yuan)	Restricted situation
Monetary fund	199,926,189.72	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	44,441,234.72	Apply to the bank for pledged bills receivable to issue a bank acceptance bill
Fixed assets	404,307,695.92	Apply for a loan from a bank to mortgage fixed assets
Intangible assets	25,134,592.39	Apply for a loan from a bank to mortgage intangible assets
Investment real estate	228,389,659.14	Apply for a loan from a bank mortgage investment real estate
Total	902,199,371.89	

## 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
1,248,635,495.40	929,796,275.47	34.29%

### 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

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

## 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)	Subsidiary	Mainly engaged in power adaptation	126,	237,608,710.80	181,995,004.92	195,857,569.74	16,096,669.28	13,553,581.02
Electronics Co., Ltd		Production and processing business of power supply products such as appliances	675,603.00					
Hong Kong Honor Electron Technology Co., Ltd	Subsidiary	Mainly engaged in overseas sales of power adapters and other power products	113,146,724.00	1,116,122,012.32	400,287,062.99	1,461,722,738.38	71,287,020.54	57,384,525.61
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	580,857,855.68	156,389,865.59	697,523,348.07	8,916,006.15	8,953,218.98

Hangzhou Yundian Technology Energy Co., Ltd	Subsidiary	Mainly engaged in the research and development, production and customer service of various power products	100,000,000.00	250,492,553.96	74,705,876.20	389,258,393.49	28,838,019.28	30,404,991.58
Suzhou Yundian Electronic Manufacturing Co., Ltd	Subsidiary	Mainly engaged in the production of server power supplies	50,000,000.00	330,517,263.34	92,688,071.83	697,112,609.39	44,542,606.20	33,363,311.43
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	13,167,670.96	-19,890,643.06		-41,161,526.29	-40,369,055.02
Shanghai Anshibo Energy Technology Co., Ltd	Participating company	Mainly engaged in the research and development of various power products and customer service	301,666,667.00	666,303,072.42	41,771,358.64	518,385,889.80	-90,449,359.06	-90,151,169.79

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
Evolvex Technology INC	Investment establishment	No significant impact
ASPOWER MANUFACTURING Inc.	Investment establishment	No significant impact
HONOTO HIGH TECH(Thailand) CO., LTD.	Investment establishment	No significant impact

Description of the main holding companies

## X .Structured entities controlled by the company

■ Applicable ■ Not applicable

## 11. Prospects for the company's future development

## **(1) 2026 business plan**

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

In 2026, 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 steady growth core business. Relying on long-term technology precipitation and market accumulation, it has formed a solid foundation for development. 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.

In the future, the company will continue to expand its product categories horizontally. In addition to office electronics, security monitoring power supply and other fields, it will deeply explore product needs in different scenarios, further develop new application scenarios such as smart home and drones, and cultivate new business growth poles. Vertically, it will continue to cultivate existing customers, continue to increase the share of existing major customers, continue to consolidate the basic business, and ensure the steady growth of the business.

#### **2) Data center power supply**

As one of the company's long-term development strategy priorities, data center power supply has formed distinct technological and market advantages after years of intensive cultivation and has become an important engine driving the company's performance growth. At present, the AI industry is accelerating iteration, and the shipment of large-model AI servers continues to rise. The number of GPU chip configurations and power consumption have been greatly improved compared with traditional servers. It has put forward higher standards for infrastructure such as server power supply, which directly promotes the accelerated iteration of power products in the direction of high power, high efficiency and high density, and the industry has ushered in structural growth opportunities. 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 focus on the development of the AI industry as the core opportunity, and closely follow the upgrade trend of the server industry and the growth opportunities of the AI industry. In terms of technical layout, the continuous improvement of current GPU computing power has promoted the substantial growth of AI server power and power consumption, which in turn drives the accelerated development of server power supply in the direction of high power, high power density, high efficiency, and adaptation to HVDC architecture. The company will continue to focus on core competitiveness, take technological innovation as the engine, and actively grasp the important opportunities of technological revolution in the industry, It will deepen its layout around core server power supply technologies such as high power, high power density, high efficiency, third-generation semiconductor applications, high-efficiency liquid cooling compatible design, and high-voltage DC input. In terms of market layout, we adhere to the development idea of "domestic stability and overseas breakthroughs", and on the basis of continuously cultivating the domestic market and consolidating the existing market share, we will accelerate the expansion of overseas markets, gradually expand the coverage of overseas markets, further expand the global market, and continue to promote the rapid growth of the data center power supply business, which will become the core growth pole of the company's future development.

#### **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, continue to deepen the cooperation with existing high-quality customers, actively expand the needs of existing customers for new projects and explore new customer markets for similar products; On the other hand, relying on mature project experience, stable and reliable product quality, flexible production capacity and efficient delivery capabilities, the company will continue to explore new application scenarios of power technology, promote product extension and category expansion, and accelerate the introduction of new customers and the promotion and expansion of emerging markets.

## **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 it plans to invest 259 million yuan 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, build its own production capacity in Vietnam and Mexico, and provide solid production capacity support for overseas business expansion. At present, the company has successfully completed the construction and commissioning of general-purpose and high-power server power supply lines at its production base in Vietnam. It is expected to realize small-batch production by the end of 2026 and large-scale mass production by 2027 to meet the order delivery needs of overseas customers.

In the future, with the continuous expansion of domestic and overseas business, the company will actively promote the construction of production bases at home and abroad, deepen the layout of global production bases, expand more product categories that meet the needs of domestic and overseas markets by optimizing the layout of production lines, increasing the scale of production capacity, and improving the production supporting system, accelerate the global delivery of products, improve the company's core competitiveness, further expand the international market, ensure the long-term sustainable growth of the company's scale, and strengthen the development of the company's main business, Promote the improvement of business 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 270 million yuan in the funds raised from convertible bonds for 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 its 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, a large market capacity, and a relatively large number of 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, strengthening market development, and making up for possible losses with market increments.

## 2. The risk of price fluctuations of main 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. The company is at risk of fluctuations in its operating results 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 business. 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
February 17 - February 21, 2025	Shenzhen	other	Mechanism	E Fund, Kaiyuan Securities, Yongying Fund, Dajia Assets, CSC Financial, Yuanlesheng Assets, China Asset Management, China Securities Asset Management, China Asset Management, China Future Capital, SDIC UBS Fund, Guolian Fund, Jefferies, 3W FundManagement,China Orient Asset Management,CIGlobal Asset Management,Citadel Global Equities,Dymon Asia Capital,East Capital Financial Services,Expecta Capital,Franklin Templeton investment Management,Greenwoods Asset Management,Mount Everest Fund,Neuberger Berman,Ninety One,Pinpoint AssetManagement, CICC, Quanguo Fund, China Jiuying Assets, CICC Asset Management, Invesco Great Wall Fund, Yinhua Fund, Huashang FundAllianz, ICBC Credit Suisse Fund, Jinglin Assets, Panjing Investment, Shicheng Investment, Olu Capital, Value Partners, Shouzheng FundTempleton, Manulife, Dragonstone Capital, Capstone, JPMorgan Assets, Point 72, TriTree Capital Limited, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from February 17 to February 21, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from February 17 to February 21, 2025"

April 25, 2025	Shenzhen	Telephone communication	Mechanism	<p>Huayuan Securities, China International Capital Corporation, Zheshang Securities, Heyuan Fund, Kaiyuan Securities, Guosen Securities, Soochow Fund, Puhong Fund, Zhongtai Securities, China Merchants Securities, Tianfeng Securities, Gf Securities, Haitong Securities, Eastmoney Securities, Western Securities, Hongyun Fund, China Industrial Securities, Northeast Securities, Kaiyuan Securities, Furong Fund, Zhongtai Securities, Topsperity Securities, Minsheng Securities, Securities, Dongronghui, Huaan Securities, Sealand Securities Securities, BOC International, Caitong Securities, Cinda Aoya Fund, Everbright Securities, Orient Securities, Southwest Securities, CITIC Securities, Gf Securities Asset Management, Pacific Securities, Zheshang Securities, Yimi Fund, China Great Wall Securities, Huatai Securities, etc</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on April 25, 2025"</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on April 25, 2025"</p>
May 06, 2025 - May 09	Shenzhen, Shanghai	other	Mechanism	<p>Cathay Pacific Haitong Securities, China Asset Management, Western Securities, Cathay Pacific Fund, Western Securities, Huashang Fund, Taiping Assets, Schroder Fund, Yuanxin Yongfeng Fund, Western Profit FundInvesco, Debon Fund, China Europe Fund, Soochow Securities, Qushi Assets, Yanli Assets, Caitong Securities, Bosera Funds, Huishi Fund, Shenwan Asset Management, Zheshang Asset Management, Giant Private Equity, Hengyue Fund, CITIC Securities, Harvest Fund, Penghua Fund, CITIC-Prudential Assets, Huabao Shenwan Hongyuan Fund, Nomura Securities, Shenwan Hongyuan Securities, Capstone Assets, etc</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from May 6 to May 9, 2025"</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from May 6 to May 9, 2025"</p>

May 19, 2025	"Jinmen Finance" website/" Jinmen "APP/" Jinmen Platform" applet	Online communication on network platform	Personal	Investors	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on May 19, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on May 19, 2025"
May 20, 2025 - May 23, 2025	Shenzhen, Shanghai	other	Mechanism	Everbright Securities, China Asset Management, Xinhua Assets, China Industrial Securities, Bank of China Asset Management, Panhou Momentum, Lubomai Fund, Nantu Assets, Xinyuan Fund, Little Dolphin Investment, Huibaichuan Fund, Soochow Fund, Zhongyuan Agricultural Insurance, China Merchants Securities, Caitong Fund, Millennium Partners, BMO Global Asset Management, BOCI-Prudential Asset Management Limited, UBS Asset Management (Hong Kong) Limited, Schroder Investment Mgt, Blackrock, D. E. Shaw Investment Management (Shanghai) Co., Ltd, Gf Securities, Segal Holdings, Yunfu Investment, Nanyin Wealth Management, Shuipu Fund, GF Asset Management, Southern Yunchen, Wells Fargo Fund, E Fund Fund, Newforth Investment, Sinolink Securities, Wit Equity, Yuanwang Investment, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from May 20 to May 23, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from May 20 to May 23, 2025"
June 16, 2025 to June 20, 2025	Shenzhen, Shanghai	other	Mechanism	Wells Fargo Fund, China Merchants Securities, Huatai Assets, Bank of China Fund, Taiping Pension, Huaxin Securities, CSC Financial, Bank of China Asset Management, Miyuan Investment, Cathay Pacific Fund, Guosen self-operated PICC Assets, Bosera Funds, Pacific Assets, GF Fund, Yongying Fund, Cathay Pacific Haitong Securities, China Asset Management, Caitong Securities, Caitong Asset Management, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "June 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) June 2025 16-June 20 Investor Relations Activity Record Form "16-June 20 Investor Relations Activity Record Form "

<p>June 30 - July 04, 2025</p>	<p>Shenzhen</p>	<p>other</p>	<p>Mechanism</p>	<p>CSC Financial, Changsheng Fund, Newforth Investment, Tianfeng Securities, SDIC Fund, China Industrial Securities, Xingquan Fund, China Asset Management, Yinhua Fund, Sealand Securities, Cinda Aoya Fund, Chaos Investment, Great Wall Fund, CCB Pension, Penghua Fund, Soochow Securities, Jinglin Assets, Hongde Fund, Baoying Fund, Yuanfeng Fund, Goldman Assets, Ruida Fund, Shenliang Fund, Hang Seng Qianhai Fund, China Merchants Asset Management, Lion Fund, Guoxin Securities, Guosen Securities, Caitong Securities Southern Asset Management, Bosera Funds, Cinda Securities, China Merchants Securities, Wells Fargo Fund, etc</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from June 30 to July 4, 2025"</p>	<p>For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from June 30 to July 4, 2025"</p>
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August 29, 2025	Shenzhen	Telephone communication	Mechanism	Bank of China Fund, Cinda Australia Fund, Orient Securities, Donghai Securities, Dongxing Fund, China Merchants Securities, Zhongtai Securities, China Galaxy Securities, Shanghai Juming Investment, Taiping Pension, Huaxin Securities, Qianhai Securities, Guolian Minsheng Securities, Changjiang Securities, Bohai Securities, Ping An Securities, Zheshang Fund, Shanghai Securities, Topsperity Securities, Donghai Fund, Guosen Securities, Guoyuan Securities, CMB, Canada Bank Fund, Shenzhen Minsheng Investment, KGI Securities Yinhua Fund, Golden Eagle Fund, Everbright Prudential Fund, Huaan Securities, Harvest Fund, Huaan Fund, Kunlun Health Insurance, SDIC Securities, Founder Securities, GF Fund, Western Profit Fund, Shenwanlingxin Fund, CITIC Securities, Lion Fund, Nuode Fund, CICC Fortune Securities, China Life AMP Asset, Dongxing Securities, Caitong Securities, Eastmoney Securities, Soochow Securities, Everbright Securities, Haitong Securities, Sealand Securities, Sinolink Securities, Guosheng Securities Hua Chuang Securities, Huaxi Securities, Huatai Securities, Huafu Securities, Kaiyuan Securities, Southern Asset Management, Shanxi Securities, Pacific Securities, Western Securities, Tianfeng Securities, China Industrial Securities, Gf Securities, Taikang Asset Management, BOC International Securities, CSC Financial, Zheshang Securities, Yuanfang Fund, Shanghai Shicheng Investment, Changsheng Fund, Morgan Stanley Fund, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on August 29, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form on August 29, 2025"
September 08, 2025 - September 12, 2025	Beijing	other	Mechanism	Western Securities, CICC Asset Management, Pacific Asset Management, China Life Assets, Panjing Investment, ICBC Credit Suisse Fund, CITIC Asset Management, Danshuiquan Investment, Caitongzheng	For details, please refer to Juchao Information Network (www.cninfo.com.cn)	For details, please refer to Juchao Information Network (www.cninfo.com.cn)

				Securities, Borun Yintai Investment, China Future Capital, GF Fund, Invesco Great Wall Fund, Southern Asset Management Fund	Record Form of Investor Relations Activities from September 8 to September 12, 2025	Record Form of Investor Relations Activities from September 8 to September 12, 2025
September 22 to September 26, 2025	Shenzhen	other	Mechanism	Jinglin Assets, Eastmoney Securities, China Industrial Securities, Industrial Fund, Ping An Asset, CITIC-Prudential Fund, Caitong Fund, Caitong Securities, Bodao Fund, Nuode Fund, Yongying Fund, Changjiang Securities, Zheshang Fund, Li Assets, Franklin Templeton Sealand Fund	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from September 22 to September 26, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from September 22 to September 26, 2025"
October 13 - October 17, 2025	Shenzhen	other	Mechanism	China Great Wall Securities, Great Wall Wealth Insurance, Cigna&CMB;, China Jiuying, Cinda Aoya Fund, Sinolink Securities, Harvest Fund, Tianfeng Securities, Tianhong Fund	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from October 13 to October 17, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from October 13 to October 17, 2025"

October 30 - October 31, 2025	Shenzhen	Telephone communication	Mechanism	Changjiang Securities, Taixin Fund, Cathay Pacific Haitong Securities, Shanxi Securities, Zheshang Securities, CSC Financial, Tianfeng Securities, Huaan Securities, J.P. Morgan, Caitong Securities, Galaxy Securities, China Merchants Securities, Soochow Securities, Great Wall Fund, Western Securities, Sinolink Securities, Gf Securities, Cinda Securities, Securities, Taiping Xinda Asia Fund, Everbright Securities, TERM17, Huaxi Securities, Shanghai Securities, Pacific Securities CITIC Securities, China Universal Fund, Nanjing Securities, Changsheng Fund, Eastmoney Securities, Southern Asset Management, Guolian Minsheng Securities, Guodu Securities, Hua Chuang Securities, Founder Securities, East Asia Qianhai Securities, Shenwan Hongyuan Securities, Northeast Securities, Dongxing Fund, Tongtai Fund, China Life AMP Asset, China Asset Management, Boseru Funds, BOC International Securities, China Industrial Securities, Nomura International Securities, Lingxin Fund, Jinxin Fund, Lion Fund, China Europe Fund Minsheng Royal Fund, Debon Fund, JPMorgan Fund, AVIC Fund, Orient Securities, Founder Fubon Fund, Danshuiquan Investment, Huayuan Securities, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from October 30 to October 31, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from October 30 to October 31, 2025"
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November 03, 2025 - November 07, 2025	Shenzhen, Beijing	other	Mechanism	Western Securities, Panjing Investment, Cathay Pacific Haitong Securities, Minsheng Royal Fund, China Merchants Securities, Manulife Fund, Xinhua Assets, China Asset Management, Sunshine Assets, China Life Pension Assets, Taikang Assets, Tianhong Fund, Southwest Securities, Sealand Securities, Qunyi Investment Trust, CSC Financial, CCB Fund, Kaiyuan Securities, SDIC UBS Fund, Infore Capital, Newforth Investment, Kaifeng Investment, Guolian Fund, Bosera Funds, Five Star Investment, Morgan Stanley Investment Management, Manulife Asset Management, Rays Capital Partners, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Records from November 3 to November 7, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Records from November 3 to November 7, 2025" "Table " "Table "
November 24 - November 28, 2025	Shenzhen	other	Mechanism	Sinolink Securities, China Great Wall Securities, Huafu Securities, Lie Investment Capital, Guangdong Juqiyuan Private Equity Fund, Guangzhou Chengxie Investment, Guangdong Houfang Investment, Yujin Fund, Shenzhen Binary Asset Management, Guangzhou Grille Investment, Shanghai Puxing Asset Management, Cinda Aoya Fund, Great Wall Fund, Dacheng Fund, Panjing Investment, Orient Securities, Wanjia Asset, Cathay Pacific Haitong Securities, Huitianfu Fund, Huayuan Securities, Changxin Fund, Sealand Securities, Schroder Fund Huisheng Fund, Boyuan Fund, Cathay Pacific Haitong Asset Management, Bank of China Asset Management, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from November 24 to November 28, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from November 24 to November 28, 2025"

December 29, 2025 - December 31, 2025	Shenzhen	other	Mechanism	Tianfeng Securities, Gaoyi Assets, Huafu Securities, Manulife Fund, Yinhuafund, Minsheng Canada Bank Fund, Wanjia Asset, Bosera Funds, Huatai Assets, Debon Fund, Guotai Haitong Asset Management, First Seafront Fund, Essence Fund, Guohua Xingyi Insurance Asset Management, Guolian Fund, Pinpoint, China Europe Fund, Southern Asset Management, Guosen Securities, Ping An Fund, Bank of Communications Schroder Fund, China Merchants Securities Self-operated, Hui'an Fund, Everbright Wealth Management, Foresight Fund, Ruiyuan Fund E Fund, Oriental Alpha Fund, Top Securities Asset Management, Caitong Asset Management, Wells Fargo Fund, CCB Pension, Cathay Pacific Fund, Guangdong Zhengyuan Private Equity Fund, Foresight Fund, Huafu Fund, Founder Asset Management, SDIC UBS Fund, Western Profit Fund, Runhui Investment, Yuanxin Investment, CITIC-Prudential Fund, Century Securities, ICBC Credit Suisse Fund, Grand Alliance Asset Management, Haitong Asset Management, China Asset Management, Great Wall Fund, CapellaCapital, China Universal Fund, Zhiyuan Capital, Hang Seng Qianhai Fund, Guolian An Fund, etc	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from December 29 to December 31, 2025"	For details, please refer to Juchao Information Network (www.cninfo.com.cn) "Investor Relations Activity Record Form from December 29 to December 31, 2025"
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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.

Yes  No

Has the company disclosed its valuation enhancement plan?

Yes  No

On August 27, 2025, the company held the fifth meeting of the third board of directors in 2025, and reviewed and approved the "Proposal on Formulating the Market Value Management System".

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

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

Yes  No

## Section 4 Corporate Governance, Environment and Society

### I. The basic situation of corporate governance

During the reporting period, the Company continued to improve its corporate governance structure, improve its internal control system, and further improve its governance level and risk prevention capabilities in strict accordance with the requirements of relevant laws, regulations and regulatory documents such as the Company Law, the Securities Law, the Governance Guidelines for Listed Companies, the Listing Rules for Stocks on the Growth Enterprise Market of the Shenzhen Stock Exchange, and the Guidelines for the Self-Regulatory Supervision of Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on the Growth Enterprise Market.

#### 1. About corporate governance

During the reporting period, the company strictly followed the requirements of relevant laws, regulations and normative documents, continuously optimized the governance structure, improved the internal control system, promoted standardized operation, and improved the governance level. The company has established a governance structure composed of shareholders' meeting, board of directors and management, formulated and improved relevant systems, and set up four special committees under the board of directors: strategy committee, audit committee, nomination committee and remuneration and appraisal committee, and continued to strengthen the construction of internal control system based on the company's actual situation.

#### 2. About shareholders and shareholders meeting

In strict accordance with the "Company Law", "Listed Company Shareholders' Meeting Rules", "Articles of Association" and other provisions, the company regulates the convening and convening of shareholders' meetings, guarantees the equal status of all shareholders, especially small and medium shareholders, and effectively safeguards their right to know, participate and vote on major issues. During the reporting period, the shareholders' meeting was convened by the board of directors. According to regulations, the matters that should be voted by the shareholders' meeting were approved by the corresponding authority and then submitted to the shareholders' meeting for deliberation. There was no situation of exceeding the authority to approve or implement first and then review. The qualifications of the personnel attending the shareholders' meeting and the convening, convening and voting procedures of the shareholders' meeting were legal and compliant.

#### 3. About the company and controlling shareholders

The controlling shareholder of the company strictly abides by 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, strictly regulates its own behavior, and does not directly or indirectly interfere with the company's decision-making and business activities beyond the shareholders' meeting, does not harm the interests of the company and other shareholders, and does not have the controlling shareholder occupying the company's funds, The company also did not provide guarantees for controlling shareholders. The company is independent of the controlling shareholder in terms of business, personnel, assets, organization, finance, etc. It has a complete business system and independent operation ability, and the board of directors and internal institutions operate independently.

#### 4. About Directors and the Board of Directors

The company's board of directors consists of 8 directors, including 3 independent directors. The directors carried out their work in accordance with the "Company Law", "Rules of Procedure of 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" and other regulations. During the reporting period, a total of 9 board meetings were held. All directors actively participated in the training organized by securities regulatory agencies, and through learning and timely mastering relevant laws and regulations, they effectively improved their ability to perform their duties. During the reporting period, the company internally organized directors and senior management personnel to conduct training on relevant laws and regulations twice.

## 5. Information disclosure and transparency

The company attaches great importance to information disclosure and investor relationship management, and discloses information truthfully, accurately, completely, timely and fairly in strict accordance with 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 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 information disclosure, to ensure that all shareholders have equal access to information.

The company actively strengthens the management of investor relations, and arranges special personnel to communicate with investors, respond to inquiries in a timely manner, and accept visits and research through various channels such as investor special lines, special mailboxes, and the "Interactive Easy" platform of the Shenzhen Stock Exchange. As the specific executive department of investor relations management, the office of the board of directors strives to build a good interactive relationship with investors and continuously enhance the company's image in the capital market.

## 6. About stakeholders

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

Whether there is a significant 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  Yes  No

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. The company has different arrangements for voting rights**

■ Applicable ■ Not applicable

## V. Corporate Governance of Red Chip Structure

■ Applicable ■ Not applicable

## VI. Directors 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	61	Chairman, General Manager	Incumbent	September 17, 2017	September 14, 2026						
Wang Yuetian	Male	36	Vice Chairman	Incumbent	September 17, 2017	September 14, 2026						
Shang Yunsi	Female	36	Director	Incumbent	September 15, 2023	September 14, 2026						
Zhao Hongyu	Male	59	Director	Incumbent	September 15, 2023	September 14, 2026						
Zhao Hongyu	Male	59	Deputy General Manager	Incumbent	September 17, 2017	September 14, 2026						
Li Meiqin	Female	51	Staff Director	Incumbent	September 16, 2025	September 14, 2026						
Jiang Shuxing	Male	55	Director	Outgoing	September 17, 2017	September 16, 2025						
Jiang Shuxing	Male	55	Deputy General Manager	Outgoing	September 17, 2017	October 30, 2025						
Zhao Peng	Male	48	Deputy General Manager	Incumbent	September 17, 2017	September 14, 2026						
Zhang Shuyuan	Female	58	Financial officer	Incumbent	October 24, 2022	September 14, 2026						
Cai Lilin	Female	38	Deputy General Manager, Secretary of the Board of Directors	Incumbent	August 13, 2024	September 14, 2026						

Yang Xiao Ping	Male	57	Independent director	Incumbent	September 15, 2023	September 14, 2026						
Li Zhiwei	Male	46	Independent director	Incumbent	September 15, 2023	September 14, 2026						
You Xiao	Female	45	Independent director	Incumbent	September 15, 2023	September 14, 2026						
Wang Peng	Male	40	Director	Outgoing	September 17, 2017	January 13, 2026						
Total	--	--	--	--	--	--	0	0	0	0	0	--

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

Yes  No

1. On September 16, 2025, the company disclosed the "Announcement on the Resignation of Directors and the Election of Employee Directors" on <http://www.cninfo.com.cn>. The board of directors received a written resignation report from the company's director, Mr. Jiang Shuxing. Due to the adjustment of the company's internal work, Mr. Jiang Shuxing applied to resign as a director of the third board of directors of the company. Mr. Jiang Shuxing will continue to serve as the deputy general manager of the company after his resignation. The company held an employee representative meeting on September 16, 2025. After voting by all the employee representatives present, Ms. Li Meiqin (please refer to the attachment for her resume) was elected as the employee director of the third board of directors. The term of office is from the date of election of the company's employee representative meeting to the expiration of the company's third board of directors.

2. On October 30, 2025, the company disclosed the "Announcement on the Resignation of the Deputy General Manager" on Juchao.com. The company received a written resignation report from the Deputy General Manager of the company, Mr. Jiang Shuxing. Mr. Jiang Shuxing applied to resign from the position of Deputy General Manager due to personal physical reasons. After resignation, he no longer holds any position in the company.

3. On January 13, 2026, the company disclosed the "Announcement on the Resignation of Non-Independent Directors and By-election of Audit Committee Members of the Board of Directors". The board of directors received a written resignation report from Mr. Wang Peng, a non-independent director of the company. Due to work reasons, Mr. Wang Peng applied to resign as a non-independent director of the third board of directors and a member of the audit committee of the third board of directors. After resignation, he no longer holds any position in the company or its subsidiaries. The company held the first meeting of the third board of directors in 2026 on January 13, 2026, and the "Proposal on By-election of Audit Committee Members of the Third Board of Directors" was reviewed and approved. The company's board of directors agreed to by-elect Ms. Li Meiqin, the employee representative director, as a member of the audit committee of the third board of directors of the company, and jointly form the audit committee of the third board of directors with Mr. Yang Xiaoping (chairman) and Ms. You Xiao.

Changes in the company's directors and senior management

Applicable  Not applicable

Name	Position held	Type	Date	Reason
Jiang Shuxing	Director	Outgoing	September 16, 2025	Job transfer
Jiang Shuxing	Deputy General Manager	Outgoing	October 30, 2025	Personal reasons
Li Meiqin	Staff Director	Be elected	September 16, 2025	Job transfer
Wang Peng	Director	Outgoing	January 13, 2026	Personal reasons

## 2. Employment

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

(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. 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 Meigemei 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.

(4) 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 board of directors of the company; from September 2020 to August 2024, he served as the deputy general manager of the company. 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.; from June 2021 to February 2026, he has been an executive partner of Shenzhen Jiwei Zeyuan Consulting Partnership (Limited Partnership).

(5) 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 Yongxin Ruihe (Shenzhen) 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.

(6) Mr. Li Zhiwei, born in July 1980, Chinese nationality, no permanent residency abroad, Ph.D. in Management (Accounting) from Xiamen University, 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 served as an independent director of the company; from September 2023 to present, he has served as an independent director of Shenzhen Peicheng Electronic Technology Co., Ltd.

(7) 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.

(8) 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 September 2025, he has served as the chairman of the company's supervisory board, and from September 2025 to present, he has served as the company's employee director.

## 2. Senior management

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

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

(3) 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.

(4) 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;

(5) 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.

The controlling shareholder and actual controller serve as the chairman and general manager of the listed company at the same time

■Applicable ■ Not applicable

As one of the founders of the company, Mr. Wang Heqiu serves as the chairman and general manager of the company, which is in line with the company's long-term development strategy. The company and Mr. Wang Heqiu are completely separated in terms of business, personnel, assets, organization, finance, etc., and have independent and complete business and independent operation capabilities. There is no non-operating occupation of the company's funds by controlling shareholders and actual controllers. The "Articles of Association", "Rules of Procedure of the Board of Directors", "Working Rules of the General Manager" and other rules and regulations clearly stipulate the functions and powers of the board of directors and the general manager. Mr. Wang Heqiu's appointment as the chairman and general manager of the company does not affect the independence of the company.

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 shareholder units
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 Tongchuangweiye Asset Management Co., Ltd	Investment Director	December 01, 2016		Yes
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	February 02, 2026	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	Shenzhen XGD Shares Limited company	Independent director	May 07, 2020		YesDay
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 and senior managers in the past three years by securities regulatory agencies

■ Applicable ■ Not applicable

### 3. Remuneration of directors and senior management

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

Decision-making procedures and basis for determining the remuneration of directors and senior management personnel: The remuneration of directors of the company is determined by the shareholders' meeting, and the remuneration of senior management personnel is determined by the board of directors, and is determined according to the position, working years, and performance appraisal results. The allowance for independent directors is paid according to the resolution passed by the shareholders' meeting.

The actual payment of the remuneration of directors and senior management: The remuneration of directors and senior management has been paid in full according to relevant standards.

Remuneration of directors 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	61	Chairman, General Manager	Incumbent	195.33	No
Wang Yuetian	Male	36	Vice Chairman	Incumbent	427.36	No
Shang Yunsi	Female	36	Director	Incumbent	164.86	Yes
Zhao Hongyu	Male	59	Director, Deputy General Manager	Incumbent	454.36	No
Li Meiqin	Female	51	Staff Director	Incumbent	87.36	No
Jiang Shuxing	Male	55	Director, Deputy General Manager	Outgoing	64.72	No
Zhao Peng	Male	48	Deputy General Manager	Incumbent	109.85	No
Zhang Shuyuan	Female	57	Financial officer	Incumbent	157.49	No
Cai Lilin	Female	38	Deputy General Manager, Secretary of the Board of Directors	Incumbent	204.02	No
Yang Xiao Ping	Male	57	Independent director	Incumbent	12	No
Li Zhiwei	Male	46	Independent director	Incumbent	12	No

You Xiao	Female	45	Independent director	Incumbent	12	No
Wang Peng	Male	40	Director	Outgoing	0	No
Total	--	--	--	--	1,901.35	--
The assessment basis for the actual remuneration of all directors and senior management at the end of the reporting period			According to the company's relevant salary system			
The completion of the assessment of the actual remuneration of all directors and senior management at the end of the reporting period			The remuneration of independent directors of the company implements a subsidy system, which is paid on a quarterly basis, and does not participate in the company's internal performance appraisal linked to remuneration. The salary of the company's senior management personnel is specifically composed of basic salary, performance salary and medium and long-term incentive income. The basic salary is determined with reference to similar salary standards in the market, combined with factors such as position, responsibility, ability, etc., and is paid on an average monthly basis			
Deferred payment arrangements for the actual remuneration of all directors and senior management at the end of the reporting period			Performance compensation is determined in conjunction with the results of annual performance appraisal, etc. In principle, the proportion shall not be less than 50% of the total basic compensation and performance compensation. Its distribution shall be implemented in accordance with the relevant compensation system of the company, and a certain proportion of performance compensation shall be paid after the disclosure of the annual report and performance evaluation. Performance evaluation shall be carried out based on audited financial data			
Stop payment recourse for all directors and senior management actually received remuneration at the end of the reporting period			Not applicable			

Other information

■ Applicable ■ Not applicable

Through the deployment of high-end products, the company's revenue scale continued to expand; however, under the influence of the intensified competition in the industry as a whole, the company comprehensively considered the key contribution of the management in promoting the implementation of high-end products and coping with fierce competition. In order to maintain the stability and enthusiasm of the core team, the salaries of some directors and senior managers increased.

## VII. Directors' performance of their duties during the reporting period

### 1. Directors' attendance at the board of directors and shareholders' meeting

Directors' attendance at the board of directors and shareholders' meeting							
Director's name	Number of times to participate in the board of directors during the reporting period	On-site attendance at 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 shareholders' meetings
Wang Heqiu	9	8	1	0	0	No	3
Wang Yuetian	9	0	9	0	0	No	3
Shang Yunsi	9	0	9	0	0	No	3
Zhao Hongyu	9	0	9	0	0	No	3
Li Meiqin	3	0	3	0	0	No	1
Jiang Shuxing	6	1	5	0	0	No	2

Yang Xiao Ping	9	0	9	0	0	No	3
Li Zhiwei	9	0	9	0	0	No	3
You Xiao	9	0	9	0	0	No	3
Wang Peng	9	0	8	0	1	No	3

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

## 2. Directors' objections to the company's related matters

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

Yes  No

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

## 3. 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, the directors of the company performed their duties with due diligence, actively attended relevant meetings, and carefully reviewed various proposals. After full communication and discussion, the board of directors and various special committees of the company reached consensus on the matters under consideration. The management of the company also fully listened to and adopted its opinions, and effectively safeguarded the interests of the company and all shareholders, especially the legitimate rights and interests of small and medium shareholders.

## VIII. 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)

Audit Committee	Yang Xiaoping, You Xiao, Wang Peng	4	April 18, 2025	1. Review the "Proposal on the Company's 2024 Financial Statements Report" 2. Review the "Proposal on the Company's 2024 Internal Control Self-evaluation Report" 3. Review the "Proposal on the Full Text and Summary of the Company's 2024 Annual Report" 4. Review the "Proposal on the Company's Engagement of an Accounting Firm for 2025"	No	No	No
			April 23, 2025	1. Review the "Proposal on the Company's < 2025 First Quarter Report >" 2. Review the "Regarding the < 2025 First Quarter Report >"	No	No	No

				First Quarter Internal Audit Work Report > Proposal "			
			August 27, 2025	1. Review the "Proposal on the Company's Semi-Annual Report 2025 and its Summary" 2. Review the "Proposal on the Internal Audit Work Report for the Second Quarter of 2025" 3. Review the "Proposal on the Audit Department's Inspection Report on Important Matters for the First Half of 2025"	No	No	No
			October 29, 2025	1. Review the "Proposal on the Company's 2025 Third Quarter Report" 2. Review the "Proposal on the 2025 Third Quarter Internal Audit Work Report"	No	No	No

Remuneration and Appraisal Committee	You Xiao, Yang Xiaoping, Wang Heqiu	2	April 18, 2025	Review the "Proposal on the Confirmation of the High Salary of Directors and Supervisors in 2024"	No	No	No
			December 15, 2025	1. Review the "Proposal on Adjusting the Grant Price of the 2024 Restricted Stock Incentive Plan" 2. Review the "Proposal on Cancellation of Part of the 2024 Restricted Stock Incentive Plan That Has Been Granted and Not Vested Restricted Shares" 3. Review	No	No	No
				"The Proposal on the Achievement of the Vesting Conditions of the First Vesting Period of the Company's 2024 Restricted Stock Incentive Plan"			
Strategy Committee	Wang Heqiu, Li Zhiwei, Yang Xiaoping	1	April 18, 2025	Review the 2025 Business Plan	No	No	No

Special meeting of independent directors	Yang Xiaoping, Li Zhiwei, You Xiao	2	August 26, 2025	Deliberation on the "Proposal on Capital Increase of Shareholding Companies and Company's Waiver of Rights"	No	No	No
			November 24, 2025	Deliberation on the "Proposal on Giving up the Priority of Subscribing Capital Contributions and Related Party Transactions by Participating Companies"	No	No	No

## IX. Work of the Audit Committee

Whether the audit committee identified risks in the company during its oversight activities during the reporting period

Yes  No

The Audit Committee has no objection to the oversight matters during the reporting period.

## X. employees of the company

### 1. Number of employees, professional composition and education level

Number of employees of the parent company at the end of the reporting period (persons)	1,528
Number of employees in major subsidiaries at the end of the reporting period (persons)	4,037
Total number of employees at the end of the reporting period (person)	5,565
The total number of salaried employees in the current period (person)	5,565
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	3,273
Salesperson	104
Technician	959
Financial officer	46
Administrative staff	118
Other personnel	1,065
Total	5,565

Education level	
Education category	Quantity (persons)
Bachelor degree and above	862
College	892
High school or technical secondary school	1,446
Junior high school and below	2,365
Total	5,565

## 2. Salary policy

The company formulates and continuously improves the "Salary Management Regulations" and "Performance Management Regulations" and other systems, adopts appropriate assessment standards for all employees to assess and evaluate, adopts monthly assessment, and takes task performance and work attitude as assessment indicators. The results of the assessment are used as the basis for determining employee salaries, bonuses, and job promotions, demotions, and job transfers. 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 a clear career development plan and salary incentive policy for product development and 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 of labor outsourcing (hours)	2,366,162.57
Total remuneration paid for labor outsourcing (yuan)	46,130,349.02

## 11. 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 for 2024

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 the 2024 annual general meeting of shareholders on May 13, 2025, respectively, reviewed and approved the Proposal on the 2024 Profit Distribution Plan. Following the principle of rewarding shareholders and sharing the company's operating results with shareholders, and ensuring the healthy and sustainable development of the company, the company will distribute a cash dividend of RMB 5.93 (including tax) to all shareholders based on the company's total share capital at that time after excluding the company's current repurchase of special account shares. No bonus shares will be given out this year, and no capital reserve will be converted into share capital. The total actual cash dividends of the company this time = 104,907,165 shares × 0.593,000 yuan/share = 62,209,948.84 yuan. The company completed the implementation on May 28, 2025. For details, please refer to the "Announcement on the Implementation of the Annual Equity Distribution in 2024" (Announcement No. 2025-036) disclosed by the company on May 22, 2025.

## 2. Profit distribution for the first half of 2025

The Company held the fifth meeting of the third board of directors in 2025 and the third meeting of the third board of supervisors in 2025 on August 27, 2025, and the first extraordinary general meeting of shareholders in 2025 on September 16, 2025, respectively, and reviewed and approved the Proposal on the 2025 Semi-annual Profit Distribution Plan. 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 will distribute cash dividends of RMB 4.34 (including tax) to all shareholders based on the company's total share capital at that time excluding the company's current repurchases of shares in the special account, and distribute cash dividends of RMB 46,958,431.53 (including tax) to all shareholders for every 10 shares. No bonus shares will be given out in this distribution, and no capital reserve will be converted into share capital. The company completed the implementation on October 17, 2025. For details, please refer to the "Announcement on the Implementation of Semi-annual Equity Distribution in 2025" (Announcement No. 2025-072) disclosed by the company on October 10, 2025.

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 shareholders meeting:	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)	3.09
Number of shares transferred per 10 shares (shares)	4
The share capital base of the distribution plan (shares)	109,030,681
Cash dividend amount (yuan) (tax included)	33,690,480.43
Amount of cash dividends in other ways (such as repurchasing shares) (yuan)	0.00
Total cash dividends (including other methods) (yuan)	33,690,480.43
Distributable profit (yuan)	721,503,470.18
The ratio of total cash dividends (including other methods) to total profit distribution	100.00%
<b>The cash dividend distribution</b>	
If the company's development stage is in the growth period and there is a major capital expenditure arrangement, when the profit distribution is carried out, the proportion of cash dividends in this profit distribution should be at least 20%	
<b>Detailed description of the plan for profit distribution or capital reserve transfer</b>	
In 2025, the company realized a net profit attributable to ordinary shareholders of the listed company of RMB 244,002,491.40, the parent company realized a net profit of RMB 134,673,837.32, the company's initial statutory surplus reserve of RMB 50,885,000.00, and the statutory surplus reserve of RMB 4,043,819.00 was withdrawn this year. As of December 31, 2025, the Company	
The profit available for distribution in the consolidated statement was RMB 1,010,261,591.76, and the profit available for distribution of the parent company was RMB 721,503,470.18. 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, 2025, the company's profit available for distribution is 721,503,470.18 yuan.	
Following the principle of rewarding shareholders and sharing the company's operating results with shareholders, 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 the company's repurchase account. The profit distribution plan for 2025 is as follows:	
It is planned to use the company's total share capital of 109,030,681 shares as of March 31, 2026 as the base, and distribute a cash dividend of RMB 3.09 (including tax) to all shareholders for every 10 shares, and a total cash dividend of RMB 33,690,480.43 (including tax) will be distributed. At the same time, the capital reserve was used to transfer 4 shares for every 10 shares to all shareholders of the company, totaling 43,612,272 shares. After this transfer, the total share capital of the company will increase to 152,642,953 shares (the final number of shares will be subject to the registration result of China Securities Depository and Clearing Co., Ltd. Shenzhen Branch after the transfer). No bonus shares will be given out for this profit distribution. If the total share capital of the company that can participate in the equity distribution changes due to share repurchase, equity incentive exercise, etc., after the distribution plan is released and before the implementation, the total distribution will be adjusted according to the principle of unchanged distribution ratio per share.	

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

## 12. 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 intended incentive objects of 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 Board of Supervisors of the Company disclosed 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 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 shareholders meeting 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 Proposal on Granting Restricted Shares to the 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.

5. On December 17, 2025, the company held the ninth meeting of the third board of directors in 2025, and reviewed and approved the "Proposal on Adjusting the Grant Price of the 2024 Restricted Stock Incentive Plan", "The Proposal on Cancellation of Part of the 2024 Restricted Stock Incentive Plan that has been granted but not yet vested", and "The Proposal on the Achievement of the Vesting Conditions for the First Vesting Period of the Company's 2024 Restricted Stock Incentive Plan", The Remuneration and Appraisal Committee of the Board of Directors verified the list of incentive objects that met the attribution conditions and issued verification opinions, and the lawyers issued relevant legal opinions.

6. On January 30, 2026, the company disclosed the "Announcement on the Vesting Results of the First Vesting Period of the Company's 2024 Restricted Stock Incentive Plan and the Listing of Shares" (Announcement No.: 2026-010). The company has gone through the registration procedures for the attribution of the second type of restricted stock at the Shenzhen Branch of China Securities Depository and Clearing Co., Ltd. The listing and circulation date of the second type of restricted stock attributable this time is February 3, 2026.

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 core management talents of the company and play an important role that cannot be ignored 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.

During the subscription process of the vesting payment, Mr. Zhao Hongyu, the director and deputy general manager of the company, voluntarily gave up the restricted shares attributable to the first vesting period due to personal reasons, totaling 40,000 shares. The aforementioned shares will no longer undergo corresponding vesting registration and will be voided by the company.

## 2. Implementation of the Employee Stock Ownership Plan

■ Applicable ■ Not applicable

## 3. Other employee incentives

■ Applicable ■ Not applicable

## XIII. 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 and senior managers 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 the internal control system, effectively improve the company's standardized operation level, and promote the company's healthy and sustainable development.

**2. The specific circumstances of the major deficiencies in internal control found during the reporting period**

Yes  No

**XIV. 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

There is an abnormality in the management and control of the subsidiary

Yes  No

**15. 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, 2026	
Internal Control Evaluation Report Full Text Disclosure Index	Juchao Information Network ( <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> )	
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 and senior management; material misstatements in the current financial report, which the internal control failed to detect during the operation process; and the audit committee and the internal audit department are ineffective in supervising the internal control of financial reporting.</p> <p>(II) Significant deficiencies: refers to a combination of one or more control deficiencies, the severity and economic consequences of which are lower than those of the major deficiencies but which may still cause the enterprise to deviate from the control objectives. The following characteristics are 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.</p> <p>(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 over information disclosure, resulting in the company being publicly condemned by the regulatory authorities; The results of the internal control evaluation, especially the major defects or major defects, have not been rectified; a major loss has occurred, and the loss is caused by one or more control defects.</p> <p>(II) Defects with the following characteristics are 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.</p> <p>Defects; the company's general defects have not been rectified.</p> <p>(III) Defects with the following characteristics are identified as general defects: the company violated internal regulations but did not cause losses; the loss of business personnel in general positions of the company was serious; negative news appeared in the media, but the impact was not significant; the company's general business system or system existed</p>
Quantitative standard	<p>(I) Major Defects: Misstatement <math>\geq 1.0\%</math> of total assets; Misstatement <math>\geq 5\%</math> of total profits</p> <p>(II) Significant defects: <math>0.5\%</math> of total assets <math>\leq</math> misstatement <math>&lt; 1.0\%</math> of total assets; <math>3\%</math> of total profits <math>\leq</math> misstatement <math>&lt; 5\%</math> of total profits</p> <p>(III) General Defects: Misstatement <math>&lt; 0.5\%</math> of total assets; Misstatement <math>&lt; 3\%</math> 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: the amount of loss <math>\geq 1.0\%</math> of total assets; (II) Significant defects: <math>0.5\%</math> of total assets <math>\leq</math> loss amount <math>&lt; 1.0\%</math> of total assets; (III) General Defect: Amount of loss <math>&lt; 0.5\%</math> 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	
In our opinion, Honor Electron maintained effective internal control over financial reporting in all material aspects as of December 31, 2025 in accordance with the Basic Norms of Internal Control of Enterprises and relevant regulations.	
Disclosure of internal control audit reports	Disclosure
Disclosure date of the full text of the internal control audit report	April 22, 2026
Internal Control Audit Report Full Text Disclosure Index	Juchao Information Network ( <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> )
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

Yes  No

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

Whether a non-standard audit opinion on internal control was issued during the reporting period or the previous year

Yes  No

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

Not applicable

## XVII. Environmental Information Disclosure

Whether listed companies and their main subsidiaries are included in the list of companies that disclose environmental information according to law

Yes  No

## XVIII. 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 a regulatory system based on the "Articles of Association" and the "Rules of Procedures of the Shareholders' Meeting" and "Rules of Procedures of the Board of Directors" as the main structure. It has formed a governance system in which the shareholders' meeting and the board of directors operate in a coordinated manner. The rights and responsibilities of the shareholders' meeting and 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. During the reporting period, the company actively implemented interim and annual dividends to fully protect the rights and interests of all 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. The company has established a standardized performance appraisal system and a complete salary management system to provide multiple guarantees for employees' career development and rights protection. At the same time, the company attaches great importance to the health and safety of employees, and actively enriches their professional life. During the reporting period, the company actively fulfilled its social responsibilities and hired 12 disabled employees. The company attaches great importance to employee training and career planning, and strives to improve employees' own quality and comprehensive ability. The company conducts various trainings by level, level and category, 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 programs 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, and improves employees' safety awareness to ensure 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 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 Sustainability Report 2025" disclosed by the company on [www.cninfo.com.cn](http://www.cninfo.com.cn).

## **19. Consolidate and expand the achievements of poverty alleviation and rural revitalization**

The company actively fulfills its corporate social responsibility, insists on participating in the cause of rural revitalization in a systematic and diversified way, conveys the temperature of the enterprise in the process of inclusive and co-construction, and works together to create shared value. During the reporting period, the company actively responded to the call for rural revitalization and adopted the method of "purchasing instead of donation" to make targeted purchases

Helping agricultural products in underdeveloped areas, and using its own channel resources to help promote, effectively promote farmers' income and rural industry hematopoiesis, and contribute to consolidating the results of poverty alleviation and promoting the coordinated development of urban and rural areas.

## Section 5 Important Matters

### I. Implementation 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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<p>Commitments made in an initial public offering or refinancing</p>	<p>Wang Heqiu, Wang Yulin, Shang Yunsi, Wang Yuetian, Wang Yuefei</p>	<p>Share Locking Commitment and Share Reduction Commitment</p>	<p>1. Within 36 months from the date of listing of the company's shares on the stock exchange, neither transfer nor entrust others to manage the company's directly or indirectly held shares issued before the company's public offering, nor will the company repurchase such shares; If within 6 months after the company's listing, the closing price of the stock for 20 consecutive trading days is lower than the issue price, or the closing price of the stock 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. 2. If I reduce my holdings of the company's shares held directly or indirectly 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 shares of the company held directly or indirectly by me,</p>	<p>August 17, 2020</p>	<p>2020-08-24 to 2025-08-23</p>	<p>Fulfilled</p>
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			ice shall not be lower than the issue price at the time of the public offering. 3. After the above-mentioned statutory or voluntary lock-up period expires,			
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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 of the company 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 regulati</p>			
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			<p>ons. If I violate 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	Fulfilled
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			<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 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 lock-up period, the annual reduction shall not exceed 25% of the total number of shares held by the company directly or indirectly, and the reduction price shall not be lower than the issue price at the</p>			
	Partnership (Limited Partnership)					

			<p>ime of the public offering, and it 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 directly or indirectly held 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 regulations of the China Securities Regulatory Commission, the stock exchange and other regulatory authorities, and actively cooperate with</p>	August 17, 2020	2020-08-24 to 2025-08-23	Fulfilled
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			<p>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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	<p>Jiang Shuxing, Zhao Hongyu, Sun Chunping, Zhao Peng</p>	<p>Share Locking Commitment and Share Reduction Commitment</p>	<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>	<p>August 17, 2020</p>	<p>2020-08-24 to 2025-08-23</p>	<p>Fulfilled</p>
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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

**3. The company involves performance commitments**

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, Audit Committee 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 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 October 24, 2025, Hong Kong Honor Electron Technology Co., Ltd. invested in the establishment of Evolvex Technology INC with a subscribed registered capital of US \$10,000.00. As of December 31, 2025, there is no actual payment. The registered address is Sussex County, Lewis City, Delaware. Hong Kong Honor Electron Technology Co., Ltd. holds 100% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares. Evolvex Technology INC has been incorporated into the scope of consolidation since its establishment.

On October 28, 2025, Evolvex Technology INC was established with a subscribed registered capital of US \$10,000.00

ASPOWER MANUFACTURING Inc., no actual payment as of December 31, 2025. Registered address is Diamond Bar, California, Evolvex Technology INC holds 100% of the shares, Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares, and ASPOWER MANUFACTURING Inc. has been incorporated into the scope of consolidation since its establishment.

On December 8, 2025, Hong Kong Honor Electron Technology Co., Ltd. established HONOTO HIGH TECH (Thailand) CO., LTD., with a subscribed registered capital of 1,960,000.00 baht, and Evolvex Technology INC with a subscribed registered capital of 40,000.00 baht. As of December 31, 2025, there is no actual payment. The registered address is Palangyao County, Chonburi Province, Thailand. Hong Kong Honor Electron Technology Co., Ltd. holds 98% of the shares, Evolvex Technology INC holds 2% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares. HONOTO HIGH TECH (Thailand) CO., LTD. has been incorporated into the scope of consolidation since its establishment.

## 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)	116.6
Consecutive years of audit services of domestic accounting firms	6
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 2 years, Fan Kelei 4 years

Whether to reappoint an accounting firm

Yes  No

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 100,000 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	1,322.8	No	Still under trial	No significant impact	Still under trial		Not applicable
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## 12. Punishment and rectification

Applicable  Not applicable

There were no penalties and rectifications during the reporting period.

## 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

1. The company held the fifth meeting of the third board of directors in 2025 on August 27, 2025. With 6 votes in favor, 0 votes against, 0 abstentions, and 3 abstentions, the "Proposal on Capital Increase of Participating Companies and Waiver of Rights of the Company" was reviewed and passed. Shanghai Anshibo Energy Technology Co., Ltd. (hereinafter referred to as "Anshibo ") is the company's shareholding company, and the company holds 30.00% of its shares. Due to its own business development, Anshibo plans to increase its registered capital by 35 million yuan. After a prudent decision by the board of directors, the company agreed to waive the priority to subscribe and contribute capital for this capital increase. This part of the shares was subscribed by the other two investors and the actual controller of the company, Mr. Wang Yuetian, the vice chairman, and the actual controller and director of the company, Ms. Shang Yunsi. After the capital increase, the company's shareholding in Anshibo decreased from 30.00% to 26.52%. The related directors Mr. Wang Heqiu, Mr. Wang Yuetian and Ms. Shang Yunsi have abstained from voting. The independent directors of the company held a special meeting on the related transaction and issued an audit opinion, and the sponsor issued a non-objectionable verification opinion.

2. The company held the eighth meeting of the third board of directors in 2025 on November 24, 2025. With 6 votes in favor, 0 votes against, 0 abstentions, and 3 abstentions, the "Proposal on Giving up the Priority to Subscribe Capital Contributions and Related Transactions of Participating Companies" was reviewed and approved. Due to its own business development, Anshibo plans to increase the registered capital of 61,787,149 yuan at 1 yuan per registered capital

The new investors are Shanghai Boyuan Juneng No. 3 Enterprise Management Partnership (Limited Partnership), Shanghai Boyuan Juneng No. 2 Enterprise Management Partnership (Limited Partnership), and Shanghai Boyuan Juneng No. 3 Enterprise Management Partnership (Limited Partnership). After a prudent decision by the board of directors, the company agreed to waive the priority to subscribe and contribute capital for this capital increase. After the completion of this transaction, the registered capital of Anshi increased from RMB 301,666,667 to RMB 363,453,816, and the company's shareholding in Anshi decreased from 26.52% to 22.01%. Anshi remains the company's shareholding company. The related directors, Mr. Wang Heqiu, Mr. Wang Yuetian, and Ms. Shang Yunsi, have abstained from voting. The independent directors of the company held a special meeting on this related transaction and issued an audit opinion, and the sponsor issued a no-objection verification opinion.

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 waiving the priority to subscribe and contribute capital and related transactions of participating companies	August 29, 2025	Juchao Information Network( <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> )
Announcement on waiving the priority to subscribe and contribute capital and related transactions of participating companies	November 26, 2025	Juchao Information Network( <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a> )

## 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 pair	Guarantee amount related	Guarantee amount	Actual hair	Actual burden	Guarantee	Collateral (e.g	Counter-guarantee situation	Guarantee period	Whether to perform	Whether it is a related party
Elephant name	Announcement disclosure date	Limit	Date of birth	Insured amount	Model	Have)	(if any)		Line completed	Guarantee
The company's guarantee to its subsidiaries										
Guaranteed object name	Disclosure date of the announcement related to the guarantee amount	Guarantee amount	Actual date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Is it fulfilled?	Whether to guarantee a related party

Dongguan Honor Electron Electronic s Co., Ltd	May 13, 2025	30,000	October 11, 2021	20,104	Joint and several liability guarantee			October 11, 2021 - October 10, 2029	No	No
Hangzhou Yundian Technology Energy Co., Ltd	May 13, 2025	40,000	May 08, 2025	2,200	Joint and several liability guarantee			May 08, 2025 to April 21, 2027	No	No
Hangzhou Yundian Technology Energy Co., Ltd	May 13, 2025	40,000	June 06, 2025	6,000	Joint and several liability guarantee			June 6, 2025 to June 6, 2026	No	No
Hangzhou Yundian Technology Energy Co., Ltd	May 13, 2025	40,000	December 22, 2025	5,000	Joint and several liability guarantee			December 22, 2025 to December 21, 2026	No	No
Suzhou Yundian Electronic Manufacturing Co., Ltd	May 13, 2025	30,000	December 22, 2025	5,000	Joint and several liability guarantee			December 22, 2025 to December 21, 2026	No	No
During the reporting period, the total amount of guarantees approved for subsidiaries (B1)			100,000	The total actual amount of guarantees to subsidiaries during the reporting period (B2)						18,200
The total amount of guarantees approved for subsidiaries at the end of the reporting period (B3)			100,000	The total balance of actual guarantees to subsidiaries at the end of the reporting period (B4)						38,304
Subsidiary's guarantee to subsidiary										
Guaranteed object name	Disclosure date of the announcement related to the guarantee amount	Guarantee amount	Actual date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-guarantee (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)			100,000	The total amount of guarantees actually incurred during the reporting period (A2 + B2 + C2)						18,200

The total amount of guarantees approved at the end of the reporting period (A3 + B3 + C3)	100,000	The total actual guarantee balance at the end of the reporting period (A4 + B4 + C4)	38,304
The proportion of the total guarantee balance (ie A4 + B4 + C4) to the company's net assets		14.47%	
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	

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

Product category	Risk characteristics	The balance of entrusted wealth management during the reporting period	Overdue amount
Bank wealth management products	Low risk	29,100	0

As a single principal, the company entrusts a financial institution to carry out asset management, or invests in high-risk entrusted wealth management with low security and poor liquidity

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. Use of raised funds

Applicable  Not applicable

### 1. The 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 accumulatively (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	5,331.79	87,606.55	103.18%	0	25,000	29.44%	0	Not applicable	0
2024	Issuance of convertible corporate bonds to unspecified objects	July 26, 2024	64,452.65	63,241.99	19,716.18	23,903.6	37.80%	0	25,925.06	40.99%	40,242.49	Deposited in the company's special fund-raising account and wealth management account	0
Total	--	--	157,581.95	148,150.97	25,047.97	111,510.15	75.27%	0	50,925.06	34.37%	40,242.49	--	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, deducting the issuance cost (excluding VAT) in RMB

RMB 82,203,175.63, and the actual net proceeds raised were 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 company's above-mentioned issuance 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) Amount used in the current year and balance at the end of the year

1. IPO in 2020: As of December 31, 2025, a total of 876,065,559.88 yuan has been invested in the IPO proceeds, all the proceeds have been used up, and all the proceeds have been cancelled.

2. Issuance of convertible corporate bonds to unspecified objects in 2024: As of December 31, 2025, a total of 239,036,050.81 yuan has been invested in the proceeds from the issuance of convertible corporate bonds to unspecified objects, and the balance of the special account for raised funds is 402,424,904.12 yuan, of which the net amount of interest income from raised funds, wealth management income and handling fees is 9,041,089.37 yuan. The balance of cash management using idle raised funds is 281,000,000.00 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 day when the project reaches the expected usable status	Benefits realized during the reporting period	The cumulative effect achieved as of the end of the reporting period	Whether the expected benefits are achieved	Whether the feasibility of the project has changed significantly Even)(1)ExpectChange
Commitment to investment projects														
2020 Initial Public Offering	August 24, 2020	Ganzhou Power Adapter Production Line Technical Transformation Project	Production and construction	Yes	7,984.58	3,449.19	0	3,449.19	100.00%	November 30, 2024	Not applicable	Not applicable	Not applicable	No

2020 Initial Public Offering	August 24, 2020	The surplus raised funds will permanently supplement the working capital	Replenishment	No	0	4,535.39	5,160.84	5,160.84	113.79%	Not applicable	Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Ganzhou Power Adapter Expansion Project	Production and construction	Yes	30,275.52	5,275.52	0	5,912.02	112.07%	July 31, 2024	Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	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
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	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Dongguan Honor Electron Information Equipment Manufacturing Center Project	Production and construction	No	0	25,000	170.95	25,563.4	102.25%	January 16, 2024	Realized revenue 49,090.00	Realized revenue 127,266.74	No	No
Issuance of convertible corporate bonds to unspecified objects in 2024	July 26, 2024	Honor Electron's new headquarters and R&D; laboratory upgrade construction project	Production and construction	No	27,914.1	27,027.58	4,418.74	8,606.16	31.84%	August 16, 2027	Not applicable	Not applicable	Not applicable	No

Issuance of convertible companies to unspecified objects in 2024	July 26, 2024	Supplementary working capital	Replenishment	No	11,500	10,289.35	10,414.33	10,414.33	101.21%	Not applicable	Not applicable	Not applicable	Not applicable	No
Bond														
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 and construction	Yes	25,925.06	25,925.06	4,883.11	4,883.11	18.84%	January 22, 2027	Not applicable	Not applicable	Not applicable	No
Subtotal of Committed Investment Projects				--	120,732.26	118,635.09	25,047.97	81,263.3	--	--	Realized revenue 49,090.00	Realized revenue 127,266.74	--	--
Over-raised funds invested														
2020 Initial Public Offering	August 24, 2020	Dongguan Power Adapter Expansion Project	Production and construction	No	4,800	4,800	0	4,824.01	100.50%	June 30, 2021	Realized revenue 24,491.95	Realized revenue 126,451.15	Yes	No
2020 Initial Public Offering	August 24, 2020	Over-raised funds to supplement working capital	Replenishment	No	8,500	8,500	0	8,500	100.00%	Not applicable	Not applicable	Not applicable	Not applicable	No
2020 Initial Public Offering	August 24, 2020	Shenzhen Honoring Power Technical Transformation Project	Production and 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 and construction	No	10,000	10,000	0	10,000	100.00 %	Not applicable	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	0	2,122.45	100.00 %	Not applicable	Not applicable	Not applicable	Not applicable	No
Over-raised funds invested in subtotal				--	30,222.84	30,222.84	0	30,077.72	--	--	Realized revenue 24,491.95	Realized revenue 126,451.15	--	--
Total				--	150,955.1	148,857.93	25,047.97	111,341.02	--	--	Realized revenue 73,581.95	Realized revenue 253,717.89	--	--
Sub-project description did not meet the plan		I. Project delays 2020 IPO projects:												

Progress, the situation and reasons for the expected benefits (including the reasons for choosing "not applicable" for "whether the expected benefits have been achieved")	<p>(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 &amp; D, production and sales environment. The company is in a rapid development stage as a whole. The company will rationally and orderly carry out production capacity layout and construction based on factors such as long-term development strategy, future business layout and customer orders, and allocate resources rationally and effectively 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 supervisors 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.</p>
	<p>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. The "Proposal on Terminating Part of the Investment Projects with Raised Funds and Permanently Supplementing Liquidity with the Remaining Funds Raised" was reviewed and approved by the company's second extraordinary general meeting of shareholders in 2024 on November 18, 2024.</p>
	<p>(2) R&amp;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&amp;D; center project was slightly slower than expected. The company fully considered the construction period of the project 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 supervisors in 2022 on April 20, 2022, reviewed and approved the "Proposal on Extension of Some Fund-raising Projects", and agreed to extend the time for the project to reach the expected usable state until September 30, 2022. The R&amp;D; center construction project does not produce direct economic benefits, but it can enhance the company's core technical capabilities and further enhance the company's core competitiveness.</p>
	<p>(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 &amp; D, production and sales. The company as a whole is in a stage of rapid development. 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 supervisors 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>II. Circumstances and reasons why the project did not achieve the expected benefits</p> <p>2020 IPO projects:</p> <p>Dongguan Honor Electron Information Equipment Manufacturing Center Project: It will reach the expected usable state on January 16, 2024. Due to the adjustment of the company's production capacity layout, the benefits have not met the planned expectations.</p>

Description of major changes in project feasibility	<p>Dongguan Honor Electron Information Equipment Manufacturing Center Project (IPO project in 2020):</p> <p>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):</p> <p>On September 17, 2020, the first meeting of the second board of directors 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", and 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.</p> <p>(2) Over-raised funds to supplement working capital (IPO project in 2020):</p> <p>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 Liquidity with Part of Over-raised Funds", agreeing that the company will use over-raised funds of RMB 85 million to permanently supplement liquidity to meet the company's daily operating needs, The supplementary working capital has been used up.</p> <p>(3) Shenzhen Honor Electron Power Technical Transformation Project (IPO project in 2020):</p> <p>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. The "Proposal on Using Over-raised Funds to Invest in Shenzhen Honor Electron Power Technical Transformation Project" was reviewed and approved, and it was agreed to use part of the over-raised funds to invest in Shenzhen Honor Electron Power Technical Transformation Project. It is planned to use RMB 48,003,900 of over-raised funds to invest in Shenzhen Honor Electron Power Technical Transformation Project. The project will reach 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 1,691,300 yuan is used to supplement the company's working capital.</p>
	<p>(4) Payment of part of the purchase price of the property (IPO project in 2020):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 on October 11, 2021. 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>

There are situations in which the use of raised funds is changed without authorization, and the raised funds are occupied in violation of regulations	Not applicable
Changes in the implementation location of investment projects with raised funds	Applicable
	<p>Occurred in previous years</p> <p>Project with an annual output of 1.45 million data center power supplies (issuance of convertible corporate bonds to unspecified objects in 2024): 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 Changing the Implementation Subject, Implementation Location and Project Name of Some Fund-raising Projects", and agreed to change the implementation subject 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 site 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 project name was changed from "Dongguan Honor Electron Data Center Power Supply Construction Project" to "1.45 million units of data center power supply per year" (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	Applicable
	<p>(1) 2020 IPO: The amount of self-raised funds invested in advance investment projects and paid issuance expenses was RMB 10,151,100. Tianzhi International Accounting Firm (special general partnership) verified the actual situation of the company's investment projects with self-raised funds in advance, and issued Tian Vocational Zi [2020] No. 35186 "Assurance Report on Shenzhen Honor Electronic Co., Ltd.'s Investment Projects with Self-raised Funds in Advance", 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 Fundraising Projects and Self-raised Funds That Have Paid Issuance Fees". The above funds have been replaced. (2) Issuance of convertible corporate bonds to unspecified objects in 2024: The amount of self-raised funds invested in advance investment projects and paid issuance expenses was 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-raised 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	Applicable
	2020 IPO projects:(1) The committed investment amount of Shenzhen Honor Electron's power supply technological transformation project is RMB 48,003,900, and the actual investment amount is RMB 46,312,600. The remaining RMB 1,691,300 is used to supplement the company's working capital, and 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 project shall be strengthened under the premise of ensuring the construction quality of raised investment projects
	The control, supervision and management of the costs of each link of the project construction, and the reasonable reduction of 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. As of December 31, 2025, the remaining raised funds of 51,608,400 yuan have all been used to permanently supplement the working capital. After the investment is completed, the raised funds account will be cancelled with it.
The purpose and destination of the unused raised funds	(1) As of December 31, 2025, all the funds raised from the initial public offering have been used up, and all the funds raised accounts have been cancelled.(2) As of December 31, 2025, the unused raised funds of RMB 121,424,900 were deposited in the company's special account for raised funds, and the idle raised funds of RMB 281 million have not yet expired.
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 Center Project	Ganzhou Power Adapter Expansion Project	25,000	170.95	25,563.4	102.25%	January 16, 2024	Realized revenue 49,090.00	No	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	4,883.11	4,883.11	18.84%	January 22, 2027	Not applicable	Not applicable	No
Total	--	--	--	50,925.06	5,054.06	30,446.51	--	--	Realized revenue 49,090.00	--	--

<p>Reasons for change, decision-making procedures and description of information disclosure (by specific items)</p>	<p>1. Dongguan Honor Electron Information Equipment Manufacturing Center Project (IPO project in 2020): The raised funds of 250 million yuan will be used for the newly-raised project "Dongguan Honor Electron Information Equipment Manufacturing Center Project". As of December 31, 2025, the Dongguan Honor Electron Information Equipment Manufacturing Center project has been accumulatively invested. 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.</p> <p>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 company's website on Juchao Information Network on July 17, 2021 (<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>) disclosed the "Announcement on Changing the Use of Part of the Funds Raised" and related announcements. 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&amp;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 make the remaining investment project "Ganzhou Power Adapter Expansion Project" with the original raised funds 255,634,400 yuan, all the raised funds for the above-mentioned projects have been invested, and the special account for raised funds will be cancelled accordingly.</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, raised capital investment, and 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 Subject, Implementation Location and Project Name of Some Fund-raising Projects" and related announcements disclosed by the company on the Juchao Information Network (<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>) on August 29, 2024. As of December 31, 2025, a total of RMB 48,831,100 has been invested in the project with an annual output of 1.45 million data center power supplies.</p>
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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

#### 4. Verification opinions of intermediary institutions on the storage and use of raised funds

■Applicable ■ Not applicable

The accountant of the annual report believes that: Shenzhen Honor Electron's "Special Report on the Deposit and Actual Use of Funds Raised by Shenzhen Honor Electronic Co., Ltd. in 2025" was prepared in accordance with the China Securities Regulatory Commission's "Regulations on the Supervision of Funds Raised by Listed Companies", the "Guidelines for the Self-discipline and Supervision of Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on the Growth Enterprise Market" issued by the Shenzhen Stock Exchange and the relevant announcement format regulations, In all material aspects, it fairly reflects the deposit and actual use of the funds raised by Shenzhen Honor Electron in 2025.

The sponsor believes that Honor Electron will strictly implement the special account storage system for raised funds in 2025, and effectively implement the supervision agreement on raised funds, which is in line with the relevant regulations and documents such as the "Regulations on the Supervision of Funds Raised by Listed Companies", "The Rules for the Listing of Stocks on the Growth Enterprise Market of the Shenzhen Stock Exchange", "The 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 relevant regulations and documents. The specific use of raised funds is consistent with the company's disclosed situation, There is no disguised change in the use of raised funds and damage to the interests of shareholders, and there is no illegal use of raised funds.

The sponsor has no objection to the deposit and use of the funds raised by Honor Electron in 2025.

#### 17. Explanation of other important matters

■Applicable ■ Not applicable

##### 1. Relevant information on convertible corporate bonds

After the China Securities Regulatory Commission issued the "Approval for the Registration of Shenzhen Honor Electronic Co., Ltd. to Issue Convertible Corporate Bonds to Unspecified Objects" (Zheng Jian Ke [2024] No. 219), Shenzhen Honor Electronic Co., Ltd. (hereinafter referred to as 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 issuance is RMB 644,526,500.00. The company's convertible bonds 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".

On May 28, 2025, the implementation of the company's 2024 annual profit distribution was completed, and the conversion price of the "European Convertible Bonds" was adjusted from 44.56 yuan/share to 43.98 yuan/share. The effective date of the conversion price adjustment is May 28, 2025. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2025-037) disclosed by the company on the [www.cninfo.com.cn](http://www.cninfo.com.cn) website (<http://www.cninfo.com.cn>) on May 22, 2025.

On October 17, 2025, the company completed the implementation of the profit distribution for the first half of 2025, and the conversion price of the "European Convertible Bonds" was adjusted from RMB 43.98 per share to RMB 43.55 per share. The effective date of the conversion price adjustment is October 17, 2025. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2025-073) disclosed by the company on [www.cninfo.com.cn](http://www.cninfo.com.cn) on October 10, 2025.

On February 3, 2026, due to the listing of shares in the first vesting period of the company's 2024 restricted stock incentive plan, the conversion price of "Eurocom Convertible Bonds" was adjusted from 43.55 yuan/share to 43.35 yuan/share. The effective date of the conversion price adjustment is February 3, 2026. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2026-009) disclosed by the company on Juchao Information Network (<http://www.cninfo.com.cn>) on January 30, 2026.

On March 9, 2026, due to the cancellation of the repurchased shares whose duration of the company is about to expire for three years, the conversion price of the "European Convertible Bonds" will be adjusted from 43.35 yuan/share to 43.43 yuan/share. The effective date of the conversion price adjustment is March 9, 2026. For details, please refer to the "Announcement on Adjusting the Conversion Price of Convertible Corporate Bonds" (Announcement No.: 2026-012) disclosed by the company on Juchao Information Network (<http://www.cninfo.com.cn>) on March 7, 2026.

## 2. Relevant information about restricted stock incentive plans

The company held the first extraordinary shareholders meeting of 2024 on September 18, 2024, and reviewed and approved the "Proposal on the Company's 2024 Restricted Stock Incentive Plan (Draft)" and its summary. It plans to grant 2,661,000 restricted shares (Class II restricted shares) to 199 incentive objects at a grant price of 18.45 yuan per share, It accounts for 2.63% of the company's total share capital of 101,200,000 shares at the time of the announcement of the draft incentive plan, and is granted without reservation. The validity period of this incentive plan shall be no more than 48 months from the date when the registration of the granted restricted stock is completed to the date when all the restricted stocks granted to the incentive object are vested or voided.

On December 17, 2025, the company held the ninth meeting of the third board of directors in 2025, reviewed and approved the "Proposal on the Achievement of the Vesting Conditions for the First Vesting Period of the Company's 2024 Restricted Stock Incentive Plan", and agreed to vest the restricted shares that meet the vesting conditions. On January 30, 2026, the company disclosed the "Announcement on the Vesting Results of the First Vesting Period of the Company's 2024 Restricted Stock Incentive Plan and the Listing of Shares". This time, 185 people were actually vested and 828,000 shares were vested. The first phase of vesting and listing of shares has been completed.

### 1.3. Cancellation of share repurchase matters

The company held the eighth meeting of the third board of directors in 2025 on November 24, 2025, and the second extraordinary shareholders meeting in 2025 on December 15, 2025. The "Proposal on Cancellation of Repurchased Shares" was reviewed and approved. Since the shares repurchased by the company this time have not been used and the duration is about to expire for three years, it is agreed that the company will cancel the 1,655,300 repurchased shares deposited in the special account for repurchase. For details, please refer to the "Announcement on Cancellation of Repurchased Shares" (Announcement No.: 2025-081) disclosed by the company on [www.cninfo.com.cn](http://www.cninfo.com.cn) on November 26, 2025.

After review and confirmation by China Securities Depository and Clearing Co., Ltd. Shenzhen Branch, the cancellation of the company's share repurchase has been completed on March 5, 2026. The number, completion date and cancellation period of the repurchased shares are in compliance with the requirements of relevant laws and regulations.

## **18. Major events of the company's subsidiaries**

Applicable  Not applicable

## Section 6 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%				8,657,638	8,657,638	109,857,638	100.00%
1. RMB ordinary shares	101,200,000	100.00%				8,657,638	8,657,638	109,857,638	100.00%
2. Domestically listed foreign shares									

3. Foreign shares listed overseas									
4. Its He									
III. Total number of shares	101,200,000	100.00%				8,657,638	8,657,638	109,857,638	100.00%

Reasons for changes in shares

Applicable  Not applicable

According to the relevant laws and regulations and the relevant provisions of the company's "Prospectus for Issuing Convertible Corporate Bonds to Unspecified Objects", the conversion period of the convertible corporate bonds in this issuance starts from the first trading day six months after the completion of the issuance of the convertible corporate bonds (July 11, 2024) to the maturity date of the convertible corporate bonds, that is, from January 13, 2025 to July 4, 2030. In 2025, a total of 3,840,167 "Eurocom Convertible Bonds" will be converted into shares, and a total of 8,657,638 "Honor Electron" shares will be converted into shares.

Approval of changes in shares

Applicable  Not applicable

The company held the third extraordinary general meeting of shareholders in 2023 on June 26, 2023, and reviewed and approved the "Proposal on the Company's Compliance with the Conditions for Issuing Convertible Corporate Bonds to Unspecified Objects" and other proposals related to this issuance. The "Approval for the Registration of Shenzhen Honor Electronic Co., Ltd.'s Issuance of Convertible Corporate Bonds to Unspecified Objects" (Zheng Ke [2024] No. 219) issued by the China Securities Regulatory Commission approved the registration. On July 5, 2024, the company issued 6,445,265 convertible corporate bonds to unspecified objects, each with a face value of RMB 100, for a total issuance of RMB 644,526,500.00. The company's convertible bonds 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".

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 the company's common shareholders in the most recent year and the most recent period Applicable  Not applicable

Share changes have an impact on financial indicators such as basic and diluted earnings per share in the most recent year, and net assets per share attributable to the company's common shareholders. For details, please refer to "V. Key Accounting Data and Financial Indicators" in Section 2 of this report.

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

The convertible corporate bonds issued by the company, "Eurocom Convertible Bonds", will enter the conversion period from January 13, 2025. In 2025, a total of 3,840,167 "Eurocom Convertible Bonds" have been converted into shares, and a total of 8,657,638 "Honor Electron" shares have been converted. The total share capital of the company was changed from 101,200,000 shares to 109,857,638 shares.

## 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	29,558	The total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report	28,150	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)									
Shareholder name	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	26.61%	29,234,023	0	0	29,234,023	Not applicable	0
Shenzhen Genoli Information Consulting Co., Ltd	Domestic non-state-owned legal person	26.61%	29,234,023	0	0	29,234,023	Pledge	7,950,000
Taizhou Tongju Information Technology Consulting Partnership (Limited Partnership)	Domestic non-state-owned legal person	1.58%	1,735,231	-1,900,000	0	1,735,231	Not applicable	0
Ruizhong Life Insurance Co., Ltd.-own funds	other	1.34%	1,467,630	539,934	0	1,467,630	Not applicable	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	0.64%	700,220	-543,569	0	700,220	Not applicable	0
National Society	other	0.63%	690,606	690,606	0	690,606	Not applicable	0
Insurance Fund 115 Portfolio								
GF Fund Management Co., Ltd.-Social Security Fund 420 Portfolio	other	0.60%	654,700	654,700	0	654,700	Not applicable	0
J.P. Morgan Securities PLC - own funds	Foreign legal person	0.57%	626,677	591,347	0	626,677	Not applicable	0

China Merchants Bank Co., Ltd. - Southern China Securities 1000 Trading Open-end Index Securities Investment Fund	other	0.45%	498,903	498,903	0	498,903	Not applicable	0
Zou Xiaodan	Domestic natural persons	0.36%	390,000	242,400	0	390,000	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 26.61% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei control 26.61% 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 1.51% 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)								
Shareholder name	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)	1,735,231	RMB ordinary shares	1,735,231
Ruizhong Life Insurance Co., Ltd.-own funds	1,467,630	RMB ordinary shares	1,467,630
Hong Kong Securities Clearing Company Limited	700,220	RMB ordinary shares	700,220
National Social Security Fund 115 Portfolio	690,606	RMB ordinary shares	690,606
GF Fund Management Co., Ltd.-Social Security Fund 420 Portfolio	654,700	RMB ordinary shares	654,700
J.P. Morgan Securities PLC - own funds	626,677	RMB ordinary shares	626,677
China Merchants Bank Co., Ltd. - Southern China Securities 1000 Trading Open-end Index Securities Investment Fund	498,903	RMB ordinary shares	498,903
Zou Xiaodan	390,000	RMB ordinary shares	390,000
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	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 26.61% of the company's shares through Shenzhen Genoli Information Consulting Co., Ltd., Wang Heqiu, Wang Yulin, Wang Yuetian, Shang Yunsi and Wang Yuefei control 26.61% 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.		
Description of shareholders participating in margin financing and securities lending business (if any) (see Note 5)	No		

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

■ Yes ■ No

The top 10 common shareholders of the company and the top 10 common shareholders with unrestricted sales conditions did not engage in 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 items prohibited by laws, administrative regulations, and decisions of the State Council, restricted items Licensing is required to operate)
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
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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

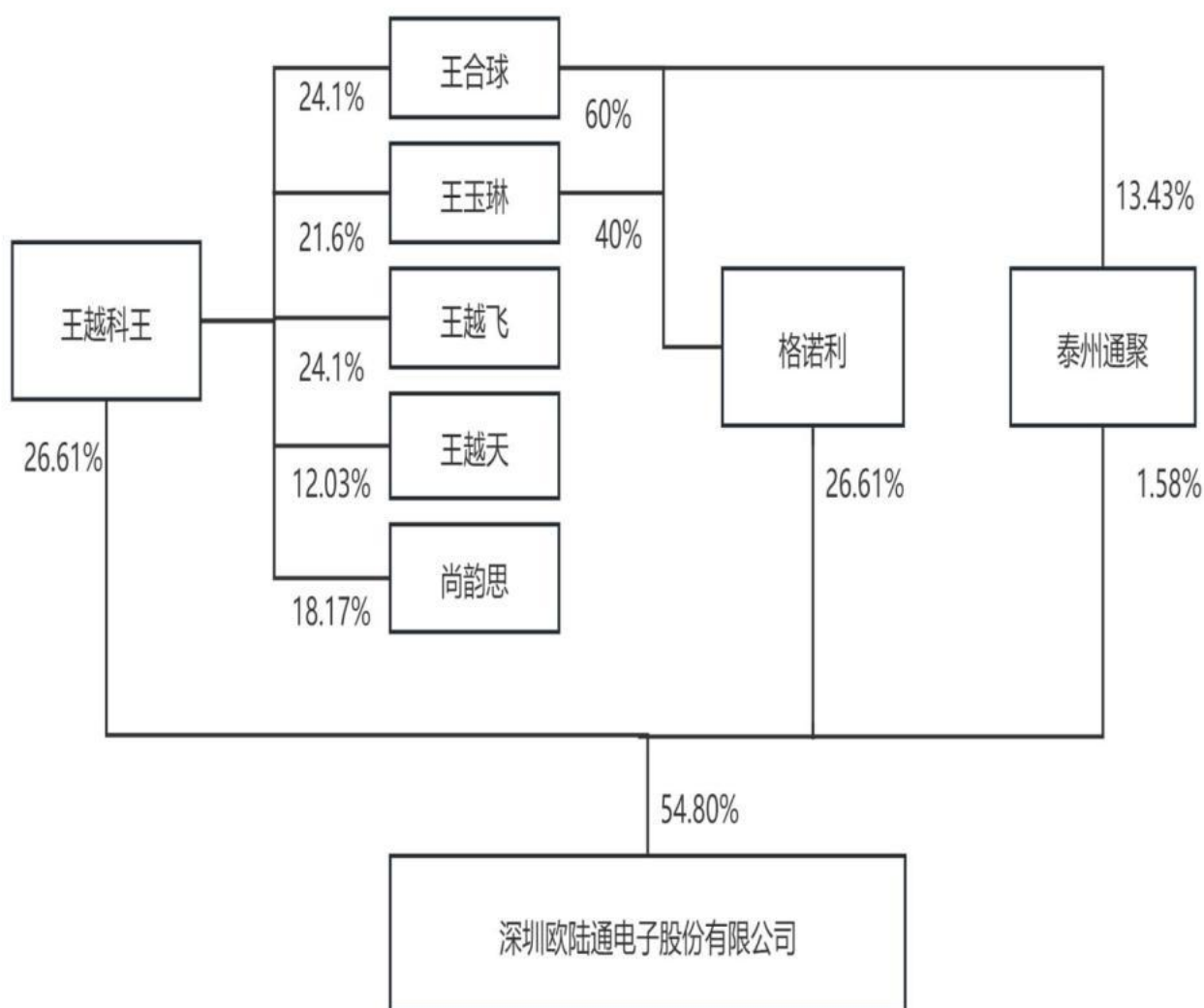
Name of actual controller	Relationship with the actual controller	Nationality	Whether to obtain the right of abode in other countries or regions
Wang Heqiu	Myself	China	No
Wang Yuetian	Myself	China	Yes
Wang Yulin	Myself	China	No
Wang Yuefei	Myself	China	Yes
Shang Yunsi	Myself	China	No
Main occupation and position	Wang Heqiu is the chairman and general manager of the company; Wang Yuetian is the vice chairman of the company; Shang Yunsi 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 is the director of Axelon (USA).		
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. Controlling shareholders, actual controllers, restructuring parties and other commitment entities are restricted from reducing their shareholdings**

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

#### **V. Preferred Shares**

Applicable  Not applicable

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

## Section 7 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. Issuance of convertible bonds

After the "Approval for the Registration of Shenzhen Honor Electronic Co., Ltd. to Issue Convertible Corporate Bonds to Unspecified Objects" issued by the China Securities Regulatory Commission (Zheng Jian Ke [2024] No. 219), Shenzhen Honor Electronic Co., Ltd. (hereinafter referred to as 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".

With the approval of the Shenzhen Stock Exchange (hereinafter referred to as the "Shenzhen Stock Exchange "), the company will issue convertible corporate bonds to unspecified objects and 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 ".

#### 2. Guarantors and top ten holders of convertible bonds during the reporting period

Convertible corporate bond name	Eurocom Convertible Bond
Holders of convertible bonds at the end of the period	5,611
Guarantor of the Company's Convertible Bonds	No
Significant changes in the guarantor's profitability, asset status and credit status	No
The top ten convertible bond holders are as follows:	

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
1	Agricultural Bank of China Co., Ltd.-Penghua Convertible Bond Securities Investment Fund	other	217,850	21,785,000.00	8.36%
2	China Merchants Bank Co., Ltd. - Bosera China Securities Convertible Bonds and Exchangeable Bonds Trading Open-end Index Securities Investment Fund	other	165,104	16,510,400.00	6.34%
3	China Construction Bank Corporation - Huashang Credit Enhancement Bond Securities Investment Fund	other	154,750	15,475,000.00	5.94%
4	Industrial and Commercial Bank Of China Ltd. - Southern Guangli Return Bond Securities Investment Fund	other	135,500	13,550,000.00	5.20%
5	Bank of China Ltd. - Nanfang Changyuan Convertible Bond Securities Investment Fund	other	115,920	11,592,000.00	4.45%
6	Industrial and Commercial Bank Of China Ltd. - Golden Eagle Yuanfeng Bond Securities Investment Fund	other	93,590	9,359,000.00	3.59%
7	China Merchants Bank Co., Ltd. - Castrol Yield Bond Securities Investment Fund	other	67,520	6,752,000.00	2.59%
8	Bank of China Ltd. - China Xia Double Bond Enhanced Bond Securities Investment Fund	other	67,310	6,731,000.00	2.58%

9	Industrial and Commercial Bank Of China Ltd. - Invesco Great Wall Jingsheng Double Interest Yield Bond Securities Investment Fund	other	60,000	6,000,000.00	2.30%
10	China Everbright Bank Company Limited - Boseru Convertible Bond Enhanced Bond Securities Investment Fund	other	55,380	5,538,000.00	2.13%

### 3. Changes in convertible bonds during the reporting period

■Applicable ■ Not applicable

Unit:  
Yuan

Convertible corporate bond name	Before this change	Increase or decrease in this change			After this change
		Conversion	Redemption	Sell back	
Eurocom Convertible Bond	644,526,500.00	384,016,700.00	0.00	0.00	260,509,800.00

### 4. Cumulative share conversion

■Applicable ■ Not applicable

Convertible corporate bond name	The start and end date of the conversion	Total issuance (sheets)	Total issued amount (yuan)	Cumulative conversion amount (yuan)	Cumulative number of shares converted (shares)	The proportion of the number of shares converted to the total issued shares of the company before the start of the conversion	Amount not yet converted (yuan)	The proportion of the unconverted amount to the total issued amount
Eurocom Convertible Bond	January 13, 2025 to July 4, 2030	6,445,265	644,526,500.00	384,016,700.00	8,657,638	8.55%	260,509,800.00	40.42%

### 5. The previous adjustments and revisions of the conversion price

Convertible corporate bond name	Conversion price adjustment date	Adjusted conversion price (yuan)	Disclosure time	Conversion price adjustment instructions	The latest conversion price as of the end of the reporting period (yuan)
Eurocom Convertible Bond	October 08, 2024	44.56	September 25, 2024	Due to the completion of the company's semi-annual profit distribution in 2024, the conversion price of "Eurocom Convertible Bonds" has been adjusted from RMB 44.86 per share to RMB 44.56 per share in accordance with the relevant provisions of the adjustment of the conversion price of the company's convertible corporate bonds.	43.55
Eurocom Convertible Bond	May 28, 2025	43.98	May 22, 2025	Due to the completion of the company's 2024 annual profit distribution, the conversion price of "Eurocom Convertible Bonds" has been adjusted from RMB 44.56 per share to RMB 43.98 per share in accordance with the relevant provisions on the adjustment of the conversion price of the company's convertible corporate bonds.	43.55

Eurocom Convertible Bond	October 17, 2025	43.55	October 10, 2025	Due to the completion of the company's semi-annual profit distribution in 2025, the conversion price of "Eurocom Convertible Bonds" has been adjusted from RMB 43.98 per share to RMB 43.55 per share in accordance with the relevant provisions on the adjustment of the conversion price of the company's convertible corporate bonds.	43.55
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**6. 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-, and the rating outlook was stable. The current bond credit rating is AA-. For details, please refer to the "Tracking Rating Report of Shenzhen Honor Electronic Co., Ltd. Related Bonds in 2025".

**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**

Yes  No

**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 with the end of the previous year
Current ratio	1.57	1.55	1.29%
Asset■liability ratio	51.10%	59.22%	-8.12%
Quick ratio	1.33	1.31	1.53%
	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	22,467.39	25,629.32	-12.34%
EBITDA total debt ratio	17.78%	15.18%	2.60%
Interest coverage multiple	11.12	11.41	-2.54%
Cash Interest Coverage Multiple	15.67	13.77	13.80%
EBITDA interest coverage multiple	17.96	16.59	8.26%
Loan repayment rate	100.00%	100.00%	0.00%
Interest repayment rate	100.00%	100.00%	0.00%

## Section 8 Financial Report

### I. Audit report

Type of audit opinion	Standard unqualified opinion
Audit report signing date	April 20, 2026
Audit institution name	Tianzhi International Accounting Firm (Special General Partnership)
Audit report number	Tian Occupation Word [2026] No. 17079
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, 2025, the consolidated and parent company income statement for 2025, 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.

We believe that 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, 2025 and the consolidated results and cash flows of the parent company in 2025.

### 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 Independence Guidelines and the Chinese CPA Professional Ethics Code, we are independent of Shenzhen Honor Electron, apply the independence requirements for public interest entities, and fulfill 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
<b>1. Revenue recognition</b>	

<p>In 2025, the operating income of Shenzhen Honor Electron will be 4,462,017,400 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 by customs declaration, and the sales revenue is recognized after customs declaration procedures; Shenzhen Honor Electron's products traded with customers in the form of vendor managed inventory (VMI) are recognized as sales revenue 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 Notes to Financial Statements "III. Significant Accounting Policies and Accounting Estimates", "(41) Operating Income, Operating Costs" in "VI. Notes to Items in Consolidated Financial Statements" and "(4) Operating Income, Operating Costs" in "18. Notes to Main Items in Parent Company's Financial Statements".</p>	<p>The primary audit procedures we perform 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 and select 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
<b>2. Impairment of accounts receivable</b>	

<p>At the end of 2025, the book value of Shenzhen Honor Electron's accounts receivable was RMB 1,324,172,100. 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 primary 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 results of Shenzhen Honor Electron's bad debt provision for accounts receivable; (4) For accounts receivable with bad debt provision based on the expected credit loss model based on aging characteristics, obtain Shenzhen Honor Electron's accounts receivable aging analysis table and bad debt provision 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 the information covered in the 2025 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 the other information is materially inconsistent with the financial statements or what we have learned during the audit or appears to be a material misstatement.

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. Misstatements may be caused by fraud or error and are generally considered material if they are reasonably expected to affect the economic decisions made by users of financial statements on the basis of the financial statements, either individually or in aggregate.

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 an error.

(2) Understand internal controls related to auditing 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 as a going concern. 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 internal control deficiencies of concern that we identify in the audit.

We also provide management with a statement that we have complied with the 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 the audit report 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	1,096,594,973.95	1,026,474,448.78
Settlement reserve		
borrowed funds		
Trading financial assets	282,661,873.98	350,379,216.98
Derivative financial assets		
Notes receivable	124,557,825.25	152,830,327.18
Accounts Receivable	1,324,172,057.65	1,387,878,242.93
Receivables Financing	95,182,974.50	17,854,895.54
Advance payment	4,916,896.52	2,436,770.21
Premiums receivable		
Reinsurance accounts receivable		
Reserve for reinsurance contracts receivable		
Other receivables	29,782,998.11	32,062,887.63
Including: interest receivable	1,484,301.11	6,484,007.37
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	528,521,382.18	464,660,221.88
Among them: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	29,927,107.03	75,512,858.49
Total current assets	3,516,318,089.17	3,510,089,869.62
Non-current assets:		
Issue loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	56,315,314.38	77,049,072.73
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	241,049,949.67	247,119,393.91
Fixed assets	1,043,486,791.67	960,690,289.12
Construction in progress	128,280,432.90	149,845,982.50
Productive biological assets		
Oil and gas assets		
Right-of-use asset	101,088,006.84	97,466,146.65
Intangible assets	67,910,420.64	68,707,096.81
Among them: data resources		
Development expenditure		
Among them: data resources		
Goodwill		
Long-term deferred expenses	198,778,155.17	163,060,861.52
Deferred Tax Assets	42,579,444.60	42,041,171.59
Other non-current assets	18,527,537.55	6,139,043.43
Total non-current assets	1,898,016,053.42	1,812,119,058.26
Total assets	5,414,334,142.59	5,322,208,927.88
Current Liabilities:		
Short-term loan	76,319,990.96	236,768,406.69
Borrowing from the Central Bank		
Borrowed funds		

Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	687,181,499.00	481,324,555.30
Account payables	1,147,852,490.68	1,241,849,626.93
Advance receipt	0.00	202,612.49
Contract liabilities	8,936,491.43	1,792,045.73
Financial assets sold for repurchase		
Deposits and interbank deposits		
Securities brokerage		
Acting as an agent for underwriting securities		
Employee compensation payable	109,516,036.84	90,476,493.28
Taxes payable	34,027,426.56	27,533,551.41
Other payables	39,081,087.76	26,978,522.85
Including: interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	72,427,907.83	73,358,459.81
Other current liabilities	65,619,042.68	85,974,026.74
Total Current Liabilities	2,240,961,973.74	2,266,258,301.23
Non-Current Liabilities:		
Insurance contract reserves		
Long-term loan	173,449,347.58	216,296,231.74
Bonds payable	229,260,860.47	546,110,938.58
Of which: preferred stock		
Perpetual bond		
Lease liabilities	76,801,103.36	70,977,154.16
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	22,941,612.52	28,743,011.46
Deferred Tax Liabilities	23,430,525.03	23,641,310.99
Other non-current liabilities		
Total Non-Current Liabilities	525,883,448.96	885,768,646.93
Total liabilities	2,766,845,422.70	3,152,026,948.16
Owners' equity:		
Capital stock	109,857,638.00	101,200,000.00
Other equity instruments	33,324,100.76	96,996,500.63
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,515,388,158.62	1,107,211,415.49
Less: treasury stock	62,600,689.07	62,600,689.07
Other comprehensive income	-14,290,950.13	-899,483.16
Special reserve		
Surplus reserve	54,928,819.00	50,885,000.00
General risk preparation		
Undistributed profit	1,010,261,591.76	877,868,160.48
Total owner's equity attributable to parent Company	2,646,868,668.94	2,170,660,904.37
Minority interests	620,050.95	-478,924.65
Total owner's equity	2,647,488,719.89	2,170,181,979.72
Total liabilities and owners' equity	5,414,334,142.59	5,322,208,927.88

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

## 2. Parent company balance sheet

Unit:  
Yuan

Projects	Ending balance	Opening balance
Current assets:		
Monetary fund	771,826,149.24	780,458,844.48
Trading financial assets	222,484,142.47	350,379,216.98
Derivative financial assets		
Notes receivable	124,557,825.25	152,830,327.18
Accounts Receivable	1,403,556,464.12	1,369,484,319.46
Receivables Financing	68,614,394.07	14,283,199.23
Advance payment	8,926,107.85	520,387.13
Other receivables	56,965,760.91	41,214,953.40
Including: interest receivable	1,473,240.03	6,484,007.37
Dividends receivable		
Inventory	265,459,384.64	209,090,423.50
Among them: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other Current Assets	13,418,839.66	49,105,993.71
Total current assets	2,935,809,068.21	2,967,367,665.07
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables	229,229,353.44	171,216,875.00
Long-term equity investment	643,240,142.16	638,177,934.45
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	241,049,949.67	247,119,393.91
Fixed assets	303,556,452.85	324,597,704.70
Construction in progress	98,712,708.60	78,974,800.05
Productive biological assets		
Oil and gas assets		
Right-of-use asset	5,712,282.41	14,780,225.98
Intangible assets	28,353,031.11	27,389,420.91
Among them: data resources		
Development expenditure		
Among them: data resources		
Goodwill		
Long-term deferred expenses	60,580,461.39	70,881,608.49
Deferred Tax Assets	17,949,252.75	18,737,890.13
Other non-current assets	5,775,049.53	5,534,306.83
Total non-current assets	1,634,158,683.91	1,597,410,160.45
Total assets	4,569,967,752.12	4,564,777,825.52
Current Liabilities:		
Short-term loan	55,312,899.02	186,568,406.69
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	641,436,356.54	531,324,555.30
Account payables	915,917,883.97	910,302,042.90
Advance receipt		202,612.49
Contract liabilities	5,044,944.97	1,276,116.53
Employee compensation payable	51,176,245.86	45,563,004.07
Taxes payable	12,457,329.64	12,723,379.80
Other payables	25,638,209.74	19,014,596.12
Including: interest payable		

Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	29,924,537.10	37,205,824.97
Other current liabilities	65,617,631.53	86,106,955.94
Total Current Liabilities	1,802,526,038.37	1,830,287,494.81
Non-Current Liabilities:		
Long-term loan	137,170,000.18	162,110,000.14
Bonds payable	229,260,860.47	546,110,938.58
Of which: preferred stock		
Perpetual bond		
Lease liabilities	1,976,327.10	4,869,461.58
Long-term payables		
Long-term employee compensation payable		
Estimated liabilities		
Deferred income	19,093,928.67	23,377,118.81
Deferred Tax Liabilities	7,539,099.84	5,891,891.57
Other non-current liabilities		
Total Non-Current Liabilities	395,040,216.26	742,359,410.68
Total liabilities	2,197,566,254.63	2,572,646,905.49
Owners' equity:		
Capital stock	109,857,638.00	101,200,000.00
Other equity instruments	33,324,100.76	96,996,500.63
Of which: preferred stock		
Perpetual bond		
Capital reserve	1,515,388,158.62	1,107,211,415.49
Less: treasury stock	62,600,689.07	62,600,689.07
Other comprehensive income		
Special reserve		
Surplus reserve	54,928,819.00	50,885,000.00
Undistributed profit	721,503,470.18	698,438,692.98
Total owner's equity	2,372,401,497.49	1,992,130,920.03
Total liabilities and owners' equity	4,569,967,752.12	4,564,777,825.52

### 3. Consolidated income statement

Unit:  
Yuan

Projects	2025	2024
I. Total operating income	4,462,017,401.19	3,797,533,142.40
Including: operating income	4,462,017,401.19	3,797,533,142.40
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating cost	4,177,318,640.14	3,449,805,306.84
Including: operating cost	3,576,629,936.74	2,986,319,686.23
Interest expense		
Fees and commissions		
Surrender money		
Net compensation expense		
Withdrawal of net insurance liability contract reserves		
Policy dividend payout		
Reinsurance fees		
Taxes & surcharges	21,085,257.90	20,636,020.66
Selling expense	100,865,693.56	88,215,520.04
Administration expense	160,415,573.27	155,959,268.28
R&D; expenses	299,069,258.17	212,590,626.98

Finance expense	19,252,920.50	-13,915,815.35
Including: interest expense	27,401,080.55	28,834,093.25
Interest income	22,062,793.87	17,621,657.58
Plus: other income	25,815,598.67	22,843,626.05
Investment income (losses are listed with "- ")	-25,640,335.41	-24,376,062.29
Including: investment income in associates and joint ventures	-26,716,827.42	-25,772,525.00
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 "- ")	3,997,265.86	1,379,216.98
Credit impairment loss (losses are listed with "- ")	-1,948,381.82	-23,586,957.63
Asset impairment loss (losses are listed with "- ")	-13,329,316.07	-22,775,937.21
Asset disposal gains (losses are listed with "- ")	1,028,663.03	693,960.23
III. Operating profit (losses are listed with "- ")	274,622,255.31	301,905,681.69
Plus: non-operating income	3,808,435.68	2,503,132.20
Less: non-operating expenses	1,211,290.57	4,354,488.03
IV. Total profit (total loss is listed with "- ")	277,219,400.42	300,054,325.86
Less: income tax expense	32,117,933.42	31,584,094.80
V. Net profit (net loss is listed with "- ")	245,101,467.00	268,470,231.06
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss is listed with "- ")	245,101,467.00	268,470,231.06
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	244,002,491.40	267,988,609.87
2. Minority shareholder gains and losses	1,098,975.60	481,621.19
VI. Net after-tax other comprehensive income	-13,391,466.97	-4,677,496.80
After-tax net of other comprehensive income attributable to owners of the parent company	-13,391,466.97	-4,677,496.80
(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	-13,391,466.97	-4,677,496.80
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	-13,391,466.97	-4,677,496.80
7. Other		
Net of other comprehensive income attributable to minority shareholders after tax		
VII. Total comprehensive income	231,710,000.03	263,792,734.26
Total comprehensive income attributable to owners of the parent company	230,611,024.43	263,311,113.07
Total comprehensive income attributable to minority shareholders	1,098,975.60	481,621.19
VIII. Earnings per share:		
(1) Basic earnings per share	2.32	2.69
(2) Diluted earnings per share	2.28	2.72

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 RMB, and the net profit realized by the merged party in the previous period is RMB.

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

#### 4. Income statement of the parent company

Unit:  
Yuan

Projects	2025	2024
I. Operating income	3,444,072,076.02	3,138,963,095.14
Less: operating costs	2,928,379,929.11	2,588,113,147.61
Taxes & surcharges	13,249,290.63	15,718,251.20
Selling expense	66,194,196.56	82,694,996.03
Administration expense	86,158,310.93	89,782,111.04
R&D; expenses	176,467,921.86	127,207,829.40
Finance expense	18,266,041.19	-16,722,542.03
Including: interest expense	21,641,642.12	22,929,590.81
Interest income	21,930,580.56	20,199,263.24
Plus: other income	17,176,280.32	13,870,248.42
Investment income (losses are listed with "- ")	-25,624,441.02	-24,343,713.61
Including: investment income in associates and joint ventures	-26,639,105.64	-25,719,751.99
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 "- ")	3,310,249.40	1,379,216.98
Credit impairment loss (losses are listed with "- ")	-4,696,633.19	-2,402,905.46
Asset impairment loss (losses are listed with "- ")	-10,128,853.57	-17,563,354.75
Asset disposal gains (losses are listed with "- ")	1,523.18	312,601.10

II. Operating profit (losses are listed with "- ")	135,394,510.86	223,421,394.57
Plus: non-operating income	3,553,199.85	209,399.70
Less: non-operating expenses	851,807.47	3,693,996.31
III. Total profit (total loss is listed with "- ")	138,095,903.24	219,936,797.96
Less: income tax expense	3,422,065.92	20,219,595.01
IV. Net profit (net loss is listed with "- ")	134,673,837.32	199,717,202.95
(1) Net profit from continuing operations (net loss is listed with "- ")	134,673,837.32	199,717,202.95
(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	134,673,837.32	199,717,202.95
VII. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 5. Consolidated cash flow statement

Unit:  
Yuan

Projects	2025	2024
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	3,916,950,129.22	2,989,698,233.22
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	147,157,990.14	120,868,493.18
Receive other cash related to operating activities	190,459,825.20	179,635,013.86
Subtotal of cash inflow from operating activities	4,254,567,944.56	3,290,201,740.26
Cash paid for purchasing goods and accepting labor services	2,570,345,805.28	1,837,963,632.75
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	809,443,427.74	636,527,232.06
Taxes paid	114,707,520.98	81,006,370.53
Other cash payments related to operating activities	330,734,470.26	337,640,466.27
Subtotal of cash outflows from operating activities	3,825,231,224.26	2,893,137,701.61
Net cash flow from operating activities	429,336,720.30	397,064,038.65
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	15,050.00	1,894,200.49
Net cash received from disposal of subsidiaries and other business units		
Receive other cash related to investing activities	1,049,853,720.05	256,753,831.11

Subtotal of cash inflows from investing activities	1,049,868,770.05	302,648,031.60
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	313,733,646.08	294,102,687.99
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	934,901,849.32	635,693,587.48
Subtotal of cash outflows from investing activities	1,248,635,495.40	929,796,275.47
Net cash flow from investing activities	-198,766,725.35	-627,148,243.87
III. Cash flow from financing activities:		
Cash received from investment	7,484,864.00	
Among them: the subsidiary absorbs the investment income of minority shareholders		
Cash received		
Cash received from borrowing	136,520,348.96	140,000,000.00
Receipt of other cash related to financing activities	176,759,294.50	842,574,293.14
Subtotal of cash inflows from financing activities	320,764,507.46	982,574,293.14
Cash paid for debt repayment	238,708,362.54	210,346,884.16
Cash paid for distribution of dividends, profits or interest payments	119,294,876.37	79,613,874.50
Including: dividends and profits paid by subsidiaries to minority shareholders		
Other cash payments related to financing activities	165,268,575.33	134,354,374.14
Subtotal of cash outflows from financing activities	523,271,814.24	424,315,132.80
Net cash flow from financing activities	-202,507,306.78	558,259,160.34
IV. The impact of exchange rate changes on cash and cash equivalents	-5,996,578.87	18,548,458.27
V. Net increase in cash and cash equivalents	22,066,109.30	346,723,413.39
Add: balance of cash and cash equivalents at the beginning of the period	874,602,674.93	527,879,261.54
VI. Balance of cash and cash equivalents at the end of the period	896,668,784.23	874,602,674.93

## 6. Parent company cash flow statement

Unit:  
Yuan

Projects	2025	2024
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and provision of services	2,871,596,445.41	2,552,280,994.84
Tax refunds received	133,130,541.53	118,438,714.47
Receive other cash related to operating activities	203,640,703.12	308,483,873.88
Subtotal of cash inflow from operating activities	3,208,367,690.06	2,979,203,583.19
Cash paid for purchasing goods and accepting labor services	2,451,635,549.42	2,203,068,373.27
Cash paid to and for employees	300,537,828.49	255,008,466.35
Taxes paid	44,996,658.00	41,891,273.40
Other cash payments related to operating activities	255,266,583.62	299,156,175.11
Subtotal of cash outflows from operating activities	3,052,436,619.53	2,799,124,288.13
Net cash flow from operating activities	155,931,070.53	180,079,295.06
<b>II. Cash flow from investing activities:</b>		
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	35,479.50	14,910,027.71
Net cash received from disposal of subsidiaries and other business units		
Receive other cash related to investing activities	1,004,282,607.71	282,627,288.38
Subtotal of cash inflows from investing activities	1,004,318,087.21	341,537,316.09
Cash paid for the acquisition and construction of fixed assets, intangible assets and other long-term assets	120,685,178.46	102,498,656.11
Cash paid for investments	14,000,000.00	25,000,000.00
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investing activities	904,528,277.63	672,297,093.15
Subtotal of cash outflows from investing activities	1,039,213,456.09	799,795,749.26
Net cash flow from investing activities	-34,895,368.88	-458,258,433.17
<b>III. Cash flow from financing activities:</b>		
Cash received from investment	7,484,864.00	
Cash received from borrowing	40,000,000.00	140,000,000.00
Receipt of other cash related to financing activities	106,759,294.50	682,772,910.36
Subtotal of cash inflows from financing activities	154,244,158.50	822,772,910.36
Cash paid for debt repayment	184,939,999.96	192,439,999.96
Cash paid for distribution of dividends, profits or interest payments	116,949,949.92	75,208,981.62
Other cash payments related to financing activities	13,014,099.10	37,852,073.95
Subtotal of cash outflows from financing activities	314,904,048.98	305,501,055.53
Net cash flow from financing activities	-160,659,890.48	517,271,854.83

IV. The impact of exchange rate changes on cash and cash equivalents	-3,702,922.28	13,606,448.09
V. Net increase in cash and cash equivalents	-43,327,111.11	252,699,164.81
Add: balance of cash and cash equivalents at the beginning of the period	628,587,070.63	375,887,905.82
VI. Balance of cash and cash equivalents at the end of the period	585,259,959.52	628,587,070.63

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

Amount for the current period

Unit:  
Yuan

Projects	2025														
	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
	Preferred stock	Perpetual bond	other												
I. Balance at the end of the previous year	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
Plus: accounting policy changes															
Period error correction															
He				-14,549,475.09							1,603,136.05		-12,946,339.04		-12,946,339.04
II. Balance at the beginning of the year	101,200,000.00			82,447,025.54	1,107,211,415.49	62,600,689.07	-899,483.16		50,885,000.00		879,471,296.53		2,157,714,565.33	-478,924.65	2,157,235,640.68

III. The amount of change in the current period (decrease is filled with "-")	8,657,638.00			-49,122,924.78	408,176,743.13		-13,391,466.97			4,043,819.00		130,790,295.23		489,154,103.61	1,098,975.60	490,253,079.21
Column)																
(1) Total comprehensive income							-13,391,466.97					244,002,491.40		230,611,024.43	1,098,975.60	231,710,000.03
(2) Owner input and reduction of capital	8,657,638.00			-49,122,924.78	402,193,674.06									361,728,387.28		361,728,387.28
1. Common stock invested by the owner																
2. Capital invested by holders of other equity instruments	8,657,638.00			-49,122,924.78	379,165,301.60									338,700,014.82		338,700,014.82

3. Amount of share-based payment included in owner's equity					23,028,372.46								23,028,372.46		23,028,372.46
4. Other															
(3) Profit distribution								4,043,819.00		-113,212,196.17			-109,168,377.17		-109,168,377.17
1. Withdrawal of surplus reserves								4,043,819.00		-4,043,819.00					
2. Take general risk reserves															
3. To the owner										-109,168,377.			-109,168,377.		-109,168,377.
(or shareholders) distribution										17			17		17
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) Specialized															

Item reserve															
1. Withdrawal in this period															
2. Use in this period															
(6) Other					5,983,069.07							5,983,069.07		5,983,069.07	
IV. Balance at the end of the period	109,857,638.00		33,324,100.76	1,515,388,158.62	62,600,689.07	-14,290,950.13		54,928,819.00		1,010,261,591.76		2,646,868,668.94	620,050.95	2,647,488,719.89	
Amount of the previous period															

Unit:  
Yuan

Projects	2024														
	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
	Preferred stock	Perpetual bond	other												
I. Balance at the end of the previous year	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
Plus: accounting policy changes															
Period error correction															
He															

II. Balance at the beginning of the year	101,200,000.				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
III. The amount of change in the current period (decrease is filled with "-")				96,996,500.63	17,474,969.33		-4,677,496.80				203,583,189.66		313,377,162.82	481,621.19	313,858,784.01
Column)															
(1) Total comprehensive income							-4,677,496.80				267,988,609.87		263,311,113.07	481,621.19	263,792,734.26
(2) Owner input and reduction of capital					9,774,814.03								9,774,814.03		9,774,814.03
1. Common stock invested by the owner															
2. Capital invested by holders of other equity instruments															

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										-64,405,420.2			-64,405,420.2		-64,405,420.2
(or shareholders) distribution										1			1		1
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) Specialized															

Item 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

### 8. Statement of Changes in Owner's Equity of Parent Company

Amount for the current period

Unit:  
Yuan

Projects	2025											
	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			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
Plus: accounting policy changes												
Period error correction												
He				-14,549,475.09						1,603,136.05		-12,946,339.04

II. Balance at the be ginning of the year III.	101,200 ,000.00			82,447, 025.54	1,107,2 11,415. 49	62,600, 689.07			50,885, 000.00	700,041 ,829.03		1,979,1 84,580. 99
Amount of change in the current period (Decrease is marked with "- ")	8,657,6 38.00			-49,122, 924.78	408,176 ,743.13			4,043,8 19.00	21,461, 641.15			393,21 6,916.5 0
(1) Total co mprehe nsive income									134,673 ,837.32			134,67 3,837.3 2
(2) Owner input and red uction of capital	8,657,6 38.00			-49,122, 924.78	402,193 ,674.06							361,72 8,387.2 8
1. Com mon stock invested by the owner												
2. Capital invested by holders of other equity i nstrume nts	8,657,6 38.00			-49,122, 924.78	379,165 ,301.60							338,70 0,014.8 2
3. Amount of share -based payment included in owner's equity					23,028, 372.46							23,028, 372.46
4. Other												
(3) Profit di stributio n								4,043,8 19.00	-113,21 2,196.1 7			-109,16 8,377.1 7

1. With drawal of surplus reserves									4,043,819.00	-4,043,819.00		
2. To the owner (or shareholder)										-109,168,377.17		-109,168,377.17
Distribution of												
3. 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. This issue												
Fetch												
2. Use in this period												
(6) Other					5,983,069.07							5,983,069.07
IV. Balance at the end of the period	109,857,638.00			33,324,100.76	1,515,388,158.62	62,600,689.07			54,928,819.00	721,503,470.18		2,372,401,497.49

Amount of the previous 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				1,089,736,446.16	62,600,689.07			50,885,000.00	563,126,910.24		1,742,347,667.33
Plus: accounting policy changes												
Period error correction												
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. Amount of increase or decrease in the current period ( decrease is listed with "- ")				96,996, 500.63	17,474, 969.33					135,311 ,782.74		249,78 3,252.7 0
(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. Distribution to owners (or shareholders)										-64,405,420.21		-64,405,420.21
3. 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. 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. End of the period	101,200,000.00			96,996,500.63	1,107,211,415.4	62,600,689.07			50,885,000.00	698,438,692.98		1,992,130,920.0
Balance					9							3

### 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 of the company: Wang Heqiu

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 20, 2026.

### IV. Basis for Preparation of Financial Statements

#### 1. Compilation basis

The financial statements are based on the company's going concern assumption, 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. Going concern

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 issued by the Ministry of Finance and their application guidelines, interpretations and other relevant regulations (collectively referred to as the "Accounting Standards for Business Enterprises"), 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 Preparation 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's accounting standard currency and the currency used in the preparation of these financial statements are both RMB. Unless otherwise specified, they are all expressed in RMB yuan. The company's overseas subsidiaries use the currency selected by them 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 acquiree's identifiable net assets obtained in the merger, the fair value of the acquired acquiree's identifiable assets, liabilities and contingent liabilities 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 acquiree's identifiable net assets 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 not economical on its own, but is economical when considered together with other transactions.

(2) The accounting treatment method of each transaction in the process of step-by-step disposal of equity to loss of control of the subsidiary is a "package deal". If each transaction in the process of disposing of equity investment in a subsidiary until loss of control is a package deal, each transaction shall be treated as a transaction of disposal of the subsidiary and loss of control; 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 company's net assets 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 calculated continuously 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. The judgment standard of control and the 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 the relevant agreement, and the relevant activities of the arrangement must be unanimously agreed by the participants who share the control rights before decision-making.

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 participants in the joint operation 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 a foreign currency transaction is initially confirmed, the approximate exchange rate of the spot exchange rate/spot exchange rate on the transaction date is used to convert it into the functional currency amount. 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 profit and loss except for the exchange differences in 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 approximate exchange rate of the spot exchange rate/spot exchange rate on the transaction date, and their functional currency 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.

The purchase and sale of financial assets in the conventional way shall be 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 the cash flow of the financial asset, or assumed the obligation to pay the full amount of the cash flow received to a third party in a timely manner under the "pass-through agreement"; and (a) substantially transferred almost all the risks and rewards of the ownership of the financial asset, or (b) gave up control of the financial asset although substantially neither transferred nor retained almost all the risks and rewards of the ownership of the financial asset.

### 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 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 with changes included in 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 financial asset and financial liability portfolio 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 rate 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, 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 of the financial instrument over its entire lifetime; 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 over the next 12 months. The resulting increase or reversal of the loss provision shall be 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 Note "XII. 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 treatment methods 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 according to the expected credit loss in the next 12 months, and calculate the interest income according to 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 based on the expected credit loss for the entire duration of the instrument, and calculate the interest income based on 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 that have been impaired in credit 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 long 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 financing component of contracts not exceeding one year 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 of the ownership of the financial assets, it shall be dealt with in the following situations: if it has given up control of the financial asset, the financial asset shall be terminated and the resulting assets and liabilities shall be recognized; 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

The Company adopts the simplified model of expected credit loss for the receivables specified in the "Accounting Standards for Business Enterprises No. 14 - Income" that do not contain significant financing components (including the situation where the financing components of contracts not exceeding one year are not considered according to the standard), 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

The Company adopts the simplified model of expected credit loss for the receivables specified in the "Accounting Standards for Business Enterprises No. 14 - Income" that do not contain significant financing components (including the situation where the financing components of contracts not exceeding one year are not considered according to the standard), 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 with 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 receivables from subsidiaries within the scope of consolidation and other accounts without significant risk of recovery into 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 if this type of business is frequent and involves a large amount, 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 V, 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 as 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 the fulfillment of performance obligations and customer payments. The consideration (except receivables) that the Company is entitled to receive for transferring goods or providing 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 the provision for inventory depreciation

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 capital reserve (capital premium or equity premium) is adjusted for 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; 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 that the Company can control over the investee are accounted for using the cost method in the Company's individual financial statements; long-term equity investments that have 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. In addition to 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 at the same time, 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, according to 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 part 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 invested entity 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%
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, shall be capitalized and included in the cost of the relevant assets; other borrowing costs shall be 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 asset expenditure has been incurred; 2) the borrowing costs have been incurred; 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 assets purchased, constructed or produced 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, estimation, 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 are systematically and reasonably amortized within the useful life according to the expected realization method of the economic benefits related to the intangible asset. 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 the fulfillment of 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 the 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 local 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 provisions as a liability and include it in the current profit and loss or the relevant asset cost.

### **(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 reduction. When the Company cannot unilaterally withdraw the plan to terminate the labor relationship or the reduction proposal, and when the cost and expenses related to the reorganization involving the payment of dismissal benefits are confirmed, the liabilities arising from the compensation for the termination of the labor relationship with the employee are 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**

Estimate 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

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 grant date, 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 vesting situation, the services obtained in the current period are included in the relevant costs or expenses and corresponding liabilities according to 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 will recognize 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 will recognize 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 judges 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 during the performance of the contract have irreplaceable uses, and the Company has the right to receive payment for the accumulated part of the performance completed so far 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.

In determining whether a customer has obtained control of the 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 product to the customer, that is, the customer already has the legal ownership of the product.

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 the receipt; for products sold by the company to overseas customers, the goods are exported 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 its revenue based on the transaction price allocated to each individual performance obligation. When determining the transaction price, the Company considers the influence of variable consideration, significant financing components in the contract, non-cash consideration, consideration payable to customers and other factors.

#### (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 very likely to not 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 commodity. 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 used to offset the transaction price, and the current income shall be offset when the relevant revenue is recognized and the consideration paid (or promised to pay) to the customer is late, but the consideration payable to the customer is to obtain other clearly distinguishable commodities from the customer except. 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 the relevant expenses or losses have been compensated, 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 discount 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 actual amount 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 Assets/Deferred Tax 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 according to 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. It is confirmed 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**

##### **1. Lessee**

When the Company is the lessee, on the start date of the lease term, except for 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. With reference to the relevant depreciation provisions of the "Accounting Standards for Business Enterprises No. 4 - Fixed Assets", depreciation is made for the right-of-use 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 upon 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 in each period of the lease term according to the 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

### 2. Lessor

#### (1) Finance lease

If the Company acts as the lessor, on the start date of the lease term, it recognizes the finance lease receivables for the finance lease, 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 operating leases are capitalized, apportioned on the same basis as rental income during the lease term, and included in the current profit and loss in installments.

For fixed assets in 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 applicable Accounting Standards for Business Enterprises for 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

### (2) Changes in significant accounting estimates

■ Applicable ■ Not applicable

(3) From 2025 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%,7%,9%,13%,16%
Urban maintenance and construction tax	Actual turnover tax paid	5%,7%
Corporate income tax	Taxable income	See the table below for details
Education surcharge	Actual turnover tax paid	3%
Local education fee surcharge	Actual turnover tax paid	2%

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

Taxpayer name	Income tax rate
Shenzhen Honor Electronic Co., Ltd.	15.00%
Honor Electron (Ganzhou) Electronics Co., Ltd	15.00%
Dongguan Honor Electron Electronics Co., Ltd	15.00%
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 INDUSTRIES.A.de C.V	30.00%
Evolvex Technology INC	21.00%
ASPOWER MANUFACTURING Inc.	21.00%
HONOTO HIGH TECH(Thailand) CO.,LTD.	20.00%

## 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 recognized the company as a high-tech enterprise (certificate number: GR 202444200421), valid for three years, and the company enjoys a preferential tax rate of 15%.

Note 2: According to the relevant tax policy provisions 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 Electronics Co., Ltd. as a high-tech enterprise (certificate number: GR 202344007059), valid for three years, and Dongguan Honor Electron Electronics Co., Ltd. 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 Technology Energy Co., Ltd. as a high-tech enterprise (certificate number: GR202333005336) with a validity period of three years. Hangzhou Yundian Technology Energy Co., Ltd. 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	53,490.75	28,961.12

Bank deposit	889,170,036.45	867,133,852.15
Other monetary funds	207,371,446.75	159,311,635.51
Total	1,096,594,973.95	1,026,474,448.78
Including: the total amount of money deposited abroad	257,977,175.04	181,745,107.71

Other instructions:

The balance of other monetary funds at the end of the period was 207,371,446.75 yuan, of which the ending balance of the special securities account for repurchase was 7,445,257.03 yuan, the ending balance of bank acceptance bill margin was 199,746,189.72 yuan, and the funds frozen for disputes over sales contracts were 180,000.00 yuan. For details of restrictions, please refer to Note VII. 20.

## 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	282,661,873.98	350,379,216.98
Of which:		
Debt instrument investment	282,661,873.98	350,379,216.98
Of which:		
Total	282,661,873.98	350,379,216.98

Other instructions:

## 3. Notes receivable

### (1) Classification of bills receivable

Unit:  
Yuan

Projects	Ending balance	Opening balance
Bank acceptance note	70,869,097.96	136,066,471.06
Commercial acceptance note	53,688,727.29	16,763,856.12
Total	124,557,825.25	152,830,327.18

### (2) 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	

Notes receivable with single provision for bad debts	0.00	0.00%	0.00	0.00%	0.00	0.00	0.00%	0.00	0.00%	0.00
Of which:										
Notes receivable with provision for bad debts by portfolio	127,383,547.74	100.00%	2,825,722.49	2.22%	124,557,825.25	153,712,635.40	100.00%	882,308.22	0.57%	152,830,327.18
Of which:										
Commercial acceptance bill	56,514,449.78	44.37%	2,825,722.49	5.00%	53,688,727.29	17,646,164.34	11.48%	882,308.22	5.00%	16,763,856.12
Bank Acceptance Draft	70,869,097.96	55.63%	0.00		70,869,097.96	136,066,471.06	88.52%			136,066,471.06
Total	127,383,547.74	100.00%	2,825,722.49	2.22%	124,557,825.25	153,712,635.40	100.00%	882,308.22	0.57%	152,830,327.18

Provision for bad debts by combination: RMB 2,825,722.49

Unit:  
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year	56,514,449.78	2,825,722.49	5.00%
Total	56,514,449.78	2,825,722.49	

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	882,308.22	1,943,414.27	0.00	0.00	0.00	2,825,722.49
Total	882,308.22	1,943,414.27	0.00	0.00	0.00	2,825,722.49

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
Bank acceptance note	0.00
Commercial acceptance note	46,780,247.07
Total	46,780,247.07

**(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	70,816,302.49
Commercial acceptance note	0.00	0.00
Total	0.00	70,816,302.49

**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)	1,387,795,706.87	1,454,498,796.43
1 to 2 years	3,360,842.12	7,557,175.15
2 to 3 years	4,318,819.98	539,581.11
More than 3 years	7,928,612.30	10,599,711.29
3 to 4 years	534,200.03	741.29
4 to 5 years	703.31	9,651,252.01
More than 5 years	7,393,708.96	947,717.99
Total	1,403,403,981.27	1,473,195,263.98

**(2) 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	
Accounts receivable with provision for bad debts on a single-item basis	8,767,941.87	0.62%	8,767,941.87	100.00%	0.00	11,899,044.89	0.81%	11,899,044.89	100.00%	0.00
Of which:										

Accounts receivable with provision for bad debts by portfolio	1,394,636,039.40	99.38%	70,463,981.75	5.05%	1,324,172,057.65	1,461,296,219.09	99.19%	73,417,976.16	5.02%	1,387,878,242.93
Of which:										
Total	1,403,403,981.27	100.00%	79,231,923.62	5.65%	1,324,172,057.65	1,473,195,263.98	100.00%	85,317,021.05	5.79%	1,387,878,242.93
Provision for bad debts by single item: 8,767,941.87 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
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
Sichuan Yihaihua Technology Co., Ltd	2,971,390.41	2,971,390.41	0.00	0.00	0.00%	
Yihaihua (Hong Kong) Technology Co., Ltd	4,042,759.83	4,042,759.83	3,953,000.71	3,953,000.71	100.00%	Not expected to be recovered
E-POWER(HK) TEC HNOLOG YCO.,LIMITED	3,148,634.21	3,148,634.21	3,078,726.85	3,078,726.85	100.00%	Not expected to be recovered
other	506,836.45	506,836.45	506,790.32	506,790.32	100.00%	Not expected to be recovered
Total	11,899,044.89	11,899,044.89	8,767,941.87	8,767,941.87		

Provision for bad debts by combination: RMB 70,463,981.75

Unit:  
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	1,387,704,276.96	69,385,214.33	5.00%
1-2 years (including 2 years)	3,156,632.33	315,663.24	10.00%
2-3 years (including 3 years)	3,748,202.91	749,640.58	20.00%
3-4 years (including 4 years)	26,927.20	13,463.60	50.00%
Total	1,394,636,039.40	70,463,981.75	

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	11,899,044.89	-159,712.61	209,180.82	2,762,209.59	0.00	8,767,941.87
Provision for bad debts by portfolio	73,417,976.16	-2,165,220.29	0.00	0.00	-788,774.12	70,463,981.75
Total	85,317,021.05	-2,324,932.90	209,180.82	2,762,209.59	-788,774.12	79,231,923.62

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 actually written off in the current period

Unit:  
Yuan

Projects	Write-off amount
Accounts receivable actually written off	2,762,209.59

Among the important accounts receivable write-offs:

Unit:  
Yuan

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

Accounts Receivable Write-off Instructions:

### (5) 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	117,638,583.25	0.00	117,638,583.25	8.38%	5,882,406.15
Second place	116,236,035.47	0.00	116,236,035.47	8.28%	5,811,801.77
Third place	87,811,617.08	0.00	87,811,617.08	6.26%	4,390,671.49
Fourth place	86,800,281.48	0.00	86,800,281.48	6.18%	4,340,014.07
Fifth place	81,019,361.31	0.00	81,019,361.31	5.77%	4,050,968.07
Total	489,505,878.59	0.00	489,505,878.59	34.87%	24,475,861.55

## 5. Contract assets

### (1) Contract assets

Unit:  
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Contract assets	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00		0.00	0.00	

## 6. Receivables financing

### (1) Classification of accounts receivable financing

Unit:  
Yuan

Projects	Ending balance	Opening balance
Bank Acceptance Draft	95,182,974.50	17,854,895.54
Total	95,182,974.50	17,854,895.54

### (2) Receivables 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	263,952,971.51	
Total	263,952,971.51	

## 7. Other receivables

Unit:  
Yuan

Projects	Ending balance	Opening balance
Interest receivable	1,484,301.11	6,484,007.37
Other receivables	28,298,697.00	25,578,880.26
Total	29,782,998.11	32,062,887.63

## (1) Interest receivable

### 1) Classification of interest receivable

Unit:  
Yuan

Projects	Ending balance	Opening balance
Margin interest income	454,304.17	362,332.22
Interest accrued on time deposits	1,029,996.94	6,121,675.15
Total	1,484,301.11	6,484,007.37

### 2) Disclosure by 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 by individual item	1,484,301.11	100.00%			1,484,301.11	6,484,007.37	100.00%			6,484,007.37
Of which:										
Of which:										
Total	1,484,301.11	100.00%			1,484,301.11	6,484,007.37	100.00%			6,484,007.37

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	362,332.22		454,304.17			Bank interest, lower loss ratio
Interest accrued on time deposits	6,121,675.15		1,029,996.94			Bank interest, lower loss ratio
Total	6,484,007.37		1,484,301.11			

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, 2025 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

Other instructions:

**4) Interest receivables actually written off in the current period**

Unit:  
Yuan

Projects	Write-off amount

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

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	26,831,110.71	20,126,983.61
Receivables	2,273,397.67	3,948,748.76
Withholding and paying social security provident fund	3,387,934.50	3,041,467.88
other	4,665,322.78	4,868,092.31
Total	37,157,765.66	31,985,292.56

### 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)	17,226,093.15	22,601,309.67
1 to 2 years	12,636,104.96	3,718,394.58
2 to 3 years	1,791,477.43	1,265,926.94
More than 3 years	5,504,090.12	4,399,661.37
3 to 4 years	1,134,211.24	3,286,699.95
4 to 5 years	3,257,873.00	
More than 5 years	1,112,005.88	1,112,961.42
Total	37,157,765.66	31,985,292.56

### 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 by individual item	2,789,104.53	7.51%	2,789,104.53	100.00%		2,866,873.56	8.96%	2,838,409.74	99.01%	28,463.82
Of which:										
Provision for bad debts by portfolio	34,368,661.13	92.49%	6,069,964.13	17.66%	28,298,697.00	29,118,419.00	91.04%	3,568,002.56	12.25%	25,550,416.44
Of which:										
Total	37,157,765.66	100.00%	8,859,068.66	23.84%	28,298,697.00	31,985,292.56	100.00%	6,406,412.30	20.03%	25,578,880.26

Provision for bad debts by single item: RMB 2,789,104.53

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	1,159,021.67	1,159,021.67	1,133,288.57	1,133,288.57	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	544,521.30	544,521.30	532,431.60	532,431.60	100.00%	Not expected to be recovered
Great Star(HK) Electronics Company Limited	390,830.43	390,830.43	382,153.04	382,153.04	100.00%	Not expected to be recovered
other	154,802.11	126,338.29	123,533.27	123,533.27	100.00%	Not expected to be recovered
Total	2,866,873.56	2,838,409.74	2,789,104.53	2,789,104.53		
Provision for bad debts by combination: RMB 6,069,964.13						

Unit:  
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	17,220,674.34	861,033.91	5.00%
1-2 years (including 2 years)	12,636,104.96	1,263,610.49	10.00%
2-3 years (including 3 years)	622,372.00	124,474.40	20.00%
3-4 years (including 4 years)	137,329.00	68,664.50	50.00%
4-5 years (including 5 years)	3,257,873.00	3,257,873.00	100.00%
More than 5 years	494,307.83	494,307.83	100.00%
Total	34,368,661.13	6,069,964.13	

Unit:  
Yuan

Description of the basis for determining the combination:

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

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, 2025	3,568,002.56		2,838,409.74	6,406,412.30
Balance at January 1, 2025 in the current period				
Provision for the current period	2,588,386.48		-49,305.21	2,539,081.27
Other changes	-86,424.91			-86,424.91
Balance at December 31, 2025	6,069,964.13		2,789,104.53	8,859,068.66

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:  
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Resell or write off	other	
Provision for bad debts by individual item	2,838,409.74	-49,305.21				2,789,104.53
Provision for bad debts by portfolio	3,568,002.56	2,588,386.48			-86,424.91	6,069,964.13
Total	6,406,412.30	2,539,081.27			-86,424.91	8,859,068.66

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

#### 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

First place	Deposit and security deposit	7,837,112.00	Within 2 years	21.09%	782,733.31
Second place	Deposit and security deposit	6,701,257.92	Within 1 year	18.03%	335,062.90
Third place	Deposit and security deposit	3,012,684.00	Within 5 years	8.11%	2,824,494.00
Fourth place	Deposit and security deposit	3,000,000.00	Within 1 year	8.07%	150,000.00
Fifth place	Insurance Indemnity	2,657,119.74	1-2 years	7.15%	265,711.97
Total		23,208,173.66		62.45%	4,358,002.18

## 8. Prepayments

### (1) Prepayments are shown by age

Unit:  
Yuan

Aging	Ending balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	4,605,674.41	93.67%	2,321,779.19	95.28%
1 to 2 years	248,710.78	5.06%	114,991.02	4.72%
2 to 3 years	62,511.33	1.27%	0.00	
More than 3 years	0.00	0.00%	0.00	
Total	4,916,896.52		2,436,770.21	

Explanation of the reasons for the untimely settlement of prepayments with an age of more than 1 year and an important amount:

### (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	749,499.27	15.24
Second place	612,728.61	12.46
Third place	583,000.00	11.86
Fourth place	458,689.14	9.33
Fifth place	354,034.00	7.20
Total	2,757,951.02	56.09

Other instructions:

## 9. 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	235,542,871.03	11,616,294.12	223,926,576.91	194,006,783.10	19,238,605.23	174,768,177.87
In product	25,315,252.57		25,315,252.57	1,314,042.95		1,314,042.95
Stock item	228,735,131.95	13,044,175.90	215,690,956.05	220,451,614.73	14,289,775.77	206,161,838.96
Issue goods	66,298,652.64	2,969,912.47	63,328,740.17	82,743,764.92	327,602.82	82,416,162.10
Entrusted processing materials	259,856.48		259,856.48			
Total	556,151,764.67	27,630,382.49	528,521,382.18	498,516,205.70	33,855,983.82	464,660,221.88

## (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	19,238,605.23	4,841,253.47		12,463,564.58		11,616,294.12
Stock item	14,289,775.77	5,518,150.13		6,763,750.00		13,044,175.90
Issue goods	327,602.82	2,969,912.47		327,602.82		2,969,912.47
Total	33,855,983.82	13,329,316.07		19,554,917.40		27,630,382.49

The specific basis for determining the net realizable value is detailed in Note V. 17, "Inventory"; the reduction in the provision for inventory depreciation in the current period is all written off with the production or sale of the 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

## 10. Other Current Assets

Unit:  
Yuan

Projects	Ending balance	Opening balance
Retained tax credits and input tax to be certified	14,227,059.38	27,512,858.49
Prepaid income tax	5,700,047.65	
Large-denomination certificate of deposit	10,000,000.00	48,000,000.00
Total	29,927,107.03	75,512,858.49

Other instructions:

## 11. 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 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	744,0				-						666,2	
City Hangcheng Enterprise Headquarters Management Co., Ltd	17.13				77,721.78						95.35	
Subtotal	744,017.13				-77,721.78						666,295.35	
II. Joint ventures												
Shanghai Anshibo Energy Technology Co., Ltd	76,305,055.60				-26,639,105.64		5,983,069.07				55,649,019.03	
Subtotal	76,305,055.60				-26,639,105.64		5,983,069.07				55,649,019.03	
Total	77,049,072.73				-26,716,827.42		5,983,069.07				56,315,314.38	

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:

## 12. 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	276,849,084.13			276,849,084.13
2. Increase in the current period				
(1) Outsourcing				
(2) Inventory\ fixed assets\ transfer in construction in progress				
(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	29,729,690.22			29,729,690.22
2. Increase in the current period	6,069,444.24			6,069,444.24
(1) Provision or amortization	6,069,444.24			6,069,444.24
3. Amount of reduction in the current period				
(1) Disposal				
(2) Other transfers				
4. Ending balance	35,799,134.46			35,799,134.46
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	241,049,949.67			241,049,949.67
2. Book value at the beginning of the period	247,119,393.91			247,119,393.91

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

## 13. Fixed assets

Unit:  
Yuan

Projects	Ending balance	Opening balance
Fixed assets	1,043,486,791.67	960,690,289.12
Total	1,043,486,791.67	960,690,289.12

### (1) Fixed assets

Unit:  
Yuan

Projects	Houses and buildings	Equipment	Means of transport	Electronic equipment and others	Total
I. Original book value:					
1. Opening balance	632,536,190.90	544,901,132.00	9,044,758.79	132,408,176.62	1,318,890,258.31
2. Increase in the current period	-1,164,755.37	179,888,860.57	861,454.78	13,135,562.64	192,721,122.62
(1) Acquisition	79,196.95	107,065,043.71	669,103.86	13,853,256.57	121,666,601.10

(2) Transfer of construction in progress	92,999.52	83,148,421.26	250,724.06	42,247.10	83,534,391.94
(3) Increase in business combinations					
(4) Changes in exchange rates	-1,336,951.85	-10,324,604.39	-58,373.15	-759,941.03	-12,479,870.42
3. Amount of reduction in the current period		7,214,476.86	10,000.00	1,644,499.55	8,868,976.41
(1) Disposal or scrapping		7,214,476.86	10,000.00	1,644,499.55	8,868,976.41
4. Ending balance	631,371,435.53	717,575,515.71	9,896,213.57	143,899,239.71	1,502,742,404.52
II. Accumulated depreciation					
1. Opening balance	73,071,298.75	210,801,058.36	4,621,420.34	69,706,191.74	358,199,969.19
2. Increase in the current period	19,034,393.16	73,567,822.43	796,318.75	15,142,659.29	108,541,193.63
(1) Accrual	19,791,094.08	76,948,014.27	817,483.68	15,633,600.25	113,190,192.27
(2) Changes in exchange rates	-756,700.91	-3,380,191.84	-21,164.92	-490,940.96	-4,648,998.64
3. Amount of reduction in the current period		6,335,872.74	9,500.00	1,140,177.23	7,485,549.97
(1) Disposal or scrapping		6,335,872.74	9,500.00	1,140,177.23	7,485,549.97
4. Ending balance	92,105,691.91	278,033,008.05	5,408,239.09	83,708,673.80	459,255,612.85
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	539,265,743.61	439,542,507.67	4,487,974.48	60,190,565.92	1,043,486,791.67
2. Book value at the beginning of the period	559,464,892.15	334,100,073.64	4,423,338.45	62,701,984.88	960,690,289.12

**(2) Fixed assets leased out through operating leases**Unit:  
Yuan

Projects	Book value at the end of the period
Houses, buildings	2,919,543.35
Electronic equipment and others	148,345.81
Total	3,067,889.16

**(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	53,975,051.93	In process
Total	53,975,051.93	

Other instructions:

**(4) Impairment test of fixed assets**

■ Applicable ■ Not applicable

**14. Construction in progress**Unit:  
Yuan

Projects	Ending balance	Opening balance
Construction in progress	128,280,432.90	149,845,982.50
Total	128,280,432.90	149,845,982.50

**(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
Baoan Aviation City Innovation	96,257,775.3		96,257,775.3	76,861,871.5		76,861,871.5
Industrial R&D; Joint Base Project	0		0	4		4
Vietnam Honor Electron new plant construction project	13,559,331.83		13,559,331.83			
Equipment and software installation engineering	7,129,020.93		7,129,020.93	11,446,815.38		11,446,815.38

Mexico factory construction project	7,719,730.96		7,719,730.96	46,820,880.46		46,820,880.46
Office renovation project in Taiwan, China	2,033,446.19		2,033,446.19			
Hangzhou Yundian new rental office decoration project	1,198,899.08		1,198,899.08			
Renovation of Dongguan Honor Electron Workshop	382,228.61		382,228.61			
Dongguan Honor Electron Information Equipment Manufacturing Center Project				362,353.98		362,353.98
Ganzhou Power Adapter Production Line Technical Transformation Project				1,047,067.33		1,047,067.33
Ganzhou Power Adapter Expansion Project				4,260,736.94		4,260,736.94
Suzhou Yundian Factory Decoration Project				9,046,256.87		9,046,256.87
Total	128,280,432.90		128,280,432.90	149,845,982.50		149,845,982.50

**(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 transferred in the current period	Other reductions in the current period	Ending balance	The cumulative investment in the project accounts for the proportion of the budget	Project progress	Cumulative amount of interest capitalization	Including: the amount of interest capitalized in the current period	Interest capitalization rate for the current period	Source of funds

Bao'an Aviation City Innovation Industry R&D; Joint Base Project	122,564,789.47	76,861,871.54	19,395,903.76			96,257,775.30	78.54%	78.54%				Others, raised funds
Vietnam Honor Electron new plant construction project	22,575,954.25		13,559,331.83			13,559,331.83	60.06%	60.06%				other
Mexican factory builder	130,951,171.09	46,820,880.46	7,119,159.64	25,231,607.86	20,988,701.28	7,719,730.96	41.19%	41.19%				other
Dongguan Honor Electron Information Equipment Manufacturing Center Project	321,605,611.33	362,353.98			362,353.98		100.00%	100.00%	754,027.78			Raise funds
Ganzhou Power Adapter Expansion Project	6,842,493.60	4,260,736.94	3,491,041.71		7,751,778.65		100.00%	100.00%				other
Suzhou Yundian Factory Decoration Project	11,317,816.50	9,046,256.87	64,800.00		9,111,056.87		100.00%	100.00%				other
Total	615,857,836.24	137,352,099.79	43,630,236.94	25,231,607.86	38,213,890.78	117,536,838.09			754,027.78			

### (3) Impairment test of construction in progress

■ Applicable ■ Not applicable

## 15. Right-of-use assets

### (1) Right-of-use assets

Unit:  
Yuan

Projects	Houses and buildings	Total
<b>I. Original book value</b>		
1. Opening balance	148,696,366.39	148,696,366.39
2. Increase in the current period	38,252,902.26	38,252,902.26
(1) New lease	37,714,360.91	37,714,360.91
(2) Changes in the original value caused by changes in exchange rates	538,541.35	538,541.35
3. Amount of reduction in the current period	7,077,110.72	7,077,110.72
(1) Disposal	7,077,110.72	7,077,110.72
4. Ending balance	179,872,157.92	179,872,157.92
<b>II. Accumulated depreciation</b>		
1. Opening balance	51,230,219.74	51,230,219.74
2. Increase in the current period	32,698,155.36	32,698,155.36
(1) Accrual	32,869,215.04	32,869,215.04
(2) Changes in accumulated depreciation due to changes in exchange rates	-171,059.68	-171,059.68
3. Amount of reduction in the current period	5,144,224.02	5,144,224.02
(1) Disposal	5,144,224.02	5,144,224.02
4. Ending balance	78,784,151.08	78,784,151.08
<b>III. Provision for impairment</b>		
1. Opening balance		
2. Increase in the current period		
(1) Accrual		
3. Amount of reduction in the current period		
(1) Disposal		
4. Ending balance		
<b>IV. Book value</b>		
1. Book value at the end of the period	101,088,006.84	101,088,006.84
2. Book value at the beginning of the period	97,466,146.65	97,466,146.65

## (2) Impairment test of right-of-use assets

■ Applicable ■ No other instructions apply:

## 16. Intangible assets

### (1) Intangible assets

Unit:  
Yuan

Projects	Land use rights	Patent	Non-patent technology	Software	Total
I. Original book value					
1. Opening balance	75,175,621.57			15,535,063.60	90,710,685.17
2. Increase in the current period	-722,892.16			3,398,522.30	2,675,630.14
(1) Acquisition				3,427,857.99	3,427,857.99
(2) Internal R & D					
(3) Increase in business combinations					
(4) Foreign currency translation	-722,892.16			-29,335.69	-752,227.85
3. Amount of reduction in the current period					
(1) Disposal					
4. Ending balance	74,452,729.41			18,933,585.90	93,386,315.31
II. Accumulated amortization					
1. Opening balance	9,671,965.63			12,331,622.73	22,003,588.36
2. Increase in the current period	1,816,553.64			1,655,752.67	3,472,306.31
(1) Accrual	1,934,042.17			1,685,229.21	3,619,271.38
(2) Foreign currency translation impact	-117,488.53			-29,476.54	-146,965.07
3. Amount of reduction in the current period					
(1) Disposal					
4. Ending balance	11,488,519.27			13,987,375.40	25,475,894.67
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	62,964,210.15			4,946,210.49	67,910,420.64

2. Book value at the beginning of the period	65,503,655.94			3,203,440.87	68,707,096.81
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The proportion of intangible assets formed through the company's internal research and development to the balance of intangible assets at the end of the period.

## (2) Data resources recognized as intangible assets

■ Applicable ■ Not applicable

## (3) Impairment test of intangible assets

■ Applicable ■ Not applicable

## 17. 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	83,050,059.43	44,945,880.51	18,957,881.69	413,194.76	108,624,863.49
Decoration of Pearl Office Headquarters Building	65,731,760.77		7,455,456.93	2,101,928.44	56,174,375.40
Canteen decoration project	2,623,005.98		304,690.92		2,318,315.06
Dormitory decoration project	11,590,464.87	7,423,157.55	1,653,243.00		17,360,379.42
Office and front desk decoration	65,570.47	2,181,272.02	298,210.83	1,676.48	1,946,955.18
Repair					
Park infrastructure project		339,805.83	39,589.08		300,216.75
Shop decoration project		1,806,799.76	73,387.65		1,733,412.11
other		14,359,084.12	3,760,203.83	279,242.53	10,319,637.76
Total	163,060,861.52	71,055,999.79	32,542,663.93	2,796,042.21	198,778,155.17

Other instructions:

## 18. 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	22,882,812.35	3,478,368.28	30,543,048.63	4,906,584.76
Unrealized profit on internal transactions	21,766,595.67	3,264,989.35	13,732,152.42	2,059,822.85
Credit impairment provision	67,997,982.17	10,412,115.13	63,935,559.24	9,766,028.70
Share-based payment	31,635,993.27	5,056,340.03	5,629,493.44	848,125.20
Lease liabilities	78,074,813.73	17,473,204.70	96,293,984.16	20,560,884.55
Income recognition tax will vary	202,252.07	30,337.81	2,621,051.43	393,157.71
Deferred income	19,093,928.67	2,864,089.30	23,377,118.81	3,506,567.82
Total	241,654,377.93	42,579,444.60	236,132,408.13	42,041,171.59

### (2) Unoffset Deferred Tax Liabilities

Unit:  
Yuan

Projects	Ending balance		Opening balance	
	Taxable temporary differences	Deferred Tax Liabilities	Taxable temporary differences	Deferred Tax Liabilities
Unpaid technology and intellectual property licenses	27,625,639.31	4,143,845.90	23,119,834.14	3,467,975.12
Gains and losses from changes in fair value of trading financial assets	1,661,873.99	267,054.25	1,379,216.98	206,882.55
Right-of-use asset	74,543,077.61	16,703,834.67	93,024,104.89	19,966,453.32
Convertible bonds confirm Deferred Income Taxes	15,438,601.43	2,315,790.21		
Total	119,269,192.34	23,430,525.03	117,523,156.01	23,641,310.99

### (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		42,579,444.60		42,041,171.59
Deferred Tax Liabilities		23,430,525.03		23,641,310.99

### (4) Details of unrecognized Deferred Tax Assets

Unit:  
Yuan

Projects	Ending balance	Opening balance
Deductible temporary differences	9,216,837.89	25,693,809.26
Deductible losses	328,377,451.09	244,387,634.26
Total	337,594,288.98	270,081,443.52

**(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:
2026	41,160,478.64	46,963,103.41	
2027	65,173,662.21	65,262,488.10	
2028	89,006,142.47	88,989,466.85	
2029	43,023,356.82	43,172,575.90	
2030	90,013,810.95		
Total	328,377,451.09	244,387,634.26	

Other instructions:

**19. Other non-current assets**

Unit:  
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Prepayment for engineering equipment	18,527,537.55		18,527,537.55	6,139,043.43		6,139,043.43
Total	18,527,537.55		18,527,537.55	6,139,043.43		6,139,043.43

Other instructions:

**20. 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	199,926,189.72	199,926,189.72	Special purpose/freeze	Apply to the bank for the deposit for the issuance of bank acceptance bills, and the funds frozen by the people's court in disputes over contract sales	151,871,773.85	151,871,773.85	Special purpose/freeze	Apply to the bank for the deposit for the issuance of bank acceptance bills, and the funds frozen by the people's court in disputes over contract sales
Notes receivable	46,780,247.07	44,441,234.72	Pledge	Apply to the bank for pledged bills receivable to issue a bank acceptance bill	7,752,366.89	7,364,748.55	Pledge	Apply to the bank for pledged bills receivable to issue a bank acceptance bill
Fixed assets	445,888,541.04	404,307,695.92	Mortgage	Apply for a loan from a bank to mortgage fixed assets	445,888,541.04	415,352,814.52	Mortgage	Apply for a loan from a bank to mortgage fixed assets
Intangible assets	28,294,100.00	25,134,59	Mortgage	Credit to the bank	28,294,10	25,700,47	Mortgage	Credit to the bank Pledge intangible assets to apply for a loan Pledge intangible assets to apply for a loan
Investment real estate	248,452,170.72	228,389,659.14	Mortgage	Apply for a loan from a bank mortgage investment real estate	248,452,170.72	233,254,948.00	Mortgage	Apply for a loan from a bank mortgage investment real estate
Total	969,341,248.55	902,199,371.89			882,258,952.50	833,544,759.27		

Other instructions:

## 21. Short-term borrowings

### (1) Classification of short-term borrowings

Unit:  
Yuan

Projects	Ending balance	Opening balance
Guaranteed loan	21,000,000.00	
Credit loan	50,000,000.00	140,000,000.00
Bill discount	5,300,000.00	96,701,491.47
Interest payable	19,990.96	66,915.22
Total	76,319,990.96	236,768,406.69

Description of the classification of short-term borrowings:

## 22. Notes payable

Unit:  
Yuan

Kind	Ending balance	Opening balance
Bank Acceptance Draft	687,181,499.00	481,324,555.30
Total	687,181,499.00	481,324,555.30

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.

## 23. Accounts payable

### (1) Accounts payable presentation

Unit:  
Yuan

Projects	Ending balance	Opening balance
Within 1 year (including 1 year)	1,142,167,997.57	1,235,011,683.43
1-2 years (including 2 years)	3,984,549.70	4,972,085.09
More than 2 years	1,699,943.41	1,865,858.41
Total	1,147,852,490.68	1,241,849,626.93

### (2) Whether there is any overdue payment to SMEs

Whether it is a large enterprise

Yes  No

## 24. Other payables

Unit:  
Yuan

Projects	Ending balance	Opening balance
Other payables	39,081,087.76	26,978,522.85
Total	39,081,087.76	26,978,522.85

### (1) Other payables

#### 1) List other payables by nature of payment

Unit:  
Yuan

Projects	Ending balance	Opening balance
Restricted stock subscription	7,484,864.00	
Shipping and storage fees	10,149,492.65	9,775,569.69
Rent, utilities, testing fees	10,693,550.80	6,855,999.06
Deposit, security deposit	2,319,414.16	4,282,793.34
other	8,433,766.15	6,064,160.76
Total	39,081,087.76	26,978,522.85

#### 2) Important other payables aged over 1 year or overdue

Unit:  
Yuan

Projects	Ending balance	Reasons for not being repaid or carried forward
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Other instructions:

## 25. Advance receipts

### (1) List of advance receipts

Unit:  
Yuan

Projects	Ending balance	Opening balance
Within 1 year (including 1 year)	0.00	21,458.84
1-2 years (including 2 years)	0.00	52,115.90
More than 2 years	0.00	129,037.75
Total	0.00	202,612.49

## 26. Contract liabilities

Unit:  
Yuan

Projects	Ending balance	Opening balance
Accounts receivable in advance	8,936,491.43	1,792,045.73
Total	8,936,491.43	1,792,045.73

Significant contract liabilities aged over 1 year

Unit:  
Yuan

Projects	Ending balance	Reasons for not being repaid or carried forward
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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## 27. 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	90,074,935.14	775,420,639.22	756,820,941.27	108,674,633.09
II. Post-employment benefits-defined contribution plan	401,558.14	53,193,096.91	52,894,562.30	700,092.75
III. Dismissal benefits		953,424.63	812,113.63	141,311.00
Total	90,476,493.28	829,567,160.76	810,527,617.20	109,516,036.84

### (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	89,772,252.02	721,310,769.04	702,891,534.64	108,191,486.42
2. Employee welfare expenses		18,985,336.96	18,984,328.35	1,008.61
3. Social insurance premiums	302,683.12	17,972,127.57	17,792,672.63	482,138.06
Including: medical insurance premiums	297,092.94	14,766,678.89	14,629,937.24	433,834.59
Work injury insurance	5,590.18	2,200,527.20	2,157,813.91	48,303.47
Maternity insurance premiums		1,004,921.48	1,004,921.48	
4. Housing Provident Fund		15,316,965.98	15,316,965.98	
5. Trade union funds and employee education funds		1,349,999.36	1,349,999.36	
6. Other short-term compensation		485,440.31	485,440.31	
Total	90,074,935.14	775,420,639.22	756,820,941.27	108,674,633.09

### (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	310,565.31	50,726,966.93	50,435,324.40	602,207.84
2. Unemployment insurance premiums	10,013.92	2,124,414.90	2,115,609.55	18,819.27
3. Enterprise annuity payment	80,978.91	341,715.08	343,628.35	79,065.64
Total	401,558.14	53,193,096.91	52,894,562.30	700,092.75

Other instructions:

## 28. Taxes payable

Unit:  
Yuan

Projects	Ending balance	Opening balance
VAT	12,422,965.75	5,558,948.65
Corporate income tax	15,680,567.71	18,864,871.08
Personal income tax	3,088,200.03	2,071,189.33
Urban maintenance and construction tax	1,082,338.36	109,676.38
Stamp duty	765,711.60	645,070.94
Educational add-on	468,177.52	49,252.95
Local education supplement	312,118.35	32,835.30
Property tax	188,209.24	182,568.78
Land use tax	19,138.00	19,138.00
Total	34,027,426.56	27,533,551.41

Other instructions:

## 29. Non-current liabilities due within one year

Unit:  
Yuan

Projects	Ending balance	Opening balance
Long-term borrowings due within one year	43,027,461.11	43,111,856.08
Bonds payable within one year	390,764.57	322,263.25
Lease liabilities due within one year	29,009,682.15	29,924,340.48
Total	72,427,907.83	73,358,459.81

Other instructions:

## 30. Other current liabilities

Unit:  
Yuan

Projects	Ending balance	Opening balance
Tax to be resold	102,740.19	108,515.44
Unconfirmed notes	65,516,302.49	85,865,511.30
Total	65,619,042.68	85,974,026.74

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:

### 31. Long-term loans

#### (1) Classification of long-term borrowings

Unit: Yuan

Projects	Ending balance	Opening balance
Mortgage loan	173,449,347.58	216,296,231.74
Total	173,449,347.58	216,296,231.74

Description of long-term loan classification:

Other descriptions, including interest rate ranges:

### 32. Bonds payable

#### (1) Bonds payable

Unit: Yuan

Projects	Ending balance	Opening balance
Convertible corporate bonds	229,260,860.47	546,110,938.58
Total	229,260,860.47	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	Amount of shares converted 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	546,110,938.58		697,265.85	67,166,621.89		384,016,700.00	229,260,860.47	No
Total		--			644,526,500.00	546,110,938.58		697,265.85	67,166,621.89		384,016,700.00	229,260,860.47	--

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

#### 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. Due to the annual profit distribution in 2024, from May 28, 2025 The conversion price will be adjusted to 43.98 yuan/share from October 17, 2025. Due to the profit distribution for the first half of 2025, the conversion price will be adjusted to 43.55 yuan/share from October 17, 2025.	The conversion period starts from the first trading day six months after the completion 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; no additional interest will be accrued for interest payments during the postponement period)

### 33. Lease liabilities

Unit: Yuan

Projects	Ending balance	Opening balance
Lease Payment Amount	116,620,176.91	108,776,172.34
Less: unrecognized financing charges	-10,809,391.40	-7,874,677.70
Reclassification to non-current liabilities due within one year	-29,009,682.15	-29,924,340.48
Total	76,801,103.36	70,977,154.16

Other instructions:

### 34. Deferred income

Unit: Yuan

Projects	Opening balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Government subsidy	28,743,011.46	2,258,000.00	8,059,398.94	22,941,612.52	See Note 11, 2, 3 for details
Total	28,743,011.46	2,258,000.00	8,059,398.94	22,941,612.52	

Other instructions:

### 35. 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				8,657,638.00	8,657,638.00	109,857,638.00

Other instructions:

Other notes: From January to December 2025, the amount of Eurocom's convertible bonds will be 384,016,700.00 yuan, and the number of shares formed by the conversion will be 8,657,638 shares.

### 36. Other equity instruments

#### (1) Basic information of other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Issued or Financial instruments	Release time	Dividend rate or interest rate	Issue price	Quantity	Amount	Due date or Renewal situation	Conversion conditions	Conversion situation
Convertible Company bonds	July 5, 2024	0.10% for the first year 0.30% in the second year 0.60% in the third year Fourth year 1.00% Year 5 1.50% Sixth year 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/share. Due to the semi-annual profit distribution in 2024, the conversion price will be adjusted to 44.56 yuan/share from October 8, 2024. Due to the annual profit distribution in 2024, the conversion price will be adjusted to 43.98 yuan/share from May 28, 2025. Due to the semi-annual profit distribution in 2025, the conversion price will be adjusted to 43.55 yuan/share from October 17, 2025.	For details, please refer to the notes to this financial statement "VII. 32 (3) Instructions for swapping corporate bonds "

**(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			3,840,167.00	63,672,399.87	2,605,098.00	33,324,100.76
Total	6,445,265.00	96,996,500.63			3,840,167.00	63,672,399.87	2,605,098.00	33,324,100.76

Changes in other equity instruments in the current period, explanations of reasons for changes, and the basis for relevant accounting treatments:

Note: The reduction amount of other equity instruments in the current period includes the reduction of other equity instruments by RMB 14,549,475.09 in accordance with the relevant provisions on the accounting treatment of Deferred Income Taxes for the issuance of convertible bonds in accordance with the "Guidelines for the Application of Regulatory Rules-Accounting Category No. 5".

Other instructions:

**37. 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	379,165,301.60		1,398,222,905.53
Other capital reserves	88,153,811.56	29,011,441.53		117,165,253.09
Total	1,107,211,415.49	408,176,743.13		1,515,388,158.62

Other explanations, including the changes in the current period and the reasons for the changes:

Note: The change in capital reserve is due to the increase in capital reserve by 23,028,372.46 yuan in share-based payment, 5,983,069.07 yuan in adjustment of long-term equity investment equity, and 379,165,301.60 increase in capital reserve in convertible bonds.

**38. 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 the changes in the current period and the reasons for the changes:

**39. Other comprehensive income**Unit:  
Yuan

Projects	Opening balance	Amount in the current period					Ending balance
		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	
II. Other comprehensive income reclassified into profit or loss	-899,483.16	-13,391,466.97				-13,391,466.97	-14,290,950.13
Foreign currency financial statement translation difference	-899,483.16	-13,391,466.97				-13,391,466.97	-14,290,950.13
Total other comprehensive income	-899,483.16	-13,391,466.97				-13,391,466.97	-14,290,950.13

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:

#### 40. Surplus Reserve

Unit:

Projects	Opening balance	Increase in the current period	Decrease in the current period	Yuan Ending balance
Statutory surplus reserve	50,885,000.00	4,043,819.00		54,928,819.00
Total	50,885,000.00	4,043,819.00		54,928,819.00

A description of the surplus reserve, including the changes in the current period and the reasons for the changes:

#### 41. Undistributed profit

Unit:

Projects	This issue	Previous period	Yuan
Undistributed profit at the end of the previous period before adjustment	877,868,160.48		674,284,970.82
Adjust the undistributed profit at the beginning of the later period	877,868,160.48		674,284,970.82
Add: Net profit attributable to owners of the parent company for the current period	244,002,491.40		267,988,609.87
Less: Withdrawal of statutory surplus reserve	4,043,819.00		
Distribute profit	109,168,377.17		64,405,420.21
Plus: other adjustments	1,603,136.05		
Undistributed profit at the end of the period	1,010,261,591.76		877,868,160.48

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 will be 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.

Detailed description of the use of capital reserves to make up for losses:

## 42. Operating income and operating costs

Unit:  
Yuan

Projects	Amount in the current period		Amount in the previous period	
	income	Cost	income	Cost
Main business	4,430,093,278.41	3,560,961,517.51	3,779,999,761.15	2,977,745,009.33
Other business	31,924,122.78	15,668,419.23	17,533,381.25	8,574,676.90
Total	4,462,017,401.19	3,576,629,936.74	3,797,533,142.40	2,986,319,686.23

During the reporting period, the company's total audited profit, net profit, and net profit after deducting non-recurring gains and losses, whichever is lower, is negative

■ Yes ■ No

Decomposition information of operating income and operating cost:

Unit:  
Yuan

Contract classification	Division 1		Division 2				Total	
	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost	Operating income	Operating cost
Type of business	4,462,017,401.19	3,576,629,936.74					4,462,017,401.19	3,576,629,936.74
Of which:								
Power adapter	1,779,778,833.86	1,500,634,576.91					1,779,778,833.86	1,500,634,576.91
Data center power supply	2,015,471,005.67	1,535,266,095.12					2,015,471,005.67	1,535,266,095.12
Other power	634,843,438.88	525,060,845.48					634,843,438.88	525,060,845.48
Other business	31,924,122.78	15,668,419.23					31,924,122.78	15,668,419.23
Classified by operating area	4,462,017,401.19	3,576,629,936.74					4,462,017,401.19	3,576,629,936.74
Of which:								
Domestic sales	2,593,487,319.06	2,123,722,227.37					2,593,487,319.06	2,123,722,227.37
Overseas sales	1,868,530,082.13	1,452,907,709.37					1,868,530,082.13	1,452,907,709.37
Classified by sales channel	4,462,017,401.19	3,576,629,936.74					4,462,017,401.19	3,576,629,936.74

Of which:								
Direct selling	4,462,017.40	3,576,629.93					4,462,017.40	3,576,629.93
	01.19	6.74					1.19	36.74
Total	4,462,017.40	3,576,629.93					4,462,017.40	3,576,629.93
	01.19	6.74					1.19	36.74

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 1,241,355,703.55, of which RMB 1,241,355,703.55 is expected to be recognized as revenue in 2026.

#### 43. Taxes and surcharges

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Urban maintenance and construction tax	6,092,473.58	6,233,427.52
Education surcharge	2,715,757.77	2,673,717.74
Property tax	7,302,450.72	7,168,534.99
Land use tax	188,578.71	188,578.71
Vehicle and vessel use tax	11,615.68	11,269.44
Stamp duty	2,909,438.60	2,558,851.90
Local education supplement	1,810,505.17	1,782,478.50
other	54,437.67	19,161.86
Total	21,085,257.90	20,636,020.66

Other instructions:

#### 44. Administrative expenses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Employee compensation	78,840,356.13	63,098,620.95
depreciation and amortization	33,300,020.44	40,656,702.06
Consultation fee	13,695,247.80	12,146,519.59
Office expenses	10,180,214.28	12,372,624.09
Hospitality	4,288,087.25	6,028,136.00
Property water and electricity bills	3,801,210.48	6,896,528.93
Travel expenses	3,459,861.71	4,432,302.00
Renovation and maintenance costs	2,685,939.28	3,757,999.44
Share-based payment	2,461,733.92	869,777.10
other	7,702,901.98	5,700,058.12
Total	160,415,573.27	155,959,268.28

Other instructions:

#### 45. Selling expenses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Employee compensation	66,159,224.17	50,316,420.60
Hospitality	11,389,854.22	16,284,858.44

Sample testing fee	7,089,234.14	4,705,147.64
Travel expenses	4,862,633.85	4,364,912.00
Depreciation And Amortization	3,722,714.48	2,135,464.15
Share-based payment	2,397,538.69	2,035,648.51
Office expenses	1,599,061.31	1,351,701.62
Storage fee	672,228.69	1,019,043.59
Property water and electricity bills	210,895.63	173,949.63
Publicity and exhibition fee	174,565.04	466,519.03
Renovation and maintenance costs	54,838.92	94,711.14
After-sales service fee	0.00	4,043,382.01
other	2,532,904.42	1,223,761.68
Total	100,865,693.56	88,215,520.04

Other instructions:

#### 46. R&D; expenses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Employee compensation	210,508,005.38	152,131,079.38
Direct input cost	29,993,426.18	20,038,032.61
Depreciation and Amortization Expenses	27,138,498.13	18,398,693.76
Share-based payment	14,458,788.52	5,618,389.89
other	16,970,539.96	16,404,431.34
Total	299,069,258.17	212,590,626.98

Other instructions:

#### 47. Financial expenses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Interest expense	27,401,080.55	28,834,093.25
Less: interest income	22,062,793.87	17,621,657.58
Exchange gains and losses	12,660,584.77	-27,373,597.49
Financial institution fees	1,254,049.05	2,245,346.47
Total	19,252,920.50	-13,915,815.35

Other instructions:

#### 48. Other income

Unit:  
Yuan

Sources of other income	Amount in the current period	Amount in the previous period
Government subsidy	13,163,085.34	11,443,363.89
VAT deduction	12,252,136.14	11,124,445.68
Withholding tax handling fee refund	400,377.19	275,816.48
Total	25,815,598.67	22,843,626.05

#### 49. 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	3,997,265.86	1,379,216.98
Total	3,997,265.86	1,379,216.98

Other instructions:

## 50. 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	-26,716,827.42	-25,772,525.00
Investment income from disposal of trading financial assets	1,076,492.01	1,376,038.38
Interest income from time deposits		20,424.33
Total	-25,640,335.41	-24,376,062.29

Other instructions:

## 51. Credit impairment losses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Bad debt loss on notes receivable	-1,943,414.27	75,421.47
Bad debt loss on accounts receivable	2,534,113.72	-25,988,439.57
Bad debt loss on other receivables	-2,539,081.27	2,326,060.47
Total	-1,948,381.82	-23,586,957.63

Other instructions:

## 52. Asset impairment losses

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
I. Inventory depreciation loss and contract performance cost impairment loss	-13,329,316.07	-22,775,937.21
Total	-13,329,316.07	-22,775,937.21

Other instructions:

## 53. Asset disposal income

Unit:  
Yuan

Sources of asset disposal proceeds	Amount in the current period	Amount in the previous period
Disposal of fixed assets	-70,897.45	182,620.30
Terminate lease	1,099,560.48	511,339.93

Total	1,028,663.03	693,960.23
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#### 54. Non-operating income

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period	Funds included in non-recurring gains and losses for the current period
other	3,808,435.68	2,503,132.20	3,808,435.68
Total	3,808,435.68	2,503,132.20	3,808,435.68

Other instructions:

#### 55. 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	
Loss on disposal of non-current assets	922,390.17	2,531,223.36	922,390.17
other	288,900.40	1,523,264.67	288,900.40
Total	1,211,290.57	4,354,488.03	1,211,290.57

Other instructions:

#### 56. 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	32,842,018.63	40,076,319.49
Deferred Income Taxes expense	-724,085.21	-8,492,224.69
Total	32,117,933.42	31,584,094.80

##### (2) Accounting profit and income tax expense adjustment process

Unit:  
Yuan

Projects	Amount in the current period
Total profit	277,219,400.42
Income tax expense at statutory/applicable tax rate	41,582,910.06
The impact of different tax rates applied to subsidiaries	2,898,621.31
Effect of adjusting income tax for previous periods	1,925,197.13
Impact of non-taxable income	-1,183,511.65
Impact of non-deductible costs, expenses and losses	3,135,077.78

The impact of deductible temporary differences or deductible losses on Deferred Tax Assets not recognized in the current period	21,314,081.67
Impact of additional deductions for technology development expenses	-40,559,927.15
other	3,005,484.27
Income tax expense	32,117,933.42

Other instructions:

## 57. Other comprehensive income

For details, please refer to Note 39. Other comprehensive income.

## 58. 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	147,465,029.87	119,954,958.71
Interest income	22,888,936.11	16,821,352.54
Government subsidy	7,361,686.40	31,350,723.52
other	12,744,172.82	11,507,979.09
Total	190,459,825.20	179,635,013.86

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	202,313,270.12	161,151,121.29
Cash management expenses + sales expenses + R&D; expenses	111,422,703.29	115,092,983.61
Other payments	15,889,086.12	9,778,780.07
Fees	1,109,410.73	398,520.04
Net material procurement		50,919,061.26
Donation spending		300,000.00
Total	330,734,470.26	337,640,466.27

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	1,049,853,720.05	256,753,831.11
Total	1,049,853,720.05	256,753,831.11

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	0.00	44,000,000.00
Total	0.00	44,000,000.00

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	934,901,849.32	635,297,093.15
other		396,494.33
Total	934,901,849.32	635,693,587.48

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
Letter of Credit, Bank Acceptance Bill Discount	176,759,294.50	206,297,793.14
Issuance of convertible corporate bonds		636,276,500.00
Total	176,759,294.50	842,574,293.14

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	130,226,197.33	105,000,000.00
Pay rent	35,042,378.00	28,584,723.40
Convertible bond issuance costs		769,650.74
Total	165,268,575.33	134,354,374.14

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	236,768,406.69	141,820,348.96	40,294,205.16	295,861,478.38	46,701,491.47	76,319,990.96
Long-term loans (including part due within one year)	259,408,087.82			42,931,279.13		216,476,808.69
Lease liabilities (including part due within one year)	100,901,494.64		39,951,668.87	35,042,378.00		105,810,785.51
Bonds payable	546,433,201.83		13,147,150.65		329,928,727.44	229,651,625.04
Total	1,143,511,190.98	141,820,348.96	93,393,024.68	373,835,135.51	376,630,218.91	628,259,210.20

## 59. 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	245,101,467.00	268,470,231.06
Add: asset impairment provision	15,277,697.89	46,362,894.84
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	119,259,636.51	100,705,008.20
Depreciation of right-of-use assets	32,869,215.04	28,064,308.09
Amortization of intangible assets	2,696,751.22	2,827,907.74
Amortization of long-term deferred expenses	32,542,663.93	17,896,747.68
Loss on disposal of fixed assets, intangible assets and other long-term assets (gains are listed with "- ")	-1,028,663.03	-693,960.23
Loss of scrapping of fixed assets (income is listed with "- ")	922,390.17	2,531,223.36
Loss from changes in fair value (gains are listed with "- ")	-3,997,265.86	-1,379,216.98
Financial expenses (income is listed with "- ")	33,101,467.48	10,139,612.48
Investment loss (gains are listed with "- ")	25,640,335.41	24,376,062.29
Decrease in Deferred Tax Assets (increases are listed with "- ")	-648,593.86	-22,252,236.66
Increase in Deferred Tax Liabilities (decrease is listed with "- ")	-13,104,367.69	13,760,011.97
Decrease in inventory (increases are marked with "- ")	-83,960,160.28	-153,435,391.65
Decrease in operating receivables (increases are listed with "- ")	-8,443,639.15	-566,277,089.18
Increase in operating payables (decrease is listed with "- ")	10,079,413.06	648,109,926.73
other	23,028,372.46	-22,142,001.09
Net cash flow from operating activities	429,336,720.30	397,064,038.65
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	896,668,784.23	874,602,674.93
Less: opening balance of cash	874,602,674.93	527,879,261.54
Add: ending balance of cash equivalents		
Less: opening balance of cash equivalents		
Cash and cash equivalents	22,066,109.30	346,723,413.39

## (2) Composition of cash and cash equivalents

Unit:  
Yuan

Projects	Ending balance	Opening balance
I. Cash	896,668,784.23	874,602,674.93
Of which: cash on hand	53,490.75	28,961.12
Bank deposits that can be used for payment at any time	889,170,036.45	867,133,852.15
Other monetary funds that can be used for payment at any time	7,445,257.03	7,439,861.66
III. Balance of cash and cash equivalents at the end of the period	896,668,784.23	874,602,674.93

## 60. Notes to items in the statement of changes in owner's equity

Explain the name of the "other" items and the adjusted amount that adjusted the balance at the end of the previous year:

No

## 61. 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			628,452,812.76
Of which: US dollars	87,821,538.77	7.0288	617,280,031.71
EUR			
HKD	501,765.42	0.9032	453,204.56
Vietnamese dong	36,268,183,913.00	0.0003	9,705,760.94
Mexican peso	2,030,705.87	0.3899	791,772.22
New Taiwan Dollar	988,688.00	0.2246	222,043.33
Accounts Receivable			565,667,260.96
Of which: US dollars	78,273,314.00	7.0288	550,167,469.47
EUR			
HKD	260.00	0.9032	234.84
Vietnamese dong	57,793,593,753.00	0.0003	15,466,195.00
New Taiwan Dollar	148,548.75	0.2246	33,361.65

Long-term loan			
Of which: US dollars			
EUR			
HKD			
Other receivables			21,593,919.13
Of which: US dollars	2,515,662.12	7.0288	17,682,085.91
Vietnamese dong	13,598,798,905.00	0.0003	3,639,186.66
Mexican peso	20,000.00	0.3899	7,798.00
New Taiwan Dollar	1,179,286.00	0.2246	264,848.56
Account payables			159,688,093.31
Of which: US dollars	21,432,587.23	7.0288	150,645,369.12
Vietnamese dong	31,686,210,932.00	0.0003	8,479,575.08
New Taiwan Dollar	2,507,523.00	0.2246	563,149.11
Other payables			7,009,670.09
Of which: US dollars	462,415.41	7.0288	3,250,225.43
HKD	83,343.00	0.9032	75,277.06
Vietnamese dong	12,971,986,820.00	0.0003	3,471,444.93
Mexican peso	31,543.13	0.3899	12,298.67
New Taiwan Dollar	892,424.00	0.2246	200,424.00
Employee compensation payable			15,854,582.37
Of which: US dollars	185,949.34	7.0288	1,307,000.72
HKD	3,058,917.00	0.9032	2,762,875.01
Vietnamese dong	37,079,978,431.00	0.0003	9,923,005.99
New Taiwan Dollar	8,289,558.00	0.2246	1,861,700.65

Other instructions:

**(2) The description of overseas business entities, including the important overseas business entities, should disclose their main overseas business locations, accounting standard currency and the basis for selection, and the reasons should also be disclosed if the accounting standard currency changes.**

■ 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 base currency for accounting.

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 accounting standard currency.

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.

5. Evolvex Technology INC, a subsidiary of the Company, mainly operates in the United States and uses US dollars as the accounting standard currency.

6. ASPOWER MANUFACTURING Inc., a subsidiary of the Company, mainly operates in the United States, with the US dollar as the functional currency.

7. HONOTO HIGH TECH (Thailand) CO., LTD., a subsidiary of the Company, mainly operates in Thailand, with Thai baht as the functional currency.

## 62. 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	7,988,585.55	9,487,544.91
Total	7,988,585.55	9,487,544.91

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 Pearl Garden shops for rent	3,075,820.70	
Ganzhou factory for rent	462,912.69	
Dongguan container supermarket rental	48,256.90	
Total	3,586,990.29	

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
Employee compensation	210,508,005.38	152,131,079.38
Direct input cost	29,993,426.18	20,038,032.61
Depreciation and Amortization Expenses	27,138,498.13	18,398,693.76
Share-based payment	14,458,788.52	5,618,389.89

Other expenses	16,970,539.96	16,404,431.34
Total	299,069,258.17	212,590,626.98
Including: cost-based R&D; expenditure	299,069,258.17	212,590,626.98

## 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 October 24, 2025, Hong Kong Honor Electron Technology Co., Ltd. invested in the establishment of Evolvex Technology INC with a subscribed registered capital of US \$10,000.00. As of December 31, 2025, there is no actual payment. The registered address is Sussex County, Lewis City, Delaware. Hong Kong Honor Electron Technology Co., Ltd. holds 100% of the shares, and Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares. Evolvex Technology INC has been incorporated into the scope of consolidation since its establishment.

On October 28, 2025, Evolvex Technology INC invested and established ASPOWER MANUFACTURING Inc., with a subscribed registered capital of US \$10,000.00. As of December 31, 2025, there is no actual payment. The registered address is Diamond Bar, California, Evolvex Technology INC holds 100% of the shares, Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares, and ASPOWER MANUFACTURING Inc. has been incorporated into the scope of consolidation since its inception.

On December 8, 2025, Hong Kong Honor Electron Technology Co., Ltd. invested in the establishment of HONOTO HIGH TECH (Thailand) CO., LTD. With a subscribed registered capital of 1,960,000.00 baht, and Evolvex Technology INC with a subscribed registered capital of 40,000.00 baht. As of December 31, 2025, there is no actual payment. The registered address is Palangyao County, Chonburi Province, Thailand. Hong Kong Honor Electron Technology Co., Ltd. holds 98% of the shares, Evolvex Technology INC holds 2% of the shares, Shenzhen Honor Electronic Co., Ltd. indirectly holds 100% of the shares, and HONOTO HIGH TECH (Thailand) CO., LTD. has been incorporated into the scope of consolidation since its establishment.

## 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 the 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 of various power products and customer service	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, production and customer service of various power products	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 INDUSTRIES A.de	30,476,349.52	Mexico	Mexico	Mainly engaged in the production and overseas sales of various power products		100.00%	Investment establishment
C.V.							
Evolvex Technology INC	70,928.00	U.S	U.S	Mainly engaged in the sales of various power products and customer service		100.00%	Investment establishment
ASPOWER MANUFACTURING Inc.	70,856.00	U.S	U.S	Mainly engaged in the sales of various power products and customer service		100.00%	Investment establishment
HONOTO HIGH TECH(Thailand)CO., LTD.	443,232.94	Thailand	Thailand	Mainly engaged in the production and overseas sales of various power products		100.00%	Investment establishment

Unit:  
Yuan

Description that the shareholding ratio in the subsidiary is different from the voting rights ratio:

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 shareholder 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%	1,098,975.60		620,050.95

Explanation that the shareholding ratio of the minority shareholders of the subsidiary is different from the voting rights ratio:

Other instructions:

### (3) Main 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	225,350,552.40	25,142,001.56	250,492,553.96	174,815,015.81	971,661.95	175,786,677.76	185,494,394.35	24,198,113.13	209,692,507.48	170,238,291.01	2,487,422.51	172,725,713.52

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	389,258,393.49	30,404,991.58	30,404,991.58	-24,622,592.99	263,986,165.58	13,324,853.01	13,324,853.01	42,618,320.95

Other instructions:

## 2. Interests in joint ventures 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	26.52%		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

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
	Shanghai Anshibo	Shanghai Anshibo
Current assets	540,458,942.39	337,703,439.43
Non-current assets	125,844,130.03	108,871,927.21
total assets	666,303,072.42	446,575,366.64
Current liabilities	582,119,836.31	354,160,013.81
Non-Current liabilities	42,411,877.47	20,331,904.33
Total liabilities	624,531,713.78	374,491,918.14
Minority interests		
Shareholders' equity attributable to common shareholders of parent company	41,771,358.64	72,083,448.50
Share of net assets calculated by shareholding ratio	11,077,764.31	24,717,414.49
Adjustment matters		
- goodwill		
--Unrealized profit on internal transactions		
--other		
Book value of equity investment in associates	55,649,019.03	76,305,055.60
Fair value of equity investments in associates with publicly quoted prices		
Operating income	518,385,889.80	309,417,749.22
Net profit	-90,151,169.79	-76,078,400.80
Net profit from discontinued operations		
Other comprehensive income	-160,920.07	20,297.59
Total comprehensive income	-90,312,089.86	-76,058,103.21
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	666,295.35	744,017.13
The total number of the following items calculated according to the shareholding ratio		
--net profit	-77,721.78	-52,773.01
--other comprehensive income	-77,721.78	-52,773.01
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:

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	Yuan
							Related to assets/income
Deferred income	28,743,011.46	2,258,000.00		8,059,398.94		22,941,612.52	Related to assets
Total	28,743,011.46	2,258,000.00		8,059,398.94		22,941,612.52	

### 3. Government subsidies included in current profits and losses

■ Applicable ■ Not applicable

Unit:

Accounting subjects	Amount in the current period	Amount in the previous period	Yuan
Other income	13,163,085.34		11,443,363.89
Total	13,163,085.34		11,443,363.89

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) The book value of various financial assets on the balance sheet date

① December 31, 2025

Financial Assets Project	Financial assets measured at amortized cost	Financial assets measured at fair value with changes in current profit and loss	Financial assets measured at fair value through other comprehensive income	Total
Monetary fund	1,096,594,973.95	-	-	1,096,594,973.95

Trading financial assets	-	282,661,873.98	-	282,661,873.98
Notes receivable	124,557,825.25	-	-	124,557,825.25
Accounts Receivable	1,324,172,057.65	-	-	1,324,172,057.65
Receivables Financing	-	-	95,182,974.50	95,182,974.50
Other receivables	29,782,998.11	-	-	29,782,998.11
Other Current Assets	-	-	10,000,000.00	10,000,000.00

② December 31, 2024

Financial Assets Project	Financial assets measured at amortized cost	Financial assets measured at fair value with changes in 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) Book value of various financial liabilities on the balance sheet date

① December 31, 2025

Financial Liability Items	Financial liabilities measured at fair value with changes in current profit and loss	Other financial liabilities	Total
Short-term loan	-	76,319,990.96	76,319,990.96
Notes payable	-	687,181,499.00	687,181,499.00
Account payables	-	1,147,852,490.68	1,147,852,490.68
Other payables	-	39,081,087.76	39,081,087.76
One-year non-current liabilities	-	72,427,907.83	72,427,907.83
Other current liabilities	-	65,516,302.49	65,516,302.49
Long-term loan	-	173,449,347.58	173,449,347.58
Bonds payable	-	229,260,860.47	229,260,860.47
Lease liabilities	-	76,801,103.36	76,801,103.36

② 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
One-year non-current liabilities	-	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) 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 arrears limit 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 could 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 VII, 4 and VII and 7 hereto.

### **(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.

The foreign currency financial assets and foreign currency financial liabilities of the Company at the end of the period are listed in Note VII. 61 Description of foreign currency monetary items.

#### 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 management of the Company 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, 2025				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Short-term loan	76,319,990.96	-	-	-	76,319,990.96
Notes payable	687,181,499.00	-	-	-	687,181,499.00
Account payables	1,142,167,997.57	3,984,549.70	890,406.89	809,536.52	1,147,852,490.68
Other payables	37,156,806.18	674,193.65	628,354.00	621,733.94	39,081,087.76
One-year non-current liabilities	72,427,907.83	-	-	-	72,427,907.83
Other current liabilities	65,516,302.49	-	-	-	65,516,302.49
Long-term loan	-	-	-	173,449,347.58	173,449,347.58
Lease liabilities	-	1,544,478.48	3,106,113.97	72,150,510.91	76,801,103.36
Bonds payable	-	-	-	229,260,860.47	229,260,860.47

Continued from the table above:

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	25,487,694.43	748,211.62	116,350.00	626,266.80	26,978,522.85
One-year non-current liabilities	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

## 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	65,516,302.49	Confirmation terminated	not	Since the bank acceptance bill in the notes receivable is undertaken by a bank with a low credit rating. The endorsed bank acceptance bill does not affect the right of recourse, and the credit risk and deferred payment risk related to the bill have not been transferred, so the confirmation has not been terminated.
Endorsement	Bank acceptance bills not yet due in receivables financing	162,462,912.18	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	5,300,000.00	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		Confirmation not terminated	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	101,490,059.33	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.
Total		334,769,274.00		

**(2) Financial assets derecognized due to transfer**

■Applicable ■ Not applicable

Unit:  
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	162,462,912.18	
Bank acceptance bills not yet due in receivables financing	Discount	101,490,059.33	-15,309.44
Total		263,952,971.51	-15,309.44

**(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			282,661,873.98	282,661,873.98
1. Financial assets measured at fair value with changes in current profit and loss			282,661,873.98	282,661,873.98
(1) Debt instrument investment			282,661,873.98	282,661,873.98
(2) Other Current Assets			10,000,000.00	10,000,000.00
(3) Receivable financing			95,182,974.50	95,182,974.50
Total assets continuously measured at fair value			387,844,848.48	387,844,848.48
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 transactional 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 measurement 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. The 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 carrying value and the 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	Shareholding ratio of the parent company 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	26.61%	26.61%
Shenzhen Genoli Information Consulting Co., Ltd	Shenzhen City, Guangdong Province	Equity investment	RMB 1.4 million	26.61%	26.61%

Description of the parent company of the enterprise

As of December 31, 2025, Nanjing Wangyue Kewang Venture Capital Partnership (Limited Partnership) and Shenzhen Genoli Information Consulting Co., Ltd. each hold 26.61% of the company's equity, and together hold 53.22% 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. Subsidiaries of the company

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 of purchasing and selling commodities, providing and accepting labor services**

Procurement of goods/acceptance of labor status table

Unit:

Related party	Related transaction content	Amount in the current period	Approved transaction amount	Whether the transaction limit is exceeded	Yuan Amount in the previous period
Shenzhen Aviation City Enterprise	Project management service fee	173,911.50		No	177,805.03
Headquarters Management Co., Ltd					

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
Hangzhou Yundian Technology Energy Co., Ltd	22,000,000.00	May 08, 2025	April 21, 2027	No
Hangzhou Yundian Technology Energy Co., Ltd	60,000,000.00	June 06, 2025	June 06, 2026	No
Hangzhou Yundian Technology Energy Co., Ltd	50,000,000.00	December 22, 2025	December 21, 2026	No
Suzhou Yundian Electronic Manufacturing Co., Ltd	50,000,000.00	December 22, 2025	December 21, 2026	No

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

### (3) Remuneration of key management personnel

Unit:  
Yuan

Projects	Amount in the current period	Amount in the previous period
Remuneration of key management personnel	19,013,500.00	19,155,255.32

## 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 directors and senior managers					16,000.00	346,880.00	40,000.00	867,200.00
Middle management					932,000.0	20,205,76	325,400.0	7,091,122
And core backbone					0	0.00	0	.00
Total					948,000.00	20,552,640.00	365,400.00	7,958,322.00

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	17.12/share	21 months	Not applicable	Not applicable
Middle management and core backbone	17.12/share	21 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
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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	32,803,186.49
The total amount of expenses recognized for equity-settled share-based payments in the current period	23,028,372.46

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	14,458,788.52	
Salesperson	2,397,538.69	
Production staff	3,710,311.33	
Manager	2,461,733.92	
Total	23,028,372.46	

Other instructions:

### 5. Modification and termination of share-based payment

In view of the fact that among the 196 incentive objects that were originally granted, 4 incentive objects resigned due to personal reasons and did not qualify for incentive objects, their granted but not vested 25,000 restricted shares shall not be vested and shall be voided by the company; another 4 incentive objects voluntarily gave up 92,000 restricted shares attributable to the first vesting period due to personal reasons, and the relevant shares shall be voided by the company. Among the remaining 188 incentive objects, 184 incentive objects have an assessment score of " $S \geq 90$ " at the individual level, and the attribution ratio is 100%. There are 4 incentive objects with an assessment score of " $80 \leq S < 90$ " at the individual level, and the attribution ratio is 80%. The remaining 8,400 shares that cannot be attributed will be voided by the company. In summary, the total number of restricted stocks that have been voided this time is 125,400 shares. According to the authorization of the company's first extraordinary general meeting of shareholders in 2024, the restricted shares that have not yet vested have been granted this time within the approval authority of the company's board of directors and do not need to be submitted to the shareholders meeting for deliberation. During the company's vesting payment subscription process, two incentive objects voluntarily gave up all the restricted stocks granted to them due to personal reasons, and one incentive object voluntarily gave up all the restricted stocks that could be vested in the first vesting period due to personal reasons, totaling 240,000 shares. The aforementioned shares will no longer undergo corresponding vesting registration and will be voided by the company. In summary, the total number of restricted shares voided in the current period is 365,400 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 material 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)	3.09
The number of shares to be allocated for every 10 shares (shares)	4
The number of dividends per 10 shares declared after deliberation and approval (yuan)	3.09
The number of shares (shares) for every 10 shares issued after deliberation and approval	4

Profit distribution plan	<p>In 2025, the company will realize a net profit attributable to ordinary shareholders of the listed company of RMB 244,002,491.40, a net profit of RMB 134,673,837.32 from the parent company, a statutory surplus reserve of RMB 50,885,000.00 at the beginning of the company, and a statutory surplus reserve of RMB 4,043,819.00 this year. As of December 31, 2025, the distributable profit of the company's consolidated statement was 1,010,261,591.76 yuan, and the distributable profit of the parent company was 721,503,470.18 yuan.</p> <p>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, 2025, the company's profit available for distribution is 721,503,470.18 yuan. The balance of shares in the purchase account is the base for profit distribution. The profit distribution plan for 2025 is as follows: Following the principle of rewarding shareholders and sharing the company's operating results with shareholders, the company plans to deduct the company's return from the total share capital under the condition of ensuring the company's healthy and sustainable development</p>
	<p>It is planned to use the company's total share capital of 109,030,681 shares as of March 31, 2026 as the base, and distribute cash dividends of RMB 3.09 (including tax) to all shareholders for every 10 shares, with a total cash dividend of RMB 33,690,480.43 (including tax). At the same time, the capital reserve was used to transfer 4 shares for every 10 shares to all shareholders of the company, totaling 43,612,272 shares.</p> <p>After this transfer, the total share capital of the company will increase to 152,642,953 shares (the final number of shares will be subject to the registration result of China Securities Depository and Clearing Co., Ltd. Shenzhen Branch after the transfer). No bonus shares will be given out for this profit distribution.</p>
	<p>If the total share capital of the company that can participate in the equity distribution changes due to share repurchase, equity incentive exercise and other reasons after the distribution plan is issued and before the implementation, the total distribution will be adjusted according to the principle of unchanged distribution ratio per share.</p>

## 2. Description of other events after the balance sheet date

### (1) Conversion of convertible corporate bonds

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 the date of disclosure of this note, a total of 3,840,337 "European Convertible Bonds" have been converted into shares (with a total face value of 384,033,700 yuan). The current conversion price is 43.43 yuan per share, and a total of 8,658,027 "Honor Electron" shares have been converted into "European Convertible Bonds". The remaining 2,604,928 "European Convertible Bonds" have a total face value of 260,492,800 yuan.

### (2) External equity investment

In February 2026, the company signed equity transfer agreements with Yan Mingming and Zhang Xin respectively, and transferred the corresponding equity of Chengdu Suyi Lianxin Technology Co., Ltd. with its own funds with a total registered capital of 338,900 yuan, of which Yan Mingming was transferred with a registered capital of 188,900 yuan (holding 2.5048% of the shares), and the price was 11.1463 million yuan; The registered capital of Zhang Xin was transferred 150,000 yuan (1.9890% of the shares), and the price was 8.8509 million yuan, with a total shareholding of 4.4938%. The above-mentioned equity has been paid, and the company will inherit the rights and obligations of the corresponding investors and shareholders, and has signed a shareholder agreement with Chengdu Suyi Lianxin Technology Co., Ltd. and other shareholders to clarify the relevant rights and obligations. As of April 20, 2026, the industrial and commercial change registration has not been completed. This matter does not affect the 2025 financial statement data and is a normal investment behavior.

## VIII. 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)	1,438,607,081.74	1,403,065,084.93
1 to 2 years	3,304,851.79	7,243,887.35
2 to 3 years	4,242,941.41	595,029.24
More than 3 years	5,159,926.66	7,786,511.33
3 to 4 years	434,564.86	0.00
4 to 5 years	0.00	6,838,793.34
More than 5 years	4,725,361.80	947,717.99
Total	1,451,314,801.60	1,418,690,512.85

#### (2) 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	
Accounts receivable with provision for bad debts on a single-item basis	624,530,536.18	43.03%	5,687,183.70	0.91%	618,843,352.48	616,360,519.12	43.45%	8,748,333.23	1.42%	607,612,185.89
Of which:										
Accounts receivable with provision for bad debts by portfolio	826,784,265.42	56.97%	42,071,153.78	5.09%	784,713,111.64	802,329,993.73	56.55%	40,457,860.16	5.04%	761,872,133.57

Of which:										
Total	1,451,314,801.60	100.00%	47,758,337.48	3.29%	1,403,556,464.12	1,418,690,512.85	100.00%	49,206,193.39	3.47%	1,369,484,319.46
Provision for bad debts by single item: RMB 5,687,183.70										

Unit:  
Yuan

Name	Opening balance		Ending balance			
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Withdrawal ratio	Reason for accrual
(USA) Axnon LLC	172,569.04	0.00	67,517,024.64	0.00	0.00%	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
Dongguan Honor Electron Electronics Co., Ltd	2,261,721.04	0.00	15,635,358.86	0.00	0.00%	No bad debts are accrued within the scope of consolidation
Hong Kong Honor Electron Technology Co., Ltd	122,174,169.32	0.00	90,797,735.90	0.00	0.00%	No bad debts are accrued within the scope of consolidation
Hong Kong Business Hong Kong Honor Electron Technology Co., Ltd. Taiwan Branch	35,108,134.55	0.00	18,266,244.55	0.00	0.00%	No bad debts are accrued within the scope of consolidation
Yihaihua (Hong Kong) Technology Co., Ltd	4,042,759.83	4,042,759.83	3,953,000.71	3,953,000.71	100.00%	Not expected to be recovered
Sichuan Yihai Huake Technology Co., Ltd	2,971,390.41	2,971,390.41	0.00	0.00	0.00%	
Vietnam Honor Electron Technology Co., Ltd	307,524,932.61	0.00	426,626,988.53	0.00	0.00%	No bad debts are accrued within the scope of consolidation
Shandong Guojin Automobile Manufacturing Co., Ltd	200,612.50	200,612.50	200,612.50	200,612.50	100.00%	Not expected to be recovered
Shenzhen Innovation Technology Co., Ltd	227,706.50	227,706.50	227,706.50	227,706.50	100.00%	Not expected to be recovered
Shenzhen Zhuiguang Intelligent Manufacturing Technology Co., Ltd	76,440.00	76,440.00	76,440.00	76,440.00	100.00%	Not expected to be recovered

Hangzhou Yundian Technology Energy Co., Ltd	29,604.48	0.00	0.00	0.00	0.00%	
Suzhou Yundian Electronic Manufacturing Co., Ltd	140,341,054.85	0.00	0.00	0.00	0.00%	
Total	616,360,519.12	8,748,333.23	624,530,536.18	5,687,183.70		

Provision for bad debts by combination: RMB 42,071,153.78

Unit:  
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	819,857,278.63	40,992,863.93	5.00%
1-2 years (including 2 years)	3,151,856.68	315,185.67	10.00%
2-3 years (including 3 years)	3,748,202.91	749,640.58	20.00%
3-4 years (including 4 years)	26,927.20	13,463.60	50.00%
Total	826,784,265.42	42,071,153.78	

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 by individual item	8,748,333.23	-89,759.12	209,180.82	2,762,209.59	0.00	5,687,183.70
Provision for bad debts by portfolio	40,457,860.16	1,613,293.62	0.00	0.00	0.00	42,071,153.78
Total	49,206,193.39	1,523,534.50	209,180.82	2,762,209.59	0.00	47,758,337.48

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 actually written off in the current period

Unit:  
Yuan

Projects	Write-off amount
Accounts receivable actually written off	2,762,209.59

Among the important accounts receivable write-offs:

Unit:  
Yuan

Unit name	Nature of accounts receivable	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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Accounts Receivable Write-off Instructions:

**(5) 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	426,626,988.53	0.00	426,626,988.53	29.40%	0.00
Second place	117,638,583.25	0.00	117,638,583.25	8.11%	5,882,406.15
Third place	116,236,035.47	0.00	116,236,035.47	8.01%	5,811,801.77
Fourth place	90,797,735.90	0.00	90,797,735.90	6.26%	0.00
Fifth place	67,517,024.64	0.00	67,517,024.64	4.65%	0.00
Total	818,816,367.79	0.00	818,816,367.79	56.43%	11,694,207.92

**2. Other receivables**

Unit:  
Yuan

Projects	Ending balance	Opening balance
Interest receivable	1,473,240.03	6,484,007.37
Other receivables	55,492,520.88	34,730,946.03
Total	56,965,760.91	41,214,953.40

**(1) Interest receivable**

**1) Classification of interest receivable**

Unit:  
Yuan

Projects	Ending balance	Opening balance
----------	----------------	-----------------

Margin interest income	443,243.09	362,332.22
Interest accrued on time deposits	1,029,996.94	6,121,675.15
Total	1,473,240.03	6,484,007.37

## 2) Disclosure by classification of bad debt accrual method

■ Applicable ■ Not applicable

Unit:

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	1,473,240.03	100.00%			1,473,240.03	6,484,007.37	100.00%			6,484,007.37
Of which:										
Of which:										
Total	1,473,240.03	100.00%			1,473,240.03	6,484,007.37	100.00%			6,484,007.37

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	362,332.22		443,243.09			Bank interest, lower loss ratio
Interest accrued on time deposits	6,121,675.15		1,029,996.94			Bank interest, lower loss ratio
Total	6,484,007.37		1,473,240.03			

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, 2025 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
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
Royalties	28,793,188.14	24,771,948.55
Current payment	20,769,461.19	671,580.64
Deposit and security deposit	7,448,763.42	9,152,366.35
Withholding and paying social security/provident fund	1,561,207.93	1,517,383.05
other	1,377,503.23	1,636,405.23
Total	59,950,123.91	37,749,683.82

##### 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)	54,706,059.80	33,445,519.42
1 to 2 years	1,122,280.64	14,180.67
2 to 3 years		112,571.31
More than 3 years	4,121,783.47	4,177,412.42
3 to 4 years		3,165,412.95
4 to 5 years	3,109,784.00	
More than 5 years	1,011,999.47	1,011,999.47
Total	59,950,123.91	37,749,683.82

### 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	50,180,347.38	83.70%	617,698.05	1.23%	49,562,649.33	26,061,227.24	69.04%	617,698.05	2.37%	25,443,529.19
Of which:										
Provision for bad debts by portfolio	9,769,776.53	16.30%	3,839,904.98	39.30%	5,929,871.55	11,688,456.58	30.96%	2,401,039.74	20.54%	9,287,416.84
Of which:										
Total	59,950,123.91	100.00%	4,457,603.03	7.44%	55,492,520.88	37,749,683.82	100.00%	3,018,737.79	8.00%	34,730,946.03
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 Electron Technology Co., Ltd	24,771,948.55		28,793,188.14			Related parties within the scope of consolidation do not accrue
Shanghai Honor Electron Electronic Technology Co., Ltd			20,097,880.55			Related parties within the scope of consolidation do not accrue
Hong Kong Honor Electron Technology Co., Ltd	671,580.64		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
Total	26,061,227.24	617,698.05	50,180,347.38	617,698.05		
Provision for bad debts by combination: RMB 3,839,904.98						

Unit:  
Yuan

Name	Ending balance		
	Book balance	Provision for bad debts	Withdrawal ratio
Within 1 year (including 1 year)	5,814,991.11	290,749.56	5.00%
1-2 years (including 2 years)	450,700.00	45,070.00	10.00%
2-3 years (including 3 years)			
3-4 years (including 4 years)			
4-5 years (including 5 years)	3,109,784.00	3,109,784.00	100.00%
More than 5 years	394,301.42	394,301.42	100.00%
Total	9,769,776.53	3,839,904.98	

Description of the basis for determining the combination:

Provision for bad debts is made according to 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, 2025	2,401,039.74		617,698.05	3,018,737.79
Balance at January 1, 2025 in the current period				
Provision for the current period	1,438,865.24			1,438,865.24
Balance at December 31, 2025	3,839,904.98		617,698.05	4,457,603.03

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:  
Yuan

Category	Opening balance	Amount of change in the current period				Ending balance
		Accrue	Take back or turn back	Resell or write off	other	
Provision for bad debts on a single-item basis	617,698.05					617,698.05
Provision for bad debts by portfolio	2,401,039.74	1,438,865.24				3,839,904.98
Total	3,018,737.79	1,438,865.24				4,457,603.03

Among them, the reversal or recovery amount of bad debt provision 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

### 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
First place	Royalties	28,793,188.14	Within 1 year	48.03%	
Second place	Loan	20,097,880.55	Within 1 year	33.52%	
Third place	Deposit and security deposit	3,012,684.00	Within 5 years	5.03%	2,824,494.00
Fourth place	Deposit and security deposit	3,000,000.00	Within 1 year	5.00%	150,000.00
Fifth place	Withholding and paying social security	1,028,356.27	Within 1 year	1.72%	51,417.81
Total		55,932,108.96		93.30%	3,025,911.81

### 3. Long-term equity investment

Unit:  
Yuan

Projects	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiaries	640,143,914.54		640,143,914.54	614,425,670.26		614,425,670.26
Investment in associates and joint ventures	3,096,227.62		3,096,227.62	23,752,264.19		23,752,264.19

Total	643,240,142.16		643,240,142.16	638,177,934.45		638,177,934.45
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**(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	121,226,890.98					203,604.83	121,430,495.81	
Hong Kong Honor Electron Technology Co., Ltd	113,424,312.43					815,571.24	114,239,883.67	
Dongguan Honor Electron Electronics Co., Ltd	208,325,703.76					977,287.21	209,302,990.97	
(USA) Axnon LLC	6,575,500.00						6,575,500.00	
Hangzhou Yundian Technology Energy Co., Ltd	94,577,509.58					7,334,090.66	101,911,600.24	
Shenzhen Honor Electron Zhilian Technology Co., Ltd	3,500,000.00						3,500,000.00	
Suzhou Yundian Electronic Manufacturing Co., Ltd	50,037,011.79					111,055.36	50,148,067.15	
Shanghai Honor Electron Electronic Technology Co., Ltd	16,740,235.82		14,000,000.00			2,221,107.30	32,961,343.12	
Vietnam Honor Electron Technology Co., Ltd	18,505.90					55,527.68	74,033.58	
Total	614,425,670.26		14,000,000.00			11,718,244.28	640,143,914.54	

## (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 Venture												
Shanghai Anshibo Energy Technology Co., Ltd	23,752,264.19				-26,639,105.64		5,983,069.07				3,096,227.62	
Subtotal	23,752,264.19				-26,639,105.64		5,983,069.07				3,096,227.62	
Total	23,752,264.19				-26,639,105.64		5,983,069.07				3,096,227.62	

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 company's 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	2,752,976,749.09	2,376,923,596.19	2,523,809,206.28	2,129,556,071.69
Other business	691,095,326.93	551,456,332.92	615,153,888.86	458,557,075.92
Total	3,444,072,076.02	2,928,379,929.11	3,138,963,095.14	2,588,113,147.61

Information related to the transaction price allocated to the remaining performance obligations:

At the end of the reporting period, the amount of revenue corresponding to the performance obligations that have signed contracts but have not been fulfilled or have not been fulfilled is RMB 802,640,876.39, of which RMB 802,640,876.39 is expected to be recognized as revenue in 2026.

## 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	-26,639,105.64	-25,719,751.99
Investment income from disposal of trading financial assets	1,014,664.62	1,376,038.38
Total	-25,624,441.02	-24,343,713.61

## 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	106,272.86	Mainly the income from asset disposal.
Government subsidies included in the current profit and loss (except for government subsidies that are closely related to the company's normal business operations, are in line with national policies and regulations, are enjoyed according to determined standards, and have a continuous impact on the company's profit and loss)	13,163,085.34	Mainly government subsidy income.
Except for the effective hedging business related to the company's normal business operations, changes in the fair value of financial assets and financial liabilities held by non-financial enterprises	3,997,265.86	It is mainly to accrue the income of wealth management products in the current period.
Gains and losses and gains and losses from the disposal of financial assets and financial liabilities		
Profit and loss of entrusting others to invest or manage assets	1,076,492.01	It is the income from wealth management products actually received in the current period.
Reversal of provision for impairment of receivables that have been separately tested for impairment	209,180.82	
Other non-operating revenue and expenditure other than the above-mentioned items	3,519,535.28	
Less: Income tax impact amount	2,662,489.37	
Amount of impact on minority shareholders' equity (after tax)	80,790.74	
Total	19,328,552.06	--

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

Applicable  Not applicable

The company has no specific circumstances of other profit and loss items that meet the definition of non-recurring profit and loss.

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 profit attributable to common shareholders of the company	9.92%	2.32	2.28
Net profit attributable to common shareholders of the company after deducting non-recurring gains and losses	9.14%	2.14	2.11

## 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