

Stock Code: 603515

Stock Name: OPPLE Lighting

**欧普照明股份有限公司**  
**OPPLE Lighting Co., Ltd.**



**Annual Report 2025**

**April 2026**

## IMPORTANT NOTES

**I. The Board of Directors, directors, and executives of the Company undertake that the contents of this Annual Report are truthful, accurate, and complete without any misrepresentation, misleading statement, or material omission. They assume joint and several liabilities arising therefrom.**

**II. All directors of the Company attended the Board meeting.**

**III. BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) has issued a standard unqualified audit report for the Company.**

**IV. Mr. Wang Yaohai (Company Head), Ms. Wang Haiyan (Chief Accountant), and Mr. Tao Leiguang (Head of Accounting Department) hereby certify that the financial statements set out in the annual report are true, accurate, and complete.**

**V. Profit Distribution Plan or Plan of Converting Capital Reserve into Share Capital, Approved by the Resolution of the Board of Directors in the Reporting Period**

After having been deliberated and approved at the 11th meeting of the 5th Board of Directors held on April 22, 2026, the Company's 2025 profit distribution plan proposes a cash dividend of RMB 8.5 per 10 shares (including tax), based on the total share capital of the Company less the number of shares held in the special repurchase account. Based on the total share capital as of the disclosure date of this Report (743,207,949 shares) less the number of shares held in the special repurchase account (3,224,214 shares), the amount of cash dividends (including tax) is estimated to be RMB 628,986,174.75, representing 68.33% of the net profit attributable to the shareholders of the parent company for the year 2025. The final total actual distribution amount shall be calculated based on the total number of shares entitled to the equity distribution on the record date for the equity distribution, less the number of shares held in the special repurchase account. If there is a change in the total share capital and the number of shares in the special repurchase account before the record date for the equity distribution, the Company intends to maintain the same dividend per share and adjust the total distribution amount accordingly. For the 2025 profit distribution, the Company does not propose to issue bonus shares to shareholders or to convert capital reserve into share capital.

The year 2026 marks the 30th anniversary of the Company's brand founding and the 10th anniversary of its listing. To thank shareholders for their long-term support, reward investors, continuously improve shareholder returns, preserve the Company's value, and safeguard the legitimate rights and interests of all shareholders, the Company to distribute additional special dividends in mid-2026. The Board of Directors requests the General Meeting of Shareholders to authorize it to determine and implement the Company's 2026 interim profit distribution plan, subject to the satisfaction of applicable profit distribution conditions.

The aforementioned 2025 annual profit distribution plan and the authorization regarding the 2026 interim profit distribution are shall be implemented only after being submitted to the General Meeting of Shareholders for deliberation and approval.

**Unrecovered losses of the parent company at the end of the reporting period and their impact on the Company's profit distribution and other related matters.**

Applicable Not Applicable

**VI. Risk Statement with Respect to Forward-looking Statements**

Applicable Not Applicable

The forward-looking statements, such as plans and development strategies, mentioned in this Report do not constitute a substantial commitment by the Company to investors. Investors are kindly advised to be aware of investment risks.

**VII. Occupation of the Company's Funds by the Controlling Shareholder or Other Related Parties for Non-Operating Purposes**

No

**VIII. Provision of External Guarantees in Violation of Prescribed Decision-making Procedures**

No

**IX. Inability of Over Half of the Directors to Ensure the Truthfulness, Accuracy, and Completeness of the Annual Report Disclosed by the Company**

No

**X. Major Risk Warnings**

The Company has provided a detailed description of the significant risks that may arise in its business operations in this Report. Please refer to the relevant description under the "Possible Risks" subsection of Section III "Management's Discussion and Analysis" herein. The Company reminds the investors of investment risks.

**XI. Others**

Applicable Not Applicable

**This report is prepared in Chinese. An English translation is provided for reference only. In case of any differences between the Chinese version and the English translation, the Chinese version shall prevail.**

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List of Documents Available for Inspection	The 2025 annual financial statements of the Company, bearing the signatures and seals of the Legal Representative, Chief Accountant, and Head of Accounting Department.
	The original 2025 annual audit report of the Company, bearing the seal of the accounting firm and the signature of the certified public accountant.
	All documents publicly disclosed by the Company in the China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily, and on the Shanghai Stock Exchange website during the reporting period.

## Section I Definitions

### I. Definitions

In this Report, unless the context otherwise requires, the following terms have the meanings set forth below:

Definition of Common Terms		
OPPLE Lighting, our company, the Company	refers to	OPPLE Lighting Co., Ltd.
Zhongshan OPPL	refers to	Zhongshan OPPL Investment Co., Ltd., which is the controlling shareholder of the Company
Shanghai Fengyue	refers to	Shanghai Fengyue Enterprise Management Partnership (Limited Partnership)
Nantong Songyue	refers to	Nantong Songyue Enterprise Management Partnership (Limited Partnership)
Reporting Period	refers to	From January 1, 2025 to December 31, 2025
Yuan	refers to	Renminbi (RMB)

## Section II Company Profile and Key Financial Indicators

### I. Company Information

Company Name in Chinese	欧普照明股份有限公司
Abbreviated Name in Chinese	欧普照明
Company Name in English	OPPLE Lighting Co., LTD
Abbreviated Name in English	OPPLE
Legal Representative	Wang Yaohai

### II. Contacts and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Hu Xing	Zhong Jiani
Address	Building V1, The Mixc, No. 1799 Wuzhong Road, Minhang District, Shanghai	Building V1, The Mixc, No. 1799 Wuzhong Road, Minhang District, Shanghai
Tel	021-38550000 (Ext. 6720)	021-38550000 (Ext. 6720)
Fax	021-38550000 (Ext. 6720)	021-38550000 (Ext. 6720)
Email	Public@opple.com	Public@opple.com

### III. Basic Information

Registered Address	Room 411, Building 1, No. 6111 Longdong Avenue, Pudong New Area, Shanghai
Changes of the Registered Address	None
Office Address	Buildings V1, V2, V3, The Mixc, No. 1799 Wuzhong Road, Minhang District, Shanghai
Zip Code of the Office Address	201103
Company Website	<a href="http://www.opple.com.cn/">http://www.opple.com.cn/</a>
Email	Public@opple.com

### IV. Information Disclosure and Storage Location

Name and Website of the Designated Media for Annual Report Disclosure	China Securities Journal, <a href="https://www.cs.com.cn/">https://www.cs.com.cn/</a> ; Shanghai Securities News, <a href="https://www.cnstock.com/">https://www.cnstock.com/</a> ; Securities Times, <a href="https://www.stcn.com/">https://www.stcn.com/</a> ; and Securities Daily, <a href="http://www.zqrb.cn/">http://www.zqrb.cn/</a>
Website of the Designated Stock Exchange for Annual Report Disclosure	Shanghai Stock Exchange website <a href="http://www.sse.com.cn/">http://www.sse.com.cn/</a>
Storage Location of Annual Report	Board Office of the Company

**V. Stock Listing**

Stock Information				
Class of Stock	Stock Exchange	Stock Name	Stock Code	Stock Abbreviation before Change
A-Share	Shanghai Stock Exchange	OPPLE Lighting	603515	Not applicable

**VI. Other Related Data**

Accounting Firm Engaged by the Company (Domestic)	Name	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)
	Office Address	4/F, New Huangpu Financial Building, No. 61 Nanjing East Road, Shanghai
	Signing Accountants	Chen Lei, Lin Yancheng

**VII. Key Accounting Data and Financial Indicators for the Past Three Years****(I) Key Accounting Data**

Unit: Yuan Currency: RMB

Item	2025	2024	YoY Change (%)	2023
Operating revenue	6,970,146,425.51	7,096,343,305.89	-1.78	7,794,988,062.81
Total profit	1,083,251,582.76	1,029,848,641.98	5.19	1,082,097,322.45
Net profit attributable to shareholders of the listed company	920,496,707.23	902,969,226.83	1.94	924,070,111.39
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	779,344,940.93	746,427,771.61	4.41	847,912,642.27
Net cash flow from operating activities	689,874,479.51	819,137,835.33	-15.78	1,666,970,731.00
	At the end of 2025	At the end of 2024	YoY Change (%)	At the end of 2023
Net assets attributable to shareholders of the Company	7,012,425,977.52	6,724,041,618.42	4.29	6,648,896,823.59
Total assets	9,618,649,664.87	9,677,159,855.32	-0.60	9,877,441,744.50

**(II) Key Financial Indicators**

Item	2025	2024	YoY Change (%)	2023
Basic EPS (RMB/share)	1.26	1.23	2.44	1.25
Diluted EPS (RMB/share)	1.26	1.23	2.44	1.25
Basic EPS after deducting non-recurring gains and losses (RMB/share)	1.06	1.02	3.92	1.14

Weighted average return on equity (%)	13.62	13.51	0.11%	14.56
Weighted average return on equity after deducting non-recurring gains and losses (%)	11.53	11.17	0.36%	13.36

Explanation of key accounting data and financial indicators of the Company for the past three years at the end of the reporting period

Applicable Not Applicable

### VIII. Differences in Accounting Data Under Domestic and Foreign Accounting Standards

#### (I) Differences in Net Profit and Net Assets Attributable to Shareholders of the Listed Company in Financial Reports Disclosed in Accordance with International Accounting Standards and Chinese Accounting Standards

Applicable Not Applicable

#### (II) Differences in Net Profit and Net Assets Attributable to Shareholders of the Listed Company in Financial Reports Disclosed in Accordance with Foreign Accounting Standards and Chinese Accounting Standards

Applicable Not Applicable

#### (III) Explanation of Differences Between Domestic and Foreign Accounting Standards:

Applicable Not Applicable

### IX. Main Financial Data by Quarters in 2025

Unit: Yuan Currency: RMB

	Q1 (January - March)	Q2 (April - June)	Q3 (July - September)	Q4 (October - December)
Operating revenue	1,490,850,889.93	1,725,104,129.19	1,691,751,651.66	2,062,439,754.73
Net profit attributable to shareholders of the Company	141,170,841.28	227,912,461.60	207,694,870.19	343,718,534.16
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	88,082,414.60	191,107,672.98	182,637,117.81	317,517,735.54
Net cash flow from operating activities	-38,411,177.56	-2,671,787.92	223,270,148.86	507,687,296.13

Explanation of differences between quarterly data and data in disclosed periodic reports

Applicable Not Applicable

### X. Items and Amounts of Non-recurring Gains and Losses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount in 2025	Amount in 2024	Amount in 2023
Gains and losses from the disposal of non-current assets, including the reversal of recognized impairment provisions for assets	-654,007.78	-699,272.98	-946,000.41
Governmental subsidies recognized in the current profit or loss, except those that are closely related to the Company's normal operations, comply with national policies, are entitled under established criteria, and have a continuous impact on the Company's profit or loss	85,689,815.52	93,397,397.84	36,088,879.32
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains and losses from the disposal of financial assets and financial liabilities, except for effective hedging transactions related to the Company's normal operations	81,916,662.59	73,170,147.45	32,144,122.49
Gains and losses from entrusted investment or management of assets	-878,741.62	-21,974.41	1,572,987.24
Reversal of impairment provision for receivables subject to separate impairment tests	3,890,475.66	1,064,762.76	44,741.83
Gains and losses from debt restructuring	-	167,385.47	-
Other non-operating income and expenses	1,244,200.77	19,580,732.31	22,926,194.44
Other profit and loss items that meet the definition of non-recurring gains and losses	1,111,938.83	762,684.56	871,336.13
Less: Impact of income tax	-31,170,348.06	-30,879,907.76	-16,210,110.59
Impact of minority equity (after-tax)	1,770.39	-500.02	-334,681.33
Total	141,151,766.30	156,541,455.22	76,157,469.12

Explanations shall be made for the Company's recognition of items not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities – Non-recurring Gains and Losses as items of non-recurring gains and losses with significant amounts, as well as the classification of items of non-recurring gains and losses listed in the Announcement as items of recurring gains and losses.

Applicable Not Applicable

#### **XI. Optional Disclosure of Net Profit After Excluding the Impact of Share-Based Payments for Companies with Equity Incentive Plans or Employee Stock Ownership Plans**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Key Accounting Data	2025	2024	YoY Change (%)	2023
Net profit after excluding the impact of share-based payments	941,931,112.50	933,022,226.11	0.95	949,414,706.56

## XII. Items Measured at Fair Value

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Closing Balance	Change during the Current Period	Effect on Current Profit
Held-for-trading financial assets	4,081,348,921.90	3,642,802,853.79	-438,546,068.11	80,041,115.77
Held-for-trading financial liabilities	118,063.58	-	-118,063.58	118,063.58
Receivables financing	-	56,000.00	56,000.00	-
Investments in other equity instruments	142,901,100.00	142,901,100.00	-	-
Other non-current financial assets	107,268,827.39	74,285,521.15	-32,983,306.24	878,741.62
Total	4,331,636,912.87	3,860,045,474.94	-471,591,437.93	81,037,920.97

## XIII. Others

□ Applicable √ Not Applicable

## **Section III Management's Discussion and Analysis**

### **I. Business Operations of the Company during the Reporting Period**

#### **1. Main Business Activities**

OPPLE is a green, energy-saving, and smart lighting enterprise, mainly engaged in the R&D, production, and sales of home and commercial lighting fixtures, light sources, and control products, and is gradually transforming into a provider of comprehensive solutions for intelligent lighting systems.

#### **2. Business Model**

The Company's business model is mainly based on distribution and direct sales, expanding its sales network by penetrating into lower-tier markets, offering value-added services via lighting solutions, creating a diversified channel network by integrating online and offline channels, and enhancing brand influence through overseas expansion. Leveraging its extensive product portfolio, the Company has adopted a predominantly self-manufacturing approach, staying abreast of market trends, maintaining strict production controls, and boosting R&D investment to meet the market's demand for diversified, high-quality products.

Explanation of significant new non-main operations of the Company during the reporting period

Applicable Not Applicable

### **II. Overview of the Industry in Which the Company Operated during the Reporting Period**

According to the Industrial Classification for National Economic Activities released by the National Bureau of Statistics of China, the lighting industry is classified into general lighting sector and special lighting sector by applications. General lighting encompasses common application scenarios such as homes, shops, offices, hotels, municipal and industrial facilities, and landscapes, while special lighting covers professional application fields such as automotive lighting and emergency lighting. Based on its product features and applications, the Company operates within the general lighting sector.

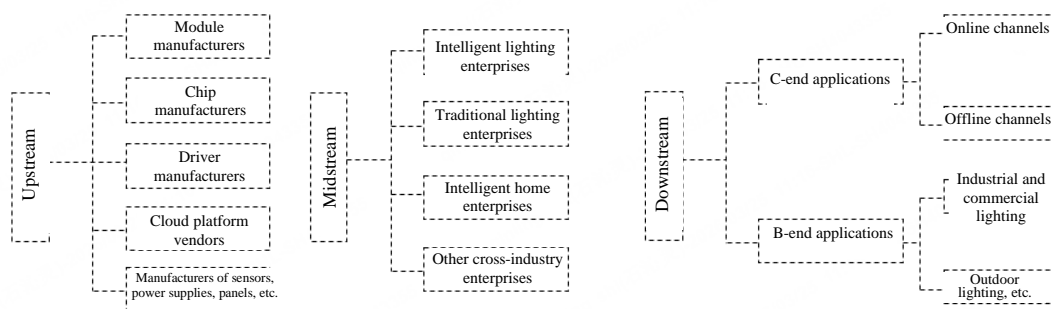
From an industry development perspective, driven by energy-saving and emission reduction policies, as well as users' pursuit of dynamic dimming and color tuning, and human-centric lighting, the penetration rate of the LED smart lighting market is accelerating. In recent years, China has issued a series of industry plans and policies for the intelligent lighting industry, including the Notice on Several Measures to Promote Home Consumption by 13 Authorities including the Ministry of Commerce and the Work Plan for Stable Growth of Light Industry (2023-2024), which have created clear and promising market prospects for the development of the intelligent lighting industry and fostered a favorable production and operating environment for businesses. In addition, according to TrendForce, as advanced technologies such as the Internet of Things (IoT) and artificial intelligence (AI) continue to integrate, manufacturers with capabilities in software and hardware integration, ecosystem synergy, and understanding of scenario-based applications will have a better chance of gaining a competitive advantage in the future intelligent lighting market.

Intelligent lighting refers to the use of advanced technologies such as IoT, cloud computing, and AI to equip lighting systems with capabilities for environmental awareness, intelligent analysis, automatic execution, and continuous optimization, thereby providing more energy-efficient, more comfortable, more efficient, and customizable lighting solutions. The Special Research Report on Survey and Industry Outlook Forecast of Global and Chinese Intelligent Lighting Market 2025 - 2030, released by the ASKCI Industrial Research Institute, reveals that China's intelligent lighting market recorded a shipment volume of approximately 33.79 million units in 2023, representing a year-on-year growth of 20.7%; the volume rose to around 39.87 million units in 2024, and is projected to reach 47.05 million units in 2025.

The intelligent lighting industry is characterized by its extended chain structure and broad application scenarios. Its upstream segment consists of various raw material providers, technical support platforms, system and software providers required for the production of intelligent lighting products, which is capital- and technology-intensive and accounts for 70% of the total manufacturing costs of intelligent

lighting products. The midstream segment includes various intelligent lighting solution providers, who develop integrated intelligent lighting solutions based on upstream hardware, technologies, and systems. The downstream segment mainly comprises various integrated application scenarios and end users. Based on the characteristics of its products and solutions, the Company operates in the midstream segment of the industry chain.

### Composition of the Intelligent Lighting Industry Chain



## III. Discussion and Analysis of Operations

In 2025, the lighting industry accelerated its evolution from the era of luminous efficacy to the era of light value, with trends such as intelligence, AIoT (Artificial Intelligence Internet of Things), and smart cities deeply reshaping the industrial landscape. In this context, the Company adhered to the corporate mission of "creating value with light", focused on intelligent lighting applications, integrated AI and digital technologies into the entire operation and management chain through innovative products and solutions, and continuously enhanced its comprehensive competitiveness. During the reporting period, the Company achieved operating revenue of RMB 6.97 billion and a net profit attributable to shareholders of the Company of RMB 920 million. The business highlights are as follows:

### (I) Innovative Spectrum and Products, a Leap from "Illuminating Space" to "Caring for People"

#### 1. Smart Spectral Technology Continues to Lead the Industry

With the ever-growing demand for healthy lighting, the Company continued to explore the health and emotional value of light based on its physical properties. In 2025, the Company launched the second-generation SDL (Software Defined Lighting) Smart Spectrum Technology and upgraded this spectral technology in the second half of the year. In addition to achieving natural light quality at all times, the Company exploited a wider range of beneficial light wavelengths, creating a comfortable visual environment while covering newly added scenarios that involve the deep red to near-infrared spectral range. The Clarity Light 2.0 spectrum jointly developed by the Company and Wuhan University not only meets the Illuminance 3A and Light Quality 3A standards for white light, but also has been validated through both physiological and subjective experiments to be effective in alleviating anxiety, providing users a more relaxed and natural visual experience in learning and homework scenarios. For elderly-friendly lighting, through a joint laboratory with Fudan University, the Company conducted field research and scientific verification, and released the white paper, Design Principles of Elderly-friendly Lighting Environment Based on Human-centric Lighting. This guide defines a clear design framework for elderly-friendly lighting and introduces targeted spectral combinations that compensate for age-related crystalline lens yellowing, significantly improving color recognition of the elderly.

#### 2. Comprehensive Upgrade of Product Portfolio

Focusing on user demands for intelligence, aesthetics, and cost-effectiveness, the Company deeply integrates cutting-edge technologies into its product lines, including lighting, electrical products, and appliances, empowering a superior life experience with innovative technologies. For home lighting, the flagship product "Wellsky MAX" launched in 2025 deeply integrates SDL smart spectrum technology with industrial design aesthetics. It features an innovative three-sided light-emitting structure that extends light to the ceiling, maintaining a transparent texture while delivering both "wall wash" and "ceiling wash" effects. This design creates a profound, three-dimensional premium light environment for users. The Company launched a new generation of miniature spotlights for high-end retail and art exhibition spaces. With an efficient heat dissipation design and an upgraded optical platform, the product achieves a 40% volume reduction at the same luminous flux, and its brightness reaches three times the industry average for products of the same size. The product features a minimalist design that elevates the spatial aesthetics, and is widely used in venues with extremely high lighting quality requirements such as art galleries, brand flagship stores, and museums. It also significantly reduces material consumption, lowers carbon emissions, and contributes to China's carbon peaking goal. In order to meet the demand for non-sensory control in lighting spaces, the Company released the Human Presence Illuminance Sensor 2.0, which uses 24GHz microwave radar, PIRs (passive infrared sensors), and ambient light sensing technology to further enhance its anti-interference capability. It supports left and right zoning to accurately detect the movement and stationary states of occupants, enabling "auto-on/off" control based on occupancy, and works with luminaires for adaptive brightness adjustment. For intelligent control in large spaces, the Company has launched the SDL Screen 2.0 control system, which supports Wi-Fi and wired dual-mode deployment, and features robust grouping management and signal synchronization. A single host can connect multiple slaves to achieve efficient control of lighting clusters in large-span spaces such as mall atriums and airport lobbies.

In terms of electrical products, the Company launched a combination of the Premium series ultra-thin intelligent switches and ultra-thin traditional sockets in quick response to the market's demand for both aesthetics appeal and cost-effectiveness. Furthermore, the Company released the smart voice control panel X02 series, which integrates multiple functions including a gateway, scene control, voice interaction, and entertainment, and leverages AI voice technology to achieve intelligent management of whole-house devices. Besides, the Company successfully adapted its traditional wall switch products to British standard-compliant product markets by leveraging its in-house ultra-thin switch production platform to achieve a breakthrough in global market expansion, and expanded its presence in Southeast Asian and Middle Eastern markets with its differentiated silver-ion antibacterial ultra-thin switches. For electrical appliances, the Company launched its new human presence-sensing intelligent bath heater, which is equipped with high-sensitivity millimeter wave radar to actively capture and track user movements and activate preset modes without any manual operation. The product features a multi-point three-dimensional temperature measurement system combined with an AI constant temperature algorithm to deliver precise, evenly distributed warm airflow. Additionally, with a sensor serving as the signal trigger, the product allows users to freely bind function combinations including lighting, night lights, and heating, creating a personalized smart bathroom experience for users.

## **(II) Driving Channel Upgrade and User Experience Innovation via Intelligent Lighting Solutions**

### **1. New Experience of Intelligent Scenario-based Home Lighting**

In recent years, the home lighting industry has been increasingly focused on intelligence, quality, and scenario-based applications. The role of light has transformed from basic illumination to a key factor in adapting to human rhythms, integrating into living scenes, and enhancing spatial aesthetics. In 2025, the Company responded to consumer demand for upgraded life quality, and strove for the vision of "Building a Healthy and Smart Life with Light." It forged the full-chain capabilities across hardware products, software systems, and AI design tools, integrated its full range of lighting products, such as ceiling lights, decorative lights, and downlights, developed supporting smart switches, smart sunshading systems and smart sensors, and provided customers with integrated whole-house intelligent lighting solutions covering the full process from design to delivery, steadily realizing the strategic transformation from "selling luminaires" to "creating a smart lighting environment," and providing consumers with upgraded value from product utility to smart lighting experiences.

The Company seized the industry opportunity brought about by the growing trend of whole-house intelligence and actively optimized its layout of home lighting channels during the reporting period to expand its user base and strengthen consumer mindshare in smart lighting, doubling the sales of intelligent solutions during the reporting period by optimizing existing store patterns, accelerating market coverage, building an efficient channel network, and actively exploring cooperation with mainstream home retail platforms to provide consumers with immersive in-store smart lighting experiences. For its key retail stores, the Company provided support by drawing more traffic through diverse methods such as proactive marketing, precise traffic acquisition, live streaming, and cross-industry alliances. This effort not only expanded its user base, but also redefined smart lighting in the minds of customers, injecting strong momentum into the Company's business development.

## **2. Scenario-based Commercial Lighting Solutions and Benchmark Projects**

In response to the high quality-focused evolution trend of commercial lighting from "passive response" to "active perception, autonomous energy saving, and intelligent collaboration," the Company continues to provide full-scenario intelligent lighting solutions for commercial customers. During the reporting period, the Company applied SDL smart spectrum technology to the first store of a well-known chain catering brand in Shanghai. By creating a tech-themed ambiance through SDL soft film lights in the waiting area, providing guiding lighting in the dining area to assist seating, and enhancing the theme experience with pale color lights in the aisle, this project became a benchmark for modern catering lighting environments. For industrial lighting, the Company provided full-stack lighting technology renovation services for China-based plants of global leading drive technology enterprises, offering integrated solutions including energy dashboards, remote management, and spatial constant illuminance. In terms of commercial chains, the Company provided lighting solutions to the urban super complex project as part of the Transit-Oriented Development (TOD) of the Greater Bay Area. It combines indirect and direct lighting to enhance the spatial emotional experience, outlines the corridor with strip lights, and presents a diverse texture that flows over time through gradient dimming technology.

For major customers, the Company empowered multi-scenario solutions for smart buildings via SDL smart spectrum technology, focused its efforts on energy-saving transformation for carbon peaking and carbon neutrality and renovation of urban lighting, and achieved a series of key breakthroughs. Adhering to the strategy of "Demonstrating First, Scaling with Replicable Models," the Company completed multiple benchmark projects with industry influence as follows: (i) It undertook the comprehensive energy-saving renovation and demonstration project for lighting and air conditioning in the Haikou Customs General Office Building, which has become a model case for the General Administration of Customs to promote the EMC (Energy Management Contract) across China; (ii) It delivered an integrated lighting solution for the headquarters of a Global Top 500 new energy enterprise. Professional light environment design was applied across the areas such as building facade, offices, catering spaces, cultural and sports centers. Meanwhile, the in-house developed intelligent control system was deployed to reduce overall energy consumption, helping the enterprise fulfill its vision of "Smart Energy for Global Benefit"; (iii) It upgraded the smart lighting systems of office building (Phase I and Phase II) for the Shanghai headquarters of a leading international shipping enterprise. Leveraging the smart lighting management platform as well as human-centric lighting and IoT sensing technologies, the project effectively supported energy conservation and carbon reduction, winning the building the first BOMA BEST 4.1 Platinum Certification in China; (iv) It provided continuous lighting solution to the north-south tunnel of Shanghai Pudong International Airport. Adopting diffuse reflection technology to reduce glare, the project ensures comfortable traffic passage for the 1.6 km tunnel and helps the key transportation hub of Shanghai to become an iconic landmark project; (v) By adopting IoT perception and energy-saving technologies, the Company reduced lighting energy consumption in classrooms at the Baoshan Campus of a Shanghai university, supporting the university in building a green and low-carbon benchmark campus. In addition, the Company was deeply involved in smart city renewal projects to help promote the "Lighting up the Magic City" initiative through efforts such as the lighting renovation of Xujiahui Pacific Department Store and the provision of a comprehensive maintenance lighting solution for Sinar Mas Plaza.

Currently, the road lighting industry is upgrading towards safety, reliability, long-term energy efficiency, and intelligent operation and maintenance. The Company continues to iterate and innovate its technology, forming an integrated road intelligent lighting solution consisting of high-performance smart street lights, IoT power supplies, and self-developed high-performance lighting platforms, injecting momentum into the green and intelligent development of urban lighting. In 2025, with IoT power supplies

as the core hardware, the Company advanced the upgrading of road intelligent control systems in the three key aspects of safety, stability, and convenience. As a result, wiring points and operational electrical risks were reduced by integrating power supplies and controllers into an all-in-one unit; the fault alarm accuracy of the management platform was continuously improved, safeguarding the stable operation of urban facilities; and open and compatible product protocols realized plug-and-play deployment of devices without additional configuration. In terms of software, the Company developed an AI agent as a lighting management assistant to improve management efficiency and energy consumption control accuracy in areas such as AI dynamic strategy, lighting strategy optimization, and proactive operation and maintenance warning. During the reporting period, the Company won the bid for benchmark projects such as the energy-saving renovation of streetlights in central area of Beijing, promoting low-carbon and green development through customized solutions. In Kunming and other regions, the Company carried out large-scale energy-saving lighting renovation and system upgrading projects under energy trust contracts, achieving win-win cooperation among the government, enterprises, and cities, and forming a market-oriented implementation model of low-carbon lighting that is replicable and promotable.

### **3. Applications in New Lighting Scenarios**

In 2025, the Company continued to expand into new lighting sectors by launching an ad hoc network-based smart solution specifically designed for garages and parking lots. Based on local ad hoc network technology, this solution enables autonomous energy savings and fast configuration without need for a central platform, reducing the commissioning time to within 10 minutes. The system features core advantages such as no need for on-site commissioning, low maintenance requirements, and over 90% energy savings; meanwhile, it can support energy consumption analysis and management decision-making. The system has been successfully deployed in the parking lots of multiple large-scale commercial complexes, delivering closed-loop value featuring "plug-and-play, and sustained energy efficiency".

During the reporting period, the Company released the lighting solution 1.0 for the medical industry, focusing on three major scenarios: public spaces in hospitals, specialized clinic areas, and comprehensive intelligent management. Through customized spectra such as "Sleep-Enhancing Light" and "Healing Light," the solution creates a lighting environment that is conducive to patients' visual comfort. The self-developed spectra of "Concentration-Enhancing Light" and "Clarity Light" provide suitable lighting conditions for medical staff to operate with precision and focus. Relying on the OPPL comprehensive management platform for intelligent lighting, the Company achieved on-demand lighting, intelligent operation and maintenance, and visible energy consumption, and built an integrated lighting environment system that combines healing, precision, and intelligent control.

For plant lighting, the Company launched a plant lighting shelf and growth environment control system that applies to agricultural facilities and plant factories. These products can achieve intelligent collaborative regulation of temperature, light, water, and fertilizer, providing a complete solution addressing issues from light sources to ecological factors. During the reporting period, the Company collaborated with the Shanghai Academy of Agricultural Sciences and experimentally verified that the system can optimize crop growth cycle and nutritional quality. This further enriched the Company's professional lighting portfolio.

### **4. Deepening Innovation and Collaboration in E-commerce Channels**

In 2025, facing the trend of consumer preference shifting towards content and interaction, the Company proactively deepened its innovation and collaboration in e-commerce channels. It focused on strengthening the development of content platform, promoting its upgrade from a traffic gathering tool to a platform that integrates brand marketing and sales conversion, and driving its rapid development by capturing and efficiently converting the incremental growth of the "interest-driven consumption" market. The Company also deepened its collaboration with traditional mainstream e-commerce platforms, forming complementary traffic flows and establishing the whole process from content-driven product promotion to member retention. By introducing a content-based operation strategy, the Company enhanced user loyalty and conversion rates, and proactively explored expansion opportunities in a vertical niche while consolidating the core market foundation. In terms of internal capability building, the Company continued to optimize its operational support system. By focusing on business development, it has established specialized teams for emerging channel operations, ensuring precise allocation of resources. The Company has comprehensively advanced the deep application of AI technologies in

customer service, design, and operations, significantly improving the efficiency of traditional business operations. Through the development of a systematic data collection and analysis framework, it continued to accumulate digital operational assets, providing robust support for business decision-making.

### **5. Expanding Business by Going Global with Own Brands**

In 2025, the Company remained committed to its global own brand strategy and continued to strengthen its presence in key regional markets overseas. By leveraging the intelligent lighting system solutions, it has achieved a strategic upgrade in overseas expansion, transitioning from product exports to solution-based empowerment. In terms of channel development, the Company strove to develop a core network of distributors with engineering service capabilities, thereby setting a strong foundation for the large-scale growth of its overseas business. Additionally, it has established a premium system solution framework aiming at overseas markets for several strategic commercial distributors, enhancing its localized service and delivery capabilities.

For benchmark projects, the Company focused on key countries of the "Belt and Road" initiative to enhance brand potential with benchmark projects. In 2025, the Company won the bid for the solar street light project in Dodoma, the capital of Tanzania, achieving an important breakthrough in the large-scale public construction sector in the East African market; The Company successfully implemented the high-end lighting upgrade project for the National Presidential Palace in Myanmar, further enhancing its brand influence in Southeast Asia; In the Middle East market, it completed the delivery of the Oman Palace project and created a benchmark for the royal-level light environment using SDL smart spectrum technology. In Europe, the Company's SDL Wellsky series won the "Future of Lighting Innovation Award 2025", reflecting the industry's recognition of the Company's professional lighting products and technology roadmap, and testifying the product's ability to deliver added value to users. Meanwhile, the Company continued to provide professional and efficient lighting solutions across Europe, including upgrading the energy-saving lighting system for the main field and training area of the Austrian UFC football stadium. It combined floodlights with DALI drivers and Bluetooth intelligent control modules to ensure excellent visibility during night training and matches through portable control, while significantly reducing energy consumption. In addition, the Company accelerated the global replication and promotion of commercial chain solutions, deepened cooperation in centralized procurement with international top brands such as Starbucks and McDonald's, and expanded intelligent lighting solutions to stores in multiple countries. The Company also cooperated with internationally renowned automakers and their supporting suppliers on industrial lighting projects, achieving the leap from individual projects to large-scale replicable solutions.

### **(III) Building the Foundation of AI Applications and Digital Processes**

With the rapid iteration of generative AI technology, digital intelligence has become the core engine for enterprises to improve operational efficiency and user experience. In 2025, the Company promoted the implementation of AI technology in scenarios such as customer service and data support, and built a smart operation system. It created AI-powered online customer service and AI voicebot based on large models to address user experience issues, such as weak semantic understanding and high human escalation rate. This enables real-time cross-system knowledge retrieval and replaces high-frequency repetitive labor, significantly improving answering accuracy and self-service resolution rates, and optimizing service experience. It also launched intelligent marketing and promotion tools such as live streaming digital humans. These efforts upgraded the Company from a "process-driven" to a "data-driven" enterprise. For daily operations, the Company launched a data analysis AI agent, helping support business personnel transform from passive problem identification to easy acquisition of data insights. By accumulating analytical insights, proven best practices were reused to provide agile support for business decision-making.

During the reporting period, the Company continued to promote its digital transformation strategy with the goal of enhancing customer experience. To meet agile delivery, cost reduction, efficiency improvement, and green and low-carbon requirements, the Company optimized and streamlined its core end-to-end business processes, which cover multiple core business areas such as product research and development, channel marketing, procurement, supply chain, customer service, as well as backend functions such as human resources and financial management, laying a solid foundation for digital capability upgrading. Besides, it launched multiple digital systems, including the "OPPLE Lighting Design Platform" management platform that supports front-end marketing business, the precision cost

management platform that focuses on data-driven refined cost control, the CRM system that deepens standardized management of commercial lighting business, the procurement management platform that reduces procurement costs, and the digital HR management platform on the backend. These systems provide robust support for the Company's strategic goals.

#### **(IV) Brand Building**

##### **1. Upgrading Smart Lighting Experience and Continuously Deepening the Brand Influence**

In 2025, the Company continued to deepen its brand building around smart lighting and a healthy lighting environment. It held the "2025 OPPLE Global Smart Lighting Festival" under the theme of "Wisteria Photosynthetic Stories", and released SDL2.0 full-scenario smart spectrum technology to further improve the health spectrum, intelligent control, and full-scenario solution system, and continuously consolidated the Company's technical foundation and brand awareness in the field of health lighting. In September, the Company held the "AI Healthy Light, Home Design for Love" press conference in Chengdu, launching the "Youth Edition" of the Wellsky series, a light luxury full-scenario intelligent lighting solution tailored to the demands of young families for healthy lighting and intelligent experiences. Concurrently, the Company held the special exhibition "Realm of Light and Shadow" in the Kuanzhai Alley and held the architectural design forum "Light · Structure: Infinite Possibilities for Dialogue with Space" to expand the application and expression of healthy light in spatial design.

In terms of brand communication, the Company deepened public communication on healthy lighting through customized contents. The Company's first customized short drama *The Beam of Light* under the Roof reached over 100 million views across all platforms. Using daily family narratives as a medium and integrating lighting products with eye-protection and emotional-care values, the production continuously strengthened the Company's brand image of "health, technology, professionalism, and fashion".

##### **2. Deepening the Practice of Design Aesthetics and Releasing the Design Brand OLL**

In 2025, the Company deepened its design-driven brand upgrade, strengthened the integration of lighting with architecture, art, and spatial design, maintained long-term cooperation with the internationally renowned architectural firm MAD Architecture, co-created the lighting art installation "An Oil Paper Umbrella" at the 19th Venice Architecture Biennale, released the "Sun" installation in Design Shanghai 2025, and built a "Cosmic Wormhole" exhibition booth at Guangzhou Design Week with the theme of "Light Across the Universe". Using important international and domestic design platforms, the Company combined design philosophy with OPPLE SDL smart spectrum technology to continue exploring the diverse possibilities of light in spatial narrative and artistic expression.

During the reporting period, the Company officially launched its design brand OLL for the high-end design sector and gradually built a product system centered on functional lighting fixtures, decorative lighting fixtures, and movable lighting for multiple design scenarios. Through in-depth communication with top architects, designers, and artists all over the world, the Company continued to expand the application of high-end design in spatial and design contexts, and promoted the extension of its brand image towards design, specialization, and internationalization.

##### **3. Fulfilling Social Responsibilities and Corporate Accountability**

As a leading enterprise in the industry, the Company continues to combine brand development with social responsibilities. In 2025, the Company urgently allocated professional lighting equipment and emergency supplies to support rescue operations after the 7.9-magnitude earthquake in Myanmar, and provided support for nighttime rescue and emergency support in disaster areas. Meanwhile, the Company continuously responded to the national east-west cooperation strategy, deepened long-term cooperation with assisted regions, and donated eye protection lamps to Lyuchun County, Honghe Prefecture, Yunnan Province, to help improve the learning and reading environment for young people.

In addition, the Company continuously promoted public welfare projects of health lighting and donated eye care lighting products to institutions such as Jianshe Primary School in Weibaoshan County, Weishan County, Dali, Yunnan, and Shanghai Minle Nursing Home, fulfilling its corporate social responsibility in education, elderly care, and other sectors as part of its long-term commitment to promoting people's livelihoods and serving social development with professional capabilities.

#### 4. Promoting the Construction of an ESG System and Obtaining an International Authoritative Certification

Under the guidance of the national sustainable development strategy, the Company, together with the National Energy Conservation Center and multiple industry partners, established the Energy Conservation and Carbon Reduction Ecological Innovation Alliance in April 2025, and initiated a zero-carbon park construction project with the National Energy Conservation Center for exploring the technological path and demonstration mode of the lighting industry in low-carbon transformation. In October 2025, the Company passed the globally recognized EcoVadis assessment and won the bronze certification, marking a breakthrough in the Company's implementation of ESG concepts. This testified that the Company's practice in the four core dimensions of environmental management, labor rights, business ethics, and sustainable procurement had reached international standards, and had become one of the top manufacturers of electrical lighting equipment in the world.

#### IV. Analysis of Core Competence during the Reporting Period

√ Applicable   □ Not Applicable

The Company has been deeply involved in the lighting industry, gradually establishing core competitive advantages in brand, channels, research and development, production and operation, talent, and management.

##### 1. Brand Advantages

From the era of traditional lighting to the era of LED lighting, and then intelligent lighting, the Company has been deeply rooted in the lighting industry, continuously promoting technological innovation and product upgrades, ranking among the top in the Chinese general lighting market, and growing into a globally renowned lighting brand. Over the years, the Company has participated in multiple national key projects and has become a partner and lighting solution provider for the Private Enterprise Joint Pavilion at the World Expo, the Botanical Garden Pavilion at the Beijing International Horticultural Exhibition, the China Pavilion at the Dubai World Expo, and the China Pavilion at the Venice Architecture Biennale. It has made multiple brilliant appearances at the Light + Building Frankfurt in Germany. In 2025, the Company teamed up with renowned architect Ma Yansong to make a stunning appearance at the Shanghai and Guangzhou Design Weeks, providing users with high-quality products and services. Adhering to independent innovation and relying on its strong R&D and production capabilities, the Company has won internationally recognized awards for six consecutive years, including German red dots, iF, and Japan's G-Mark. With SDL smart spectrum technology as the core, we have promoted the intelligent upgrading of our product system. In 2025, the SDL smart spectrum technology was included in the Fortune China Best Design List.

The Company has consistently provided consumers with high-quality products and services, obtaining certifications such as "National Demonstration Enterprise for Product and Service Quality Integrity", "National Consumer Quality and Reputation Guaranteed Product", "National Advanced Enterprise for Quality Integrity", and "National Quality Inspection Stable and Qualified Product". With its outstanding technical expertise, the Company has also received the "Healthy Light Quality Five-Star Certification" jointly issued by TÜV SÜD and China Certification Center (CQC).

##### 2. R&D and Technology Advantages

The Company's R&D Center continues to implement its R&D strategy of being "Oriented towards user needs, powered by innovation in cutting-edge LED technologies, and guided by the foresight of intelligent lighting trends", and create values based on the essence of light. After years of development and accumulation, the R&D Center has built strong comprehensive competitiveness in core fields such as optics, electronics, materials, mechanical design, electrical control, and software. Relying on its cross-disciplinary technology integration capabilities, the R&D Center is actively exploring cutting-edge fields such as AI and human-centric lighting to reinforce its technological moat.

The Company has established an advanced technology management platform and digital R&D system, enabling it to deeply understand the essential needs of lighting from the user's perspective. By combining virtual simulation with real-world scenario setups, it can verify and iterate product solutions

efficiently and create lighting products that meet user needs more precisely. While driving product and R&D innovation, the Company continues to deepen modular design of products and platforms to enhance consumer experience, and maintain cost competitiveness in the industry.

Based on in-depth research and breakthrough applications in human-centric lighting, the Company has continuously innovated and launched a number of leading patented spectral technologies tailored to the lighting needs of different user groups in different spaces, aiming to provide users with a more personalized, comfortable, and healthy lighting environment. In the field of intelligence and interconnection, the Company has established core capabilities in wireless technology, sensing technology, IoT technology, cloud computing and big data processing, and AI technology. Combined with OPPLE's comprehensive indoor, outdoor, DMX and other lighting control systems, the OPPLE intelligent lighting management platform has been upgraded to continuously enhance the intelligence level of lighting solutions and optimize user experience.

In the field of low carbon and energy saving, the Company actively practices the concept of green and sustainable development, integrating efficient and energy-saving technologies throughout the entire chain of product R&D and system solutions. Based on its technological accumulation in the fields of optics and electronic drives, the Company continuously improves the luminous efficiency of its lighting systems, develops high-efficiency LED products, and significantly reduces unit lighting energy consumption. In terms of drive circuit technology, its self-developed drivers can dynamically adjust output voltage levels based on input voltage, effectively reducing switching losses and improving power utilization efficiency. In outdoor scenarios such as road lighting, the Company has achieved system-level energy savings and consumption reduction through the synergistic integration of high-efficiency smart streetlights, IoT power supplies, and self-developed high-performance lighting platforms, combined with intelligent on-demand dimming and control strategies, continuously driving the green and low-carbon transformation of the lighting industry through technological innovation.

### 3. Channel Advantages

In the home lighting channel, the Company, relying on its strong marketing team and extensive channel network resources, has developed widespread outlets at home decoration and building materials markets, lighting markets, and hardware stores, and strategically established smart lighting city experience centers in major central cities, achieving a high coverage in provincial, municipal, autonomous prefecture, league, and city markets across the country and further expanding its businesses to township and rural areas. In addition to increasing channel outlets, the Company also attaches great importance to the improvement of distributors' operational capabilities and the quality of stores/outlets.

To this end, the Company has continuously optimized and upgraded the operational capabilities and management standards of its distributors, stores/branches. First, to cultivate distributors' operational management capabilities, the Company has established a distributor evaluation system and database to perform regular assessments, appraisals, and corrective improvements on distributors. At the same time, it is actively building a full-chain digital marketing system, to improve the digital marketing ecosystem of channels, ensure the coordination and consistency of responsibilities and rights of all parties based on process-oriented management, and effectively monitor and manage sales activities at all stages. Second, at the sales terminals, the Company has continuously enhanced the intelligent lighting sales capabilities of retail stores, creating intelligent lighting scene based display methods, standardized service experiences, and personalized lighting designs. Through the Company's self-developed OPPLE Lighting Design platform, consumers can generate personalized intelligent lighting solutions easily using AI or place orders independently online, fully meeting their demands for smart lighting solutions.

In addition, the Company has continuously enhanced its penetration in commercial, e-commerce, and overseas channels, achieving diversified and comprehensive channel coverage. In the commercial lighting sector, the Company relies on its in-depth industry research, professional lighting design team, nationwide network of commercial distributors, and efficient supply chain and after-sales service system to continuously deliver high-standard comprehensive lighting solutions. In the field of e-commerce, the Company has deployed multiple platforms and categories to provide consumers with comprehensive, high-quality, and convenient products and services. Overseas, the Company adheres to a proprietary brand development strategy. In key countries such as Europe, Southeast Asia, and the Middle East, it has established a good brand image and reputation through professional lighting products and intelligent

solutions, bringing high-efficiency intelligent products and solutions to overseas consumers and users in industrial, office, commercial retail, and outdoor applications.

#### 4. Production and Operation Advantages

In response to the rapid iteration of smart and healthy lighting technologies and the growing trend of personalized product demands, the Company has comprehensively promoted the "Robot+" multi-functional flexible workstation and deployed collaborative robots on a large scale, building a human-machine collaborative flexible intelligent manufacturing system. This effort significantly improves the production line flexibility and quick delivery capability for small-batch customized orders while ensuring highly automated production of platform-based products.

Through product design optimization, supply chain collaboration, lean manufacturing, and other full-chain collaborations and resource integrations, the Company has deeply decoupled product full-chain process and design bottlenecks, continuously building structural cost-reduction capabilities. It has also established standard work hour models and refined cost control systems, solidifying its extreme cost competitiveness.

The Company has continuously iterated its production test systems and inspection equipment, connecting the traceability links between key quality characteristics and process parameters, enabling traceable linkages between finished products and production test data, driving quality improvement through data.

Based on AI technology and the practice of lighthouse factories and intelligent demonstration factories, the Company has promoted "AI+" scenario-based business transformation and efficiency enhancement across core areas such as planning, logistics, quality, and manufacturing. While reducing costs and increasing efficiency, improving production capacity and quality, it has optimized the overall supply chain operation system and significantly enhanced order delivery agility.

#### 5. Talent and Management Advantages

Talent is the most critical strategic asset of the Company. We have built a sustainable competitive advantage through systematic talent supply chain construction and scientific management system:

(1) We adhere to the equal emphasis on attracting high-end talents and reserving new generation talents, actively bring in experienced management and professional talent from benchmark companies to build a composite management team. Relying on regular campus recruitment, we continue to introduce outstanding master's and doctoral graduates from leading universities such as Harbin Institute of Technology, Tongji University, and Fudan University, injecting new vitality into the Company.

(2) We have built a hierarchical talent cultivation system covering all levels. This system covers various levels from store guides, store managers, department managers, and directors. Through hands-on practice, mentorship, and specialized training, it comprehensively improves employees' professional capabilities and management levels.

(3) We continuously improve the cadre management mechanism, establishing standards for the entire process of cadre selection, appointment, training, motivation, and management to achieve standardized and systematic cadre management.

(4) We have upgraded our HR management digital platform to achieve refined performance management. We have built a data-driven decision support system that relies on intelligent analysis to empower precise talent identification, allocation, and management.

### **V. Major Operations during the Reporting Period**

In 2025, the Company achieved operating revenue of RMB 6.97 billion, total profit of RMB 1.083 billion, and net profit attributable to shareholders of the Company of RMB 920 million.

**(I) Analysis of Main Operations****1. Analysis of Changes in Relevant Accounts of the Profit Statement and Cash Flow Statement**

Unit: Yuan Currency: RMB

Account	Amount for the Current Period	Amount for the Same Period Last Year	Change (%)
Operating revenue	6,970,146,425.51	7,096,343,305.89	-1.78
Operating costs	4,228,485,604.32	4,308,012,292.26	-1.85
Selling expenses	1,213,656,257.96	1,291,188,397.86	-6.00
Administrative expenses	269,557,938.82	335,693,236.17	-19.70
Financial expenses	-30,963,220.57	-52,473,383.03	40.99
R&D expenses	296,922,518.64	306,023,822.87	-2.97
Net cash flow from operating activities	689,874,479.51	819,137,835.33	-15.78
Net cash flow from investment activities	194,490,034.40	-3,894,395,359.01	104.99
Net cash flow from financing activities	-744,372,992.78	-838,385,043.70	11.21

Explanation for the change in financial expenses: mainly due to the decrease in interest income for the current period.

Explanation for the change in net cash flows from investment activities: mainly due to the increase in cash received from the recovery of investments and the decrease in cash paid for investments.

Detailed explanation of significant changes in the Company's business type, profit composition, or sources of profit during the current period

Applicable Not Applicable

**2. Analysis of Revenue and Costs**

Applicable Not Applicable

**(1). Main Operations by Industry, Product, Region, and Sales Model**

Unit: RMB 10,000 Currency: RMB

Main Operations by Industry						
Industry	Operating Revenue	Operating Costs	Gross Margin (%)	YoY Change in Operating Revenue (%)	YoY Change in Operating Costs (%)	YoY Change in Gross Margin (%)
R&D, production, and sales of lighting fixtures	691,708.77	421,255.54	39.10	-1.65	-1.69	Increased by 0.02%

Main Operations by Product						
Product	Operating Revenue	Operating Costs	Gross Margin (%)	YoY Change in Operating Revenue (%)	YoY Change in Operating Costs (%)	YoY Change in Gross Margin (%)
Products for lighting and other applications	691,708.77	421,255.54	39.10	-1.65	-1.69	Increased by 0.02%
Main Operations by Region						
Region	Operating Revenue	Operating Costs	Gross Margin (%)	YoY Change in Operating Revenue (%)	YoY Change in Operating Costs (%)	YoY Change in Gross Margin (%)
Domestic	624,463.63	383,231.68	38.63	-1.85	-1.53	Decreased by 0.20%
Overseas	67,245.14	38,023.85	43.45	0.19	-3.32	Increased by 2.05%

Explanation of the main operations by industry, product, region, and sales model: None

## (2). Analysis of Production and Sales

√ Applicable □ Not Applicable

Main Products	Unit	Production	Sales	Inventory	YoY Change in Production (%)	YoY Change in Sales (%)	YoY Change in Inventory (%)
Products for lighting and other applications	10,000 pcs	23,643	23,823	2,005	-2.94	-8.25	-8.22

Explanation of production and sales: None

## (3). Performance of Major Procurement Contracts and Major Sales Contracts

□ Applicable √ Not Applicable

## (4). Analysis of Costs

Unit: RMB 10,000 Currency: RMB

By Industry							
Industry	Cost Item	Amount for the Current Period	Percentage of Total Cost (%)	Amount for the Same Period Last Year	Percentage of Total Cost (%)	YoY Change (%)	Remarks
R&D, production, and sales of lighting	Raw materials	337,926.22	80.22	342,398.90	79.90	-1.31	
	Labor costs	34,362.26	8.16	34,091.13	7.96	0.80	

fixtures	Expenses	48,967.06	11.62	52,019.62	12.14	-5.87	
By Product							
Product	Cost Item	Amount for the Current Period	Percentage of Total Cost (%)	Amount for the Same Period Last Year	Percentage of Total Cost (%)	YoY Change (%)	Remarks
Products for lighting and other applications	Raw materials	337,926.22	80.22	342,398.90	79.90	-1.31	
	Labor costs	34,362.26	8.16	34,091.13	7.96	0.80	
	Expenses	48,967.06	11.62	52,019.62	12.14	-5.87	

Additional explanation of cost analysis: None

**(5). Changes in Consolidation Scope Due to Changes in Equity of Major Subsidiaries during the Reporting Period**

Applicable Not Applicable

**(6). Major Changes or Adjustments to the Company's Business, Products, or Services during the Reporting Period**

Applicable Not Applicable

**(7). Major Customers and Suppliers**

Customers or suppliers under common control are consolidated and presented as a single customer or supplier, except for those actually controlled by the same state-owned asset management authority.

Explanation of the consolidation and presentation of the following customer and supplier information based on common control criteria: N/A

**A. Major Customers and Suppliers of the Company**

Applicable Not Applicable

The sales to the top five customers amounted to RMB 563.9317 million, accounting for 8.09% of the total annual sales, of which the sales amount from related parties was RMB 0, accounting for 0% of the total annual sales.

The purchase amount from the top five suppliers was RMB 353.2875 million, accounting for 10.58% of the total annual purchases, of which the purchase amount from related parties was RMB 46.8001 million, accounting for 1.40% of the total annual purchases.

**B. Sales to a Single Customer Exceeding 50% of Total Sales, New Customers Among the Top Five Customers, or Significant Reliance on a Few Customers during the Reporting Period**

Applicable Not Applicable

**Purchases from a Single Supplier Exceeding 50% of Total Purchases, New Suppliers Among the Top Five Suppliers, or Significant Reliance on a Few Suppliers during the Reporting Period**

Applicable Not Applicable

### C. Company Stock Subject to Delisting Risk or Other Warnings during the Reporting Period

Top five customers

Applicable Not Applicable

Top five suppliers

Applicable Not Applicable

### D. Generation of Trade Business Revenue by the Company during the Reporting Period

Applicable Not Applicable

Trade business revenue accounts for over 10% of operating revenue from the top five customers

Applicable Not Applicable

Trade business revenue accounts for over 10% of operating revenue from the top five suppliers

Applicable Not Applicable

Other explanations: None

### 3. Expenses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Account	Amount for the Current Period	Amount for the Same Period Last Year	Change (%)	Reason for Change
Selling expenses	1,213,656,257.96	1,291,188,397.86	-6.00	-
Administrative expenses	269,557,938.82	335,693,236.17	-19.70	-
R&D expenses	296,922,518.64	306,023,822.87	-2.97	-
Financial expenses	-30,963,220.57	-52,473,383.03	40.99	Mainly due to a decrease in interest income for the current period

### 4. R&D Investment

(1). R&D Investment

Applicable Not Applicable

Unit: Yuan Currency: RMB

Expensed R&D investment for the current	296,922,518.64
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period	
Capitalized R&D investment for the current period	0.00
Total R&D investment	296,922,518.64
Percentage of total R&D investment amount in operating revenue (%)	4.26
Proportion of capitalized R&D investment (%)	0.00

## (2). R&amp;D Personnel Information

Applicable  Not Applicable

Number of the Company's R&D personnel	459
Percentage of R&D personnel in the Company's total headcount (%)	8
Educational Background of R&D Personnel	
Educational Background Category	Number of Personnel
Master's degree	92
Bachelor's degree	288
College diploma or below	79
Age of R&D Personnel	
Age	Number of Personnel
<30	83
$30 \leq \text{Age} < 40$	224
$40 \leq \text{Age} < 50$	138
$50 \leq \text{Age} < 60$	12
$\geq 60$	2

## (3). Explanation

Applicable  Not Applicable

## (4). Reasons for Significant Changes in the Composition of R&amp;D Personnel and Their Impact on the Company's Future Development

Applicable  Not Applicable

**5. Cash Flow**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the Current Period	Amount for the Previous Period	YoY Change (%)	Reason for Change
Net cash flow from operating activities	689,874,479.51	819,137,835.33	-15.78	-
Net cash flow from investment activities	194,490,034.40	-3,894,395,359.01	-104.99	Mainly due to an increase in cash received from investment recovery and a decrease in cash paid for investments
Net cash flow from financing activities	-744,372,992.78	-838,385,043.70	-11.21	-

**(II) Explanation of Significant Profit Changes Due to Non-main Operations** Applicable  Not Applicable**(III) Analysis of Assets and Liabilities**√ Applicable  Not Applicable**1. Assets and Liabilities**

Unit: Yuan Currency: RMB

Item	Closing Balance for the Current Period	Percentage of Total Assets (%)	Closing Balance for the Prior Period	Percentage of Total Assets (%)	YoY Change in Closing Balance (%)	Remarks
Notes receivable	21,044,040.00	0.22	5,926,193.84	0.06	255.10	Mainly due to an increase in bank acceptance bills receivable that have not yet matured at the end of the period
Receivables financing	56,000.00	0	-	0	100	Mainly due to an increase in bank acceptance bills receivable held at the end of the period
Construction in progress	195,859,059.95	2.04	22,953,466.65	0.24	753.29	Mainly due to the increase in infrastructure-related construction in progress during the current period
Right-of-use assets	9,245,469.99	0.10	14,227,440.26	0.15	-35.02	Mainly due to the decrease in the value of right-of-use

						assets as a result of amortization over time
Long-term deferred expenses	11,967,578.86	0.12	9,050,769.28	0.09	32.23	Mainly due to the increase in renovation expenses during the current period
Short-term borrowings	8,769,946.31	0.09	80,596,034.90	0.83	-89.12	Mainly due to the repayment of short-term bank loans during the current period
Held-for-trading financial liabilities	-	0	118,063.58	0	-100	Mainly due to the profit from foreign exchange contracts at the end of the period
Lease liabilities	5,492,757.68	0.06	9,279,172.51	0.10	-40.81	Mainly due to the decrease in lease expiries during the current period
Long-term payables	-	0	8,998,803.00	0.09	-100	Mainly due to the transfer of non-current liabilities due within one year at the end of the period
Less: Treasury shares	107,845,221.37	1.12	159,496,014.95	1.65	-32.38	Mainly due to the unlocking of restricted stock and the granting of draft incentive plans during the current period
Other comprehensive income	-25,268,473.58	-0.26	-10,936,455.23	-0.11	131.05	Mainly due to changes in the impact of foreign currency translation on financial statements
Non-controlling interests	2,131,244.72	0.02	17,382.86	0	12,160.61	Mainly due to the profits of the holding company during the current period

Other explanations: None

## 2. Overseas Assets

√ Applicable □ Not Applicable

**(1). Asset Size**

Overseas assets amounted to 558,955,026.76 (unit: Yuan, currency: RMB), accounting for 5.81% of total assets.

**(2). Explanation of the High Proportion of Overseas Assets**

Applicable Not Applicable

**3. Major Assets Under Restriction as of the End of the Reporting Period**

Applicable Not Applicable

**4. Other Explanations**

Applicable Not Applicable

**(IV) Analysis of Operational Information in the Industry**

Applicable Not Applicable

Please refer to the relevant content of "II. Industry Situation during the Reporting Period" in Section III "Management's Discussion and Analysis" of this Report for details.

**(V) Analysis of Investments****Overall Analysis of External Equity Investments**

Applicable Not Applicable

Unit: RMB 10,000 Currency: RMB

Account	Amount for the Current Period
Long-term external equity investment amount at the end of the reporting period (RMB 10,000)	26,122.63
Increase or decrease in long-term external equity investment amount (RMB 10,000)	-481.32
Long-term external equity investment amount at the end of the same period last year (RMB 10,000)	26,603.95
Increase or decrease in long-term external equity investment amount (%)	-1.81

**1. Significant Equity Investments**

Applicable Not Applicable

**2. Significant Non-equity Investments**

Applicable Not Applicable

The Company plans to invest and construct the Guangdong-Hong Kong-Macao Greater Bay Area Regional Headquarters Project using its own and self-raised funds. The project is located in Minzhong Town, Zhongshan City, Guangdong Province, covering approximately 450 acres and totaling approximately RMB 2.58 billion in investment. This investment has been approved at the 23rd meeting of the 2nd Session of Directors and the 2017 Annual General Meeting of Shareholders.

On September 12, 2018, the project company, OPPLE (Zhongshan) Intelligent Technology Co., Ltd., was established with registered capital of RMB 300 million.

On December 31, 2018, the Company signed the Cooperation Agreement on OPPLE Lighting South China Headquarters Base Project with Zhongshan Municipal Bureau of Commerce. In September 2020, the Company obtained the real estate ownership certificate and obtained the land use rights.

On May 25, 2023, the Company signed the Cooperation Agreement on the Capital Increase and Production Expansion Project of OPPLE Lighting South China Headquarters Base with the Management Committee of Zhongshan Torch High-tech Industrial Development Zone, increasing the additional investment by RMB 420 million, with a planned total project investment of approximately RMB 3.0 billion.

As of the end of 2025, the cumulative fixed asset investment in the Company's Guangdong-Hong Kong-Macao Greater Bay Area Regional Headquarters Project amounted to approximately RMB 1.095 billion, which was mainly used in infrastructure and equipment.

The cumulative investment in the Company's Guangdong-Hong Kong-Macao Greater Bay Area Regional Headquarters Project as of the end of this reporting period can be found in "Section VIII Financial Report", and "(2) Changes in significant construction in progress during the current period" under "Article 22 Construction in Progress" in "Section VII Notes to the Consolidated Financial Statements" of this Report.

### 3. Financial Assets Measured at Fair Value

Applicable  Not Applicable

During the reporting period, financial assets measured at fair value mainly consist of held-for-trading financial assets, amounting to RMB 3,642,802,853.79.

Investment in securities

Applicable  Not Applicable

Explanation of the investment in securities

Applicable  Not Applicable

Investment in private equity funds

Applicable  Not Applicable

As of the end of this reporting period, the Company's historical investment in private equity funds is as follows: the Company invested 7.04% of the shares in Zhuhai Baozi Bitou Enterprise Management Partnership Enterprise (Limited Partnership), with an investment amount of RMB 100 million. It invested 6.45% of the shares in Shanghai Wuyuefeng Pujiang Phase II Equity Investment Partnership Enterprise (Limited Partnership), with an investment amount of RMB 50 million.

Derivative investment

Applicable  Not Applicable

### 4. Specific Progress of Major Assets Restructuring and Integration during the Reporting Period

Applicable  Not Applicable

**(VI) Sale of Major Assets and Equity**

□Applicable   √Not Applicable

**(VII) Analysis of Major Holding and Joint Stock Companies**

√Applicable   □Not Applicable

Major subsidiaries and joint stock companies that contribute more than 10% of the Company's net profit

√ Applicable   □ Not Applicable

Unit: RMB 10,000   Currency: RMB

Name	Type	Main Business	Registered Capital	Total Assets	Net Assets	Operating Revenue	Operating Profit	Net Profit
Suzhou OPPL Lighting Co., Ltd.	Subsidiary	Research and development, technology transfer, production, and sales of electric light sources, lighting fixtures, electronic control systems, electrical switches, and their accessories; manufacturing, processing, and sales of molds; maintenance of computer tools software; import and export business of various commodities and technologies through self-operation and agency; warehousing services; rental of self-owned houses; transportation of general cargo by road; development, design, and production of metal walls, PVC composite panels, metal ceilings, and ceiling joists; sales of self-produced products and provision of after-sales services, etc.	28,000.00	170,511.13	80,819.49	260,496.21	16,546.35	15,356.34
OPPL Intelligent Lighting Technology Co., Ltd.	Subsidiary	Import and export of goods; import and export of technology; electrical installation services; execution of construction projects; design of intelligent building systems; sales of lighting fixtures; sales of household appliances; sales of accessories for household appliances; sales of electromechanical equipment; sales of electrical equipment; sales of distribution switch controllers; sales of intelligent transmission & distribution and control equipment; sales of gas/liquid separation and purification equipment; sales	10,000.00	68,433.99	29,671.11	160,630.12	17,982.75	14,671.11

		of pumps and vacuum equipment, etc.						
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Acquisition and disposal of subsidiaries within the reporting period

Applicable Not Applicable

Other explanations

Applicable Not Applicable

### **(VIII) Structured Entities Controlled by the Company**

Applicable Not Applicable

## **VI. Discussion and Analysis of the Company's Future Development**

### **(I) Industry Landscape and Trends**

Applicable Not Applicable

#### **1. Industry Competition Pattern**

In 2025, under the dual influence of a complex and volatile global economy and deep adjustments in the domestic real estate market, China's semiconductor lighting industry entered a critical phase of deep adjustment and structural restructuring. According to the 2025 China Semiconductor Lighting Industry Development Blue Book released by CSA Research, the total output value of China's LED semiconductor lighting industry in 2025 is expected to be approximately RMB 609.3 billion, representing a year-on-year decrease of 1.1%, with the downstream application market size reaching RMB 505.6 billion, representing a slight year-on-year decrease of 0.4%. As a foundational market, general lighting, affected by the real estate downturn and shrinking demand, achieved a market size of approximately RMB 213.1 billion, representing a year-on-year decrease of 11%.

The industry as a whole features overall market shrinkage and intensified divergence. On one hand, the market demand for traditional general lighting remains weak, and homogeneous competition intensifies in the mid-to-low segments, putting pressure on product prices and resulting in an increase in volume but not profit. Consequently, many small and medium-sized enterprises are constrained by loss of order and rigid cost increases, facing severe survival pressure and accelerating the industry's entry into a phase of stock optimization and restructuring. On the other hand, high value-added fields, including smart lighting, healthy lighting, and specialized niche scenarios, exhibit strong resilience, becoming important engines driving technological innovation and value enhancement in the industry.

The focus of competition is rapidly shifting from homogeneous price competition to differentiated competition in technology, ecosystems, and scenario-based solutions. Leading companies further consolidate their market share by leveraging their comprehensive advantages in intelligent control systems, healthy light environment technology, channel layout, and brand influence. Meanwhile, cross-border giants such as home appliances and home furnishings have entered the market with strong support from their smart home ecosystem, driving the lighting industry to evolve from single hardware manufacturing toward the integration of whole-home intelligence and scenario services, and continuously expanding industry boundaries.

#### **2. Industry Development Trends**

##### **(1) Smart multi-functional pole industry entering a new stage of refined operation and becoming a core carrier for urban governance**

In 2025, China's smart multi-functional pole industry entered a new development stage centered on

refined operations, shifting the focus from incremental construction to revitalizing existing assets and value extraction. According to CSA research data, from January to November 2025, approximately 179 public tender projects for multi-functional poles were completed in China, involving over 73,000 sets of smart light poles, with a total bid-winning amount of approximately RMB 15.284 billion. The East China region remained at the forefront across the country.

Technological advances features deep integration and intelligentization. Edge computing and AI technologies are widely applied, enabling real-time data processing and intelligent response at the front end of multi-functional poles, making them sensing hubs for multi-dimensional urban data. In October 2025, the Ministry of Housing and Urban-Rural Development (MOHURD) and eight other departments issued an action plan which explicitly proposes the use of smart multi-functional poles as the core carrier to build road intelligent sensing systems and urban cloud platforms, bringing sustained incremental space to the smart pole market.

New business formats and scenario applications continue to expand. Smart light poles are evolving from single lighting or information dissemination carriers to key nodes in urban governance and public services, integrating 5G micro-base stations, environmental monitoring, smart security, and other applications to assist in the digitization of grassroots governance. At the same time, the promotion of franchising models is accelerating, and market-oriented operation models such as "renting instead of building" effectively reduce the initial investment pressure on governments, building a sustainable business ecosystem.

### **(2) Accelerated implementation of scenario-based professional lighting applications, with niche segments becoming the core of growth**

Against the backdrop of pressure on the general lighting market, professional lighting segments are becoming the core driving force for industry growth. Requirements for lighting in scenarios such as commerce, industry, education, and healthcare have upgraded from basic "illumination" to integrated solutions that are "scenario-based, personalized, and systematic".

In the commercial lighting field, with the upgrading of retail formats and the accelerated intelligent renovation of hotels and office spaces, the market demands higher flexibility, energy efficiency, and integration of lighting systems with spatial design. Professional lighting solutions with intelligent dimming, color tuning, and seamless integration with building automation systems are in strong demand.

In the industrial lighting field, driven by the "dual carbon" goals, high-bay factories, warehousing, and logistics facilities are accelerating LED energy-saving renovations and intelligent upgrades. Industrial professional fixtures with high efficiency, long lifespans, and intelligent lighting-on-demand functions have become important choices for enterprises to reduce costs and increase efficiency.

In the education lighting field, under the continuing guidance national policies aiming to promote the prevention and control of myopia among children and adolescents and the standardized renovation of classroom lighting, healthy, eye-protective, and intelligently adjustable education lighting products have continuously gained popularity in the market. Light quality specifications, including full spectrum, low glare, and flicker-free output are now mandatory for education lighting, with their application extending to kindergartens and training institutions.

### **(3) Healthy lighting evolving from functional optimization to ecological services**

Consumers' health demands for light environments have upgraded from basic eye protection to full-lifecycle management, driving healthy lighting toward technical standardization and service ecologization. By simulating the dynamic changes of natural light through spectral innovation and based on circadian rhythm research, the industry has developed adaptive lighting solutions, such as high color temperature light in the morning to enhance concentration, and low color temperature light at night to promote melatonin secretion.

The cross-sector integration in phototherapy and health & wellness fields is accelerating. LED light sources are increasingly applied in scenarios such as emotion regulation and sleep intervention, with medical institutions and lighting companies jointly developing phototherapy devices and intelligent diagnosis and treatment systems.

At the standard and ecosystem level, the issuance of policy-driven standards, such as Performance

Requirements for Circadian Lighting Fixtures, provides a scientific basis for product R&D and effect evaluation. In the future, healthy lighting will integrate intelligent hardware, data analysis, and health management platforms to form a closed-loop service of "light environment - user behavior - health feedback", becoming the core driving force for upgrading home, education, office, and public spaces.

#### **(4) Green and low-carbon policies promoting industrial energy efficiency upgrades and facilitating the rise of circular economy models**

Global green transformation policies are continuously intensifying, driving the lighting industry to accelerate the elimination of inefficient production capacity. Documents such as the Guidance Catalogue for Green and Low-Carbon Transformation Industries and the Action Plan for Energy Conservation and Carbon Reduction clearly require an increase in the proportion of high-efficiency and energy-saving products. Driven by both market and policy factors, lighting companies are actively promoting professional and green intelligent lighting solutions, strengthening corporate cooperation, and promoting energy conservation and emission reduction.

The industry has effectively reduced its energy consumption and carbon emissions by promoting LED and intelligent lighting technologies, designing eco-friendly and recyclable lighting products, and implementing energy-saving renovations. Enterprises reduce their carbon footprint through circular economy models including material recycling and regenerative manufacturing, for example, using eco-friendly biodegradable materials to encapsulate lamps and developing easy-to-disassemble structures to extend product lifecycles. The large-scale implementation of municipal lighting renovations and "multi-pole integration" projects has made smart light poles a must for low-carbon city construction. These products incorporate functions such as photovoltaic power generation and energy storage, contributing to the achievement of the "dual carbon" goals.

## **(II) Company Development Strategy**

✓ Applicable    □ Not Applicable

The Company consistently adheres to a global independent brand strategy, deepening the brand positioning of "See Beyond." Guided by user needs and driven by intelligence and low-carbon principles, the Company continues to explore new paths for industry development. Relying on leading AI technology to empower our digital intelligent manufacturing system, it strives to become an industry-leading provider of comprehensive lighting system solutions, bringing an excellent lighting experience to users and creating more value for society.

1. With technological innovation as the core driving force, the Company comprehensively deepens its development in the three strategic directions of "Intelligence, Human-Centric Health, and Low-Carbon Energy Saving". Adhering to the "people-oriented" design philosophy, the Company increases investment in cutting-edge optics and healthy spectrum technologies to scientifically lead the practice and application of human-centric healthy lighting. Meanwhile, the Company deeply advances the "intelligent lighting" strategy by integrating generative AI and IoT technologies to build proactive intelligent light environments. The Company firmly fulfills the "Low-Carbon Energy Saving" responsibility through green product design and breakthroughs in high-efficiency energy-saving technologies, and establishes new OPPLE standards integrating "health, intelligence, and green", empowering partners and users to jointly build a sustainable intelligent lighting ecosystem. Furthermore, the Company gains deep insights into differentiated needs in diverse scenarios such as home, retail, industry, and public roads, accelerating the value upgrade from single products to "smart, healthy, low-carbon solutions", strengthening the full-chain rapid delivery capability of solutions, and achieving a leap from meeting lighting needs to creating the value of a green, healthy and intelligent lifestyle. Leveraging the technological advantages of advanced AI large models in knowledge reasoning, data insight, and intelligent prediction, the Company deeply embeds AI capabilities into its business processes and operational chains, with the aims of optimizing operational efficiency, reducing operating costs, strengthening risk management, and driving high-quality enterprise development.

2. The Company continues to expand the domestic retail business footprint. For end consumers, the Company launches multiple smart hit products and package-based intelligent lighting solutions, actively empowers the sales and operational capabilities of terminal stores, and builds intelligent lighting urban

experience centers in key cities to consolidate and enhance the comprehensive competitiveness of the retail business. The commercial lighting segment continuously strengthens industry research capabilities, centering on intelligence and SDL smart spectrum, to provide users with differentiated professional lighting solutions and comprehensively enhance smart brand awareness. Overseas, the Company focuses on distribution and projects as key channels in priority countries, using industrial and commercial lighting products as entry points to establish brand recognition for OPPLE's high-end intelligent lighting.

3. The Company continues to strengthen process operation management, standardize enterprise architecture management, and improve data operation management capabilities to better serve the business with its digital capabilities. It builds a resource-intensive business service platform to respond to rapid market changes and business challenges, achieving sustained development and innovation.

4. The Company builds a digitally driven, intelligent, green, and sustainable supply chain characterized by "Quality First, Agile Delivery, and Cost Leadership".

5. The Company highly values the corporate ESG efforts, actively assuming corporate citizenship responsibilities. While ensuring steady business development, the Company joins hands with industry partners to take collective actions, accelerates the pace of global sustainable development, and continuously contributes to human well-being.

### **(III) Business Plan**

√ Applicable    □ Not Applicable

#### **1. Channel Management**

(1) In response to user needs, the Company will upgrade the smart store experience by continuously promoting the construction and certification of intelligent solution capabilities at terminal stores to enhance the comprehensive competitiveness of terminals.

(2) The Company will further promote the expansion of its distribution outlets to lower levels and enhance the quality of these outlets by offering a diverse range of product categories.

(3) In the commercial lighting field, the Company will focus on growing key accounts and replicating industry intelligent solutions, prioritizing the promotion of intelligent solutions such as SDL to increase customer share and market share.

(4) Transforming the online sales model, the Company is building diversified content-driven sales capabilities to deliver premium content, while aligning this with product portfolio upgrades, to continuously deliver value to users.

(5) In terms of overseas channels, the Company will continue to expand its industrial and commercial lighting business, build its own intelligent solution capabilities and empower distributors.

#### **2. Product Management and R&D Innovation**

(1) The Company will deepen its platform-based and automated development to establish cost competitiveness for newly launched products and further consolidate and enhance its overall product competitiveness.

(2) The Company will develop flagship products for all-weather, natural, healthy light environments and continuously advance technology development and product implementation for human-centric lighting. Through independent R&D and industry-university-research cooperation, the Company will provide users with health values such as emotional regulation and healing to strengthen the brand mindset of "Healthy Lighting Expert", realizing its flagship strategy and increasing its mid-to-high-end market share.

(3) The Company will promote breakthroughs in solutions, build connections between the Internet of Things and the ecosystem, plan for the smart home internet ecosystem, and strengthen deep cooperation and integration with ecosystem partners, rapidly upgrading its own ecological products and solutions to form the OPPLE Smart Home Ecosystem while expanding into new business areas to cultivate new growth drivers.

(4) The Company will develop leading smart products and solutions, establish core performances for intelligent systems that are "Fast, Simple, and Stable", and achieve broad control coverage and energy management value. By leveraging interactive means such as digital twins, the Company will provide users with service values like remote management and data operation/maintenance, and continuously improve the user-centric and full-lifecycle service guarantee mechanism.

### **3. Digital and Intelligent Transformation**

(1) The Company will strengthen the digitalization of home lighting channels, empower store solution capabilities, and drive increased output per store. For commercial lighting, the Company will standardize the LTC (Leads To Cash) main process through digitalization to consolidate sales management capabilities and best practices, deeply explore the full lifecycle value of commercial lighting customers, and promote the improvement of business closed-loop capabilities and the signing rate of large-scale projects.

(2) The Company will upgrade its internal task execution and management platform to further improve end-to-end business collaboration efficiency, consolidate its best business practices and replicate them across different business areas.

(3) The Company will continuously optimize the smart light environment experience platform to enhance consumer engagement, empower terminal marketing personnel and partners to improve traffic acquisition and conversion rates, and facilitate the business model implementation of whole-house intelligent lighting solutions.

(4) The Company will optimize its precise cost control platform to further strengthen control over cost items in the product lifecycle through a data-driven model, achieving cost reduction in design, procurement, and production to drive high-quality development.

(5) The Company will further expand its coverage of business and finance scenarios to assist in financial risk control and agile operations, gradually embracing intelligent operation.

(6) The Company will strengthen the data platform to enhance data governance and operational capabilities, organize data assets, and improve data quality, providing a solid data foundation for building the Company's enterprise-level AI large model capabilities.

(7) The Company will accelerate the construction of a unified group knowledge base, build the "OPPLE AI Brain" by utilizing its advanced large model capability, and empower business operations and decision-making through AI to enhance operational and decision-making capabilities. Meanwhile, based on the comprehensive integration and private deployment of AI language and image large models, the Company will, in combination with the successfully piloted AI intelligent agents and knowledge bases, further integrate specific business scenarios such as consumer intelligent lighting experience, smart contract management, and smart marketing, and build an enterprise-level AI capability platform to develop and deploy multiple digital employees and intelligent assistants, achieving organizational efficiency improvement and business innovation.

### **4. Manufacturing and Supply Chain**

The Company will systematically advance the strategic layout of the "Most Quality-Competitive Agile Supply Chain" from the following aspects:

(1) Quality: Build a solid product quality assurance system by developing product platform and process capability;

(2) Delivery: Continuously improve delivery capabilities and customer satisfaction in terms of production-sales collaboration, flexible production, smart planning, and smart logistics through the integration of planning systems and joint demand management with proactive planning;

(3) Cost: Build a sustainable cost advantage by enhancing labor efficiency through the extensive application of intelligent manufacturing and reducing expenses by precise cost management.

### **5. Organization and Talent Management**

(1) The Company will set different organizational control and incentive mechanisms for different business units, continuously building its user-oriented solution capabilities.

(2) The Company will strengthen the driving force of performance objective management, fully empower its employees, and improve its governance structure to foster a high-performance corporate culture through objective management and process coaching.

(3) The Company will adopt a differentiated talent strategy to define growth and development paths and enhance the cultivation of cadres, experts, young talents, and key position personnel.

(4) The Company will strengthen the creating of organizational atmosphere to optimize the honor and publicity systems, aligning enterprise culture and talent development with the group strategy.

#### **(IV) Possible Risks**

Applicable    Not Applicable

##### **1. Market Competition Risks**

From a macro perspective, China's domestic economic growth is expected to slow down, while divergent foreign economic growth and complex political environment will bring additional uncertainty to the market. From an industry perspective, on the one hand, competition in the LED lighting market is relatively fierce, with the industry structure and landscape continuously changing; on the other hand, intensified cross-sector competition will potentially increase the market competition pressure on the Company. To address this, the Company will strengthen its core competitive barriers, accelerate industry integration, and expand new business platforms.

##### **2. Real Estate Industry Fluctuation Risks**

The offline consumer business is one of the main revenue sources of the Company. Demands for such products come partly from the housing decoration market and partly from the replacement and upgrade of existing home lighting, with the former significantly affected by the real estate market's prosperity. Future uncertainties in the real estate market will have an impact on market demand. To address these risks, the Company continuously carries out channel transformation and upgrades its service capabilities, while deeply cultivating the existing market to mitigate the impact of real estate market fluctuations on its business.

##### **3. Risk of Fluctuations in Prices of Major Raw Materials**

The Company's main raw materials include copper, cold-rolled steel sheets, PC material, acrylic, etc. Fluctuations in the prices of these raw materials will affect the Company's production costs. If the prices of raw materials experience significant fluctuations, the Company's profitability may fluctuate as a result. With strong brand premium capability, the Company has will mitigate the impact of cost fluctuations by increasing the proportion of high-value-added products, improving manufacturing and supply chain efficiency, among other measures.

##### **4. Risk of Exchange Rate Fluctuations**

The Company's principal business operations are conducted in China and settled in RMB. However, the Company's overseas business (where the denomination currency for foreign currency assets and liabilities as well as foreign currency transactions is primarily the US dollar) remains exposed to foreign exchange risk. The Group's funds management department is responsible for monitoring the Company's scale of foreign currency transactions and foreign currency assets and liabilities to minimize the foreign exchange risk it faces.

#### **(V) Others**

Applicable    Not Applicable

#### **IV. Explanation for the Company's Failure to Disclose as per the Standards due to Inapplicability of the Standards, State Secrets, Commercial Secrets, or Other Special Reasons**

Applicable    Not Applicable

## Section IV ESG

### I. Explanation of Corporate Governance

√ Applicable    □ Not Applicable

During the reporting period, in strict compliance with the requirements of the Company Law, the Securities Act, the Code of Governance for Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Articles of Incorporation, as well as relevant laws, regulations and normative documents of the China Securities Regulatory Commission and the Shanghai Stock Exchange, the Company further improved its corporate governance level, established an effective corporate governance structure, refined the rules of procedure for the General Meeting of Shareholders and the Board of Directors, improved the Company's internal control systems, fulfilled information disclosure obligations, actively assumed social responsibilities, protected the legitimate rights and interests of investors, and promoted the Company's high-quality development.

#### (I) Shareholders and General Meeting of Shareholders

The Company convened and held the general meetings of shareholders in strict compliance with the requirements of the Company Law, the Rules for General Meeting of Shareholders of Listed Companies, the Articles of Association, and the Rules of Procedure for General Meeting of Shareholders, engaged lawyers to witness each of such meetings according to relevant laws, regulations and the requirements of the voting procedures, and provided convenience for shareholders to attend the meetings and fully exercise their shareholder rights. The Company treated all shareholders equally, responded promptly to their questions, and listened to their suggestions and opinions. When the General Meeting of Shareholders deliberated on related matters, related parties were recused from voting in strict compliance with the relevant procedure.

#### (II) Controlling Shareholder and Actual Controllers

The Company has independent and complete main operations and the ability to operate autonomously. It is independent from its controlling shareholder and actual controllers in terms of personnel, assets, business, organization, and finance, and is able to operate, conduct business, and bear responsibilities and risks independently. The controlling shareholder and actual controllers of the Company were able to exercise their rights and assumed corresponding obligations in accordance with the law. During the reporting period, there were no instances where the controlling shareholder or actual controllers exceeded the authorities granted by the General Meeting of Shareholders or the Board of Directors, directly or indirectly intervened in the Company's decision-making and operating activities, or used their controlling position to infringe upon the interests of other shareholders, and thus caused adverse effect on the Company's corporate governance structure, independence, or the like as a result.

#### (III) Directors and Board of Directors

The composition of the Company's Board of Directors complies with the relevant provisions of the Company Law. Under the board, there are four specialized committees: the Strategy and ESG Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. During their term of office, all directors worked with rigor and diligence, diligently fulfilled their duties, continuously monitored the Company's operating conditions, actively participated in the meetings of the Board of Directors, fully leveraged their respective professional expertise, made prudent decisions, and safeguarded the interests of the Company and its shareholders.

#### (IV) Information Disclosure Management

During the reporting period, the Company strengthened the management of its information disclosure affairs and disclosed information truthfully, accurately, completely, timely, and fairly in strict accordance with the requirements of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and other relevant regulations. It designated the Securities Times, China Securities Journal, Securities Daily, Shanghai Securities News, and Cninfo.com as the official media for information disclosure to ensure information is disclosed truthfully, accurately, timely, and completely, and all investors have fair access to the Company's information. The Company continuously strengthens the awareness of information disclosure responsibilities among its directors and senior management, strictly implements its information disclosure management system and accountability mechanism, enhances the truthfulness, accuracy,

completeness, and timeliness of information disclosure, and improves the quality and transparency of the Company's information disclosure. During the reporting period, there was no criticism for the Company from regulatory authorities due to its non-conforming information disclosure.

(V) Investor Relations Management

In accordance with the requirements of relevant laws, regulations, and the Investor Relations Management System, the Company communicated with investors through telephone, email, the Investor Relations Interactive E-Platform, investor research and other means, enhanced information exchange, maintained positive interaction with investors, effectively improved the Company's transparency, and enabled investors to gain a more comprehensive understanding of the Company.

(VI) Construction of Internal Control System

The Company continuously improved its internal control system by successively formulating a series of internal control systems, including the Articles of Association, the Rules of Procedure for the Shareholders' Meeting, the Rules of Procedure for the Board of Directors, the Working System for Independent Directors, the Management System for Related Party Transactions, and the Management System for Information Disclosure. Meanwhile, by strengthening the communication, implementation, and supervisory enforcement of these internal control systems, it ensured conformity for all of its operating activities.

Is there any significant deviation between the Company's corporate governance practices and the relevant laws, administrative regulations, and the provisions of the China Securities Regulatory Commission on the governance of listed companies? If so, the reasons shall be explained.

Applicable Not Applicable

**II. Specific Measures by the Company's Controlling Shareholder and Actual Controllers to Ensure the Independence of the Company in Terms of Assets, Personnel, Finances, Organization, Business, etc., as well as the Solutions, Progress, and Future Work Plans for Addressing Any Factors That May Affect the Company's Independence**

Applicable Not Applicable

The actual controllers of the Company are Mr. Wang Yaohai and Ms. Ma Xiuhui. Mr. Wang Yaohai serves as the Chairman of the Company, while Ms. Ma Xiuhui serves as a Director and the General Manager. With respect to the reasonableness of the aforementioned appointment arrangements and the measures taken to ensure the independence of the Company, we hereby explain as follows:

(I) Regarding the reasonableness of the actual controllers serving concurrently as Chairman and General Manager

1. It favors the interest alignment between the management and owners as well as the improvement of decision-making efficiency.

As the founders and core strategy makers of the Company, the actual controllers have a profound understanding of the industry in which the Company operates. Serving concurrently as Chairman and General Manager, they are able to highly align the Board's strategic decisions with the General Manager's execution and management, shorten the decision-making process, improve decision-making efficiency, and ensure that the Company can respond swiftly and seize business opportunities in a rapidly changing market environment.

2. It is conducive to implementing long-term development strategies and ensuring operational stability

The actual controller's deep involvement in daily operations and management ensures that the Company's long-term development strategy is not disrupted by short-term operational fluctuations, and remains more focused on the Company's long-term strategic development and goals. It avoids the problem of a disconnect between strategic decisions and operational execution that may arise from excessive separation of ownership and management rights. This arrangement helps strengthen the actual controller's

sense of responsibility and mission toward the Company, thereby closely aligning and deeply integrating his/her interests with those of the minority shareholders at the operational level.

(II) Regarding the specific measures for maintaining the independence of the Company

Although the actual controllers also serve as Chairman and General Manager, the Company has established and strictly implemented a sound corporate governance structure to ensure that it maintains independence from its controlling shareholder and actual controllers in business, assets, personnel, organization, finance, and other aspects. The specific measures are as follows:

1. We make an effort to improve the structure of the Board of Directors and strengthen our internal checks and balances mechanisms

In the Company's Board of Directors, there are 3 independent directors, and the total number of board members is 7. The proportion of independent directors to the total number of board members is more than one-third. Independent directors, in accordance with laws, regulations, and the Working System for Independent Directors, independently express opinions on key matters such as material related party transactions, external guarantees, and the appointment or removal of senior managers. The Board of Directors has established four special committees: the Strategy and ESG Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. Among these, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee each have an independent director serving as the convener and are composed of a majority of independent directors, forming an effective check and balance mechanism.

2. We make an effort to improve the division of labor within the management team

The Company has hired a finance director, a board secretary, and key members of the business team, all of whom possess extensive industry experience and professional qualifications. In the actual operation of the Company, the General Manager authorizes key members of the business team to take charge of specific business segments, clarifies the boundaries of responsibilities for each position, and establishes a management structure featuring a clear division of labor, well-defined authority and accountability, and mutual supervision, thereby avoiding management risks arising from the concentration of power.

3. We strictly implement the internal control system to ensure the independence of assets and finance

(1) Independence of assets: The Company possesses independent production and operation premises, trademarks, patents, core technologies, and procurement and sales systems, with clear and undisputed ownership of its assets. The controlling shareholder and actual controllers do not occupy or dominate the Company's assets, nor interfere with the operation or management of the Company's assets. Furthermore, they have not, in any form, misappropriated the Company's assets or used the Company's core resources without remuneration.

(2) Independence of finance: The Company has set up an independent finance department, established an independent accounting system and financial management system, opened bank accounts independently, and pays taxes independently in accordance with the law. The actual controllers have not occupied the Company's funds. The actual controllers strictly comply with the requirements of financial independence, having not occupied or illegally borrowed the Company's funds, nor requested the Company to provide any form of financial support or guarantee.

4. We strengthen information disclosure and related party transaction management

The Company strictly fulfills its information disclosure obligations in accordance with the provisions of the Measures for the Administration of Information Disclosure of Listed Companies. For related party transactions between other enterprises controlled by the actual controllers and the Company, the Company strictly follows the procedures of deliberation by the Board of Directors and the General Meeting of Shareholders, as well as the procedure requiring the recusal of related parties from voting, to ensure fair transaction prices and to avoid harming the interests of the Company and its minority shareholders.

In summary, the arrangement whereby the Company's controlling shareholder and actual controllers concurrently serve as Chairman and General Manager is consistent with the Company's current operational characteristics and governance needs, and is therefore reasonable. The Company has

established effective risk isolation and checks-and-balances mechanisms by improving the diversified structure of the Board of Directors, refining the division of labor within the business team, strictly implementing internal control systems, and strengthening information disclosure and oversight of related party transactions. As a result, the Company substantially complies with the regulatory requirements of independence in terms of personnel, assets, finance, organization, and business, and is capable of effectively protecting the legitimate rights and interests of the Company and all its shareholders, particularly its minority shareholders.

Engagement of the Controlling Shareholder, Actual Controllers, and other entities under their control in the same or similar business as the Company, as well as the impact of significant changes in horizontal competition or the occurrence of such competition on the Company, the measures taken to address these issues, the progress made, and the subsequent solutions

Applicable    Not Applicable

### III. Directors and Senior Management

#### (I) Remuneration and Changes in Shareholdings of Current and Former Directors and Senior Management during the Reporting Period

√Applicable □Not Applicable

Unit: Share

Name	Position	Gender	Age	Term Starting Date	Term Expiry Date	Number of Shares Held at the Beginning of the Year	Number of Shares Held at the End of the Year	Change in Shareholding during the Year	Reason for Change	Total Pre-tax Remuneration Received from the Company during the Reporting Period (in RMB 10,000)	Receiving Remuneration from the Company's Related Parties
Wang Yaohai	Chairman	Male	59	9/8/2024	8/8/2027	122,054,994	122,054,994	0		60.00	No
Ma Xiuhui	Director and General Manager	Female	55	9/8/2024	8/8/2027	118,624,956	118,624,956	0		144.00	No
Ma Zhiwei	Director	Male	49	9/8/2024	8/8/2027	410,791	386,791	-24,000	Repurchase and cancellation of equity incentive shares	266.40	No
Xu Bin	Employee Representative Director	Male	51	9/8/2024	8/8/2027	0	90,000	90,000	Grant of equity incentive shares	228.00	No
Lu Shengjiang	Independent Director	Male	54	9/8/2024	8/8/2027	0	0	0		21.00	No
Chen Weiru	Independent Director	Male	56	9/8/2024	8/8/2027	0	0	0		21.00	No
Jiang Jiongwen	Independent Director	Male	72	9/8/2024	8/8/2027	0	0	0		21.00	No
Hu Xing	Board	Male	42	9/8/2024	8/8/2027	30,000	28,200	-1,800	Repurchase	146.29	No

	Secretary								and cancellation of equity incentive shares		
Wang Haiyan	CFO (financial director)	Female	44	4/12/2025	8/8/2027	120,800	67,400	-53,400	Disposed of on the secondary market	29.97	No
Zhang Xuejuan	Former CFO (financial director)	Female	44	9/8/2024	4/12/2025	300,000	300,000	0		242.40	No
Total	/	/	/	/	/	241,541,541	241,552,341	10,800	/	1,180.06	/

Name	Major Work Experience
Wang Yaohai	Wang has been serving as Chairman and Executive Director of Zhongshan OPPL since June 2006 and March 2021, respectively. He took the position as Chairman of OPPL Lighting Co., Ltd. from October 2008 to May 2012, and has been serving as Chairman of the Company since June 2012. Currently, he is also Director of Zhejiang Super Lighting Electric Appliance Co., Ltd. and Executive Director of Suzhou CM Technology Co., Ltd.
Ma Xiuhui	Ma served as Director of Zhongshan OPPL from June 2006 to March 2021, and as General Manager of OPPL Lighting Co., Ltd. from October 2008 to May 2012. Since June 2012, she has been serving as Director and General Manager of the Company.
Ma Zhiwei	Ma served as Supply Chain Director and Finance Director of Zhongshan OPPL from August 2006 to December 2010. Since March 2011, he has successively served as Vice President of the Supply Chain Management Center, the Outsourcing Management Center, the Product and Solution Center, and the Human Resources and Administration Center, as well as Chief Information Officer, and Executive Vice President of the Company. Since May 2020, he has been a Director of the Company. Additionally, he holds a directorship at Zhuhai XIMO ELECTRIC INC.
Xu Bin	After serving as Strategic Investment Manager of Hucai Group Co., Ltd., Xu joined the Company in 2007. He held successive roles including Strategic Investment Manager, Green Lighting Business Development Director of the Company, and General Manager of a subsidiary. Since 2017, he has served as General Manager of the Business Unit at OPPL Road Lighting Co., Ltd., and has been Head of the ToB Industry Development Center of the Company since January 2025.
Lu Shengjiang	From 1996 to 2006, Mr. Lu was employed by TCL International Electrical (Huizhou) Co., Ltd., holding the positions of Finance Manager, Financial Controller, and Deputy General Manager in succession. From 2006 to February 2009, he served as Deputy General Manager and Finance Director at TCL-Legrand International Electrical (Huizhou) Co., Ltd. From March 2009 to December 2019, Lu worked at Shanghai Liangxin Electrical Co., Ltd. (002706.SZ), where he held positions including Vice President and Finance Director. He has been serving as an Independent Director of the

	Company since June 2023 and currently also serves as an Independent Director of Shenzhen Topwise Communication Co., Ltd. and Zhejiang XCC Group Co., Ltd.
Chen Weiru	Chen served as Assistant Researcher at the Chung-Hua Institution for Economic Research from 1996 to 1999. He held assistant professorships at INSEAD European Business School from 2003 to 2011 and at China Europe International Business School (CEIBS) from 2011 to August 2017. He then served as Chief Strategy Officer at Cainiao Network Technology Co., Ltd. from August 2017 to January 2019, and Director of Alibaba Research Center for Industrial Internet from February 2019 to July 2020. Chen returned to China Europe International Business School (CEIBS) as an Associate Professor from August 2020 to December 2025, and has been serving as a Professor since January 2026. He also serves as Independent Director at TAL Education Group, Vision Deal HK Acquisition Corp., Country Garden Services Holdings Company Limited, and Jack Technology Co., Ltd. He has been serving as Independent Director of the Company since November 2023.
Jiang Jiongwen	Jiang formerly served as Professor of Marketing and Academic Vice Dean at Cheung Kong Graduate School of Business, and held teaching positions at the National University of Singapore, the University of Rochester, Washington University in St. Louis, and the Department of Marketing of the Hong Kong University of Science and Technology. Currently, Jiang is Professor Emeritus at China Europe International Business School. He has been serving as Independent Director of the Company since August 9, 2024.
Hu Xing	Hu formerly served as Secretary of the Board at Shanghai Kedu Healthcare Technology Co., Ltd. and Jiuzhitang Co., Ltd. He was Senior Director of the Capital Planning Department of Sanpower Group Co., Ltd., Vice President of Corporate Financing at the Investment Banking Department of Haitong International Securities Group Limited, and Assistant Vice President of Corporate Financing at the Investment Banking Department of Bocom International Holdings Company Limited. Hu has served as Board Secretary of the Company since July 26, 2023.
Wang Haiyan	Wang previously served as Financial Manager and Senior Financial Manager of the Company. She has been Head of Financial Shared Service Center and Chief Financial Officer (CFO) of the Company since 2013 and December 4, 2025, respectively.
Zhang Xuejuan	Zhang joined Haier Group in August 2005. She formerly served as Chief Financial Controller of Haier Water Heater Division, and CFO of Haier Electric Group Co., Ltd. and Haier Group (Qingdao) Jinrong Holdings Co., Ltd. She held the position as Chairman of Board of Supervisors at Qingdao Haier Biological Medical Co., Ltd. from July 2021 to April 25, 2023, and served as CFO (Financial Manager) of the Company from February 8, 2023 to December 4, 2025.

Other explanations

Applicable Not Applicable

**(II) Positions Held by Current and Former Directors and Senior Management during the Reporting Period****1. Positions Held in Shareholding Entities**

√ Applicable □ Not Applicable

Employee Name	Entity Name	Position	Term Starting Date	Term Expiry Date
Wang Yaohai	Zhongshan OPPLE	Legal Representative and Executive Director	2012-11	/
Explanation of the position held in the shareholding entity	None			

**2. Positions Held in Other Entities**

√ Applicable □ Not Applicable

Employee Name	Entity Name	Position	Term Starting Date	Term Expiry Date
Wang Yaohai	Zhejiang Super Lighting Electric Appliance Co., Ltd.	Director	December 2007	/
Wang Yaohai	Suzhou CM Technology Co., Ltd.	Executive Director	June 2016	/
Ma Xiuhui	Zhejiang Super Lighting Electric Appliance Co., Ltd.	Director	December 2019	/
Ma Xiuhui	Zhejiang Bodhi Tree Investment Management Co., Ltd.	Executive Director and General Manager	January 2018	/
Ma Zhiwei	Dalian Casamotion Art Glass Co., Ltd.	Director	November 2017	/
Ma Zhiwei	Zhuhai XIMO ELECTRIC INC.	Director	September 2021	September 2024
Lu Shengjiang	Shenzhen Topwise Communication Co., Ltd.	Independent Director	April 2024	April 2027
Lu Shengjiang	Zhejiang XCC Group Co., Ltd.	Independent Director	March 2025	March 2028
Chen Weiru	China Europe International Business School	Associate Professor	August 2020	December 2025
Chen Weiru	China Europe International Business School	Professor	January 2026	/
Chen Weiru	TAL Education Group	Independent Director	April 2016	/
Chen Weiru	Country Garden Services Holdings Company Limited	Independent Director	February 2018	/
Chen Weiru	Jack Technology Co., Ltd.	Independent Director	April 2020	May 2026

Jiang Jiongwen	China Europe International Business School	Emeritus Professor	December 2025	/
Explanation of the positions held in other entities	None			

### (III) Remuneration of Directors and Senior Management

√ Applicable □ Not Applicable

Decision-making process for the remuneration of directors and senior management	The remuneration of directors shall be approved by the General Meeting of Shareholders. The remuneration of other senior management shall be reviewed by the Remuneration and Appraisal Committee of the Board of Directors and approved by the Board of Directors.
Whether directors abstain from discussing their own remuneration at board meetings	Yes
Specific recommendations made by the Remuneration and Appraisal Committee or the independent directors' special meeting regarding the remuneration of directors and senior management	After a careful evaluation, the Remuneration and Appraisal Committee concludes that in 2025, the Company's directors and senior management have diligently performed their duties and responsibilities. The remuneration paid to them by the Company is in strict compliance with the Company's remuneration management system and evaluation criteria, as well as other relevant regulations. The remuneration levels are aligned with their performance, following the principle of fairness and reasonableness. Upon verification, no violations of the Company's remuneration management system were found in the remuneration payments for this year, which are in accordance with the terms outlined in the Service Contracts or Employment Contracts signed between the Company and the relevant personnel. The performance evaluation process was conducted in a standardized and rigorous manner, yielding objective and fair results that accurately reflect the annual performance of the relevant personnel.
Basis for determining the remuneration of directors and senior management	<ol style="list-style-type: none"> <li>1. The annual remuneration for non-independent directors (executive directors) of the Company will be determined based on their specific management position, work experience, and responsibilities within the Company. This annual remuneration includes the annual base salary, annual performance-based salary, benefits, and all other immediate and deferred payments.</li> <li>2. The annual remuneration for independent directors of the Company (i.e., the independent director allowance) is RMB 210,000 (pre-tax).</li> <li>3. The annual remuneration for senior management of the Company will be determined based on factors such as their specific management position, work experience, responsibilities, and annual performance evaluation results.</li> </ol>
Actual remuneration payments to the directors and senior management	During the reporting period, the Company made remuneration payments to the directors and senior management in full compliance with the relevant resolutions and remuneration system, with no non-conformities identified.
Total actual remuneration received by all directors and senior management at the end of the reporting period	The total remuneration payable to the Company's directors and senior management for the year amounts to RMB 11.8006 million (pre-tax). For details, please refer to "Remuneration and Changes in Shareholdings of Current and Former Directors and Senior Management during the Reporting Period" in this section.
Basis and results of the performance evaluation for the actual remuneration received by all directors and senior management at the end of the reporting	In accordance with relevant laws, regulations, rules, and normative documents such as the Code of Governance for Listed Companies, the Guidelines No.1 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies – Standardized Operations, as well as the Articles of

period	Association of OPPL Lighting Co., Ltd. and the Working Rules of the Remuneration and Appraisal Committee of OPPL Lighting Co., Ltd., the Remuneration and Appraisal Committee conducted an annual performance evaluation of the Company's directors and senior management based on the 2025 business goals and individual performance. For specific evaluation results, please refer to "(IV) Performance Evaluation of Directors" under "VIII. Performance of Duties by Directors" in this section.
Deferred payment arrangements for the actual remuneration received by all directors and senior management at the end of the reporting period	None
Payment suspension and recovery for the actual remuneration received by all directors and senior management at the end of the reporting period	None

#### (IV) Changes in the Company's Directors and Senior Management

Applicable Not Applicable

Name	Position	Change Description	Reason for Change
Xu Bin	Non-independent director	Departure	/
Xu Bin	Employee representative director	Election	/
Zhang Xuejuan	Former CFO (financial director)	Departure	Personal reasons
Wang Haiyan	CFO (financial director)	Appointment	/

Note: 1. On November 26, 2025, due to an adjustment in the Company's governance structure, Mr. Xu Bin applied to resign from his position as a non-independent director of the Company's 5th Board of Directors. On the same day, the Company held an Employee Representative Congress and passed a resolution to elect Mr. Xu Bin as the Employee Representative Director of the Company's 5th Board of Directors. His term will begin from the date of election by the Congress and end on the expiration date of the 5th Board of Directors' term.

2. On December 4, 2025, Ms. Zhang Xuejuan applied to resign from her position as the Chief Financial Officer of the Company due to personal reasons. On the same day, the Company held the 9th meeting of the 5th Board of Directors, during which the Proposal on the Appointment of the Chief Financial Officer was deliberated on and approved. The Board agreed to appoint Ms. Wang Haiyan as the Chief Financial Officer, with her term starting from the date of approval by the Board and ending on the expiration date of the 5th Board of Directors' term.

**(V) Explanation of Punishments by Securities Regulatory Agencies in the Past Three Years**

Applicable Not Applicable

**(VI) Others**

Applicable Not Applicable

**IV. Performance of Duties by Directors****(I) Attendance of Directors at Board Meetings and General Meetings of Shareholders**

Director	Independent	Attendance at Board Meetings						Attendance at General Meetings of Shareholders
		Number of Meetings to Attend This Year	Number of In-Person Attendances	Number of Remote Attendances	Number of Proxy Attendances	Number of Absences	Failure to Attend Two Consecutive Meetings In-Person	Number of Attendances
Wang Yaohai	No	7	7	7	0	0	No	2
Ma Xiuhui	No	7	7	7	0	0	No	2
Ma Zhiwei	No	7	7	7	0	0	No	2
Xu Bin	No	7	7	7	0	0	No	2
Lu Shengjiang	Yes	7	7	3	0	0	No	2
Chen Weiru	Yes	7	7	4	0	0	No	2
Jiang Jiongwen	Yes	7	7	3	0	0	No	2

Explanation for failure to attend two consecutive meetings of the Board of Directors in-person

Applicable Not Applicable

Number of meetings of the Board of Directors during the year	7
Number of physical meetings	3
Number of remote meetings	2
Number of hybrid meetings (physical + remote)	2

**(II) Objections from Directors on Relevant Matters of the Company**

Applicable Not Applicable

**(III) Others**

Applicable Not Applicable

**V. Specialized Committees under the Board of Directors**

√ Applicable □ Not Applicable

**(I) Composition of the Specialized Committees under the Board of Directors**

Specialized Committee	Members
Audit Committee	Mr. Lu Shengjiang (Chairman), Mr. Jiang Jiongwen, Mr. Ma Zhiwei
Nomination Committee	Mr. Jiang Jiongwen (Chairman), Mr. Wang Yaohai, Ms. Ma Xiuhui, Mr. Lu Shengjiang, Mr. Chen Weiru
Remuneration and Appraisal Committee	Mr. Chen Weiru (Chairman), Ms. Ma Xiuhui, Mr. Ma Zhiwei, Mr. Lu Shengjiang, Mr. Jiang Jiongwen
Strategy and ESG Committee	Mr. Wang Yaohai (Chairman), Ms. Ma Xiuhui, Mr. Ma Zhiwei, Mr. Xu Bin, Mr. Lu Shengjiang, Mr. Chen Weiru

**(II) The Audit Committee Held Five Meetings during the Reporting Period.**

Date	Agenda	Key Opinions and Recommendations	Other Performance of Duties
February 13, 2025	The report on the preliminary review of the 2024 financial statements and the report on the annual audit work plan and arrangements were heard from the CPAs for the annual audit.	After approving the proposal at this meeting, the Committee agreed to the arrangements made by BDO for the 2024 annual audit.	All members attended the meeting in person, either physically or remotely.
April 21, 2025	The following proposals were deliberated on: Proposal 1: 2024 Annual Report and Summary of the Annual Report; Proposal 2: Performance Report of the Audit Committee of the Board of Directors for 2024; Proposal 3: Report of the Audit Committee of the Board of Directors on the Performance of Supervisory Duties by Accounting Firms; Proposal 4: Evaluation Report on the Performance of Accountants for 2024; Proposal 5: Internal Control Evaluation Report for 2024; Proposal 6: Q1 Report 2025; Proposal 7: Proposal on Conducting Foreign Exchange Transactions for 2025; Proposal 8: Proposal on Factoring and Financial Leasing Business with Related Parties and Related Party Transactions; and Proposal 9: Proposal on the Reappointment of Audit Firm and Internal Control Audit Firm for 2025	Approved	All members attended the meeting in person, either physically or remotely.
August 26, 2025	The 2025 Semi-annual Report and Summary was deliberated on.	Approved	All members attended the meeting in person, either

			physically or remotely.
October 27, 2025	The Q3 Report 2025 was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.
December 4, 2025	The Proposal on Appointment of Chief Financial Officer was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.

**(III) The Nomination Committee Held One Meeting during the Reporting Period.**

Date	Agenda	Key Opinions and Recommendations	Other Performance of Duties
December 4, 2025	The Proposal for Nomination of Chief Financial Officer was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.

**(IV) The Remuneration and Appraisal Committee Held Five Meetings during the Reporting Period.**

Date	Agenda	Key Opinions and Recommendations	Other Performance of Duties
January 7, 2025	The Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the Reserved Grant under the 2023 Restricted Stock Incentive Plan was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.
April 25, 2025	The Proposal on the Remuneration Evaluation of Directors and Senior Management for 2024 and the 2025 Remuneration Plan was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.
June 7, 2025	The Proposal on the Satisfaction of the Unlocking Conditions for the Second Lock-up Period of the First Grant under the 2023 Restricted Stock Incentive Plan was deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.
August 5, 2025	The Proposal on Adjusting the Grant Price in the 2024 Restricted Stock Incentive Plan and the Proposal on the Grant of 2024 Reserved Restricted Shares to Incentive Recipients were deliberated on.	Approved	All members attended the meeting in person, either physically or remotely.
October 27, 2025	The Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the First Grant under the 2024 Restricted Stock Incentive Plan was deliberated on and approved.	Approved	All members attended the meeting in person, either physically or remotely.

**(V) The Strategy and ESG Committee Held One Meeting during the Reporting Period.**

Date	Agenda	Key Opinions and Recommendations	Other Performance of Duties
April 21, 2025	The Company's sustainable development strategy was deliberated on.	Approved	All members attended the meeting physically.

**(VI) Specific Matters under Dispute**

Applicable Not Applicable

**VI. Explanation of Risks Identified by the Audit Committee**

Applicable Not Applicable

The Audit Committee has no objections to the supervisory matters during the reporting period.

**VII. Information on Employees of the Parent Company and Major Subsidiaries at the End of the Reporting Period****(I) Employee Information**

Number of in-service employees of the parent company	1,007
Number of in-service employees of major subsidiaries	4,969
Total number of in-service employees	5,976
Number of retirees for whom the parent company and major subsidiaries are responsible for pension payments	16
<b>Occupational Composition</b>	
Occupational Category	Number of Employees
Production personnel	3,853
Sales personnel	1,346
Technical personnel	459
Management personnel	318
Total	5,976
<b>Educational Background</b>	
Education Level	Number of Employees
Bachelor's degree or above	1,843
Junior college diploma	831
High school diploma or below	3,302
Total	5,976

**(II) Remuneration Policy**

Applicable Not Applicable

The Company bases its remuneration allocation on job value, individual performance contributions, and the urgent needs for talents to support both current and future development. In terms of remuneration distribution, incentive plans are designed based on different businesses. The overall principle is to break equilibrium, create differentiation, and tilt remuneration towards key roles and core talent, oriented toward enhancing customer and user satisfaction, with value creation as the fundamental goal.

### (III) Training Programs

Applicable  Not Applicable

OPPLE consistently adheres to a “people-oriented” approach, respecting employee rights, valuing talent development, improving incentive mechanisms, strengthening corporate culture building and training education, helping employees plan their careers scientifically, stimulating a sense of ownership, and fostering a favorable working and humanistic environment.

The Company has established a "management + professional" dual-track development system, which clearly defined the advancement criteria and certification mechanisms for each level of jobs. By integrating talent pipeline development into the organizational capability blueprint, the Company provided a replicable talent development paradigm for peers.

Relying on the OPPLE Academy (corporate university) platform and various professional empowerment centers, the Company has systematically integrated courses, lecturers, and hands-on projects to support the full cycle growth of employees, transforming key technologies and experiences into reusable organizational assets, increasing its talent density and professional influence. Guided by business strategy, it made talent cultivation the core engine of its business transformation, technological breakthroughs, and sustainable development.

The Company has established a comprehensive talent pipeline training system covering young talent, M-series reserve managers, regional general managers, production directors, and core executives, providing internal employees with management growth opportunities and continuously supplying the Company with reserve talent. Meanwhile, the Company has launched a series of training programs focusing on general foundational, management, and professional expertise, organized internal trainer exchanges, and improved its internal instructor incentive mechanisms. The Company continues to advance the construction of an empowerment system integrating online and offline channels. For example, based on the 40 core role certification courses, the Company has conducted offline training on product knowledge, AI tool, commercial sales, terminal operations, distributor capability enhancement, etc., and launched relevant online course packages in line with its digital strategy.

### (IV) Labor Outsourcing

Applicable  Not Applicable

Total number of working hours for labor outsourcing	354,929.28
Total remuneration paid for labor outsourcing (in RMB 10,000)	2,918.88

## VIII. Plan of Profit Distribution or Plan of Converting Capital Reserve into Share Capital

### (I) Development, Implementation, or Adjustment of the Cash Dividend Policy

Applicable  Not Applicable

The Company’s dividend distribution policy is as follows:

1. Profit distribution principle: The Company adopts a consistent and stable profit distribution policy. The Company’s profit distribution shall give due consideration to providing investors with reasonable returns while also taking into account the Company’s sustainable development.

2. Profit distribution form: The Company actively distributes dividends in cash or in shares. Where conditions for cash distribution are met, the Company shall give priority to cash dividends. In any year where the Company's audited net profit is positive and meets the dividend distribution conditions specified in the Company Law, the Company shall in principle make at least one profit distribution per year, and the profit distribution method adopted must include cash distribution. The Company's cash dividend policy targets a fixed dividend payout ratio. If the Company distributes its profits by stocks, there shall be real and reasonable factors such as corporate growth and dilution of net assets per share.

3. Cash dividend ratio: Subject to meeting the Company's capital requirements for normal production and operation, the annual cash dividend amount of the company shall not be less than 15% of the net profit attributable to the parent company available for distribution for the relevant year.

4. The Board of Directors shall propose a specific cash dividend policy according to the following requirements, taking into account the industry characteristics, development stage, business model, profitability, debt repayment capacity, major capital expenditure arrangements, and investor returns:

(1) If the Company is at a mature development stage and has no major capital expenditure plans, the cash dividend in the profit distribution shall be no less than 80%;

(2) If the Company is at a mature development stage and has major capital expenditure plans, the cash dividend in the profit distribution shall be no less than 40%;

(3) If the Company is at a growth development stage and has major capital expenditure plans, the cash dividend in the profit distribution shall be no less than 20%.

If the Company's development phase is difficult to determine, but there are significant capital expenditures, it can be handled in accordance with the provisions of the preceding paragraph. The proportion of cash dividends in this profit distribution shall be calculated as per cash dividends divided by the sum of cash dividends and stock dividends.

5. If the Company's revenue grows rapidly and the Board believes that the Company's share price is mismatched with its share capital size, the Board may propose a stock dividend distribution plan while satisfying the above cash dividend conditions. The Company may refrain from making a profit distribution under the following circumstances:

(1) The audit report for the most recent year is a non-unqualified opinion or an unqualified opinion with significant uncertainties related to going concern;

(2) The operating cash flow for the most recent fiscal year is negative.

6. The Board of Directors shall prepare an annual dividend distribution proposal based on the annual audit results and submit it to the General Meeting of Shareholders for approval. When formulating a specific cash dividend plan, the Board shall carefully study and deliberate on matters such as timing, conditions, minimum ratio, adjustment conditions, and decision-making procedures. Independent directors who believe that a specific cash dividend plan may harm the Company or the interests of minority shareholders have the right to express their independent opinions. If the Board does not adopt or fully adopt the independent directors' opinions, the independent directors' opinions and the specific reasons for non-adoption shall be disclosed in the Board resolution announcement.

7. Before the General Meeting of Shareholders deliberates on a specific cash dividend plan, the Company shall proactively communicate and exchange with shareholders, especially minority shareholders, through multiple channels (including but not limited to providing online voting, inviting minority shareholders to attend meetings, etc.), fully listen to the opinions and demands of minority shareholders, and promptly respond to their concerns.

8. The company may distribute interim profits. A specific interim distribution plan shall be formulated by the Board of Directors based on the Company's actual operating and financial situation within its authority and approved by the shareholders' meeting, or formulated by the Board of Directors in accordance with the conditions and upper limit for interim dividends approved by the annual general meeting of shareholders.

9. The Company's profit distribution policy shall not be changed arbitrarily. If changes in the external operating environment or the Company's own operating conditions necessitate a modification of the profit

distribution policy, the Board of Directors shall, within its authority, prepare a draft amended profit distribution policy. Any adjustment to the profit distribution policy must be approved by a two-thirds majority of the voting rights held by the shareholders present at the shareholders' meeting.

10. The Audit Committee shall supervise the Board of Directors' implementation of the cash dividend policy and shareholder return plan, as well as compliance with relevant decision-making procedures and information disclosure requirements. If the Audit Committee finds that the Board has failed to strictly implement the cash dividend policy and shareholder return plan, failed to strictly follow the corresponding decision-making procedures, or failed to truthfully, accurately, and completely disclose relevant information, it shall express clear opinions and urge them to make timely corrections.

11. If a shareholder has a fund occupation in violation of regulations, the Company shall deduct from the cash dividend to be distributed to that shareholder an amount equivalent to the funds occupied.

12. If the Company is profitable during the annual reporting period and the undistributed profit in the parent company's financial statements is positive, but no cash dividends are distributed or the proposed total amount of cash dividend is less than 30% of the year's net profit, the Company shall disclose the following items in detail in the relevant profit distribution announcement:

(1) An explanation on the reasons for not distributing cash dividends or for a relatively low cash dividend level, taking into account factors such as industry characteristics, development stage, business model, profitability, solvency, and capital requirements;

(2) The expected use and return of retained undistributed profits;

(3) Whether the Company has facilitated minority shareholders' participation in cash dividend decisions in accordance with the relevant rules of the China Securities Regulatory Commission during the corresponding period;

(4) Measures to be taken by Company to enhance investor returns.

If the undistributed profit in the parent company's financial statements is negative but the undistributed profit in the consolidated financial statements is positive, the Company shall disclose in the relevant annual profit distribution announcement the profit distribution from the Company's subsidiaries to the parent company and the measures to be taken Company to enhance investor returns.

## (II) Specific Explanation of the Cash Dividend Policy

Applicable Not Applicable

Whether it complies with the provisions of the Company's Articles of Association or the resolutions of the General Meeting of Shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the dividend standards and proportion are clear and explicit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are in place	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors perform their duties and play their due roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the minority shareholders have the opportunity to fully express their opinions and appeals, and their legitimate interests are fully protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**(III) If the Company is profitable during the reporting period and the distributable profits of the parent company available for distribution to shareholders are positive, but no proposed cash profit distribution plan has been put forward, the Company shall disclose in detail the reasons therefor, as well as the intended use and utilization plan of the undistributed profits.**

Applicable Not Applicable

**(IV) Plan of Profit Distribution and Plan of Converting Capital Reserve into Share Capital during the reporting period**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Number of bonus shares per 10 shares (share)	0
Dividend per 10 shares (RMB, tax-inclusive)	8.5
Number of shares converted from capital reserve per 10 shares (share)	0
Cash dividend amount (tax-inclusive)	628,986,174.75
Net profit attributable to ordinary shareholders of the Company in the consolidated statements	920,496,707.23
Percentage of cash dividend amount in the net profit attributable to ordinary shareholders of the Company in the consolidated statements (%)	68.33
Amount of shares repurchased in cash and included in cash dividends	0
Total dividend amount (tax-inclusive)	628,986,174.75
Percentage of total dividend amount in the net profit attributable to ordinary shareholders of the Company in the consolidated statements (%)	68.33

**(V) Cash Dividends for the Past Three Fiscal Years**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Cumulative amount of cash dividends over the past three fiscal years (tax-inclusive) (1)	1,921,019,788.50
Cumulative amount of shares repurchased and canceled over the past three fiscal years (2)	184,538,556.30
Cumulative amount of cash dividends and shares repurchased and canceled over the past three fiscal years (3)=(1)+(2)	2,105,558,344.80
Annual average net profit amount over the past three fiscal years (4)	915,845,348.48
Cash dividend ratio over the past three fiscal years (%) (5)=(3)/(4)	229.90
Net profit attributable to ordinary shareholders of the Company in the consolidated statements for the most recent fiscal year	920,496,707.23
Undistributed profits of the parent company as of the end of the most recent fiscal year in the annual financial statements	4,267,613,776.65

**IX. Implementation and Influence of the Company's Equity Incentive Plan, Employee Stock Ownership Plan, and Other Employee Incentive Measures****(I) Relevant Incentive Matters Already Disclosed in Interim Announcements with no Subsequent Progress or Changes**√Applicable Not Applicable

Overview	Query Index
<p>On January 8, 2025, the Company held the 3rd meeting of the 5th Board of Directors and the 3rd meeting of the 5th Board of Supervisors, at which the Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the Reserved Grant under the 2023 Restricted Stock Incentive Plan and the Proposal on the Repurchase and Cancellation of Some Restricted Shares under the 2023 Restricted Stock Incentive Plan were deliberated on and approved. The Company's Board of Supervisors issued verification opinions on the content of the aforementioned proposals. The number of unlockable shares in the first tranche of the reserved grant was 138,240 shares, and the number of shares to be repurchased and canceled was 76,260 shares. Relevant unlocking and cancellation procedures have been completed.</p>	<p>2025-003, 2025-004, 2025-008, 2025-009</p>
<p>On April 25, 2025, the Company held the 4th meeting of the 5th Board of Directors and the 4th meeting of the 5th Board of Supervisors, at which the Proposal on the Repurchase and Cancellation of Some Restricted Shares was deliberated on and approved. The Company's Board of Supervisors issued verification opinions on the content of the aforementioned proposals. For some incentive recipients, due to resignation, individual performance assessment results, and other reasons, a total of 1,331,282 restricted shares granted to them but not yet lifted from restrictions were subject to repurchase and cancellation by the Company. The aforementioned repurchase and cancellation procedures were completed on July 14, 2025.</p>	<p>2025-021, 2025-035</p>
<p>On June 27, 2025, the Company held the 5th meeting of the 5th Board of Directors and the 5th meeting of the 5th Board of Supervisors, at which the Proposal on the Satisfaction of the Unlocking Conditions for the Second Lock-up Period of the First Grant under the 2023 Restricted Stock Incentive Plan was deliberated on and approved. The Company's Board of Supervisors issued relevant verification opinions. The number of unlockable shares in the second tranche of the first grant under the 2023 Restricted Stock Incentive Plan was 1,325,460 shares. These shares were released from their lock-up restrictions and entered into circulation on July 22, 2025.</p>	<p>2025-033, 2025-037</p>
<p>On August 5, 2025, the Company convened the 6th meeting of the 5th Board of Directors and the 6th meeting of the 5th Board of Supervisors, at which the Proposal on Adjusting the Grant Price in the 2024 Restricted Stock Incentive Plan and the Proposal on the Grant of 2024 Reserved Restricted Shares to Incentive Recipients were deliberated on and approved. The Board of Supervisors verified the list of incentive recipients as of the reserved grant date and issued verification opinions. The Company completed the registration procedures for the reserved grant on September 17, 2025, and disclosed the Announcement on the Results of the Reserved Grant under the 2024 Restricted Stock Incentive Plan of OPPLE Lighting Co., Ltd. on September 19, 2025. On September 17, 2025, the Company completed the registration of 1.44 million shares for the reserved grant under the 2024 Restricted Stock Incentive Plan.</p>	<p>2025-041, 2025-042, 2025-046</p>
<p>On October 27, 2025, the Company convened the 8th meeting of the 5th Board of Directors and the 8th meeting of the 5th Board of Supervisors, at which the Proposal on the Repurchase and Cancellation of Some Restricted Shares and the Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the First Grant under the 2024 Restricted Stock Incentive Plan were deliberated on and approved. The Remuneration and Appraisal Committee of the Board of Directors and the Board of Supervisors issued verification opinions on the relevant matters. The number of unlockable shares in the first tranche of the first grant under the 2024 Restricted Stock Incentive Plan was 1,369,254 shares. These shares were released from their lock-up restrictions and entered into circulation on November 7, 2025.</p>	<p>2025-049, 2025-055</p>

## (II) Incentives Not Disclosed in Interim Announcements or with Subsequent Updates

Equity incentives

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

Employee Stock Ownership Plan

Applicable Not Applicable

Other incentives

Applicable Not Applicable

### (III) Equity Incentives Granted to Directors and Senior Management during the Reporting Period

Applicable Not Applicable

Applicable Not Applicable

Unit: Share

Name	Position	Restricted Shares Held at the Beginning of the Year	Newly Granted Restricted Shares during the Reporting Period	Grant Price (RMB)	Unlocked Shares	Locked Shares	Restricted Shares Held at the End of the Period	Market Price at the End of the Reporting Period
Ma Zhiwei	Director	400,000	-	7.76	96,000	304,000	280,000	18.28
Xu Bin	Director	-	90,000	6.86	-	90,000	90,000	18.28
Hu Xing	Board Secretary	30,000	-	7.76	7,200	22,800	21,000	18.28
Wang Haiyan	CFO (Financial Director)	91,000	-	9.52	39,000	52,000	52,000	18.28
		22,000	-	7.76	6,600	15,400	15,400	
Zhang Xuejuan	Former CFO (Financial Director)	140,000	-	9.52	60,000	80,000	80,000	18.28
		100,000	-	7.76	30,000	70,000	70,000	
Total	/	783,000	90,000	/	238,800	634,200	608,400	/

### (IV) Establishment and Implementation of Performance Evaluation and Incentive Mechanisms for Senior Management during the Reporting Period

Applicable Not Applicable

During the reporting period, the Company established a comprehensive performance management system, set the annual performance targets for senior management, and defined assessment indicators and their respective weights. It also performed semi-annual reviews and annual assessments and evaluations, and determined bonus distributions based on individual performance evaluation results. For middle and senior management as well as core business (technical) backbone employees, short-term and long-term incentive policies were formulated and continuously optimized to fully arouse their work enthusiasm and operational potential, thereby achieving the Company's overall strategic objectives.

## **X. Establishment and Implementation of the Internal Control System during the Reporting Period**

Applicable  Not Applicable

During the reporting period, the Company established a comprehensive performance management system, set annual performance targets for senior management, and defined assessment indicators and their respective weights. It also performed semi-annual reviews and annual assessments and evaluations, and determined bonus distributions based on individual performance evaluation results. For middle and senior management as well as core business (technical) backbone employees, short-term and long-term incentive policies were formulated and continuously optimized to fully arouse their work enthusiasm and operational potential, thereby achieving the Company's overall strategic objectives.

Explanation of material deficiencies in internal control during the reporting period

Applicable  Not Applicable

## **XI. Management and Control of Subsidiaries during the Reporting Period**

Applicable  Not Applicable

During the reporting period, the Company, implemented standardized management and risk control over its subsidiaries in strict compliance with the requirements of the Shanghai Stock Exchange and the regulations of the Board. The subsidiaries reported significant information such as their operating conditions to the Company, and there are no matters that should have been disclosed but were not.

The Company's management determines the overall strategic objectives and breaks them down to the relevant subsidiaries, which must complete them on time with quality. The Company strengthens the selection, appointment, and assessment of key personnel in subsidiaries, and enhances internal management control and collaboration with subsidiaries through office collaboration systems and SAP systems, etc. to improve their management levels.

Risk warnings regarding abnormalities in the management and control of subsidiaries

Applicable  Not Applicable

## **XII. Explanation of Matters Related to the Internal Control Audit Report**

Applicable  Not Applicable

For details, see the 2025 Internal Control Audit Report disclosed by the Company on the Shanghai Stock Exchange website on 24 April 2026.

Disclosure of the Internal Control Audit Report: Yes

Type of opinions in the Internal Control Audit Report: Standard unqualified

Whether a non-standard audit opinion on internal control was issued during the reporting period or the previous year: No

Yes  No

**XIII. Rectification of Issues Identified in the Self-Inspection of the Special Action on Governance of Listed Companies**

None

**XIV. Environmental Information of Listed Companies and Their Major Subsidiaries Included in the List of Enterprises Subject to Mandatory Environmental Disclosure**Applicable Not Applicable

Other explanations

Applicable Not Applicable**XV. Corporate Social Responsibility (CSR) Practices****(I) Disclosure of Separate CSR Report, Sustainability Report, or ESG Report**Applicable Not Applicable

For details, see the 2025 Environmental, Social and Governance Report of OPPLE Lighting Co., Ltd. disclosed by the Company.

**(II) Details of CSR Practices**Applicable Not Applicable

External Donations and Public Welfare Projects	Amount/Description
Total investment (in RMB 10,000)	3,030.51
Including: funds (in RMB 10,000)	3,020.00
In-kind contributions (in RMB 10,000)	10.51

Explanation

Applicable Not Applicable**XVI. Details of Consolidating and Expanding Poverty Alleviation Achievements and Rural Revitalization Efforts**Applicable Not Applicable

Explanation

Applicable Not Applicable**XVII. Others**Applicable Not Applicable

## Section V Material Matters

### I. Fulfillment of Commitments

#### (I) Commitments Made by the Company, its Actual Controllers, Shareholders, Related Parties, Acquirers, and Other Relevant Committing Parties during or Continuing into the Reporting Period

√ Applicable   □ Not Applicable

Commitment Background	Type of Commitment	Committing Party	Commitment Description	Commitment Time	Existence of Performance Deadline	Commitment Term	Timely and Strict Fulfillment	Specific Reasons for Non-fulfillment (if not fulfilled on time)	Next Steps (if not fulfilled on time)
Commitments related to the Initial Public Offering	Share lock-up	Actual Controllers Wang Yaohai and Ma Xiuhui	Upon expiration of the lock-up period, they shall not transfer more than 25% of the Company's shares they directly or indirectly hold during their tenure each year, and shall not transfer any shares they directly or indirectly hold within six months after leaving office.	Long-term	Yes	Long-term	Yes	Not applicable	Not applicable
	Resolving horizontal competition	Controlling Shareholder Zhongshan OPPL, Actual Controllers Wang Yaohai and Ma	The Controlling Shareholder and the Actual Controllers, and any other enterprises in which they hold interests (excluding the Company), will not	Long-term	Yes	Long-term	Yes	Not applicable	Not applicable

		Xiuhui	<p>manufacture or develop any product that competes or may compete with the products manufactured by the Company, nor will they directly or indirectly engage in any business that competes or may compete with the business operated by the Company. If the Company further expands its product and business scope, they and such other enterprises will not compete with the Company's expanded products or business. Should any competition arise with the Company's expanded products or business, they and such other enterprises will avoid such horizontal competition by either ceasing the production or</p>						
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			operation of the competing business or product, incorporating the competing business into the Company's operations, or transferring the competing business to an unrelated third party.						
Commitments related to equity incentives	Others	The Company	The Company has not and will not provide loans or any other form of financial assistance to the incentive recipients under the Stock Option and Restricted Stock Incentive Plan, including providing guarantees for their loans.	Long-term	Yes	Long-term	Yes	Not applicable	Not applicable

**(II) Explanation on Whether the Company's Assets or Projects Have Achieved the Original Profit Forecast and the Reasons Therefor, when a Profit Forecast Has Been Made and the Reporting Period Falls Within the Forecast Period**

Achieved Not Achieved Not Applicable

**(III) Performance Commitments**

Applicable Not Applicable

Changes in performance commitments

Applicable Not Applicable

Other explanations

Applicable Not Applicable

**II. Occupation of Funds by the Controlling Shareholder and Other Related Parties for Non-Operating Purposes during the Reporting Period**

Applicable Not Applicable

**III. Illegal Guarantees**

Applicable Not Applicable

**IV. Board of Directors' Explanation on the Non-Standard Opinion Report Issued by the Accounting Firm**

Applicable Not Applicable

**V. Analysis and Explanation by the Company on the Reasons for and Impacts of Changes in Accounting Policies and Accounting Estimates, or Corrections of Material Accounting Errors**

**(I) Analysis and Explanation of the Reasons and Impacts of Changes in Accounting Policies and Accounting Estimates**

Applicable Not Applicable

**1. Changes in Significant Accounting Policies**

Applicable Not Applicable

**2. Changes in Significant Accounting Estimates**

Applicable Not Applicable

**(II) Analysis and Explanation of the Reasons and Impacts of Major Accounting Error Correction**

Applicable Not Applicable

**(III) Communication with the Former Accounting Firm**□Applicable    Not Applicable**(IV) Approval Procedures and Other Explanations**□Applicable    Not Applicable**VI. Appointment and Dismissal of Accounting Firms**

Unit: RMB 10,000 Currency: RMB

	Currently Employed
Name of the domestic accounting firm	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)
Remuneration of the domestic accounting firm	110
Audit tenure of the domestic accounting firm (year)	13
Names of CPAs from the domestic accounting firm	Chen Lei, Lin Yancheng
Cumulative period of audit services provided by CPAs from the domestic accounting firm (year)	1 year, 5 years

	Name	Remuneration
Accounting firm for internal control audit	BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership)	25

Explanation of the appointment and dismissal of accounting firms

Applicable    □Not Applicable

On April 25, 2025, the Company held the 4th meeting of the 5th Board of Directors, at which the Proposal on the Reappointment of Audit Firm and Internal Control Audit Firm for 2025 was deliberated on and approved. The Board agreed to reappoint BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) (hereinafter referred to as "BDO") as the Company's audit firm and internal control audit firm for 2025. The proposal has been deliberated on and approved at the 2024 Annual General Meeting of Shareholders. For details, please refer to the Announcement on the Reappointment of Audit Firm and Internal Control Audit Firm for 2025 (No. 2025-020) disclosed by the Company on the Shanghai Stock Exchange website (www.sse.com.cn) on April 29, 2025.

Explanation of the change of accounting firms during the audit period

□Applicable    Not Applicable

Explanation for the decrease in audit expenses by 20% or more compared with the previous year

□Applicable    Not Applicable

## **VII. Delisting Risk**

### **(I) Reasons for Delisting Risk Warning**

Applicable Not Applicable

### **(II) Proposed Measures to Address Delisting Risk**

Applicable Not Applicable

### **(III) Explanation of Delisting and Reasons Therefor**

Applicable Not Applicable

## **VIII. Matters Related to Bankruptcy Reorganization**

Applicable Not Applicable

## **IX. Significant Litigation and Arbitration Matters**

The Company has material litigation and arbitration matters during the year.

The Company has no material litigation and arbitration matters during the year.

## **X. Alleged Violations, Penalties, and Rectification Involving the Listed Company, its Directors, Senior Management, Controlling Shareholder, and Actual Controllers**

Applicable Not Applicable

## **XI. Explanation of the Integrity of the Company, its Controlling Shareholder, and Actual Controllers during the Reporting Period**

Applicable Not Applicable

## **XII. Significant Related Party Transactions**

### **(I) Related Party Transactions in the Ordinary Course of Business**

#### **1. Matters Already Disclosed in Interim Announcements with no Subsequent Progress or Changes**

Applicable Not Applicable

#### **2. Matters Already Disclosed in Interim Announcements with Subsequent Progress or Changes**

Applicable Not Applicable

On 25 April 2025, the Company approved the Proposal on Estimated Daily Related Party Transactions for 2025 at the 4th meeting of the 5th Board of Directors. As of the end of the reporting period, the implementation status of the relevant transactions is set out in the notes to the financial statements, see "(1) Purchase and Sale of Goods, Provision and Receipt of Services", "5. Related Party Transactions", "XIV. Related Parties and Related Party Transactions", "Section VIII Financial Statements".

#### **3. Matters Not Disclosed in Interim Announcements**

Applicable Not Applicable

**(II) Related Party Transactions Arising from Acquisition or Disposal of Assets or Equity**

**1. Matters Already Disclosed in Interim Announcements with no Subsequent Progress or Changes**

Applicable Not Applicable

**2. Matters Already Disclosed in Interim Announcements with Subsequent Progress or Changes**

Applicable Not Applicable

**3. Matters Not Disclosed in Interim Announcements**

Applicable Not Applicable

**4. Actual Achievement of Performance Commitments (if involved) during the Reporting Period**

Applicable Not Applicable

**(III) Significant Related Party Transactions in Joint External Investments**

**1. Matters Already Disclosed in Interim Announcements with no Subsequent Progress or Changes**

Applicable Not Applicable

**2. Matters Already Disclosed in Interim Announcements with Subsequent Progress or Changes**

Applicable Not Applicable

**3. Matters Not Disclosed in Interim Announcements**

Applicable Not Applicable

**(IV) Related Party Receivables and Payables**

**1. Matters Already Disclosed in Interim Announcements with no Subsequent Progress or Changes**

Applicable Not Applicable

**2. Matters Already Disclosed in Interim Announcements with Subsequent Progress or Changes**

Applicable Not Applicable

**3. Matters Not Disclosed in Interim Announcements**

Applicable Not Applicable

**(V) Financial Transactions Between the Company and its Related Financial Companies, Controlled Financial Companies, or Related Parties**

Applicable Not Applicable

**(VI) Others**

Applicable Not Applicable

To optimize the Company's capital structure, improve the efficiency of fund use, and support the synergistic development of the ecosystem centering on OPPLE, empower small, medium and micro enterprises in the upstream and downstream of the industry chain, and enhance the market competitiveness of the OPPLE ecosystem, the Company and its subsidiaries propose to conduct finance lease and factoring transactions with Fengrong Financial Leasing (Shanghai) Co., Ltd. (hereinafter "Fengrong Leasing") and Shanghai Fenghui Commercial Factoring Co., Ltd. (hereinafter "Fenghui Factoring").

On 25 April 2025 and 28 May 2025, the Company convened the 4th meeting of the 5th Board of Directors and the 2024 Annual General Meeting of Shareholders, respectively, and approved the Proposal on Factoring Financing Transactions with Related Parties and Related Party Transactions. Under the proposal, the limit for accounts receivable factoring transactions between the Company and Fengrong Leasing and Fenghui Factoring (collectively, the "Factors") is RMB 80 million, which is revolving within the validity period. The limit for accounts payable factoring financing transactions with the Factors is up to RMB 180 million in aggregate, revolving within the validity period. The limit for other finance lease transactions with Fengrong Leasing is up to RMB 50 million. The validity period of the foregoing transaction limits is from 28 May 2025 to 30 June 2026, and the limits are revolving within the validity period.

In order to save energy and reduce carbon emissions, and practice green and sustainable development, the Company's subsidiaries have entered into distributed photovoltaic power generation project arrangements with Suzhou Shunheng New Energy Technology Co., Ltd. and Zhongshan Shunheng New Energy Technology Co., Ltd., both wholly-owned subsidiaries of the related party Jiangsu Oubao Shunhao New Energy Technology Co., Ltd. This related party transaction has been approved by the 10th meeting of the 4th Board of Directors and the 2022 Annual General Meeting of Shareholders. The energy saving benefits sharing period of the project is 25 years. The estimated annual solar electricity expense is expected not to exceed RMB 25 million (including tax).

For detailed information on the execution of related transactions, see "5. Related Transactions", "XIV. Related Parties and Related Party Transactions", "Section VIII Financial Reports".

**XIII. Significant Contracts and Their Performance**

**(I) Trusteeship, Contracting, and Leasing Matters**

**1. Trusteeship Arrangements**

Applicable Not Applicable

**2. Contracting Arrangements**

Applicable Not Applicable

**3. Leasing Arrangements**

Applicable Not Applicable

**(II) Guarantees**√ Applicable  Not Applicable

Unit: 100 Million Yuan Currency: RMB

External Guarantees (excluding those for subsidiaries)														
Guarantor	Relationship between the Guarantor and the Listed Company	Guaranteed Party	Guarantee Amount	Date of Guarantee (Date of Agreement)	Guarantee Start Date	Guarantee Expiry Date	Type of Guarantee	Collateral (if any)	Fulfilled	Overdue	Overdue Amount	Counter-Guarantee Arrangements	Related Party Guarantee	Related Relationship
None														
Total amount of guarantees incurred during the reporting period (excluding guarantees to subsidiaries)										0.00				
Total balance of guarantees at the end of the reporting period (A) (excluding guarantees to subsidiaries)										0.00				
Guarantees provided by the Company and its subsidiaries to subsidiaries														
Total amount of guarantees to subsidiaries incurred during the reporting period										7.11				
Total balance of guarantees to subsidiaries at the end of the reporting period (B)										11.39				
Total guarantee amount of the Company (including guarantees to subsidiaries)														
Total guarantee amount (A+B)										11.39				
Proportion of total guarantee amount to the Company's net assets (%)										16.24				
Including:														
Total guaranteed amount towards shareholders, actual controllers and related parties (C)										0				
Total guaranteed amount provided for guaranteed objects with an asset-liability ratio exceeding 70% directly or indirectly (D)										1.16				
Amount of the portion in the total guaranteed amount exceeding 50% of the net assets (E)										0				
Total amount of the above three guaranteed amounts (C+D+E)										1.16				
Description of potential joint liability for unexpired guarantees										Not applicable				
Explanation of guarantee situation										Not applicable				

**(III) Cash Asset Management Entrusted to Others****1. Entrusted Wealth Management****(1). Overall Situation of Entrusted Wealth Management**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Type	Risk Characteristics	Undue Balance	Overdue but
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			Unrecovered Amount
Bank wealth management products	Non-principal-guaranteed, floating return	3,021,233,500.00	0
Broker wealth management products	Non-principal-guaranteed, floating return	610,000,000.00	0

Others

Applicable Not Applicable

**(2). Individual Entrusted Wealth Management**

Applicable Not Applicable

Others

Applicable Not Applicable

**(3). Provision for Impairment of Entrusted Wealth Management**

Applicable Not Applicable

**2. Entrusted Loans**

**(1). Overall Situation of Entrusted Loans**

Applicable Not Applicable

Others

Applicable Not Applicable

**(2). Individual Entrusted Loan**

Applicable Not Applicable

Others

Applicable Not Applicable

**(3). Provision for Impairment of Entrusted Loans**

Applicable Not Applicable

**3. Others**

Applicable Not Applicable

**(IV) Other Major Contracts**

Applicable Not Applicable

**XIV. Description of Use of Raised Funds**

Applicable Not Applicable

**XV. Description of Other Major Matters that Significantly Affect Investors' Value Judgment and Investment Decision-making**

Applicable Not Applicable

## Section VI Changes in Shares and Shareholders

### I. Changes in Share Capital

#### (I) Table of Changes in Share Capital

##### 1. Table of Changes in Share Capital

Unit: Share

	Before the Change		Change (+/-)					After the Change	
	Number	Proportion (%)	New Shares Issued	Bonus Shares	Shares from Reserved Funds	Others	Subtotal	Number	Proportion (%)
I. Restricted Shares	10,334,100	1.39	0	0	0	-2,800,496	-2,800,496	7,533,604	1.01
1. Shares held by other domestic investors	10,334,100	1.39	0	0	0	-2,800,496	-2,800,496	7,533,604	1.01
Including: Shares held by domestic natural persons	10,334,100	1.39	0	0	0	-2,800,496	-2,800,496	7,533,604	1.01
II. Unrestricted Circulating Shares	734,891,075	98.61	0	0	0	1,392,954	1,392,954	736,284,029	98.99
1. RMB-denominated ordinary shares	734,891,075	98.61	0	0	0	1,392,954	1,392,954	736,284,029	98.99
III. Total	745,225,175	100.00	0	0	0	-1,407,542	-1,407,542	743,817,633	100.00

##### 2. Explanation of Changes in Share Capital

√ Applicable    □ Not Applicable

On January 8, 2025, OPPL Lighting Co., Ltd. convened the 3rd meeting of the 5th Board of Directors and the 3rd meeting of the 5th Board of Supervisors, and approved the Proposal on the Repurchase and Cancellation of Some Restricted Shares under the 2023 Restricted Stock Incentive Plan and the Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the Reserved Grant under the 2023 Restricted Stock Incentive Plan. According to the 2023 Restricted Share Incentive Plan of OPPL Lighting Co., Ltd., the granted but unvested restricted shares, which totals 76,260 shares, of some incentive recipients need to be repurchased and canceled by the Company due to their resignations, individual performance assessment results and other reasons. The foregoing repurchase and cancellation were completed on 6 March 2025. In addition, the Company completed the release of vesting restrictions for 10 incentive recipients of reserved grantees who satisfied the vesting conditions (a total of 138,240 shares), and completed the registration of the release of vesting restrictions on 14 March 2025.

On April 25, 2025, the Company held the 4th meeting of the 5th Board of Directors and the 4th meeting of the 5th Board of Supervisors, at which the Proposal on the Repurchase and Cancellation of Some Restricted Shares was deliberated on and approved. The repurchase and cancellation involved a total of 214 grantees, with an aggregate of 1,331,282 unvested restricted shares to be repurchased and canceled.

On June 27, 2025, the Company held the 5th meeting of the 5th Board of Directors and the 5th meeting of the 5th Board of Supervisors, at which the Proposal on the Satisfaction of the Unlocking

Conditions for the Second Lock-up Period of the First Grant under the 2023 Restricted Stock Incentive Plan was deliberated on and approved. The Company's Board of Supervisors issued relevant verification opinions. The number of unlockable shares in the second tranche of the first grant under the 2023 Restricted Stock Incentive Plan was 1,325,460 shares.

On August 5, 2025, the 6th meeting of the 5th Board of Directors approved the Proposal on Granting 2024 Reserved Restricted Stocks to Incentive Recipients, agreeing to grant 1.44 million shares of restricted stocks to 47 eligible incentive recipients on August 5, 2025, at a price of RMB 6.86 per share. The Company has completed the registration procedures with China Securities Depository and Clearing Company Limited Shanghai Branch.

On October 27, 2025, the Company convened the 8th meeting of the 5th Board of Directors and the 8th meeting of the 5th Board of Supervisors, and approved the Proposal on the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the First Grant under the 2024 Restricted Stock Incentive Plan. According to the authorization granted by the 2nd Extraordinary Meeting of Shareholders in 2024 to the Board of Directors, the Board of Directors approved to complete relevant procedures for the release of vesting restrictions on the first lock-up period of the initial grant for 277 incentive recipients who satisfied the vesting conditions, involving 1,369,254 restricted shares eligible for release.

### 3. Impact of Share Capital Changes on Financial Indicators such as Earnings per Share and Net Asset Value per Share for the Most Recent Year and Period (if any)

Applicable Not Applicable

### 4. Other Information Required by the Company or Requested by Securities Regulatory Authorities for Disclosure

Applicable Not Applicable

#### (II) Changes in Restricted Shares

Applicable Not Applicable

Unit: Share

Name of Shareholder	Restricted Shares at the Beginning of the Year	Restricted Shares Released during the Year	Restricted Shares Increased during the Year	Restricted Shares at the End of the Year	Reason for Restriction	Release Date
Recipients of 2023 restricted shares	4,569,200.00	1,463,700	0	2,223,640	Lock-up period of restricted shares under the stock incentive plan not yet expired	March 14, 2025, July 22, 2025
Recipients of 2024 restricted shares	5,764,900.00	1,369,254	1,440,000	5,309,964	Ditto	November 7, 2025
Total	10,334,100.00	2,832,954	1,440,000	7,533,604	/	/

Notes:

(1) In 2025, of the 2023 restricted shares, 881,860 were canceled, and 1,463,700 were released from restriction. As of the end of this reporting period, 2,223,640 shares of 2023 restricted shares remained.

(2) In 2025, of the 2024 restricted shares, 525,682 were canceled, and 1,369,254 were released from restriction, and a new grant of 1,440,000 shares was made. As of the end of this reporting period, 5,309,964 shares of 2024 restricted shares remained.

## II. Issuance and Listing of Securities

### (I) Securities Issuance during the Reporting Period

Applicable Not Applicable

Explanation of securities issuance during the reporting period (please provide separate explanations for bonds with different interest rates in the duration):

Applicable Not Applicable

### (II) Changes in Total Share Capital, Shareholder Structure, and Changes in the Company's Asset and Liability Structure

Applicable Not Applicable

Note: For details, see items (1), (2), (3), 2. Explanation of Share Changes, Section VI, I, (A) of this Report.

### (III) Existing Internal Employee Shares

Applicable Not Applicable

## III. Shareholders and Actual Controllers

### (I) Total Number of Shareholders

Total number of ordinary shareholders as of the end of the reporting period	12,642
Total number of ordinary shareholders at the end of the previous month before the disclosure of the annual report	12,094
Total number of preferred shareholders with voting rights restored as of the end of the reporting period	Not applicable
Total number of preferred shareholders with restored voting rights as of one month prior to the disclosure of the annual report (in households)	Not applicable

### (II) Shareholdings of the Top Ten Shareholders and Top Ten Circulating Shareholders (or Holders of Unrestricted Shares) as of the End of the Reporting Period

Unit: Share

Shareholdings of the top ten shareholders (excluding shares lent through securities financing transactions)							
Name of Shareholder (Full Name)	Increase/Decrease during the Reporting Period	Number of Shares Held at the End of Reporting Period	Proportion (%)	Number of Restricted Shares Held	Pledged, Marked, or Frozen		Shareholder Type
					Share Status	Number	
Zhongshan OPPLE Investment Co., Ltd.	0	348,214,286	46.81	0	Pledged	102,500,000	Domestic non-state-owned legal person

Wang Yaohai	0	122,054,994	16.41	0	Pledged	22,500,000	Domestic natural person
Ma Xiuhui	0	118,624,956	15.95	0	None	0	Domestic natural person
Shanghai Fengyue Enterprise Management Partnership (Limited Partnership)	0	22,517,900	3.03	0	None	0	Domestic non-state-owned legal person
HKSCC Nominees Limited	-4,306,395	19,247,151	2.59	0	None	0	Others
Nantong Songyue Enterprise Management Partnership (Limited Partnership)	0	14,560,000	1.96	0	None	0	Domestic non-state-owned legal person
Industrial and Commercial Bank of China Limited - IGW Competitive Advantage Balanced Fund	5,179,604	5,179,604	0.70	0	None	0	Others
China Merchants Bank Co., Ltd. - IGW Value Margin Balanced Fund A	4,639,987	4,639,987	0.62	0	None	0	Others
Industrial and Commercial Bank of China Limited - IGW Select Blue Chip Mixed Securities Fund	3,659,915	3,659,915	0.49	0	None	0	Others
China Merchants Bank Co., Ltd. - IGW Quality Growth Balanced Fund A	2,195,408	2,195,408	0.30	0	None	0	Others

## Shareholdings of the top ten restricted shareholders (excluding shares lent through securities financing transactions)

Name of Shareholder	Number of Unrestricted Circulating Shares Held	Class and Number of Shares	
		Class	Number
Zhongshan OPPL Investment Co., Ltd.	348,214,286	RMB-denominated ordinary share	348,214,286
Wang Yaohai	122,054,994	RMB-denominated ordinary share	122,054,994
Ma Xiuhui	118,624,956	RMB-denominated ordinary share	118,624,956
Shanghai Fengyue Enterprise Management Partnership (Limited Partnership)	22,517,900	RMB-denominated ordinary share	22,517,900

HKSCC Nominees Limited	19,247,151	RMB-denominated ordinary share	19,247,151
Nantong Songyue Enterprise Management Partnership (Limited Partnership)	14,560,000	RMB-denominated ordinary share	14,560,000
Industrial and Commercial Bank of China Limited - IGW Competitive Advantage Balanced Fund	5,179,604	RMB-denominated ordinary share	5,179,604
China Merchants Bank Co., Ltd. - IGW Value Margin Balanced Fund A	4,639,987	RMB-denominated ordinary share	4,639,987
Industrial and Commercial Bank of China Limited - IGW Select Blue Chip Mixed Securities Fund	3,659,915	RMB-denominated ordinary share	3,659,915
China Merchants Bank Co., Ltd. - IGW Quality Growth Balanced Fund A	2,195,408	RMB-denominated ordinary share	2,195,408
Description of the special account for repurchase among the top ten shareholders	The special account for securities repurchase of OPPLE Lighting Co., Ltd. holds 3,224,214 shares of the Company, ranking 10th in the Company's shareholder register. According to the relevant provisions in the Standards for the Content and Form of Information Disclosure by Companies Publicly Offering Securities No. 2 - Content and Form of Annual Reports (2021 Revision), the special account for repurchase is not listed as one of the top ten shareholders.		
Description of the above shareholders' voting trust, voting proxy and waiver of voting rights	None		
Description of the relationship or concerted action of the above shareholders	Zhongshan OPPLE, Mr. Wang Yaohai, Ms. Ma Xiuhui, Shanghai Fengyue, and Nantong Songyue are persons acting in concert. In addition, the Company is unaware of any other related relationships or acting-in-concert relationships (as defined in the Management Measures for Acquisition of Listed Companies) among the above shareholders.		
Description of preferred shareholders with restored voting rights and the number of shares they hold	Not applicable		

Participation of shareholders holding more than 5% of the shares, the top ten shareholders and the top ten unrestricted circulating shareholders in shares lending through securities financing.

Applicable Not Applicable

Changes from the previous period due to lending in securities financing/return for the top ten shareholders and the top ten unrestricted circulating shareholders.

Applicable Not Applicable

Shareholdings of the top ten restricted shareholders and restriction conditions

Applicable Not Applicable

Unit: Share

S/N	Name of Restricted Shareholders	Number of Restricted Shares Held	Tradability of Restricted Shares		Restriction Conditions
			Date Available for Trading	Number of New Shares Available for Trading	

1	Ma Zhiwei	280,000	/	0	Lock-up period requirements for restricted shares under the Equity Incentive Plan
2	Incentive recipient A	150,000	/	0	Ditto
3	Zhang Xuejuan	150,000	/	0	Ditto
4	Incentive recipient B	141,000	/	0	Ditto
5	Incentive recipient C	110,000	/	0	Ditto
6	Incentive recipient D	110,000	/	0	Ditto
7	Incentive recipient E	94,200	/	0	Ditto
8	Incentive recipient F	90,000	/	0	Ditto
9	Incentive recipient G	90,000	/	0	Ditto
10	Xu Bin	90,000	/	0	Ditto
Description of the relationship or concerted action of the above shareholders		The Company is unaware of any other relationships or acting-in-concert relationships (as defined in the Management Measures for Acquisition of Listed Companies) among the above shareholders.			

### (III) Strategic Investors or General Legal Persons Becoming One of the Top Ten Shareholders due to Issuance of New Shares

Applicable Not Applicable

## IV. Information on the Controlling Shareholder and Actual Controller

### (I) Controlling Shareholder

#### 1. Legal Person

Applicable Not Applicable

Name	Zhongshan OPPL Investment Co., Ltd.
Company Head or Legal Representative	Wang Yaohai
Date of establishment	June 23, 2006
Main business activities	General items: Engaging in investment activities with self-owned funds; sales of rare-earth functional materials; housing leasing; leasing of non-residential real estate; sales of gold and silver products; operation and maintenance of information systems; Import and export of goods; technology import and export. The above business scope involves the import and export of goods or technology (excluding those prohibited by the state or subject to administrative approval). (Except for activities that require approval according to law, business activities can be carried out independently based on the business license in accordance with

	the law.)
Shareholdings in other domestic and overseas listed companies during the reporting period	Not applicable
Others	Not applicable

## 2. Natural Person

Applicable  Not Applicable

Name	Wang Yaohai
Nationality	China
With a right of residence in other countries or regions	No
Major occupation and position	OPPLE Chairman & Legal Representative
Name	Ma Xiuhui
Nationality	China
With a right of residence in other countries or regions	No
Major occupation and position	OPPLE Director & General Manager

## 3. Special Explanation Where the Company has no Controlling Shareholder

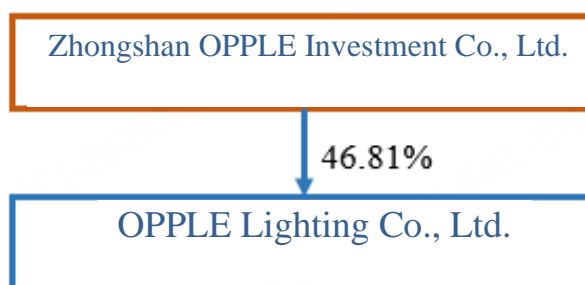
Applicable  Not Applicable

## 4. Explanation of Changes in Controlling Shareholders during the Reporting Period

Applicable  Not Applicable

## 5. Block Diagram of the Property and Control Relationships Between the Company and the Controlling Shareholder

Applicable  Not Applicable



**(II) Actual Controller****1. Legal Person**

Applicable Not Applicable

**2. Natural Person**

Applicable Not Applicable

Name	Wang Yaohai
Nationality	China
With a right of residence in other countries or regions	No
Major occupation and position	OPPLE Chairman & Legal Representative
Domestic and overseas listed companies controlled by the actual controller in the past 10 years	None
Name	Ma Xiuhui
Nationality	China
With a right of residence in other countries or regions	No
Major occupation and position	OPPLE Director & General Manager
Domestic and overseas listed companies controlled by the actual controller in the past 10 years	None

**3. Special Explanation Where the Company has no Actual Controller**

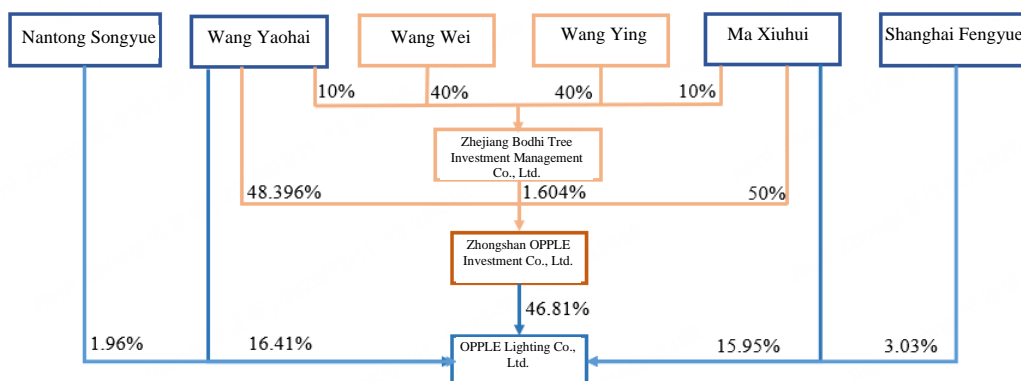
Applicable Not Applicable

**4. Explanation of Changes in Control of the Company during the Reporting Period**

Applicable Not Applicable

**5. Block Diagram of the Property and Control Relationships Between the Company and the Actual Controller**

Applicable Not Applicable



**6. Actual Controller Controlling the Company through Trust or Other Assets Management Arrangements**

Applicable Not Applicable

**(III) Other Information on the Controlling Shareholder and Actual Controller**

Applicable Not Applicable

**V. Cumulative Pledged Shares of the Company's Controlling Shareholder or the Largest Shareholder and Persons Acting in Concert Reaching or Exceeding 80% of Their Shareholding in the Company**

Applicable Not Applicable

**VI. Other Corporate Shareholders Holding More Than 10% of Shares**

Applicable Not Applicable

**VII. Explanation of Share Reduction Restriction**

Applicable Not Applicable

**VIII. Implementation of Share Repurchase during the Reporting Period**

Applicable Not Applicable

**IX. Information on Preferred Shares**

Applicable Not Applicable

## **Section VII Information on Bonds**

### **I. Corporate Bonds (Including Enterprise Bonds), and Debt Financing Instruments of Non-financial Enterprises**

Applicable Not Applicable

### **II. Convertible Corporate Bonds**

Applicable Not Applicable

## **Section VIII Financial Report**

### **I. Audit Report**

√ Applicable  Not Applicable

XKSBZ [2026] No. ZI10206

**To the shareholders of OPPLE Lighting Co., Ltd.:**

#### **I. Audit Opinion**

We have audited the financial statements of OPPLE Co., Ltd. (hereinafter referred to as "OPPLE"), which comprise the consolidated and parent company balance sheets as at 31 December 2025, as well as the consolidated and parent company income statements, consolidated and parent company cash flow statements, consolidated and parent company statements of changes in owners' equity and notes to the financial statements for the year 2025.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and parent company financial position of OPPLE as at 31 December 2025, and the consolidated and parent company results of operations and cash flows for the year 2025, in accordance with the Accounting Standards for Business Enterprises.

#### **II. Basis for Audit Opinions**

We conducted our audit in accordance with the China Registered Accountants Auditing Standards. Our responsibilities under those standards are further described in the section "Auditor's Responsibilities for the Audit of the Financial Statements". We are independent of OPPLE in accordance with Independence Standards for Chinese Certified Public Accountants No. 1 – Independence Requirements for Financial Statement Audit and Review Engagements and the Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other responsibilities in terms of professional ethics in accordance with these requirements. We have complied with the independence requirements applicable to audits of public interest entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **III Key Audit Matters**

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

The key audit matters we identified in our audit are summarized below:

Key Audit Matter	How the matter was addressed in our audit
<b>(I) Revenue Recognition</b>	
<p>OPPLE is mainly engaged in the production and sale of lighting products. In 2025, OPPLE achieved a sales revenue of RMB 6,970,146,400, representing a decrease of 1.78% compared to the same period last year.</p> <p>According to OPPLE's accounting policies, the Company takes the time when the control of the sold goods is transferred to the buyer as the revenue recognition point. In response to different sales models, combined with the industry characteristics and the differences in the timing of the transfer of control, corresponding revenue recognition policies have been formulated respectively.</p> <p>As revenue is one of the Company's key performance indicators, there is an inherent risk that management may manipulate the timing of revenue recognition to achieve specific goals or expectations. Accordingly, we have identified revenue recognition for OPPLE as a key audit matter.</p> <p>For the accounting policies on revenue recognition, refer to Note V, 34; for disclosures on revenue, refer to Note VII, 61.</p>	<p>We performed the following main audit procedures for revenue recognition:</p> <ol style="list-style-type: none"> <li>(1) Obtained an understanding of, and evaluated the design and operating effectiveness of, key internal controls of management related to revenue recognition;</li> <li>(2) Selected samples to check sales contracts or orders, identified contract terms and conditions related to the transfer of control of goods, and evaluated whether the timing of revenue recognition complied with the requirements of the accounting standards for business enterprises;</li> <li>(3) Selected samples of revenue transactions recorded during the year, checked them against invoices, sales delivery notes and logistics bills or signed delivery receipts, and evaluated whether the related revenue recognition was in accordance with the accounting policies on revenue recognition;</li> <li>(4) Obtained export data from the electronic port system and reconciled it with recorded export sales to confirm the amount of export sales revenue;</li> <li>(5) Selected samples to perform confirmation procedures;</li> <li>(6) Analyzed and verified major customers and changes therein, conducted background investigations on significant new customers, and simultaneously performed confirmation procedures to verify accounts receivable balances and sales revenue amounts;</li> <li>(7) For the revenue transactions recorded before and after the balance sheet date, selected samples, checked them against delivery notes and other supporting documents, and evaluated whether revenue was recorded in the appropriate accounting period;</li> <li>(8) Performed IT audit procedures on revenue, including obtaining an understanding of, testing and evaluating the control environment of relevant information systems, and comparing revenue data confirmed in the order system, logistics system, warehouse system and financial system to verify the consistency of the revenue recognized.</li> </ol>
<b>(II) Investment and Wealth Management</b>	
<p>As of December 31, 2025, the balance of unexpired wealth management products presented under "Trading Financial Assets" in OPPLE's financial statements amounted to RMB 3,642,802,900, accounting for 37.87% of the Company's total assets.</p> <p>As the Company's investment and wealth management transactions involve significant amounts, and the accounting for financial assets and their appropriate presentation in the financial statements involves the Management's assessments and judgments, we have identified OPPLE's investment and wealth management as a key audit matter.</p> <p>For the accounting policies on the</p>	<p>We performed the following main procedures for the recognition of investment and wealth management:</p> <ol style="list-style-type: none"> <li>(1) Obtained an understanding of and tested the design and operating effectiveness of OPPLE's key internal controls over the investment and wealth management business, and evaluated whether the internal controls over investment activities were effective;</li> <li>(2) Obtained and reviewed the authorization documents of the Board of Directors and the investment decision-making documents of the Management, and consulted the Management of OPPLE to understand the purposes and motivations of the investment and wealth management;</li> <li>(3) Reviewed payment documents for the subscription of wealth management products and other relevant documents, and checked whether the relevant procedures had been completed;</li> <li>(4) Performed confirmation procedures on wealth management products outstanding at period-end and obtained replies, and carried out procedures to check their subsequent maturity and redemption;</li> <li>(5) Obtained and reviewed the relevant asset management plan contracts, understood the decision-making mechanisms and processes regarding the management, utilization, and disposal of assets under such plans,</li> </ol>

<p>recognition of investment and wealth management, refer to Note V, 11; for disclosures related to investment and wealth management, refer to Note VII, 2.</p>	<p>analyzed the rights of the principal and the trustee of the products, conducted interviews with the Management of OPPLE and the plan managers, assessed OPPLE's power over the products, the variable returns, and its ability to use its power to affect those variable returns, and determined whether OPPLE has control over such products; also obtained an understanding of and evaluated the security and recoverability of the asset management plans; (6) Reviewed whether OPPLE's accounting treatment for the investment and wealth management business was appropriate and whether it was appropriately disclosed in the financial statements.</p>
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#### IV. Other Information

The Management of OPPLE (hereinafter referred to as "the Management") is responsible for the other information. The other information comprises the information included in OPPLE's 2025 annual report, but does not include the financial statements and our audit reports.

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

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

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

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

The Management is responsible for preparing financial statements in accordance with the Accounting Standards for Business Enterprises to achieve fair presentation, and to design, implement, and maintain necessary internal controls to avoid material misstatement resulting from fraud or error.

In the preparation of the financial statements, the Management is responsible for assessing OPPLE's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and using the going concern basis of accounting unless the Management either intends to liquidate OPPLE or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

#### VI. Responsibilities of CPAs for Auditing the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our audit opinions. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement if it exists. Misstatements may arise from fraud or error. If it is reasonably expected that any misstatements, either individually or collectively, could affect the economic decisions made by users of the financial statements based on the financial statements, the misstatements are generally considered material.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we also perform the following procedures:

(I) Identify and assess the risks of material misstatement resulting from fraud or error, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as a basis for giving audit opinions. As fraud may involve collusion, forgery, willful omission, and false

statements or overstepping the internal control, the risk of failing to detect significant misstatements due to fraud is higher than that due to errors.

(II) Understand the internal controls related to the audit to design audit procedures that are appropriate in the circumstances.

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

(IV) Draw a conclusion on the appropriateness of the going-concern assumption used by the Management. Meanwhile, based on the audit evidence obtained, conclude whether there is a material uncertainty regarding the events or conditions that may cast significant doubt on OPPLE's ability to continue as a going concern. If we come to the conclusion that there is material uncertainty, we shall, according to the auditing standards, draw the attention of users of the financial statements to the relevant disclosures in the audit report; if the disclosure is insufficient, we shall give a non-unqualified opinion. Our conclusions are based on the information available to us up to the date of our audit report. However, future events or circumstances may lead to the inability of OPPLE to operate as a going concern.

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

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within OPPLE to express audit opinions on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit, and bearing all liabilities for our audit opinions.

We communicated with Those Charged with Governance regarding, among others, the planned scope and scheduling of the audit and significant audit findings, including the internal control defects that we identified in the audit that deserve attention.

We also provided a statement to Those Charged with Governance on compliance with ethical requirements related to independence and discussed with them all relationships and other matters that may reasonably be considered to have an effect on our independence, as well as associated preventive actions (if applicable).

From the matters that we communicated with Those Charged with Governance, we decided which were the most important to the audit of the current financial statements and therefore constituted key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## II. Financial Statements

### Consolidated Balance Sheet

December 31, 2025

Prepared by: OPPLE Lighting Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	December 31, 2025	December 31, 2024
<b>Current assets:</b>			
Monetary funds		1,716,562,743.15	1,581,045,943.61
Provision of settlement fund		-	-
Lending funds		-	-
Held-for-trading financial assets		3,642,802,853.79	4,081,348,921.90

Derivative financial assets		-	-
Notes receivable		21,044,040.00	5,926,193.84
Accounts Receivable		823,716,790.28	711,175,134.86
Receivables financing		56,000.00	-
Prepayments		19,927,290.62	18,323,351.03
Premium receivable		-	-
Reinsurance accounts receivable		-	-
Reinsurance contract reserves receivable		-	-
Other receivables		31,064,802.47	34,168,283.53
Including: interest receivable		-	-
Dividends receivable		-	3,750,655.20
Financial assets purchased under resale agreements		-	-
Inventories		507,455,867.58	528,017,908.22
Including: data resources		-	-
Contract assets		28,272,363.97	27,251,427.07
Assets held for sale		-	-
Current portion of non-current assets		-	-
Other current assets		47,247,055.06	50,884,575.42
Total current assets		6,838,149,806.92	7,038,141,739.48
<b>Non-current assets:</b>			
Loans and advances		-	-
Debt investments		-	-
Other debt investments		-	-
Long-term receivables		-	-
Long-term equity investments		261,226,338.69	266,039,492.66
Investments in other equity instruments		142,901,100.00	142,901,100.00
Other non-current financial assets		74,285,521.15	107,268,827.39
Investment properties		41,967,224.57	47,394,439.75
Fixed assets		1,248,608,006.36	1,327,409,436.51
Construction in progress		195,859,059.95	22,953,466.65
Productive biological assets		-	-
Oil and gas assets		-	-
Right-of-use assets		9,245,469.99	14,227,440.26

Intangible assets		557,446,693.17	484,221,712.36
Including: data resources		-	-
Development expenditures		-	-
Including: data resources		-	-
Goodwill		-	-
Long-term deferred expenses		11,967,578.86	9,050,769.28
Deferred tax assets		121,882,932.76	125,617,613.17
Other non-current assets		115,109,932.45	91,933,817.81
Total non-current assets		2,780,499,857.95	2,639,018,115.84
Total assets		9,618,649,664.87	9,677,159,855.32
<b>Current liabilities:</b>			
Short-term borrowings		8,769,946.31	80,596,034.90
Borrowings from the central bank		-	-
Borrowing funds		-	-
Held-for-trading financial liabilities		-	118,063.58
Derivative financial liabilities		-	-
Notes payable		-	-
Accounts payable		788,545,222.37	934,649,729.00
Advances from customers		-	-
Contract liabilities		145,815,184.96	151,592,860.55
Financial assets sold under repurchase agreements		-	-
Deposits from customers and interbank		-	-
Acting trading securities		-	-
Acting underwriting securities		-	-
Employee benefits payable		266,103,868.14	294,923,534.71
Taxes and dues payable		96,909,841.91	102,474,827.33
Other payables		424,434,275.89	471,535,342.22
Including: interest payable		-	-
Dividends payable		-	-
Fees and commissions payable		-	-
Reinsurance accounts payable		-	-
Liabilities held for sale		-	-
Current portion of non-current liabilities		13,408,295.60	14,781,783.37

Other current liabilities		739,124,066.70	776,802,389.46
Total current liabilities		2,483,110,701.88	2,827,474,565.12
<b>Non-current liabilities:</b>			
Insurance contract reserves		-	-
Long-term borrowings		-	-
Bonds payable		-	-
Including: preferred stock		-	-
Perpetual bonds		-	-
Lease liabilities		5,492,757.68	9,279,172.51
Long-term payables		-	8,998,803.00
Long-term employee benefits payable		-	-
Provisions		44,925,810.26	47,482,998.90
Deferred income		68,129,342.85	57,686,532.09
Deferred tax liabilities		2,433,829.96	2,178,782.42
Other non-current liabilities		-	-
Total noncurrent liabilities		120,981,740.75	125,626,288.92
Total liabilities		2,604,092,442.63	2,953,100,854.04
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)		743,817,633.00	745,225,175.00
Other equity instruments		-	-
Including: preferred stock		-	-
Perpetual bonds		-	-
Capital reserve		640,539,945.51	645,902,422.82
Less: Treasury shares		107,845,221.37	159,496,014.95
Other comprehensive income		-25,268,473.58	-10,936,455.23
Special reserve		-	-
Surplus reserve		400,338,803.84	400,338,803.84
General risk reserves		-	-
Undistributed profits		5,360,843,290.12	5,103,007,686.94
Total owners' equity (or shareholders' equity) attributable to the parent company		7,012,425,977.52	6,724,041,618.42
Non-controlling interests		2,131,244.72	17,382.86
Total owners' equity (or shareholders' equity)		7,014,557,222.24	6,724,059,001.28
Total liabilities and owner's equity (or shareholders' equity)		9,618,649,664.87	9,677,159,855.32

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

**Balance Sheet of the Parent Company**

December 31, 2025

Prepared by: OPPL Lighting Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	December 31, 2025	December 31, 2024
<b>Current assets:</b>			
Monetary funds		1,245,155,813.57	1,039,374,969.49
Held-for-trading financial assets		3,326,068,646.59	3,503,331,196.47
Derivative financial assets		-	-
Notes receivable		8,029,946.31	3,357,925.00
Accounts receivable		163,483,277.07	209,967,440.58
Receivables financing		4,400.00	-
Prepayments		5,570,018.70	2,430,590.28
Other receivables		580,799,545.34	623,040,018.27
Including: interest receivable		17,944.31	-
Dividends receivable		276,557,680.67	276,557,680.67
Inventories		201,164,507.99	230,483,947.84
Including: data resources		-	-
Contract assets		1,876,791.33	3,531,858.03
Assets held for sale		-	-
Current portion of non-current assets		-	-
Other current assets		1,720,217.59	2,764,503.83
Total current assets		5,533,873,164.49	5,618,282,449.79
<b>Non-current assets:</b>			
Debt investments		-	-
Other debt investments		-	-
Long-term receivables		-	-
Long-term equity investments		1,128,653,584.60	1,098,776,452.95
Investments in other equity instruments		142,901,100.00	142,901,100.00
Other non-current financial assets		74,285,521.15	107,268,827.39
Investment properties		-	-
Fixed assets		109,359,567.45	121,863,581.47
Construction in progress		450,883.33	-

Productive biological assets		-	-
Oil and gas assets		-	-
Right-of-use assets		3,662,395.94	5,794,642.16
Intangible assets		134,395.06	626,397.72
Including: data resources		-	-
Development expenditures		-	-
Including: data resources		-	-
Goodwill		-	-
Long-term deferred expenses		512,228.54	105,467.60
Deferred tax assets		44,563,784.64	51,850,491.55
Other non-current assets		258,020.00	372,198.52
Total non-current assets		1,504,781,480.71	1,529,559,159.36
Total		7,038,654,645.20	7,147,841,609.15
<b>Current liabilities:</b>			
Short-term borrowings		7,969,946.31	797,925.00
Held-for-trading financial liabilities		-	-
Derivative financial liabilities		-	-
Notes payable		-	-
Accounts payable		130,105,254.92	54,540,500.01
Advances from customers		-	-
Contract liabilities		91,144,922.25	174,659,167.81
Employee benefits payable		108,036,654.71	125,325,309.19
Taxes and dues payable		47,585,247.22	51,611,896.35
Other payables		268,999,634.47	254,173,519.39
Including: interest payable		-	-
Dividends payable		-	-
Liabilities held for sale		-	-
Current portion of non-current liabilities		11,928,775.46	12,410,044.56
Other current liabilities		409,914,185.54	504,271,325.24
Total current liabilities		1,075,684,620.88	1,177,789,687.55
<b>Non-current liabilities:</b>			
Long-term borrowings		-	-
Bonds payable		-	-

Including: preferred stock		-	-
Perpetual bonds		-	-
Lease liabilities		839,167.86	2,371,375.59
Long-term payables		-	8,998,803.00
Long-term employee benefits payable		-	-
Provisions		4,345,141.08	5,906,748.26
Deferred income		-	-
Deferred tax liabilities		1,913,284.37	1,662,090.01
Other non-current liabilities		-	-
Total noncurrent liabilities		7,097,593.31	18,939,016.86
Total liabilities		1,082,782,214.19	1,196,728,704.41
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital (or share capital)		743,817,633.00	745,225,175.00
Other equity instruments		-	-
Including: preferred stock		-	-
Perpetual bonds		-	-
Capital reserve		660,166,603.94	665,529,081.25
Less: Treasury shares		107,845,221.37	159,496,014.95
Other comprehensive income		-7,098,900.00	-7,098,900.00
Special reserve		-	-
Surplus reserve		399,218,538.79	399,218,538.79
Undistributed profits		4,267,613,776.65	4,307,735,024.65
Total owners' equity (or shareholders' equity)		5,955,872,431.01	5,951,112,904.74
Total liabilities and owner's equity (or shareholders' equity)		7,038,654,645.20	7,147,841,609.15

Company Head: Wang Yaohai

Chief Accountant: Wang Haiyan

Head of Accounting Department: Tao Leiguang

**Consolidated Income Statement**

From January to December 2025

Unit: Yuan Currency: RMB

Item	Note	2025	2024
I. Total operating revenue		6,970,146,425.51	7,096,343,305.89
Including: operating revenue		6,970,146,425.51	7,096,343,305.89
Interest income		-	-
Earned premium		-	-
Fee and commission income		-	-
II. Total operating costs		6,034,181,507.23	6,246,770,179.15
Including: operating costs		4,228,485,604.32	4,308,012,292.26
Interest expenses		-	-
Fee and commission expenses		-	-
Surrender value		-	-
Net claims paid		-	-
Net provision for insurance liabilities		-	-
Policy dividend expenses		-	-
Reinsurance expenses		-	-
Taxes and surcharges		56,522,408.06	58,325,813.02
Selling expenses		1,213,656,257.96	1,291,188,397.86
Administrative expenses		269,557,938.82	335,693,236.17
R&D expenses		296,922,518.64	306,023,822.87
Financial expenses		-30,963,220.57	-52,473,383.03
Including: Interest expense		1,187,029.81	5,466,488.41
Interest income		22,633,394.20	70,928,071.15
Add: Other incomes		86,801,754.35	94,160,082.40
Investment income (losses denoted by "-")		74,458,780.55	91,904,729.46
Including: income from investments in associates and joint ventures		-4,831,458.27	25,834,599.07
Gains from derecognition of financial assets measured at amortized cost.		-	-
Exchange gains (loss denoted by "-")		-	-
Net gain on exposure hedging (loss denoted by "-")		-	-
Gains from changes in fair value (loss denoted by "-")		1,747,682.15	8,169,354.15
Credit impairment loss (loss denoted by "-")		-5,740,700.02	-21,426,212.08

Asset impairment loss (loss denoted by "-")		-10,571,045.54	-10,489,971.99
Gains from assets disposal (loss denoted by "-")		29,920.35	106,676.20
III. Operating profit (loss denoted by '-')		1,082,691,310.12	1,011,997,784.88
Add: Non-operating income		33,719,362.41	22,092,252.22
Less: non-operating expenses		33,159,089.77	4,241,395.12
IV. Total profit (total loss denoted by "-")		1,083,251,582.76	1,029,848,641.98
Less: income tax expenses		160,641,013.67	125,094,658.42
V. Net profit (net loss denoted by "-")		922,610,569.09	904,753,983.56
(I) Classification by operation continuity			
1. Net profit from continuing operations (net loss denoted by "-")		922,610,569.09	904,753,983.56
2. Net profit from discontinued operations (net loss denoted by "-")		-	-
(II) Classification by ownership			
1. Net profit attributable to the shareholders of the parent company (net loss denoted by "-")		920,496,707.23	902,969,226.83
2. Minority gains and losses (net loss denoted by "-")		2,113,861.86	1,784,756.73
VI. Other comprehensive income after tax		-14,584,677.69	-57,007,808.34
(I) Items attributable to the owners of the parent company		-14,332,018.35	-57,148,144.65
1. Items to be re-classified subsequently to profit or loss		-	-61,848,900.00
(1) Remeasurements of the net defined benefit plan		-	-
(2) Items under equity method that will not be re-classified to profit or loss		-	-
(3) Changes in fair value of other equity instrument investments		-	-61,848,900.00
(4) Changes in fair value of the enterprise's own credit risk		-	-
2. Other comprehensive income to be re-classified into profit or loss		-14,332,018.35	4,700,755.35
(1) Items under equity method that may be re-classified to profit or loss		-	-
(2) Changes in fair value of other debt investments		-	-
(3) Profit or loss from reclassification of financial assets into other comprehensive income		-	-
(4) Provision for credit impairment of other debt investments		-	-
(5) Cash flow hedging reserves		-	-
(6) Exchange differences on translation of foreign currency financial		-14,332,018.35	4,700,755.35

statements			
(7) Others		-	-
(II) Items attributable to non-controlling shareholders		-252,659.34	140,336.31
VII. Total comprehensive income		908,025,891.40	847,746,175.22
(I) Items attributable to the owners of the parent company		906,164,688.88	845,821,082.18
(II) Items attributable to non-controlling shareholders		1,861,202.52	1,925,093.04
VIII. Earnings per share:			
(I) Basic earnings per share (RMB per share)		1.26	1.23
(II) Diluted earnings per share (RMB per share)		1.26	1.23

For business combinations under common control, the net profit realized by the combined party before the combination is RMB 0, and the net profit realized by the combined party in the prior period is RMB 0.

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

**Income Statement of the Parent Company**

From January to December 2025

Unit: Yuan Currency: RMB

Item	Note	2025	2024
I. Operating revenue		4,191,304,416.02	4,471,022,757.37
Less: operating costs		3,059,318,882.81	3,274,590,571.15
Taxes and surcharges		16,879,387.71	16,967,679.97
Selling expenses		369,746,841.36	393,103,466.67
Administrative expenses		208,782,187.88	252,979,363.73
R&D expenses		142,063,196.97	152,742,717.93
Financial expenses		-13,273,125.02	-58,339,999.64
Including: Interest expense		138,546.52	100,783.95
Interest income		13,683,639.29	57,732,862.29
Add: Other incomes		28,076,738.74	27,523,493.73
Investment income (losses denoted by "-")		243,957,225.26	405,702,165.45
Including: income from investments in associates and joint ventures		-1,231,268.35	-96,887.70
Gains from derecognition of financial assets measured at amortized cost.		-	-
Net gain on exposure hedging (loss denoted by "-")		-	-
Gains from changes in fair value (loss denoted by "-")		1,916,393.62	7,677,292.60
Credit impairment loss (loss denoted by "-")		-1,496,149.37	-3,280,626.26
Asset impairment loss (loss denoted by "-")		-1,995,152.92	-7,816,765.43
Gains from assets disposal (loss denoted by "-")		2.50	156,688.98
II. Operating profit (loss denoted by "-")		678,246,102.14	868,941,206.63
Add: Non-operating income		28,332,530.13	22,990,336.95
Less: non-operating expenses		30,287,206.83	277,165.72
III. Total profit (total loss denoted by "-")		676,291,425.44	891,654,377.86
Less: income tax expenses		53,751,569.39	53,563,559.68
IV. Net profit (net loss denoted by "-")		622,539,856.05	838,090,818.18
(I) Net profit from continuing operation (net loss denoted by "-")		622,539,856.05	838,090,818.18
(II) Net profit from discontinued operations (net loss denoted by "-")		-	-
V. Other comprehensive income after tax		-	-61,848,900.00

(I) Items not to be re-classified subsequently to profit or loss		-	-61,848,900.00
1. Remeasurements of the net defined benefit plan		-	-
2. Items under equity method that will not be re-classified to profit or loss		-	-
3. Changes in fair value of other equity instrument investments		-	-61,848,900.00
4. Changes in fair value of the enterprise's own credit risk		-	-
(II) Items to be re-classified subsequently to profit or loss		-	-
1. Items under equity method that may be re-classified to profit or loss		-	-
2. Changes in the fair value of other debt investments		-	-
3. Profit or loss from reclassification of financial assets into other comprehensive income		-	-
4. Provision for credit impairment of other debt investments		-	-
5. Cash flow hedging reserves		-	-
6. Exchange differences on translation of foreign currency		-	-
7. Others		-	-
VI. Total comprehensive income		622,539,856.05	776,241,918.18
VII. Earnings per share:			
(I) Basic earnings per share (RMB per share)			
(II) Diluted earnings per share (RMB per share)			

Company Head: Wang Yaohai

Chief Accountant: Wang Haiyan

Head of Accounting Department: Tao Leiguang

**Consolidated Cash Flow Statement**

From January to December 2025

Unit: Yuan Currency: RMB

Item	Note	2025	2024
<b>I. Cash flows from operating activities:</b>			
Cash received from sales of goods and the rendering of services		7,348,845,949.36	7,556,061,793.93
Net increase in deposits from customers and interbank		-	-
Net increase in borrowings from central bank		-	-
Net increase in funds borrowed from other financial institutions		-	-
Cash receipts from original insurance contract premium		-	-
Net cash received from reinsurance business		-	-
Net increase in policyholders' deposits and investment funds		-	-
Cash received from interests, fees and commissions		-	-
Net increase of loans from others		-	-
Net increase of repurchase		-	-
Net cash received from agency trading of securities		-	-
Receipts of tax refund		6,260,023.30	5,568,576.25
Other cash receipts in relation to operating activities		167,326,686.33	226,224,761.34
Subtotal of cash inflows from operating activities		7,522,432,658.99	7,787,855,131.52
Cash paid for purchase of goods and services		4,059,695,202.52	4,054,379,870.67
Net increase in customer loans and advances			
Net increase in deposits with the central bank and other banks			
Cash paid for claims under the original insurance contract			
Net increase in lending funds			
Cash paid for interests, fees and commissions			
Cash paid for policy dividends			
Cash paid to and for employees		1,395,595,358.73	1,398,018,279.75
Cash paid for taxes and rates		478,978,047.93	522,312,359.54
Cash paid relating to other operating activities		898,289,570.30	994,006,786.23
Subtotal of cash outflows from operating activities		6,832,558,179.48	6,968,717,296.19

Net cash flow from operating activities		689,874,479.51	819,137,835.33
<b>II. Cash flows from investing activities:</b>			
Cash received from the disposal of investment		5,870,339,039.74	4,517,022,199.88
Cash received from investment income		83,040,894.02	65,149,608.89
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		273,281.85	606,747.68
Net cash received from disposal of subsidiaries and other business entities		-	8,190.40
Cash received relating to other investing activities		-	-
Subtotal of cash inflows from investing activities		5,953,653,215.61	4,582,786,746.85
Cash paid for the purchase and construction of fixed assets, intangible assets, and other long-term assets		361,984,891.21	175,853,411.08
Cash paid for investments		5,397,178,290.00	8,278,185,877.22
Net increase in pledge loans		-	-
Net cash paid for the acquisition of subsidiaries and other business entities		-	23,142,817.56
Cash paid relating to other investment activities		-	-
Subtotal of cash outflows from investment activities		5,759,163,181.21	8,477,182,105.86
Net cash flow from investment activities		194,490,034.40	-3,894,395,359.01
<b>III. Cash flows from financing activities:</b>			
Cash received from absorbing investments		9,878,400.00	49,972,028.33
Including: cash received by subsidiaries from non-controlling shareholders as investments		-	5,236,404.33
Cash received from borrowings		20,198,103.33	22,589,673.06
Other cash received relating to financing activities		-	-
Subtotal of cash inflows from financing activities		30,076,503.33	72,561,701.39
Cash paid for repayment of debt		91,780,690.37	94,796,868.08
Cash paid for distribution of dividends or profits and for interest expenses		662,937,208.32	628,077,545.99
Including: dividends and profits paid by subsidiaries to minority shareholders		-	-
Other cash payments related to financing activities		19,731,597.42	188,072,331.02

Subtotal of cash outflows from financing activities		774,449,496.11	910,946,745.09
Net cash flow from financing activities		-744,372,992.78	-838,385,043.70
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>		-924,137.59	2,668,591.05
<b>V. Net increase in cash and cash equivalents</b>		139,067,383.54	-3,910,973,976.33
Add: Opening balance of cash and cash equivalents		1,576,091,564.61	5,487,065,540.94
<b>VI. Closing balance of cash and cash equivalents</b>		1,715,158,948.15	1,576,091,564.61

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

**Cash Flow Statement of the Parent Company**

From January to December 2025

Unit: Yuan Currency: RMB

Item	Note	2025	2024
<b>I. Cash flows from operating activities:</b>			
Cash received from sales of goods and the rendering of services		4,904,378,348.71	4,949,956,403.64
Receipts of tax refund		-	-
Other cash receipts in relation to operating activities		636,880,061.82	118,379,436.35
Subtotal of cash inflows from operating activities		5,541,258,410.53	5,068,335,839.99
Cash paid for purchase of goods and services		3,539,020,202.84	3,784,022,409.14
Cash paid to and for employees		434,423,428.36	468,361,595.21
Cash paid for taxes and rates		198,511,493.86	222,027,002.25
Cash paid relating to other operating activities		934,988,118.97	354,919,389.96
Subtotal of cash outflows from operating activities		5,106,943,244.03	4,829,330,396.56
Net cash flow from operating activities		434,315,166.50	239,005,443.43
<b>II. Cash flows from investing activities:</b>			
Cash received from the disposal of investment		4,814,385,385.35	4,120,619,843.57
Cash received from investment income		255,380,784.40	455,594,236.19
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		2,830.96	252,592.87
Net cash received from disposal of subsidiaries and other business entities		-	-
Cash received relating to other investing activities		6,198,800.00	1,545,304.13
Subtotal of cash inflows from investing activities		5,075,967,800.71	4,578,011,976.76
Cash paid for the purchase and construction of fixed assets, intangible assets, and other long-term assets		2,065,464.06	8,197,861.63
Cash paid for investments		4,640,208,400.00	7,363,420,247.22
Net cash paid for the acquisition of subsidiaries and other business entities		-	-
Cash paid relating to other investment activities		-	-
Subtotal of cash outflows from investment activities		4,642,273,864.06	7,371,618,108.85

Net cash flow from investment activities		433,693,936.65	-2,793,606,132.09
<b>III. Cash flows from financing activities:</b>			
Cash received from absorbing investments		9,878,400.00	44,735,624.00
Cash received from borrowings		8,069,946.31	1,294,179.17
Other cash received relating to financing activities		-	-
Subtotal of cash inflows from financing activities		17,948,346.31	46,029,803.17
Cash paid for repayment of debt		897,925.00	496,254.17
Cash paid for distribution of dividends or profits and for interest expenses		661,702,525.76	621,497,941.83
Other cash payments related to financing activities		17,645,881.89	179,958,796.09
Subtotal of cash outflows from financing activities		680,246,332.65	801,952,992.09
Net cash flow from financing activities		-662,297,986.34	-755,923,188.92
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>		69,727.27	861,198.44
<b>V. Net increase in cash and cash equivalents</b>		205,780,844.08	-3,309,662,679.14
Add: Opening balance of cash and cash equivalents		1,039,374,969.49	4,349,037,648.63
<b>VI. Closing balance of cash and cash equivalents</b>		1,245,155,813.57	1,039,374,969.49

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

## Consolidated Statement of Changes in Owners' Equity

From January to December 2025

Unit: Yuan Currency: RMB

Item	2025														
	Owners' Equity Attributable to the Parent Company													Minority Interests	Total Owners' Equity
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less: Treasury Shares	Other comprehensive Income	Special Reserves	Surplus Reserves	General Risk Reserves	Undistributed Profits	Others	Subtotal		
	Preferred Stock	Perpetual Bonds	Others												
I. Closing balance of the previous year	745,225,175.00	-	-	-	645,902,422.82	159,496,014.95	-10,936,455.23	-	400,338,803.84	-	5,103,007,686.94		6,724,041,618.42	17,382.86	6,724,059,001.28
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	745,225,175.00	-	-	-	645,902,422.82	159,496,014.95	-10,936,455.23	-	400,338,803.84	-	5,103,007,686.94		6,724,041,618.42	17,382.86	6,724,059,001.28
III. Increase or decrease in current period (decrease denoted by "-")	-1,407,542.00	-	-	-	-5,362,477.31	-51,650,793.58	-14,332,018.35	-	-	-	257,835,603.18		288,384,359.10	2,113,861.86	290,498,220.96
(I) Total comprehensive income	-	-	-	-	-	-	-14,332,018.35	-	-	-	920,496,707.23		906,164,688.88	1,861,202.52	908,025,891.40
(II) Capital contributed or reduced by owners	-1,407,542.00	-	-	-	8,253,485.89	-28,156,430.38	-	-	-	-	-		35,002,374.27	252,659.34	35,255,033.61
1. Ordinary shares invested by owners	-	-	-	-	-	-	-	-	-	-	-		-	-	-
2. Capital contributed by holders of other equity instruments	-	-	-	-	-	9,878,400.00	-	-	-	-	-		-9,878,400.00	-	-9,878,400.00
3. Share-based payments included in owners' equity	-	-	-	-	19,320,543.41	-	-	-	-	-	-		19,320,543.41	-	19,320,543.41
4. Others	-1,407,542.00	-	-	-	-11,067,057.52	-38,034,830.38	-	-	-	-	-		25,560,230.86	252,659.34	25,812,890.20
(III) Profit distribution	-	-	-	-	-	-	-	-	-	-	-662,661,104.05		-662,661,104.05	-	-662,661,104.05
1. Appropriation of surplus reserve	-	-	-	-	-	-	-	-	-	-	-		-	-	-

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2. Appropriation of general risk reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Appropriation of profit to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-	-662,661,104.05	-662,661,104.05	-	-662,661,104.05	
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(IV) Internal carry-over of owners' equity	-	-	-	-	-13,615,963.20	-23,494,363.20	-	-	-	-	-	9,878,400.00	-	9,878,400.00	
1. Capital reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2. Surplus reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4. Changes in defined benefit plans carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5. Other comprehensive income carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6. Others	-	-	-	-	-13,615,963.20	-23,494,363.20	-	-	-	-	-	9,878,400.00	-	9,878,400.00	
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1. Withdrawal in current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2. Use in current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IV. Closing balance of the current period	743,817,633.00	-	-	-	640,539,945.51	107,845,221.37	-25,268,473.58	-	400,338,803.84	-	5,360,843,290.12	7,012,425,977.52	2,131,244.72	7,014,557,222.24	

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Item	2024														
	Owners' Equity Attributable to the Parent Company												Minority Interests	Total Owners' Equity	
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less: Treasury Shares	Other Comprehensive Income	Special Reserves	Surplus Reserves	General Risk Reserves	Undistributed Profits	Others			Subtotal
		Preferred Stock	Perpetual Bonds	Others											
I. Closing balance of the previous year	746,426,035.00	-	-	-	709,631,829.50	77,381,833.86	46,211,689.42	-	400,338,803.84	-	4,823,670,299.69	-	6,648,896,823.59	13,752,342.79	6,662,649,166.38
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	746,426,035.00	-	-	-	709,631,829.50	77,381,833.86	46,211,689.42	-	400,338,803.84	-	4,823,670,299.69	-	6,648,896,823.59	13,752,342.79	6,662,649,166.38
III. Increase or decrease in current period (decrease denoted by "-")	-1,200,860.00	-	-	-	-63,729,406.68	82,114,181.09	-57,148,144.65	-	-	-	279,337,387.25	-	75,144,794.83	-13,734,959.93	61,409,834.90
(I) Total comprehensive income	-	-	-	-	-	-	-57,148,144.65	-	-	-	902,969,226.83	-	845,821,082.18	1,925,093.04	847,746,175.22
(II) Capital contributed or reduced by owners	-1,200,860.00	-	-	-	-13,806,781.96	176,772,429.81	-	-	-	-	-	-	-191,780,071.77	-15,660,052.97	-207,440,124.74
1. Ordinary shares invested by owners	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000.00	500,000.00
2. Capital contributed by holders of other equity instruments	-	-	-	-	-	44,735,624.00	-	-	-	-	-	-	-44,735,624.00	-	-44,735,624.00
3. Share-based payments included in owners' equity	-	-	-	-	28,268,242.55	-	-	-	-	-	-	-	28,268,242.55	-	28,268,242.55
4. Others	-1,200,860.00	-	-	-	-42,075,024.51	132,036,805.81	-	-	-	-	-	-	-175,312,690.32	-16,160,052.97	-191,472,743.29
(III) Profit distribution	-	-	-	-	-	-	-	-	-	-	-623,631,839.58	-	-623,631,839.58	-	-623,631,839.58

Annual Report 2025 of OPPL Lighting Co., Ltd.

1. Appropriation of surplus reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation of general risk reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Appropriation of profit to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-623,631,839.58	-	-623,631,839.58	-	-623,631,839.58
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-over of owners' equity	-	-	-	-	-49,922,624.72	-94,658,248.72	-	-	-	-	-	44,735,624.00	-	44,735,624.00
1. Capital reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-49,922,624.72	-94,658,248.72	-	-	-	-	-	44,735,624.00	-	44,735,624.00
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Withdrawal in current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Use in current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current period	745,225,175.00	-	-	-	645,902,422.82	159,496,014.95	-10,936,455.23	-	400,338,803.84	-	5,103,007,686.94	6,724,041,618.42	17,382.86	6,724,059,001.28

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

## Statement of Changes in Owners' Equity of the Parent Company

From January to December 2025

Unit: Yuan Currency: RMB

Item	2025										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less: Treasury Shares	Other comprehensive Income	Special Reserves	Surplus Reserves	Undistributed Profits	Total Owners' Equity
		Preferred Stock	Perpetual Bonds	Others							
I. Closing balance of the previous year	745,225,175.00	-	-	-	665,529,081.25	159,496,014.95	-7,098,900.00	-	399,218,538.79	4,307,735,024.65	5,951,112,904.74
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	745,225,175.00	-	-	-	665,529,081.25	159,496,014.95	-7,098,900.00	-	399,218,538.79	4,307,735,024.65	5,951,112,904.74
III. Increase or decrease in current period (decrease denoted by "-")	-1,407,542.00	-	-	-	-5,362,477.31	-51,650,793.58	-	-	-	-40,121,248.00	4,759,526.27
(I) Total comprehensive income	-	-	-	-	-	-	-	-	-	622,539,856.05	622,539,856.05
(II) Capital contributed or reduced by owners	-1,407,542.00	-	-	-	8,253,485.89	-28,156,430.38	-	-	-	-	35,002,374.27
1. Ordinary shares invested by owners	-	-	-	-	-	-	-	-	-	-	-
2. Capital contributed by holders of other equity instruments	-	-	-	-	-	9,878,400.00	-	-	-	-	-9,878,400.00
3. Share-based payments included in owners' equity	-	-	-	-	19,320,543.41	-	-	-	-	-	19,320,543.41
4. Others	-1,407,542.00	-	-	-	-11,067,057.52	-38,034,830.38	-	-	-	-	25,560,230.86
(III) Profit distribution	-	-	-	-	-	-	-	-	-	-662,661,104.05	-662,661,104.05
1. Appropriation of surplus reserve	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-662,661,104.05	-662,661,104.05
3. Others	-	-	-	-	-	-	-	-	-	-	-

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(IV) Internal carry-over of owners' equity	-	-	-	-	-13,615,963.20	-23,494,363.20	-	-	-	-	9,878,400.00
1. Capital reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-13,615,963.20	-23,494,363.20	-	-	-	-	9,878,400.00
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-
1. Withdrawal in current period	-	-	-	-	-	-	-	-	-	-	-
2. Use in current period	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current period	743,817,633.00	-	-	-	660,166,603.94	107,845,221.37	-7,098,900.00	-	399,218,538.79	4,267,613,776.65	5,955,872,431.01

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Item	2024										
	Paid-in Capital (or Share Capital)	Other Equity Instruments			Capital Reserves	Less: Treasury Shares	Other Comprehensive Income	Special Reserves	Surplus Reserves	Undistributed Profits	Total Owners' Equity
		Preferred Stock	Perpetual Bonds	Others							
I. Closing balance of the previous year	746,426,035.00	-	-	-	699,637,456.60	77,381,833.86	54,750,000.00	-	399,218,538.79	4,093,276,046.05	5,915,926,242.58
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	746,426,035.00	-	-	-	699,637,456.60	77,381,833.86	54,750,000.00	-	399,218,538.79	4,093,276,046.05	5,915,926,242.58
III. Increase or decrease in current period (decrease denoted by "-")	-1,200,860.00	-	-	-	-34,108,375.35	82,114,181.09	-61,848,900.00	-	-	214,458,978.60	35,186,662.16
(I) Total comprehensive income	-	-	-	-	-	-	-61,848,900.00	-	-	838,090,818.18	776,241,918.18
(II) Capital contributed or reduced by owners	-1,200,860.00	-	-	-	15,814,249.37	176,772,429.81	-	-	-	-	-162,159,040.44
1. Ordinary shares invested by owners	-	-	-	-	-	-	-	-	-	-	-
2. Capital contributed by holders of other equity instruments	-	-	-	-	-	44,735,624.00	-	-	-	-	-44,735,624.00
3. Share-based payments included in owners' equity	-	-	-	-	28,268,242.55	-	-	-	-	-	28,268,242.55
4. Others	-1,200,860.00	-	-	-	-12,453,993.18	132,036,805.81	-	-	-	-	-145,691,658.99
(III) Profit distribution	-	-	-	-	-	-	-	-	-	-623,631,839.58	-623,631,839.58
1. Appropriation of surplus reserve	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to owners (or shareholders)	-	-	-	-	-	-	-	-	-	-623,631,839.58	-623,631,839.58
3. Others	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-over of owners' equity	-	-	-	-	-49,922,624.72	-94,658,248.72	-	-	-	-	44,735,624.00

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1. Capital reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves converted to capital (or share capital)	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward into retained earnings	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-49,922,624.72	-94,658,248.72	-	-	-	-	44,735,624.00
(V) Special reserves	-	-	-	-	-	-	-	-	-	-	-
1. Withdrawal in current period	-	-	-	-	-	-	-	-	-	-	-
2. Use in current period	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current period	745,225,175.00	-	-	-	665,529,081.25	159,496,014.95	-7,098,900.00	-	399,218,538.79	4,307,735,024.65	5,951,112,904.74

Company Head: Wang Yaohai    Chief Accountant: Wang Haiyan    Head of Accounting Department: Tao Leiguang

### **III Basic Information of the Company**

#### **1. Company Profile**

√ Applicable   □ Not Applicable

OPPLE Lighting Co., Ltd. (hereinafter referred to as "Company" or "the Company"), was formerly known as OPPLE Lighting Limited. Pursuant to the shareholders' resolution dated May 14, 2012, and the Articles of Association (draft), OPPLE Lighting Limited was converted as a whole into OPPLE Lighting Co., Ltd.

With the approval of the China Securities Regulatory Commission via the Reply on Approving the Initial Public Offering of Shares by OPPLE Lighting Co., Ltd. (ZJXK [2016] No. 1658), the Company publicly issued 58 million RMB-denominated ordinary shares (A shares) and was listed on the Shanghai Stock Exchange in August 2016. The Company operates in the electrical machinery and equipment manufacturing industry.

Unified Social Credit Code of the Company: 91310000680999558Q.

As of December 31, 2025, the Company had a total issued share capital of 743,817,633 shares, with a registered capital of RMB 746,426,035. The registered address is Room 411, Building 1, No. 6111 Longdong Avenue, Pudong New Area, Shanghai, and the headquarters address is Building V3, MixC, No. 1799 Wuzhong Road, Minhang District, Shanghai.

The Company's principal business activities are as follows: Licensed items: electrical installation services; construction works. (Items subject to approval in accordance with laws shall be carried out only upon approval by relevant authorities, and specific business items shall be subject to the approval documents or permits issued by relevant authorities.) General items: import and export of goods; import and export of technologies; manufacturing of lighting fixtures; manufacturing of electromechanical equipment; sales of electromechanical equipment; sales of lighting fixtures; sales of building decoration materials; sales of sanitary wares; sales of furniture; sales of smart home consumer devices; sales of fire-fighting equipment; sales of electronic products; sales of household appliances; sales of gas and liquid separation and purification equipment; sales of pumps and vacuum equipment; sales of daily necessities; retail of hardware products; installation services for household appliances; professional design services; industrial design services; information technology consulting services; information consulting services (excluding licensed information consulting services); certification consulting; technology services, technology development, technology consulting, technology exchange, technology transfer, and technology promotion; non-residential real estate leasing. (Except for items subject to approval by law, business activities can be conducted independently according to law as per the business license)

The Company's parent company is Zhongshan OPPLE Investment Co., Ltd., and its actual controllers are the couple Wang Yaohai and Ma Xiuhui.

These financial statements were approved and reported through the resolution of the Company's Board of Directors on April 22, 2026.

### **IV. Basis for Preparation of Financial Statements**

#### **1. Basis of Preparation**

These financial statements were prepared in accordance with the Accounting Standards for Enterprises - Basic Standards and the specific accounting standards issued by the Ministry of Finance, the Guidelines for the Application of Accounting Standards for Business Enterprises, Interpretation of Accounting Standards for Business Enterprises and other relevant regulations (hereinafter collectively referred to as "Accounting Standards for Business Enterprises"), as well as the relevant provisions of the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports issued by China Securities Regulatory Commission.

**2. Going Concern**√ Applicable  Not Applicable

These financial statements were prepared on a going concern basis.

**V. Significant Accounting Policies and Estimates**

Reminders on specific accounting policies and accounting estimates:

√ Applicable  Not Applicable

The following disclosures cover the specific accounting policies and accounting estimates formulated by the Company based on its actual production and operation characteristics.

**1. Declaration of Compliance with Accounting Standards for Business Enterprises**

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, which truly and completely reflect the financial status, operating results, changes in shareholders' equity, cash flow and other relevant information of the Company.

**2. Accounting Period**

The Company's fiscal year is from January 1 to December 31 of each calendar year.

**3. Operating Cycle**√ Applicable  Not Applicable

The Company's operating cycle is 12 months.

**4. Recording Currency**

The Company adopts RMB as the recording currency.

**5. Methods and Basis for Determining the Materiality Criteria**√ Applicable  Not Applicable

Item	Materiality Criteria
Significant receivables with provision for bad debts made on an individual basis, other receivables, and contract assets.	Carrying amount of over RMB 10 million
Significant construction in progress	Single investment budget accounting for more than 10% of the Company's latest audited net assets
Significant investment activities	Single investment amount accounting for more than 10% of the Company's latest audited net assets

## 6. Accounting Treatment of Business Combinations Under or not Under Common Control

√ Applicable     Not Applicable

Business combinations under common control: The assets and liabilities acquired by the combining party in a business combination (including goodwill arising from the acquiree being acquired by the ultimate controlling party) are measured at the carrying amounts of the combined party's assets and liabilities as recorded in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired in the combination and the carrying amount of the consideration paid (or the aggregate nominal value of the shares issued) is adjusted against the share premium in capital reserve. If the share premium in capital reserve is insufficient to offset the difference, adjustment is made to retained earnings.

Business combinations not under common control: The combination cost is the aggregate of the fair values of assets transferred, liabilities incurred or assumed, and equity securities issued by the acquirer at the acquisition date to obtain control of the acquiree. The excess of the combination cost over the acquirer's share of the fair value of the acquiree's identifiable net assets is recognized as goodwill. Where the combination cost is less than the acquirer's share of the fair value of the acquiree's identifiable net assets, the difference is recognized in the current profit or loss. The identifiable assets, liabilities and contingent liabilities of the acquiree that meet the recognition criteria are measured at their fair values at the acquisition date.

Directly attributable costs related to the business combination are recognized in the current profit or loss when incurred. Transaction costs related to the issuance of equity or debt securities in connection with a business combination are included in the initially recognized amount of these securities.

## 7. Criteria for Determining Control and Preparation Method for Consolidated Financial Statements

√ Applicable     Not Applicable

### 1. Determining Criteria of Control

The scope of consolidated financial statements is determined on the basis of control and includes the Company and all of its subsidiaries. Control refers to the control power of the Group over the investee. Through the control, the Company may obtain variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee.

### 2. Consolidation Procedures

The Company treats the entire group as a single accounting entity and prepares consolidated financial statements using uniform accounting policies to reflect the overall financial position, operating results and cash flows of the Group. The effects of internal transactions between the Company and its subsidiaries, as well as among subsidiaries themselves, shall be offset. Where internal transactions indicate that the related assets have suffered an impairment loss, such loss is recognized in full. Where the accounting policies or accounting periods of subsidiaries differ from those of the Company, necessary adjustments are made to the subsidiaries' financial statements in accordance with the Company's accounting policies and accounting periods when preparing the consolidated financial statements.

The owners' equity of subsidiaries, current net profit or loss and the shares in total comprehensive income attributable to minority shareholders shall be independently listed in the "owners' equity" in the consolidated balance sheet, the "net profit" and "total comprehensive income" in the consolidated income statements. If current loss shared by minority shareholders in a subsidiary exceeds the share enjoyed by minority shareholders in the subsidiary's owner's equity at the beginning of the period, the balance shall be written down with the minority shareholders' equity.

#### (1) Addition of Subsidiaries or Businesses

During the reporting period, when a subsidiary or business is added through a business combination under common control, the operating results and cash flows from the beginning of the combination period to the end of the reporting period are included in the consolidated financial statements, and the opening

balances and comparative figures are adjusted as if the reporting entity resulting from the combination had existed since the point when the ultimate controlling party began exercise control.

Where control over an investee under common control is obtained as a result of additional investments or other reasons, equity investments held prior to obtaining control of the combined party, and related gains or losses, other comprehensive income and other changes in net assets recognized between the later of the date of original equity interest acquisition and the date when the combining party and the combined party were first brought under common control, and the combination date, are offset against opening retained earnings or current profit or loss of the comparative periods respectively.

During the reporting period, where a subsidiary or business is added through a business combination not under common control, it is included in the consolidated financial statements from the acquisition date, based on the fair values of the identifiable assets, liabilities and contingent liabilities determined at the acquisition date.

Where control over an investee not under common control is obtained as a result of additional investments or other reasons, the equity interest previously held in the acquiree is remeasured to its fair value at the acquisition date, with the difference between its fair value and carrying amount recognized in investment income for the current period. Other comprehensive income related to the previously held equity interest that may be re-classified to profit or loss in the future, and other changes in equity under the equity method, are transferred to investment income for the current period to which the acquisition date belongs.

## (2) Disposal of Subsidiaries

### ① General Treatment Method

If the control right over the investee is lost because of disposing part of the equity investment or due to other reasons, the disposed remaining equity investment shall be re-measured as per the fair value on the date of losing the control. The aggregate of the consideration received from the disposal and the fair value of the retained equity interest, less the sum of the share of the original subsidiary's net assets continuously calculated from the acquisition date or combination date corresponding to the original equity ownership percentage and goodwill, is recognized in investment income for the period in which control is lost. Other comprehensive income related to the original subsidiary's equity investments that may be re-classified to profit or loss in the future, and other changes in equity under the equity method, are transferred to investment income for the current period upon loss of control.

### ② Step-by-Step Disposal of Subsidiaries

Where the disposal of equity investments in a subsidiary is achieved through multiple transactions until control is lost, and the terms, conditions and economic effects of each transaction meet one or more of the following circumstances, this generally indicates that the multiple transactions constitute a bundled transaction:

- i. The transactions are entered into simultaneously or in contemplation of each other;
- ii. The transactions collectively achieve an overall commercial effect;
- iii. The occurrence of one transaction is contingent upon the occurrence of at least one other transaction;
- iv. A single transaction is not economically justifiable on its own, but becomes economically justifiable when considered together with the other transactions.

If the transactions constitute a bundled transaction, each transaction is accounted for as a single transaction involving the disposal of a subsidiary with a loss of control. The difference between each disposal consideration and the corresponding share of the subsidiary's net assets attributable to the disposed equity interest before control is lost is recognized as other comprehensive income in the consolidated financial statements and transferred to profit or loss in the period when control is lost.

If the transactions do not constitute a package deal, the partial disposal of equity interests in the subsidiary shall be accounted for as a disposal without loss of control; upon loss of control, it shall be accounted for in accordance with the general accounting treatment for the disposal of a subsidiary.

### (3) Purchase of Minority Interests in Subsidiaries

The difference between the long-term equity investment newly acquired due to the purchase of minority interests and the share of net assets of the subsidiary that the Company is entitled to calculated according to the new shareholding accumulated from the date of purchase or date of combination is adjusted against the share premium in capital reserve in the consolidated balance sheet. If the share premium in capital reserve is insufficient to offset the difference, adjustment is made to retained earnings.

### (4) Partial Disposal of Equity Investments in a Subsidiary without Loss of Control

The difference between the consideration received from disposal and the net assets of the subsidiary that the Company is entitled to corresponding to the long-term equity investment disposed accumulated from the date of purchase or date of combination is adjusted against the share premium in capital reserve in the consolidated balance sheet. If the share premium in capital reserve is insufficient to offset the difference, adjustment is made to retained earnings.

## 8. Classification of Joint Arrangements and Accounting Treatment for Joint Operations

Applicable  Not Applicable

Joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company recognizes the following items related to its interest in a joint operation:

- (1) The assets the Company holds solely, and its share of any assets held jointly;
- (2) The liabilities the Company incurs solely, and its share of any liabilities incurred jointly;
- (3) The revenue from the sale of its share of the output arising from the joint operation;
- (4) The Company's share of the revenue from the sale of the output by the joint operation;
- (5) The expenses the Company incurs solely, and its share of any expenses incurred jointly.

The Company's investments in joint ventures shall be accounted for using the equity method, as detailed in Note V, 19 Long-term Equity Investments.

## 9. Criteria for Determining Cash and Cash Equivalents

Cash equivalents refer to investments held by an enterprise that are short-term (generally maturing within three months from the date of acquisition), highly liquid, readily convertible into known amounts of cash, and subject to an insignificant risk of changes in value.

## 10. Foreign Currency Transactions and Translation of Foreign Currency Statements

Applicable  Not Applicable

### 1. Foreign Currency Transactions

Foreign currency transactions shall be translated into RMB using the spot exchange rate on the date of the transaction.

The balance of foreign currency monetary items shall be translated at the spot exchange rate on the balance sheet date into RMB. The resulting exchange differences, except for those arising from foreign currency specific borrowings related to the acquisition of assets eligible for capitalization, which are handled according to the principles of borrowing cost capitalization, shall be recognized in the current profit or loss.

### 2. Translation of Foreign Currency Financial Statements

The asset and liability items in the balance sheets shall be translated at a spot exchange rate on the balance sheet date. Among the owner's equity items, except the ones as "undistributed profits", others shall be translated at the spot exchange rate at the time when they are incurred. The income and expense items in the income statement shall be translated at the spot exchange rate on the transaction date.

Upon disposal of a foreign operation, the accumulated exchange differences relating to the foreign currency financial statements of that operation shall be re-classified from owners' equity to profits or losses for the period in which the disposal occurs.

## 11. Financial Instruments

√ Applicable    □ Not Applicable

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

### 1. Classification of Financial Instruments

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets, financial assets are classified at initial recognition as: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss.

The Company classifies financial assets that meet both of the following conditions and are not designated as financial assets measured at fair value through profit or loss as financial assets measured at amortized cost:

- The business model aims to collect contractual cash flows;

-The contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding.

The Company classifies financial assets that meet both of the following conditions and are not designated as financial assets measured at fair value through profit or loss as financial assets measured at fair value through other comprehensive income (debt instruments):

-The business model aims both to collect contractual cash flows and to sell the financial asset;

-The contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding.

For non-tradable equity instrument investment, the Company may irreversibly designate them, when they are initially recognized, as financial assets measured at fair value through other comprehensive income (equity instrument). The designation shall be made on the basis of a single investment that conforms to the definition of equity instrument from the perspective of the issuer.

Except for the financial assets measured at amortized cost and those measured at fair value through other comprehensive income described above, the Company classifies all remaining financial assets as financial assets measured at fair value through profit or loss. At initial recognition, if doing so eliminates or significantly reduces an accounting mismatch, the Company may irrevocably designate financial assets that would otherwise be classified as measured at amortized cost or at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

Financial liabilities are classified at initial recognition as financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortized cost.

Financial liabilities may be designated at initial measurement as financial liabilities measured at fair value through profit or loss if one of the following conditions is met:

1) The designation eliminates or significantly reduces an accounting mismatch.

2) Based on the enterprise risk management or investment strategy stated in the formal written documents, the financial liability portfolio, or a portfolio of financial assets and financial liabilities, is

managed and its performance is evaluated on a fair value basis, and this basis is used internally for reporting to key management personnel;

3) The financial liabilities include embedded derivative instruments that need to be separated.

## 2. Recognition Basis and Measurement Methods of Financial Instruments

### (1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, and debt investments. They shall be initially measured at fair value, with related transaction costs included in the initially recognized amount. Accounts receivable without a significant financing component, as well as those for which the Company elects not to consider financing components of no more than one year, shall be initially measured at the contract transaction price.

The interest calculated via the effective interest method during the holding period shall be included in the current profit or loss.

Upon recovery or disposal, the difference between the price obtained and the carrying amounts of the financial assets shall be included in the current profit or loss.

### (2) Financial assets measured at fair value through other comprehensive income (debt instruments)

Financial assets measured at fair value through other comprehensive income (debt instruments) include receivables financing, other debt investments, etc. They shall be initially measured at fair value, and transaction costs shall be included in the initially recognized amount. These financial assets shall be subsequently measured at fair value. Changes in fair value, other than interest calculated using the effective interest method, impairment losses or gains, and foreign exchange gains and losses, shall be recognized in other comprehensive income.

Upon the de-recognition, the accumulated gains or losses included in other comprehensive income before shall be re-classified from other comprehensive income to current profit or loss.

### (3) Financial assets measured at fair value through other comprehensive income (equity instruments)

Financial assets measured at fair value through other comprehensive income (equity instruments) include other equity instrument investments, etc. They shall be initially measured at fair value, and transaction costs shall be included in the initially recognized amount. These financial assets shall be subsequently measured at fair value, with changes in fair value recognized in other comprehensive income. Dividends received shall be recognized in the current profits or losses.

Upon the derecognition, the accumulated gains or losses included in other comprehensive income before shall be re-classified from other comprehensive income to retained earnings.

### (4) Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include trading financial assets, derivative financial assets, other non-current financial assets, etc. They shall be measured at fair value initially, and transaction costs shall be recognized in current profit or loss. These financial assets shall subsequently be measured at fair value, with changes in fair value recognized in current profit or loss.

### (5) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include trading financial liabilities, derivative financial liabilities, etc. They shall be measured at fair value initially, and transaction costs shall be recognized in current profit or loss. These financial assets shall subsequently be measured at fair value, with changes in fair value recognized in current profit or loss.

Upon derecognition, the difference between the carrying amount and the consideration paid shall be recognized in current profit or loss.

### (6) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables. They shall be initially measured at fair value, and transaction costs shall be included in the initially recognized amount.

The interest calculated via the effective interest method during the holding period shall be included in the current profit or loss.

Upon derecognition, the difference between the consideration paid and the carrying amount of the financial liability shall be recognized in current profit or loss.

### 3. Recognition Basis and Measurement Methods for Derecognition of Financial Assets and Transfer of Financial Assets

Where one of the following conditions is met, the Company de-recognizes the financial assets:

- The contractual rights to receive the cash flows from the financial asset expire;
- The financial asset has been transferred, and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferee;
- The financial asset has been transferred, and although the Company has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, it has not retained control over the financial asset.

If the Company modifies or renegotiates a contract with a counterparty that constitutes a substantial modification, the recognition of the original financial asset shall be terminated, and a new financial asset shall be recognized in accordance with the modified terms.

When a financial asset is transferred, if substantially all the risks and rewards of ownership of the financial asset are retained, the financial asset shall not be derecognized.

When determining whether the transfer of financial assets meets the above-mentioned conditions for the derecognition of financial assets, the principle of substance over form is applied.

The Company classifies transfers of financial assets into transfers of entire financial assets and transfers of parts of financial assets. When a transfer of an entire financial asset meets the conditions for derecognition, the difference between the following two amounts shall be recognized in current profit or loss:

- (1) The carrying amount of the transferred financial asset;
- (2) The sum of the consideration received from the transfer and the cumulative amount of changes in fair value that was previously recognized directly in equity (in the case where the transferred financial asset is a financial asset measured at fair value through other comprehensive income (debt instrument)).

When a transfer of a part of a financial asset meets the conditions for derecognition, the carrying amount of the entire financial asset is allocated between the part derecognized and the part that continues to be recognized based on their relative fair values, and the difference between the following two amounts shall be recognized in current profit or loss:

- (1) The carrying amount of the part derecognized;
- (2) The sum of the consideration for the part derecognized and the portion of the cumulative amount of changes in fair value previously recognized directly in equity that is attributable to the part derecognized (in the case where the transferred financial asset is a financial asset measured at fair value through other comprehensive income (debt instrument)).

If the transfer of a financial asset does not meet the conditions for derecognition, the Company continues to recognize the financial asset and recognizes the consideration received as a financial liability.

### 4. Derecognition of Financial Liabilities

When the current obligations of a financial liability have been wholly or partly canceled, then the financial liability or part of it shall be derecognized. When the Company and the creditors sign agreements to take on new ways to replace the existing financial liabilities with new financial liabilities and the contract terms of the existing financial liabilities and new financial liabilities are different in essence, the current financial liabilities shall be derecognized and the new financial liabilities be recognized.

If the contractual terms of an existing financial liability are substantially modified in whole or in part, the existing financial liability (or the relevant part) is derecognized, and a new financial liability based on the modified terms shall be recognized.

Upon the derecognition of a financial liability in whole or in part, the difference between the carrying amount of the derecognized financial liability and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) shall be recognized in current profit or loss.

If the Company repurchases a part of a financial liability, the carrying amount of the entire financial liability is allocated between the part that continues to be recognized and the part derecognized based on their relative fair values at the repurchase date. The difference between the carrying amount allocated to the derecognized part and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) shall be recognized in current profit or loss.

#### 5. Methods of Determining Fair Value of Financial Assets and Financial Liabilities

For financial instruments for which an active market exists, the fair value shall be determined using quoted prices in the active market. For financial instruments for which no active market exists, valuation techniques shall be used to determine the fair value. During the evaluation, the Company uses the valuation technique which is applicable in the current condition and has enough available data and other information. The input value is consistent with the features of assets or liabilities considered in transactions of relevant assets or liabilities with market participants, and the observable input value should be used with priority. Unobservable inputs may be used only to the extent that relevant observable inputs are not available or obtaining them is impracticable.

#### 6. Testing and Accounting Treatment Methods for Impairment of Financial Instruments

The Company performs impairment accounting treatment on an individual or collective basis for financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (debt instruments) and financial guarantee contracts, etc., based on expected credit losses.

The Company considers reasonable and supportable information about past events, current conditions and forecasts of future economic conditions, and recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the contractual cash flows receivable and the cash flows expected to be received, using the risk of default as the weight.

If the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures its loss provision at an amount equal to the expected credit losses over the entire duration of the financial instrument; if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company measures its loss provision at an amount equal to the expected credit losses over the next 12 months. The resulting increase or reversal of the loss provision shall be recognized as impairment losses or gains in current profit or loss.

By comparing the default risk of financial instruments on the balance sheet date with the default risk at the initial recognition date, the Company determines the relative change of default risk during the expected duration of the financial instrument, to assess whether the credit risk of the financial instrument has increased significantly since the initial recognition. Typically, if the overdue period exceeds 30 days, the Company considers the credit risk of the financial instrument to have significantly increased, unless there is conclusive evidence to the contrary, proving that the credit risk has not significantly increased since initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk has not increased significantly since initial recognition.

If there is objective evidence indicating that a financial asset has become credit-impaired, the Company makes an impairment provision for that financial asset on an individual basis.

For receivables and contract assets formed from transactions specified by the Accounting Standards for Enterprises No.14 - Revenues (2017), no matter whether the major financing components are included, the Company shall measure the loss provision according to the amount equivalent to the expected credit loss over the entire duration.

For lease receivables, the Company shall choose to measure the loss provision at the amount equivalent to the expected credit loss over the entire duration.

If the Company no longer reasonably expects to recover contractual cash flows of a financial asset in whole or in part, the carrying amount of the financial asset shall be directly written down.

When estimating expected credit losses, the Company divides accounts receivable and contract assets into several portfolios based on shared credit risk characteristics and calculates expected credit losses based on the portfolios. The basis for determining the portfolios shall be as follows:

Item	Basis for Determining Portfolios
Portfolio based on aging analysis	This portfolio uses the aging of accounts receivable as the credit risk characteristic
Related parties portfolio	This portfolio comprises amounts due from related parties within the consolidation scope

Based on the nature of other receivables, the Company assesses whether credit risk has increased significantly on an individual and portfolio basis. When assessing on a portfolio basis, the Company classifies other receivables into different portfolios based on credit risk characteristics:

Item	Basis for Determining Portfolios
Credit risk characteristic portfolio	Aging
Related parties within the consolidation scope	Nature of payment
Other receivables - guarantee deposits	Nature of payment

## 12. Notes Receivable

Applicable Not Applicable

## 13. Accounts Receivable

Applicable Not Applicable

## 14. Receivables Financing

Applicable Not Applicable

## 15. Other Receivables

Applicable Not Applicable

## 16. Inventory

Applicable Not Applicable

### Inventory categories, issue valuation method, inventory system, depreciation method for low-value consumables and packaging

Applicable Not Applicable

#### 1. Classification and Cost of Inventories

Inventories are classified as: raw materials, construction in progress, finished goods, goods in transit, low-value consumables, contract performance costs, etc.

Inventories shall be initially measured at cost, which comprises costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

2. Valuation Method for Inventories Issued

Inventories shall be valued using the weighted average method when issued.

3. Inventory System for Inventories

The perpetual inventory system shall be adopted.

4. Amortization Method for Low-Value Consumables and Packaging Materials

1) One-time write-off method is adopted for the amortization of low-priced and easily worn articles.

2) One-time write-off method is adopted for the amortization of packing materials.

**Recognition criteria of provision for inventory impairment and the provision method**

Applicable Not Applicable

On the balance sheet date, inventories shall be measured at the lower of cost and net realizable value. When the cost of inventories is higher than their net realizable value, provisions for inventory impairment shall be made. Net realizable value refers to the estimated selling price of inventories in the ordinary course of business, less estimated costs to completion, estimated selling expenses, and related taxes.

For finished goods, merchandise inventories, and materials held for sale, net realizable value shall be determined based on the estimated selling price less estimated selling expenses and related taxes. For materials requiring further processing, net realizable value shall be determined based on the estimated selling price of the finished goods less estimated costs to completion, estimated selling expenses, and related taxes. For inventories held to fulfill sales or service contracts, net realizable value shall be based on the contract price; if the quantity held exceeds the contract quantity, the excess portion shall be measured based on general selling prices.

At the end of the reporting period, provision for inventory impairment shall be generally made on an item-by-item basis; however, for large quantities of inventories with low unit prices, the provision shall be made based on categories of inventories; for inventories related to product lines that are produced and marketed in the same geographical area, have the same or similar end uses or purposes, and cannot be practicably evaluated separately from other items, the provision shall be made on an aggregate basis.

If, after provision for inventory impairment has been made, the circumstances that previously caused the write-down no longer exist and the net realizable value of inventories exceeds their carrying amount, the previously recognized impairment shall be reversed, but only up to the amount originally provided, and the reversal shall be recognized in current profit or loss.

**Portfolio category and determination basis of provision for inventory impairment calculated on a portfolio basis, and basis for determining the net realizable value of different categories of inventory.**

Applicable Not Applicable

**Calculation methods and determination basis of net realizable value for each aging portfolio when inventory net realizable value is determined based on aging.**

Applicable Not Applicable

## 17. Contract Assets

Applicable  Not Applicable

### Recognition methods and criteria for contract assets

Applicable  Not Applicable

#### 1. Recognition Methods and Standards for Contract Assets

The Company shall list the contract assets or liabilities in the balance sheet according to the relationship between performance obligations and customer payments, present the right to receive consideration in exchange for goods transferred or services provided to customers (where such right is subject to factors other than the passage of time) as contract assets. Contract assets and contract liabilities under the same contract shall be presented on a net basis, and present the unconditional right (depending solely on the passage of time) to receive consideration from customers as receivables separately.

#### 2. Recognition Method and Accounting Treatment Method of Expected Credit Losses of Contract Assets

The expected credit losses of contract assets shall be determined and accounted for in accordance with Note V, 11, 6 Testing and Accounting Treatment Methods for Impairment of Financial Instruments.

### Portfolio category and determination basis of the provision for bad debts based on the portfolio of credit risk characteristics

Applicable  Not Applicable

### Aging calculation method for determining the portfolio of credit risk characteristics based on aging.

Applicable  Not Applicable

### Criteria for determining individual provision for bad debts on an individual basis

Applicable  Not Applicable

## 18. Non-current Assets or Disposal Groups Held for Sale

Applicable  Not Applicable

#### 1. Held for sale

A non-current asset or a disposal group shall be classified as held for sale when its carrying amount will be recovered principally through a sale transaction (including a non-monetary asset exchange with commercial substance) rather than through continuing use.

The Company classifies non-current assets or disposal groups as held for sale if they meet all the following conditions:

(1) Based on the practice of selling such assets or disposal groups in similar transactions, they may be sold immediately under current conditions;

(2) The sale is highly probable, meaning the Company has made a resolution on a sale plan, obtained a firm purchase commitment, and expects the sale to be completed within one year. If the sale requires approval from the Company's relevant governing bodies or regulatory authorities in accordance with applicable regulations, such approval has been obtained.

For a non-current asset (excluding financial assets, deferred tax assets and assets arising from employee remuneration) or a disposal group classified as held for sale, if its carrying amount is higher than its fair value less costs to sell, the carrying amount shall be written down to fair value less costs to sell. The

amount of the write-down shall be recognized as an asset impairment loss and included in profit or loss, and a corresponding provision for impairment of assets held for sale shall be made.

## 2. Discontinued operations

A discontinued operation is a separately identifiable component that meets one of the following conditions and has been disposed of by the Company or classified by the Company as held for sale:

(1) The component represents a separate major line of business or a separate geographical area of operations;

(2) The component is part of a single coordinated plan to dispose of a separate major line of business or a separate geographical area of operations;

(3) The component is a subsidiary acquired specifically for resale.

Profit or loss from continuing operations and profit or loss from discontinued operations shall be presented separately in the income statement. Impairment losses on discontinued operations, their reversals, and other operating and disposal gains or losses shall be presented as profit or loss from discontinued operations. For the discontinued operation reported in current period, the Company restates the information previously presented as profit or loss from continuing operations in current period financial statements as profit or loss from discontinued operations for the comparable accounting periods.

### **Criteria for classifying as held-for-sale non-current assets or disposal group, and accounting treatment**

Applicable Not Applicable

### **Determination criteria and representation for discontinued operations**

Applicable Not Applicable

## **19. Long-term Equity Investments**

Applicable Not Applicable

### 1. Criteria for Determining Joint Control and Significant Influence

Joint control refers to the contractually agreed sharing of control over an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. When the Company exercises joint control over an investee together with other joint venturers and has rights to the net assets of the investee, the investee is a joint venture of the Company.

Significant influence refers to the power to participate in the financial and operating policy decisions of an investee but does not amount to control or joint control over the formulation of those policies. Where the Company is able to have a significant influence on an investee, the investee is an associate of the Company.

### 2. Determination of Initial Investment Cost

#### (1) Long-Term Equity Investment Formed Through Business Combination

For the long-term equity investment in a subsidiary formed through a business combination under common control, the initial investment cost shall be the share of the carrying value of the owner's equity of the combined party in the consolidated financial statements of the ultimate controlling party on the combination date. The difference between the initial investment cost of the long-term equity investment and the carrying value of the consideration paid shall adjust the share premium in the capital reserve; if the share premium is insufficient to offset the difference, retained earnings shall be adjusted. Where control over an investee under common control is achieved through additional investments or other reasons, the difference between the initial investment cost determined under the above principle and the sum of the carrying amount of the previously held long-term equity investment plus the carrying amount of the new

consideration paid for the additional interest acquired at the combination date is adjusted against the share premium; if the share premium is insufficient to offset the difference, the shortfall shall be charged to retained earnings.

For long-term equity investments in subsidiaries formed through business combinations not under common control, the combination cost determined on the acquisition date shall be recognized as the initial investment cost. Where control over an investee not under common control is achieved through additional investments or other reasons, the initial investment cost shall be the sum of the carrying amount of the previously held equity investment and the cost of the additional investment.

(2) Long-Term Equity Investments Obtained Through Means Other Than Business Combinations

For long-term equity investment acquired by cash payment, the actual purchase price paid shall be recognized as the initial investment cost.

For long-term equity investment acquired by issuing equity securities, the fair value of the issued equity securities shall be recognized as the initial investment cost.

3. Subsequent Measurement and Recognition of Profit and Loss

(1) Long-Term Equity Investment Accounted for by Cost Method

Long-term equity investments in subsidiaries shall be accounted for using the cost method, unless the investment meets the criteria for being held for sale. Except for the cash dividends or profits declared but not yet distributed that are included in the actual price or consideration paid at the time of acquisition, the Company shall recognize investment income for the current period based on its share of the cash dividends or profits declared and distributed by the investee.

(2) Long-Term Equity Investment Accounted for by Equity Method

Long-term equity investments in associates and joint ventures shall be accounted for using the equity method. For the cost of initial investment of that is higher than the balance of fair value share of the net identifiable asset of the invested company while investing, the cost of initial investment of long-term equity investment will not be adjusted; For the cost of initial investment of that is lower than the balance of fair value share of the net identifiable asset of the invested company while investing, the balance will be included in the current profit and loss while the cost of the long-term equity investment will be adjusted.

The Company shall recognize investment income and other comprehensive income respectively, based on its share of the net profit or loss and other comprehensive income of the investee, and simultaneously adjust the carrying amount of the long-term equity investment. The Company shall reduce the carrying value of the long-term equity investment according to its share of the profits or cash dividends declared and distributed by the investee; for other changes in the owner's equity of the investee other than net profit or loss, other comprehensive income, and profit distribution (referred to as "other changes in owner's equity"), the Company shall adjust the carrying value of the long-term equity investment and include them in owner's equity.

When recognizing the attributable share of the net profit and loss, other comprehensive income, and other changes in owner's equity of the invested entity, the fair value of the identifiable net assets of the invested entity at the time of acquisition of the investment is used as the basis, and the net profit and other comprehensive income of the invested entity is adjusted in accordance with the accounting policies and periods of the Company before recognition.

Unrealized profit or loss arising from intra-group transactions between the Company and its associates or joint ventures is eliminated to the extent of the Company's attributable share, and investment income is recognized on this basis, except where the assets contributed or sold constitute a business. The transaction losses incurred with investees that are classified as asset impairment losses shall be recognized in full.

For net losses incurred by a joint venture or an associate, the Company shall write down the carrying amount of the long-term equity investment and any other long-term interests that in substance form part of the Company's net investment in the joint venture or associate to zero, except where the Company has an obligation to bear additional losses. If the joint venture or associate subsequently reports net profit, the

Company resumes recognizing its share of profits only after its share of the profits equals the share of losses not previously recognized.

### (3) Disposal of Long-Term Equity Investments

When disposing of a long-term equity investment, the difference between the carrying value and the actual consideration received shall be included in current profits or losses.

For long-term equity investments that are partially disposed of and accounted for using the equity method, if the remaining equity is still accounted for using the equity method, the other comprehensive income previously recognized under the equity method shall be transferred to profit or loss on the same basis that the investee would have used if it had directly disposed of the related assets or liabilities on a proportionate basis, and other changes in owners' equity shall be transferred to profit or loss on a proportionate basis.

If the Company loses joint control or significant influence over an investee due to disposal of equity investments or other reasons, the other comprehensive income previously recognized under the equity method shall be accounted for on the same basis that the investee would have used if it had directly disposed of the related assets or liabilities upon discontinuation of the equity method, and other changes in owners' equity shall be fully transferred to profit or loss upon discontinuation of the equity method.

Where the Company has lost control over an investee due to partial disposal of equity investments or other reasons when it is preparing the separate financial statements, if the remaining equity interest can exercise joint control or significant influence over the investee, it shall be accounted for using the equity method and be adjusted as if the equity method had been applied from the date of acquisition. Other comprehensive income recognized before obtaining control over the investee shall be transferred on the same basis that the investee would have used if it had directly disposed of the related assets or liabilities on a proportionate basis, and other changes in owners' equity recognized under the equity method are transferred to profit or loss on a proportionate basis. If the remaining equity interest cannot exercise joint control or significant influence over the investee, it shall be recognized as a financial asset, and the difference between its fair value and carrying amount at the date control is lost shall be recognized in profit or loss. All other comprehensive income and other changes in owners' equity recognized before obtaining control shall be fully transferred.

Where the disposal of equity investment in a subsidiary through multiple transactions in stages until the loss of control belongs to a "package deal," each transaction shall be accounted for as a single transaction of disposing of the equity investment in the subsidiary and losing control. In individual financial statements, the difference between each disposal consideration before the loss of control and the carrying value of the long-term equity investment corresponding to the disposed equity shall first be recognized as other comprehensive income, and then collectively transferred to the current profit or loss of the period in which control is lost. If the transactions do not constitute a package deal, each transaction shall be accounted for separately.

## **20. Investment Properties**

### **(1). When the cost-based measurement is adopted:**

Depreciation or amortization method

Investment properties are properties held to earn rentals, capital appreciation, or both, including land use rights that are leased out, land use rights held for transfer after appreciation, and buildings that are leased out (including self-constructed buildings or buildings used for leasing after completion of construction or development activities, as well as buildings under construction or development that will be used for leasing in the future).

Subsequent expenditure related to investment properties shall be added to the cost of the investment property when it is probable that economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably; otherwise, it shall be recognized in profit or loss in the period in which it is incurred.

The Company measures its existing investment properties using the cost model. For investment properties measured using the cost model - buildings held for lease - the same depreciation policy as the Company's fixed assets shall be adopted, and for land use rights held for lease, the same amortization policy as the Company's intangible assets shall be applied.

## 21. Fixed Assets

### (1). Recognition Conditions

Applicable  Not Applicable

Fixed assets refer to tangible assets held for the production of goods, provision of labor services, lease, or operation and management with a useful life of more than one fiscal year. Fixed assets shall be recognized when both of the following conditions are met:

- (1) The economic benefits pertinent to the fixed asset are likely to flow into the enterprise;
- (2) The costs of the fixed assets can be measured reliably.

Fixed assets shall be initially measured at the cost and the impact of the estimated asset retirement obligations.

Subsequent expenditure related to fixed assets is added to the costs of fixed assets when it is probable that economic benefits associated with the expenditure will flow in and the cost can be measured reliably. The carrying amount of any replaced part is derecognized. All other subsequent expenditure is recognized in profit or loss in the period in which it is incurred.

### (2). Depreciation Method

Applicable  Not Applicable

Category	Depreciation Method	Depreciable Life (Year)	Residual Value Rate (%)	Annual Depreciation Rate (%)
Houses and buildings	Straight-line method	20	5	4.75
Transportation equipment	Straight-line method	4	5	23.75
Production equipment	Straight-line method	3-10	5	31.67-9.50
Office equipment and others	Straight-line method	3	5	31.67

Fixed assets are depreciated by category using the straight-line method. The depreciation rate is determined based on the asset category, estimated useful life, and estimated net residual value rate. For fixed assets for which an impairment provision has been recognized, depreciation in future periods is calculated based on the carrying amount after deducting the impairment provision and the remaining useful life. If the constituent parts of a fixed asset have different useful lives or provide economic benefits to the enterprise in different ways, different depreciation rates or methods are applied, and depreciation is recognized separately for each part.

## 22. Construction in Progress

Applicable  Not Applicable

Construction in progress is measured at the actual cost incurred. Actual costs include construction costs, installation costs, borrowing costs that meet the criteria for capitalization, and other necessary expenditures incurred to bring the construction in progress to its intended usable condition. Construction

in progress shall be transferred to fixed assets, and depreciation shall be accrued starting from the following month once it reaches the intended usable condition.

### 23. Borrowing Costs

√ Applicable    □ Not Applicable

#### 1. Recognition Principles for Capitalization of Borrowing Costs

Borrowing costs incurred by the Company that can be directly attributed to the acquisition, construction, or production of assets meeting capitalization criteria shall be capitalized and included in the costs of relevant assets. Other borrowing costs shall be recognized as expenses based on their amount when incurred and included in profit or loss for the period.

Assets meeting capitalization criteria refer to fixed assets, investment properties, inventories, and other assets that require a substantial period of time for acquisition, construction, or production activities to get ready for their intended use or for sale.

#### 2. Capitalization Period of Borrowing Costs

The capitalization period shall refer to the period from the commencement to the cessation of capitalization of the borrowing costs, excluding the period of suspension of capitalization of the borrowing costs.

Capitalization can only be started if the borrowing costs meet the following conditions at the same time:

(1) The asset disbursements have already incurred, which shall include the cash, transferred non-cash assets or interest bearing debts paid for the acquisition and construction for preparing assets eligible for capitalization;

(2) The borrowing costs have been incurred;

(3) Purchase, construction or production activities required for the assets to fulfill the expected serviceable or salable condition have begun.

When the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs shall be ceased.

#### 3. Suspension of Capitalization Period

Where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended. If the interruption is a necessary step for making the qualified asset under acquisition and construction or production ready for the intended use or sale, the capitalization of the borrowing costs shall continue. Capitalization shall resume after the borrowing costs incurred during such period are recorded into the current profit or loss, and the acquisition and construction or production of the asset restarts.

#### 4. Calculation Methods for Capitalization Rate and Capitalized Amount of Borrowing Costs

For specific borrowings obtained for the acquisition, construction or production of a qualifying asset, the capitalized amount of borrowing costs shall be determined by deducting from the actual borrowing costs incurred on those specific borrowings during the current period any interest income earned on the unused borrowings deposited in banks or any investment income from temporary investments of the unused borrowings.

For general borrowings utilized for the acquisition, construction or production of a qualifying asset, the capitalized amount of borrowing costs shall be determined by multiplying the weighted average of the accumulated asset expenditures in excess of the specific borrowings by the capitalization rate of the general borrowings utilized. The capitalization rate shall be determined based on the weighted average effective interest rate of the general borrowings.

During the capitalization period, exchange differences arising from the principal and interest of specific borrowings in foreign currency shall be capitalized and recognized as part of the cost of the assets

eligible for capitalization. Exchange differences arising from the principal and interest of other foreign currency borrowings, excluding specific borrowings in foreign currency, shall be recognized in current profits or losses.

## 24. Biological Assets

Applicable Not Applicable

## 25. Oil and Gas Assets

Applicable Not Applicable

## 26. Intangible Assets

### (1). Useful life and its determination basis, estimation, amortization method, or review procedure

Applicable Not Applicable

#### 1. Valuation Method of Intangible Assets

(1) The initial measurement of intangible assets obtained by the Company shall be made at its cost;

Intangible assets refer to identifiable non-monetary assets without physical substance owned or controlled by the Company, including land use rights, proprietary technologies, computer software, and project concession rights, etc.

The cost of the outsourcing intangible assets shall include purchase price, relevant taxes and other necessary expenditures directly attributable to intangible assets for expected purpose.

The Company participates in public infrastructure operation business through the PPP (Public-Private Partnership) model, acquiring concession rights for public infrastructure projects from government authorities to participate in the construction and operation of the projects, and thereby collecting service fees from the contract awarding party during the current period of providing operational services. Upon the expiration of the concession period, the Company is required to transfer the relevant infrastructure to the government authorities.

Where, in accordance with the PPP project contract, the Company has the right during the operation period to charge fees to users of public goods and services, but the fee amount is uncertain, such right does not constitute an unconditional right to receive cash. When the PPP project asset is ready for its intended use, the consideration amount of the relevant PPP project asset or the amount of construction revenue recognized shall be recognized as an intangible asset.

Where, in accordance with the PPP project contract, the conditions for having the right to receive a determinable amount of cash (or other financial assets) are met during the operation period, such right shall be recognized as receivables when the Company obtains the right to receive such consideration (where the right depends solely on the passage of time), and shall be accounted for in accordance with Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments. When the PPP project asset is ready for its intended use, the excess amount of the consideration amount for the relevant PPP project assets or the recognized construction revenue amount over the cash (or other financial assets) of a determinable amount that it is entitled to receive shall be recognized as intangible assets.

#### (2) Subsequent Measurement

Upon acquisition of intangible assets, their useful lives shall be analyzed and determined.

Intangible assets with finite useful lives are amortized over the period during which economic benefits are expected to be derived by the enterprise; intangible assets for which the period of economic benefits cannot be foreseen shall be regarded as having indefinite useful lives and shall not be amortized.

## 2. Estimated Useful Lives of Intangible Assets with Finite Useful Lives

Item	Estimated Useful Life	Basis
Land use rights	50 years	Service life stipulated in the land use right certificate
Office software	5-10 years	Contractual terms, industry conditions and the Company's historical experience
Franchise rights	Franchise period	Franchise operation contract

## (2). Scope of attribution of R&amp;D expenditures and related accounting treatment

Applicable Not Applicable

## 27. Impairment of Long-term Assets

Applicable Not Applicable

For long-term assets such as long-term equity investments, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets, and intangible assets with finite useful lives, the Company shall perform an impairment test if there is any indication of impairment on the balance sheet date. If the result of the impairment test indicates that the recoverable amount of an asset is lower than its carrying value, a provision for impairment shall be made based on the difference and recognized as an impairment loss. The recoverable amount is the higher of an asset's fair value deducting the disposal expenses and the present value of the estimated future cash flow expected to be derived from the asset. The asset impairment provision shall be calculated and recognized based on the single asset. If it is hard to estimate the recoverable amount of a single asset, the recoverable amount of the asset portfolio to which the asset belongs shall be recognized. An asset group is the smallest asset portfolio that can independently generate cash inflows.

Goodwill formed by business combinations, intangible assets with indefinite useful lives, and intangible assets not yet reaching their intended usable state are tested for impairment at least at the end of each year, regardless of whether there is any indication of impairment.

When performing goodwill impairment testing, the Company shall allocate the carrying value of goodwill arising from business combinations to relevant asset groups using a reasonable method from the date of purchase; if it is difficult to allocate it to relevant asset groups, it shall be allocated to relevant asset group portfolio. The relevant asset group or asset group portfolio is those that can benefit from the synergistic effects of the business combination.

When testing relevant asset groups or asset group portfolio containing goodwill for impairment, if there is an indication of impairment, the Company shall first perform an impairment test on the asset groups or asset group portfolio that do not contain goodwill, calculate the recoverable amount, compare it with the relevant carrying value, and recognize the corresponding impairment loss. Then an impairment test shall be performed on the asset group or asset group portfolio that contains goodwill, comparing its carrying amount with the recoverable amount. If the recoverable amount is lower than the carrying amount, the amount of impairment loss shall first be offset against the carrying amount of the goodwill allocated to the asset group or asset group portfolio, and then the carrying amounts of the other assets in the asset group or asset group portfolio shall be offset on a pro-rata basis based on the proportion of the carrying amount of each other asset. Once recognized, an asset impairment loss as described above shall not be reversed in subsequent accounting periods.

## 28. Long-term Unamortized Expenses

Applicable Not Applicable

Long-term deferred expenses refer to various expenses that have already been incurred, but shall be borne by the current and future periods with an amortization period of more than one year. The long-term deferred expenses of the Company include decoration expenses.

1. Amortization Method

Long-term deferred expenses shall be amortized evenly over the benefit period.

2. Amortization Period

Long-term deferred expenses are amortized over the benefit period. If a long-term deferred expense item cannot benefit subsequent accounting periods, the entire unamortized value of the item shall be transferred to the current profit or loss.

## 29. Contract Liabilities

Applicable Not Applicable

The Company shall list the contract assets or liabilities in the balance sheet according to the relationship between performance obligations and customer payments. The obligation to transfer goods or services to customers for which the Company has received or is entitled to receive consideration from customers shall be presented as a contract liability. Contract assets and contract liabilities under the same contract shall be presented on a net basis.

## 30. Employee Remuneration

### (1). Accounting treatment of short-term remuneration

Applicable Not Applicable

The Company shall recognize the actually incurred short-term remuneration as liabilities in the accounting period when the staff provides service for the Company, and include them in the current profit or loss or costs of relevant assets.

Social insurance premiums and housing funds paid by the Company for employees, as well as labor union funds and employee education funds accrued in accordance with regulations, shall be used to calculate and determine the corresponding employee benefit amounts based on the prescribed accrual bases and proportions during the current period in which employees provide services.

Employee welfare expenses incurred by the Company shall be recorded in current profit or loss or the costs of relevant assets based on the actual amount when incurred; among these, non-monetary benefits shall be measured at fair value.

### (2). Accounting treatment of post-employment benefits

Applicable Not Applicable

#### (1) Defined Contribution Plan

The Company shall pay basic endowment insurance and unemployment insurance for employees in accordance with relevant local government regulations. during the current period when employees provide services, the amounts payable shall be calculated based on local contribution bases and proportions, recognized as liabilities, and included in current profit or loss or the costs of relevant assets.

#### (2) Defined Benefit Plans

The Company attributes benefit obligations arising from the defined benefit plan to employees in the period in which they render services, based on a formula determined through the unit method for expected cumulative welfare, and recognizes them in the current profit or loss or the costs of relevant assets.

The deficit or surplus formed by the present value of the obligations of the defined benefit plan, subtracting the fair value of the assets of the defined benefit plan, is recognized as the net liability or net

asset of the defined benefit plan. If a defined benefit plan has a surplus, the Company measures the net defined benefit plan assets at the lower of the surplus or the asset limit of the defined benefit plan.

All defined benefit plan obligations, including payment obligations within twelve months after the end of annual reporting period corresponding to the related services provided by employees, shall be discounted in cash according to the national debt in the currency on the balance sheet date and within the defined benefit plan obligation term, or the market return rate of debut of high-quality enterprises.

Service costs arising from defined benefit plans and the net interest on net defined benefit liabilities or assets are included in current profit or loss or the costs of relevant assets. Changes resulting from the remeasurement of net defined benefit liabilities or assets shall be included in other comprehensive income and will not be reversed to profit or loss in subsequent accounting periods. Upon the termination of the original defined benefit plan, the portion previously included in other comprehensive income shall be fully transferred to retained earnings within the scope of equity.

Upon settlement of a defined benefit plan, the gain or loss on settlement is recognized based on the difference between the present value of the defined benefit plan obligation and the settlement price determined on the settlement date.

### **(3). Accounting treatment of termination benefits**

Applicable    Not Applicable

Where the Company provides termination benefits to employees, the employee benefits liabilities arising from such termination benefits shall be recognized and included in current profit or loss at the earlier of the following dates: when the Company cannot unilaterally withdraw the termination benefits provided due to a labor relationship cancellation plan or a layoff proposal; or when the Company recognizes the costs or expenses related to a restructuring involving the payment of termination benefits.

### **(4). Accounting treatment of other long-term employee benefits**

Applicable    Not Applicable

## **31. Provisions**

Applicable    Not Applicable

### **1. Recognition Standards for Estimated Liabilities**

The Company shall recognize an obligation related to contingencies such as litigation, debt guarantees, onerous contracts, and restructuring as a provision when the following conditions are simultaneously met:

- (1) The obligation is a present obligation assumed by the Company;
- (2) It is probable that an outflow of economic benefits will be required to settle the obligation;
- (3) The amount of the obligation can be measured reliably.

### **2. Measurement Methods for Various Estimated Liabilities**

The estimated liabilities of the Company shall be initially measured at the best estimate of the expenditure required to settle the relevant present obligation.

In determining the best estimate, the Company comprehensively considers factors such as risks, uncertainties, and the time value of money related to the contingencies. Where the effect of the time value of money is material, the best estimate is determined by discounting the relevant future cash outflows.

The best estimate shall be conducted in accordance with the following situations respectively:

If the required expenditure falls within a continuous range (or interval) and all possible outcomes within that range are equally likely, the best estimate is determined as the midpoint of the range, which is the average of the upper and lower limits.

In the event that there is no sequent range (or interval) or that there is a sequent range but the outcomes within this range are unlikely to occur equally, if single item is involved in the contingencies, the best estimate shall be determined based on the amount most likely to incur; and if several items are involved in the contingencies, the best estimate shall be determined based on various possible outcomes and relevant probability calculation.

If all or some of the expenses necessary for the liquidation of estimated liabilities of the Company are expected to be compensated by a third party, the remuneration shall be separately recognized as an asset when it is virtually certain that the reimbursement will be obtained and the remuneration recognized shall not be in excess of the carrying value of the estimated liabilities.

The Company reviews the carrying value of estimated liabilities on the balance sheet date. If there is conclusive evidence that the carrying value does not reflect the current best estimate, the carrying value is adjusted according to the current best estimate.

### **32. Share-based Payments**

√ Applicable    □ Not Applicable

The share-based payment of the Company refers to a transaction through which equity instruments are granted or equity-instrument-based liabilities are assumed in return for services from employees or other parties. The share-based payments of the Company are classified into equity-settled share-based payments and cash-settled share-based payments.

#### **1. Equity-Settled Share-Based Payments and Equity Instruments**

Equity-settled share-based payment in exchange for services provided by employees is measured at the fair value of the equity instruments granted to employees. For share-based payment transactions that are exercisable immediately after the grant, the fair value of the equity instruments is recognized as relevant costs or expenses on the grant date, with a corresponding increase in capital reserve. If the right of the share-based payment cannot be exercised until the vesting period comes to an end after the grant or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services obtained in current period shall, based on the best estimate of the number of vested equity instruments by the Company, be included in the relevant costs or expenses and the capital reserve at the fair value of the equities instruments on the date of the grant.

If the terms of an equity-settled share-based payment are modified, the services acquired are recognized at least as if the terms had not been modified. In addition, any modification that increases the fair value of the granted equity instrument, or a change in favor of the employee on the modification date, recognizes an increase in the acquisition of services.

If the granted equity instruments are canceled during the vesting period, the Company treats the cancellation as accelerated vesting and immediately recognizes the amount that should have been recognized over the remaining vesting period in current profit or loss, with a corresponding increase in capital reserve. However, if new equity instruments are granted and identified on the grant date as a replacement for the canceled equity instruments, the replacement equity instruments are accounted for in the same way as a modification of the terms and conditions of the original equity instruments.

#### **2. Cash-Settled Share-Based Payments and Equity Instruments**

The cash-settled share-based payments are measured at the fair value of the liabilities assumed by the Company, which are calculated based on shares or other equity instruments. For share-based payment transactions exercisable immediately after the grant, the Company recognizes the fair value of the liability assumed as relevant costs or expenses on the grant date, with a corresponding increase in liabilities. For share-based payment transactions that become exercisable only after the completion of services within the vesting period or the fulfillment of specified performance conditions, the Company recognizes the services acquired during the current period as relevant costs or expenses on each balance sheet date within

the vesting period, based on the best estimate of the vesting conditions and the fair value of the liability assumed, with a corresponding increase in liabilities. On each balance sheet date and the settlement date before the settlement of the relevant liability, the fair value of the liability is remeasured, and its changes are recognized in current profits or losses.

### 33. Preferred Shares, Perpetual Bonds and Other Financial Instruments

Applicable Not Applicable

### 34. Revenue

#### (1) Accounting Policies used for Revenue Recognition and Measurement Based on Business Type

Applicable Not Applicable

The Company recognizes revenue when it satisfies a performance obligation in a contract, that is, when the customer obtains control of the relevant goods or services. Obtaining control of goods or services means that the customer can direct the use of, and obtain substantially all of the economic benefits from, those goods or services.

If a contract contains two or more performance obligations, the Company, at the contract inception, allocates the transaction price to each separate performance obligation on the basis of the relative standalone selling prices of the goods or services promised. The Company measures revenue based on the amount of the transaction price allocated to each performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customer. The Company determines the transaction price by considering the contract terms and its customary business practices, while also taking into account the effects of variable consideration, any significant financing component in the contract, non-cash consideration, and consideration payable to the customer. The amount of the transaction price that includes variable consideration is limited to the amount for which it is highly probable that a significant reversal will not occur when the uncertainty related to the variable consideration is resolved. For a contract with a significant financing component, the Company determines the transaction price by assuming the customer pays an amount in cash when the customer obtains control of the goods or services. The difference between the transaction price and the consideration promised in the contract is amortized over the contract period using the effective interest method.

A performance obligation is satisfied over time if one of the following criteria is met; otherwise, it is satisfied at a point in time:

- The customer concurrently receives and consumes the economic benefits derived from the Company's performance as the Company performs;
- The customer can control the goods under construction during the performance of the Company;
- The goods produced during the Company's performance have no alternative use to the Company, and the Company has an enforceable right to payment for performance completed to date throughout the contract period.

For performance obligations satisfied over time, the Company recognizes revenue over time by measuring the progress towards complete satisfaction of the performance obligation, unless the progress cannot be reasonably determined. The Company determines the progress using either output methods or input methods, considering the nature of the goods or services. When the progress cannot be reasonably determined, and if the costs incurred are expected to be recoverable, the Company recognizes revenue to the extent of costs incurred until such time as the progress can be reasonably determined.

For performance obligations satisfied at a point in time, the Company recognizes revenue at the point in time when the customer obtains control of the relevant goods or services. In assessing whether a customer has obtained control of goods or services, the Company considers the following indicators:

- The Company has a present right to payment for the goods or services, i.e., the customer has a present obligation to pay for the goods or services.
- The Company has transferred legal title to the goods to the customer, i.e., the customer has legal title to the goods.
- The Company has transferred physical possession of the goods to the customer, i.e., the customer has physical possession of the goods.
- The Company has transferred the significant risks and rewards of ownership of the goods to the customer, i.e., the customer has obtained the significant risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

## **(2) Different Revenue Recognition and Measurement Methods for the Same Type of Business with Different Operation Models**

Applicable Not Applicable

The Company has established corresponding revenue recognition policies for different sales models, taking into account industry characteristics and the different points at which risks and rewards are transferred:

Sales to distributors: Based on contractual agreements, after receiving the advance payment from the distributors, the Company dispatches the goods as per the order requirements. Revenue shall be recognized when the customer picks up the goods or when the goods are delivered to the logistics carrier.

Sales to direct customers: Based on contracts and customer orders, the Company delivers products to the designated locations. Revenue shall be recognized after the customer receives and accepts the goods upon inspection.

Export sales: Revenue shall be recognized when the Company has completed customs declaration procedures, obtained the customs declaration form, and physically delivered the goods.

E-commerce sales: Revenue shall be recognized after the order is confirmed, goods are dispatched from the warehouse, and delivery by the logistics company is completed.

PPP projects:

Project construction period: For PPP projects during the construction period, the Company determines whether it acts as a principal or an agent in accordance with Accounting Standards for Business Enterprises No. 14 - Revenue, and performs accounting treatment accordingly. For financial assets recognized during the construction of PPP projects, the Company subsequently recognizes interest income reflecting the financing component based on amortized cost using the effective interest method.

Project operation period:

(1) Where, in accordance with the PPP project contract, the Company has the right to receive a determinable amount of cash (or other financial assets) during the project operation period, such right shall be recognized as a receivable when the Company possesses the right to receive such consideration (provided that the right depends only on the passage of time). The recovery of project investment principal and the interest return on investment principal shall be recognized on the basis of amortized cost using the effective interest method, and the interest return on investment principal shall be recognized as operating revenue (interest income).

(2) Where, in accordance with the PPP project contract, the Company has the right to charge fees to users of public products and services during the operation period but the fee amount is uncertain, such right does not constitute an unconditional right to receive cash; when the PPP project assets reach their intended usable state, the consideration amount of the relevant PPP project assets or the recognized construction revenue amount shall be recognized as intangible assets, and the operating revenue shall be calculated and recognized based on the measurement method and the price agreed in the contract.

(3) For relevant operating service revenue, it shall be calculated and recognized as operating revenue based on the service fee amount stipulated in the contract, taking into account settlement conditions such as the results of performance obligation assessments.

### 35. Contract Costs

Applicable Not Applicable

The contract costs include contract performance costs and contract acquisition costs.

Costs incurred by the Company to perform a contract, which do not fall within the scope of relevant standards such as inventories, fixed assets, or intangible assets, shall be recognized as an asset (contract performance costs) when the following conditions are met:

- The costs are directly related to a current or anticipated contract;
- The costs generate or enhance resources of the Company that will be used in satisfying performance obligations in the future.
- The cost is expected to be recovered.

The incremental costs of obtaining a contract incurred by the Company that are expected to be recovered are recognized as an asset (contract acquisition costs).

For the assets related to the contract cost, the Company shall use the same basis as the recognition of the income from goods related to the assets to carry out the amortization; however, the contract cost with an amortization period exceeding one year shall be included in the current profit or loss upon occurrence.

If the carrying amount of the assets related to the contract cost is higher than the following two differences, the Company will make provision for impairment of the excess and recognize it as the asset impairment loss:

1. The remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the asset relates;
2. The costs that relate directly to providing those goods or services and that are estimated to be incurred.

If the factors of impairment in previous periods subsequently change, such that the aforementioned difference is higher than the carrying value of the asset, the Company shall reverse the previously recognized impairment provision and include it in current profit or loss, provided that the carrying value of the asset after reversal does not exceed the carrying value that would have been determined at the date of reversal had no impairment provision been recognized.

### 36. Government Grants

Applicable Not Applicable

#### 1. Type

The government subsidy refers to monetary or non-monetary assets obtained by the Company from the government without consideration, which are classified into government grants related to assets and government grants related to income.

The government grants related to assets refer to those obtained by the Company for the acquisition, construction, or other forms of long-term assets. Government grants related to income refer to those other than government grants related to assets.

The specific criteria for the Company to classify government grants as asset-related are: government grants obtained by the Company that are used for the purchase, construction or other means of forming long-term assets.

The specific criteria for the Company to classify government grants as income-related are: government grants other than asset-related government grants.

If the object of subsidy is not clearly specified in the government documents, the specific criteria for classifying asset-related or income-related government grants are as follows:

2. Recognition Timing

Government grants shall be recognized when the Company has actually received them and is able to meet the conditions attached to them.

3. Accounting Treatment

Government grants related to assets shall offset the carrying value of the relevant assets or be recognized as deferred income. Where recognized as deferred income, such government grants shall be systematically amortized in current profit or loss over the useful life of the relevant asset on a reasonable basis (those related to the Company's daily activities shall be included in other income; those unrelated to the Company's daily activities shall be included in non-operating income).

The government grants related to income and used to compensate the Company's relevant cost expenses or losses incurred during the subsequent period shall be recognized as the deferred income and included in the current profit or loss (if they are related to the daily activities of the Company, they shall be included in other income; if not, they shall be included in the non-operating income) or offset relevant cost expenses or losses; government subsidies used to compensate the Company's relevant cost expenses or losses shall be directly included in the current profit or loss (if they are related to the daily activities of the Company, they shall be included in other income; if not, they shall be included in the non-operating income) or offset relevant cost expenses or losses during the current period of confirming relevant cost expenses or losses.

The government-subsidized interest discounts on preferential loans obtained by the Company are accounted for separately in the following two cases:

(1) The financial sector allocates interest-subsidy funds to the lending bank. The lending bank provides loans to the Company at a policy-based preferential interest rate. The loan amount actually received is used as the entry value of the loan, and the related borrowing cost is calculated as per the loan principal and at the preferential policy rate.

(2) If the financial sector directly allocates the interest-subsidy funds to the Company, the corresponding interest subsidies will be used by the Company to offset relevant borrowing costs.

### 37. Deferred Tax Assets/Deferred Tax Liabilities

Applicable    Not Applicable

Income tax comprises current and deferred taxes. Except for income taxes arising from business combinations and transactions or events that are directly recognized in the owner's equity (including other comprehensive income), the Company records current income tax and deferred tax in current profit or loss.

The deferred tax assets and the deferred tax liabilities are recognized based on the differences between the tax bases of assets and liabilities and their carrying values (temporary differences).

For deferred tax assets recognized as deductible temporary differences, the amount of taxable income likely to be acquired in the future to offset deductible temporary differences shall be limited. For deductible loss or tax credits that can be carried forward to the next year, deferred tax assets shall be recognized to the extent that it is probable that taxable profit will be available in the future to offset the deductible losses and tax credits.

For taxable temporary differences, deferred tax liabilities shall be recognized except in specific circumstances.

The specific circumstances where deferred tax assets or liabilities are not recognized include:

- The initial recognition of goodwill;
- As for transactions or events that neither constitute a business combination, nor impact accounting profit and taxable income (or deductible losses) at the time of occurrence, and where the initial

recognition of assets and liabilities does not result in the creation of equal temporary taxable differences and deductible temporary differences.

For taxable temporary differences related to investments in subsidiaries, associates, and joint ventures, a deferred tax liability is recognized, unless the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For deductible temporary differences related to investments in subsidiaries, associates, and joint ventures, a deferred tax asset is recognized when it is probable that the temporary difference will reverse in the foreseeable future and it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

On the balance sheet date, the deferred tax assets and liabilities are measured at the tax rate applicable to the period during which the assets are expected to be recovered, or the liabilities are expected to be settled.

On the balance sheet date, the Company reviews the carrying value of deferred tax assets. If it is no longer probable that sufficient taxable profit will be available in future periods to allow the benefit of the deferred tax asset to be utilized, the carrying value of the deferred tax asset shall be written down. Such write-down shall be reversed when it becomes probable that sufficient taxable profit will be available.

When the Company has a legally enforceable right to settle on a net basis and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously, current tax assets and current tax liabilities are presented at the net amount after offsetting.

On the balance sheet date, deferred tax assets and deferred tax liabilities are presented at the net amount after offsetting when the following conditions are simultaneously met:

- The taxpayer has a legally enforceable right to settle current tax assets and current tax liabilities on a net basis;
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities that intend either to settle current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed.

### 38. Leasing

Applicable Not Applicable

#### **Judgment basis and accounting treatment for simplified treatment of short-term leases and low-value asset leases as a lessee**

Applicable Not Applicable

A lease refers to a contract in which the lessor conveys the right to use an asset to the lessee for a period of time in exchange for consideration. On the commencement date of the contract, the Company assesses whether the contract is, or contains, a lease. If one party to a contract transfers the right to control the use of one or more identified assets for a certain period in exchange for consideration, the contract is a lease or includes a lease.

Where a contract contains multiple separate leases, the Company splits the contract and accounts for each separate lease individually. Where a contract contains both lease and non-lease components, the lessee and the lessor shall separate the lease and non-lease components.

#### 1. The Company as Lessee

##### (1) Right-of-Use Assets

At the commencement date of the lease, the Company recognizes right-of-use assets for all leases, except for short-term leases and leases of low-value assets. The right-of-use asset is initially measured at cost. The cost comprises:

- The amount of the initial measurement of the lease liability;

- For lease payments made on or before the commencement date of the lease term, if there are lease incentives, the relevant amounts of the lease incentives already enjoyed shall be deducted.
- The initial expenses incurred by the Company;
- The costs expected to be incurred by the Company to dismantle and remove the leased assets, restore the premises of the leased assets, or restore the leased assets to the condition agreed in the lease terms, excluding the cost for production of inventories.

The Company subsequently depreciates the right-of-use asset using the straight-line method. If the Company is reasonably certain to obtain ownership of the underlying asset by the end of the lease term, the asset is depreciated over its remaining useful life; otherwise, the asset is depreciated over the shorter of the lease term and its remaining useful life.

The Company determines whether a right-of-use asset has been impaired and performs accounting treatment for the identified impairment loss in accordance with the principles described in Note V, 27 Impairment of Long-term Assets.

## (2) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities for all leases, except for short-term leases and leases of low-value assets. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payment includes:

- Where there is a lease incentive for fixed payments (including in-substance fixed payments), the incentive-related amount shall be deducted;
- Variable rental payments based on indexes or ratios;
- The amounts expected to be paid based on the residual value of the guarantee provided by the Company;
- The exercise price of the purchase option, provided that the Company can reasonably determine that it will exercise the option;
- The amount to be paid for exercising the option to terminate the lease, provided that the lease period reflects that the Company will exercise the option to terminate the lease.

The Company uses the interest rate implicit in the lease as the discount rate; however, if that rate cannot be readily determined, the Company's incremental borrowing rate is used as the discount rate.

The Company calculates the interest expense of the lease liability for each period during the lease term based on a constant periodic rate of interest, and recognizes it in current profits or losses or the costs of relevant assets.

Variable lease payments that are not included in the measurement of lease liabilities are recognized in current profit or loss or the costs of relevant assets when they actually occur.

After the commencement date of the lease, under the following circumstances, the Company remeasures the lease liability and adjusts the corresponding right-of-use asset. If the carrying value of the right-of-use asset has been reduced to zero but the lease liability still needs further reduction, the remaining difference is recognized in current profits or losses:

- When there is a change in the assessment of a purchase option, extension option, or termination option, or if the actual exercise of such options is inconsistent with the original assessment, the Company remeasures the lease liability based on the present value of the revised lease payments and a revised discount rate;
- When there is a change in in-substance fixed payments, the amount expected to be payable under a residual value guarantee, or the index or rate used to determine lease payments, the Company remeasures the lease liability based on the present value of the revised lease payments and the original discount rate. However, if the change in lease payments results from a change in floating interest rates, a revised discount rate shall be used to calculate the present value.

## (3) Short-term Leases and Leases of Low-value Assets

The Company records the lease payment of short-term lease and low-value asset lease into current profit or loss or costs of relevant assets in each period of the lease term based on the straight-line method without recognition of right-of-use assets and lease liabilities. A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not include a purchase option. A lease of low-value assets is a lease for which the underlying asset is of low value when it is new. If the Company subleases or expects to sublease a leased asset, the original lease is not recognized as a low-value asset lease.

#### (4) Lease Changes

If the lease changes and the following conditions are met, the Company will treat the lease change as a separate lease for accounting:

- The lease change expands the scope of the lease by adding the right to use one or more leased assets;
- The increased consideration is equivalent to the amount of the separate price of the expanded part of the lease scope adjusted according to the contract.

For the lease change that is not accounted for as a separate lease, at the effective date of the change, the Company reallocates the consideration in the modified contract, redetermines the lease term, and remeasures the lease liability by discounting the revised lease payments using a revised discount rate.

If the lease change results in a decrease in the scope of the lease or a shortened lease term, the Company decreases the carrying value of the right-of-use asset accordingly, and recognizes any gain or loss relating to the partial or full termination of the lease in current profit or loss. For all other lease changes resulting in the remeasurement of lease liabilities, the Company adjusts the carrying value of the right-of-use asset accordingly.

### **Classification criteria and accounting treatment of leases as a lessor**

Applicable Not Applicable

On the commencement date of the lease, the Company classifies the lease as either a finance lease or an operating lease. A financing lease is a lease that transfers substantially all the risks and rewards associated with ownership of the leased assets, regardless of whether ownership is ultimately transferred. An operating lease refers to any lease other than a finance lease. When the Company acts as a sublease lessor, it classifies subleases based on the right-of-use assets generated from the original lease.

#### (1) Accounting Treatment for Operating Leases

Lease payments from operating leases are recognized as rental income on a straight-line basis over each period within the lease term. The Company capitalizes initial direct costs incurred in connection with operating leases and amortizes them to the current period's profit or loss over the lease term on the same basis as rental income recognition. Variable lease payments that are not included in lease receivables are recognized in current profit or loss when they actually occur. In the event that the operating lease changes, the Company accounts for it as a new lease from the effective date of the change, and any lease receipts received in advance or receivable related to the original lease are considered part of the lease receipts for the new lease.

#### (2) Accounting Treatment for Finance Leases

On the commencement date of the lease, the Company recognizes finance lease receivables for finance leases and derecognizes the finance lease assets. When performing initial measurement of finance lease receivables, the Company uses the net investment in the lease as the entry value of the finance lease receivables. The net investment in the lease is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date, discounted at the interest rate implicit in the lease.

The Company calculates and recognizes interest income for each period during the lease term based on a constant periodic rate of interest. The derecognition and impairment of finance lease receivables are accounted for in accordance with Note V, 11 Financial Instruments.

Variable lease payments that are not included in the net lease investment measurement are recognized in current profit or loss when they actually occur.

If the financing lease changes and the following conditions are met, the Company will treat the lease change as a separate lease for accounting:

- The change expands the scope of the lease by adding the right to use one or more leased assets;
- The increased consideration is equivalent to the amount of the separate price of the expanded part of the lease scope adjusted according to the contract.

If the change of the financial lease is not accounted for as a separate lease, the Company shall deal with the changed lease under the following circumstances:

- If the change takes effect on the commencement date of the lease, the lease is classified as an operating lease, and the Company treats it as a new lease for accounting purposes from the effective date of the lease change and takes the net lease investment prior to the effective date of the lease change as the carrying value of the leased asset;
- If the change takes effect on the commencement date of the lease, the lease is classified as a financial lease, and the Company conducts accounting treatment in accordance with the policies on revising or renegotiating contracts in Note V, 11 Financial instruments.

### 39. Other Significant Accounting Policies and Accounting Estimates

Applicable Not Applicable

For shares that need to be repurchased because the unlocking conditions for restricted shares have not been met, the Company shall, based on the amount to be paid, debit the "Other Payables - Restricted Share Repurchase Obligation" and other relevant accounts, and credit "Bank Deposits" and other relevant accounts. Simultaneously, based on the par value of the shares corresponding to the number of canceled restricted shares, the Company shall debit the "Share Capital" account; based on the carrying value of treasury shares corresponding to the number of canceled restricted shares, the Company shall credit the "Treasury Shares" account; and for the difference, debit the "Capital Reserve - Share Premium" account.

### 40. Changes in Significant Accounting Policies and Accounting Estimates

#### 1. Changes in Significant Accounting Policies

Implementation of provisions on relevant accounting treatment for standard warehouse receipt transactions in the Q&A of Implementation of Financial Instrument Criteria.

The Ministry of Finance issued an implementation Q&A on accounting treatment for standard warehouse receipts on July 8, 2025, which explicitly stipulates that, according to the Financial Instruments Recognition and Measurement Standard, if a company frequently enters into contracts for the purchase and sale of standard warehouse receipts on a futures exchange for the purpose of profiting from price differences, without taking delivery of the physical commodities underlying the standard warehouse receipts, this usually indicates that the company has a practice of receiving the underlying items and then reselling them in the short term to profit from short-term fluctuations. The company shall treat such purchase and sale contracts for standard warehouse receipts as financial instruments and account for them in accordance with the Financial Instruments Recognition and Measurement Standard. If the company, after obtaining standard warehouse receipts under the aforementioned contracts, resells them within a short period, such sales shall not be recognized as revenue. Instead, the difference between the consideration received and the carrying amount of the standard warehouse receipts sold shall be recognized as investment income. If the company holds standard warehouse receipts at the end of the period that have not yet been sold, they shall be presented as other current assets. For standard warehouse receipts obtained under the aforementioned contracts, if doing so would eliminate or significantly reduce an accounting mismatch, the company may elect at initial recognition to measure them at fair value through profit or loss, and this election shall be applied consistently to all standard warehouse receipts that meet the election conditions. For standard warehouse receipts that have been elected to be measured at fair

value through profit or loss at initial recognition, the company shall not revoke such election in subsequent periods.

According to the requirements of the "Notice on Rigorously Implementing Accounting Standards for Business Enterprises and Properly Preparing 2025 Annual Reports" (CK [2025] No. 33), if a company adjusts its accounting treatment due to the implementation of the above provisions on standard warehouse receipts, it shall adjust the information for the comparable period in the financial statements.

The implementation of this provision had no impact on the Company's financial position or operating results.

#### **41. First-time adoption of new accounting standards or interpretations from 2025 onwards, involving adjustments to the financial statements at the beginning of the year of first adoption**

Applicable Not Applicable

#### **42. Others**

Applicable Not Applicable

### **VI. Taxation**

#### **1. Main Taxes and Tax Rates**

Information on main taxes and tax rates

Applicable Not Applicable

Tax Type	Taxable Basis	Tax Rate
Value-added tax (VAT)	The output tax is calculated on the basis of income from the sale of goods and taxable services in accordance with the provisions of the tax law, and after deducting the input tax allowable for deduction in current period, the difference will be the value-added tax payable.	13%, 9%, 6%, 5%, 0%
Urban maintenance and construction tax	According to the actual paid VAT and the approved current tax credit amount	7%, 5%
Education surcharge	According to the actual paid VAT and the approved current tax credit amount	3%
Local education surcharges	According to the actual paid VAT and the approved current tax credit amount	2%
Corporate income tax	Based on taxable income	Statutory tax rate or the following preferential tax rate

Explanation of income tax rates for different taxpayers

Applicable Not Applicable

#### **2. Tax Incentives**

Applicable Not Applicable

During this reporting period, the High-tech Enterprise Certificates obtained by the Company, Suzhou OPPL Lighting Co., Ltd., and Shanghai Qianlong Energy Conservation Technology Co., Ltd., were within their validity period, and the corporate income tax for the year 2025 was levied at the rate of 15%.

**3. Others**

Applicable Not Applicable

**VII. Notes to Items in the Consolidated Financial Statements****1. Monetary funds**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Bank deposits	226,574,181.64	217,685,041.34
Other monetary fund	1,489,988,561.51	1,363,360,902.27
Total	1,716,562,743.15	1,581,045,943.61
Including: total proceeds deposited abroad	42,358,143.64	36,328,598.90

Other explanations:

Item	Closing Balance	Opening Balance
Bond deposit	1,400,035.00	1,279,369.00
Others	3,760.00	3,675,010.00
Total	1,403,795.00	4,954,379.00

**2. Held-for-trading financial assets**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Financial assets measured at fair value through profit or loss	3,642,802,853.79	4,081,348,921.90
Including:		
Investment in wealth management products	3,642,802,853.79	4,077,235,046.02
Investments in equity instruments	-	1,220,107.60
Others	-	2,893,768.28
Total	3,642,802,853.79	4,081,348,921.90

Other explanations:

Applicable Not Applicable

**3. Derivative financial assets**

Applicable Not Applicable

**4. Notes receivable****(1) Classification and Presentation of Notes Receivable**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Banker's acceptance bill	21,044,040.00	2,826,765.00
Trade acceptance	-	3,099,428.84
Total	21,044,040.00	5,926,193.84

**(2) Notes Receivable Pledged by the Company at the End of Period**

Applicable Not Applicable

**(3) Notes Receivable Endorsed or Discounted by the Company at Period-End That Were Not Yet Due as of the Balance Sheet Date**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Amount Derecognized	Closing Amount Not Derecognized
Banker's acceptance bill	3,488,952.17	19,884,040.00
Total	3,488,952.17	19,884,040.00

**(4). Classification and Disclosure by Provision for Bad Debts Method**

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

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

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of notes receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for Bad Debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(6). Accounts Receivable Actually Written off during the Current Period**

Applicable Not Applicable

Significant write-off of notes receivable

Applicable Not Applicable

Explanation of write-offs for notes receivable:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**5. Accounts Receivable**

**(1). Disclosure by Aging**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Closing Book Balance	Opening Book Balance
Within 1 year (inclusive)	802,391,854.70	695,178,282.99
Within 1 year	802,391,854.70	695,178,282.99
1 to 2 years	49,330,158.63	50,862,903.23
2 to 3 years	19,737,494.95	22,864,362.91
More than 3 years	44,013,569.12	31,555,072.73
Total	915,473,077.40	800,460,621.86

**(2). Disclosure by Provision for Bad Debts Method**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Category	Closing Balance					Opening Balance				
	Book Balance		Provision for Bad Debts		Carrying Amount	Book Balance		Provision for Bad Debts		Carrying Amount
	Amount	Proportion (%)	Amount	Provision Rate (%)		Amount	Proportion (%)	Amount	Provision Rate (%)	
Provision for bad debts on an individual basis:	57,380,308.83	6.27	51,426,742.90	89.62	5,953,565.93	60,043,095.67	7.50	57,244,808.22	95.34	2,798,287.45
Including:										
Accounts receivable with individually significant amount and a provision for bad debt on an individual basis	24,121,642.60	2.63	24,121,642.60	100.00	-	25,525,062.48	3.19	25,525,062.48	100.00	-

Accounts receivable with an insignificant single amount but a provision for bad debt on an individual basis	33,258,666.23	3.64	27,305,100.30	82.10	5,953,565.93	34,518,033.19	4.31	31,719,745.74	91.89	2,798,287.45
Provision for bad debts on a portfolio basis	858,092,768.57	93.73	40,329,544.22	4.70	817,763,224.35	740,417,526.19	92.50	32,040,678.78	4.33	708,376,847.41
Including:										
Portfolio based on aging analysis	858,092,768.57	93.73	40,329,544.22	4.70	817,763,224.35	740,417,526.19	92.50	32,040,678.78	4.33	708,376,847.41
Total	915,473,077.40	100.00	91,756,287.12	10.02	823,716,790.28	800,460,621.86	100.00	89,285,487.00	11.15	711,175,134.86

Provision for bad debts on an individual basis:

Applicable  Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance			
	Book Balance	Provision for Bad Debts	Provision Rate (%)	Reason for Provision
Taiji Lake Group Hubei Wudang Taiji Lake Water Recreation Co., Ltd.	10,672,237.58	10,672,237.58	100.00	See Note XVIII, 7 for details.
GOME Appliance Co., Ltd.	13,449,405.02	13,449,405.02	100.00	See Note XVIII, 7 for details.
Others	33,258,666.23	27,305,100.30	82.10	
Total	57,380,308.83	51,426,742.90	89.62	/

Explanation of provision for bad debts on an individual basis:

Applicable  Not Applicable

Provision for bad debts on a portfolio basis:

Applicable  Not Applicable

Portfolio provision items: Portfolio based on aging analysis

Unit: Yuan Currency: RMB

Name	Closing Balance		
	Book Balance	Provision for Bad Debts	Provision Rate (%)
Within 1 year	792,082,960.96	15,338,685.77	1.94
1 to 2 years	43,834,475.12	8,766,895.03	20.00
2 to 3 years	11,902,738.49	5,951,369.42	50.00
More than 3 years	10,272,594.00	10,272,594.00	100.00
Total	858,092,768.57	40,329,544.22	4.70

Explanation of provision for bad debts on a portfolio basis:

Applicable  Not Applicable

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

Applicable  Not Applicable

Basis for classification into stages and provision rate for bad debts

None

Explanation of significant changes in the book balance of accounts receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

### (3). Provision for Bad Debts

Applicable Not Applicable

Unit: Yuan Currency: RMB

Category	Opening Balance	Changes in Current Period				Closing Balance
		Provision	Recovery or Reversal	Charge-off or Write-off	Other Changes	
Accounts Receivable	89,285,487.00	5,310,908.82	-	2,840,108.70	-	91,756,287.12
Total	89,285,487.00	5,310,908.82	-	2,840,108.70	-	91,756,287.12

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

### (4). Receivables written off in current period

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Write-off Amount
Accounts receivable actually written off	2,840,108.70

Significant write-off of accounts receivable

Applicable Not Applicable

Description of write-off of accounts receivable:

Applicable Not Applicable

**(5). Accounts receivable and contract assets from the top five debtors based on the closing balance**

√ Applicable   □ Not Applicable

Unit: Yuan   Currency: RMB

Name	Closing Balance of Accounts Receivable	Closing Balance of Contract Assets	Closing Balance of Accounts Receivable and Contract Assets	Percentage to Total Closing Balance of Accounts Receivable and Contract Assets (%)	Closing Balance of Provision for Bad Debts
No. 1	238,534,892.80	-	238,534,892.80	25.10	2,494,558.38
No. 2	35,333,333.33	-	35,333,333.33	3.72	-
No. 3	27,557,592.15	3,386,636.66	30,944,228.81	3.26	957,846.19
No. 4	17,590,857.40	-	17,590,857.40	1.85	1,617.56
No. 5	12,196,361.79	1,089,941.51	13,286,303.30	1.40	2,478,838.77
Total	331,213,037.47	4,476,578.17	335,689,615.64	35.32	5,932,860.90

Other explanations: None

Other explanations:

□ Applicable   √ Not Applicable

**6. Contract assets****(1). Contract assets**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book Balance	Provision for Bad Debts	Carrying Amount	Book Balance	Provision for Bad Debts	Carrying Amount
Accounts receivable from contracts	34,892,259.47	6,619,895.50	28,272,363.97	33,319,930.55	6,068,503.48	27,251,427.07
Total	34,892,259.47	6,619,895.50	28,272,363.97	33,319,930.55	6,068,503.48	27,251,427.07

**(2). Amounts and reasons for significant changes in carrying amount during the reporting period**

□Applicable √Not Applicable

**(3). Disclosure by Provision for Bad Debts Method**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Category	Closing Balance					Opening Balance				
	Book Balance		Provision for Bad Debts		Carrying Amount	Book Balance		Provision for Bad Debts		Carrying Amount
	Amount	Proportion (%)	Amount	Provision Rate (%)		Amount	Proportion (%)	Amount	Provision Rate (%)	
Provision for bad debts on an individual basis:	3,690,919.02	10.58	3,566,934.96	96.64	123,984.06	4,609,359.88	13.83	4,393,902.91	95.33	215,456.97
Including:										
Contract assets with insignificant individual amounts but separately provisioned for bad debts	3,690,919.02	10.58	3,566,934.96	96.64	123,984.06	4,609,359.88	13.83	4,393,902.91	95.33	215,456.97
Provision for bad debts on a portfolio basis	31,201,340.45	89.42	3,052,960.54	9.78	28,148,379.91	28,710,570.67	86.17	1,674,600.57	5.83	27,035,970.10
Including:										
Portfolio based on aging analysis	31,201,340.45	89.42	3,052,960.54	9.78	28,148,379.91	28,710,570.67	86.17	1,674,600.57	5.83	27,035,970.10
Total	34,892,259.47	100.00	6,619,895.50	18.97	28,272,363.97	33,319,930.55	100.00	6,068,503.48	18.21	27,251,427.07

Provision for bad debts on an individual basis:

□Applicable √Not Applicable

Explanation of provision for bad debts on an individual basis:

□Applicable √Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

Portfolio provision items: Portfolio based on aging analysis

Unit: Yuan Currency: RMB

Name	Closing Balance		
	Book Balance	Provision for Bad Debts	Provision Rate (%)
Within 1 year	21,870,458.98	1,099,957.82	5.03
1 to 2 years	9,044,221.55	1,808,844.31	20.00
2 to 3 years	285,003.01	142,501.50	50.00
More than 3 years	1,656.91	1,656.91	100.00
Total	31,201,340.45	3,052,960.54	9.78

Explanation of provision for bad debts calculated on a portfolio basis

Applicable Not Applicable

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

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of contract assets that experienced a change in loss provision during this period:

Applicable Not Applicable

#### (4). Provision for bad debts of contract assets in current period

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Changes in Current Period				Closing Balance	Reason
		Provision in Current Period	Recovery or Reversal in Current Period	Charge-off or Write-off in Current Period	Other Changes		
Accounts receivable from contracts	6,068,503.48	551,392.02	-	-		6,619,895.50	
Total	6,068,503.48	551,392.02	-	-		6,619,895.50	/

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(5). Contract assets actually written off in current period**

Applicable Not Applicable

Significant write-off of contract assets

Applicable Not Applicable

Explanation of write-off of contract assets:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**7. Receivables financing**

**(1). Classification and presentation of receivables financing**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Notes receivable	56,000.00	-
Total	56,000.00	-

**(2). Receivables pledge financing of the Company at the end of the period**

Applicable Not Applicable

**(3). Receivables financing endorsed or discounted and not yet due as of the balance sheet date of the Company**

Applicable Not Applicable

**(4). Disclosure by Provision for Bad Debts Method**

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

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

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts

None

Explanation of significant changes in the book balance of receivables financing that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for Bad Debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(6). Receivables financing actually written off in current period**

Applicable Not Applicable

Significant write-off of receivables financing

Applicable Not Applicable

Write-off explanation:

Applicable Not Applicable

**(7). Changes in the balance and fair value of receivables financing in current period:**√ Applicable  Not Applicable

Item	Closing Balance of Previous Year	Addition in Current Period	Derecognition in Current Period	Other Changes	Closing Balance	Accumulated Provision for Losses Recognized in Other Comprehensive Income
Notes receivable	-	56,000.00	-	-	56,000.00	-
Total	-	56,000.00	-	-	56,000.00	-

**(8). Other explanations** Applicable  Not Applicable**8. Prepayments****(1). Prepayments presented by aging**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Aging	Closing Balance		Opening Balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	17,779,565.86	89.22	14,229,050.61	77.66
1 to 2 years	1,108,640.98	5.56	3,562,252.25	19.44
2 to 3 years	834,631.27	4.19	464,155.36	2.53
More than 3 years	204,452.51	1.03	67,892.81	0.37
Total	19,927,290.62	100.00	18,323,351.03	100.00

Explanation for the delayed settlement of prepayments with aging over one year and a material amount:  
NA

**(2). Prepayments to the top five receivers based on the closing balance**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance	Percentage of Total Closing Balance of Prepayments (%)
No. 1	2,308,753.08	11.59
No. 2	1,829,862.52	9.18
No. 3	1,214,003.52	6.09
No. 4	947,823.42	4.76
No. 5	932,066.32	4.68

Total	7,232,508.86	36.30
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Other explanations: None

Other explanations:

Applicable Not Applicable

## 9. Other receivables

### Item presentation

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Dividends receivable	-	3,750,655.20
Other receivables	31,064,802.47	30,417,628.33
Total	31,064,802.47	34,168,283.53

Other explanations:

Applicable Not Applicable

### Interest receivable

#### (1) Classification of interest receivable

Applicable Not Applicable

#### (2) Significant overdue interest

Applicable Not Applicable

#### (3). Classification and disclosure by provision for bad debts

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

**(4). Provision for bad debts based on the general model of expected credit losses**

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of interest receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for bad debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(6). Accounts receivable actually written off during the current period**

Applicable Not Applicable

Significant write-off of interest receivable

Applicable Not Applicable

Write-off explanation:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**Dividends receivable****(1) Dividends receivable**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Project (or Investee)	Closing Balance	Opening Balance
Zhejiang Super Lighting Electric Appliance Co., Ltd.	-	3,750,655.20
Total	-	3,750,655.20

**(2) Significant dividends receivable with aging over one year**

Applicable Not Applicable

**(3). Classification and disclosure by provision for bad debts**

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

**(4). Provision for bad debts based on the general model of expected credit losses**

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts:

None

Explanation of significant changes in the book balance of dividends receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for bad debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provision of material amounts

Applicable Not Applicable

Other explanations:

None

**(6). Dividends receivable actually written off during the current period**

Applicable Not Applicable

Significant write-off of dividends receivable

Applicable Not Applicable

Write-off explanation:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

### Other receivables

#### (1) Disclosure by aging

Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Closing Book Balance	Opening Book Balance
Within 1 year (inclusive)	17,864,344.57	19,091,586.61
Within 1 year	17,864,344.57	19,091,586.61
1 to 2 years	3,397,320.84	4,220,205.44
2 to 3 years	3,369,981.35	1,866,155.80
More than 3 years	11,037,811.10	9,943,319.32
Total	35,669,457.86	35,121,267.17

#### (2). Classification by nature of payment

Applicable Not Applicable

#### (3). Provision for bad debts

Applicable Not Applicable

Unit: Yuan Currency: RMB

Provision for Bad Debts	Stage 1	Stage 2	Stage 3	Total
	Expected Credit Loss over the Next 12 Months	Expected Credit Loss Within the Entire Duration (Without Credit Impairment)	Expected Credit Loss Within the Entire Duration (with Credit Impairment)	
Balance as of January 1, 2025	40,076.84	-	4,663,562.00	4,703,638.84
Changes in the balance as of January 1, 2025, in current period	-	-	-	-
Provision in current period	-	-	432,826.28	432,826.28
Current reversal	3,035.08	-	-	3,035.08

Current charge-off	-	-	-	-
Current write-off	-	-	528,774.65	528,774.65
Other changes	-	-	-	-
Balance as of December 31, 2025	37,041.76	-	4,567,613.63	4,604,655.39

Basis for classification into stages and provision rate for bad debts

None

Explanation of significant changes in the book balance of other receivables that experienced a change in loss provision during this period:

Applicable Not Applicable

Basis for bad debt provision and assessment of a significant increase in credit risk of financial instruments during the current period:

Applicable Not Applicable

**(4). Provision for bad debts**

Applicable Not Applicable

Significant reversal or recovery of provision for bad debts in current period:

Applicable Not Applicable

Other explanations: None

**(5). Other receivables actually written off during the current period**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Write-off Amount
Other receivables actually written off	528,774.65

Significant write-off of other receivables:

Applicable Not Applicable

Description of write-off of other receivables:

Applicable Not Applicable

**(6) Other receivables from the top five debtors based on the closing balance**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance	Percentage of Total Closing Balance of Other Receivables (%)	Nature	Aging	Closing Balance of Provision for Bad Debts
Huazhu Hotel Management Co., Ltd.	1,300,000.00	3.64	Deposit and security, etc.	Within 1 year	-
Shenzhen Bokala Home Technology Co., Ltd.	1,200,000.00	3.36	Deposit and security, etc.	2-3 years	-
Datang Telecom (Nanjing) Energy Saving Information Technology Co., Ltd.	1,200,000.00	3.36	Deposit and security, etc.	More than 3 years	-
Alipay (China) Network Technology Co., Ltd.	950,000.00	2.66	Deposit and security, etc.	Within 1 year	-
Shenyang Metro Group Co., Ltd.	619,749.92	1.74	Deposit and security, etc.	1-2 years	-
Total	5,269,749.92	14.76	/	/	-

**(7) Presented as other receivables due to centralized fund management**

□Applicable √Not Applicable

Other explanations:

□Applicable √Not Applicable

**10. Inventories****(1). Inventory classification**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book Balance	Provision for inventory impairment/provision for impairment of contract performance costs	Carrying Amount	Book Balance	Provision for inventory impairment/provision for impairment of contract performance costs	Carrying Amount
Raw materials	73,477,034.04	5,752,228.48	67,724,805.56	82,497,682.48	6,176,253.93	76,321,428.55
Work-in-progress	40,038,258.14	1,285,195.89	38,753,062.25	46,778,646.47	756,991.47	46,021,655.00
Finished goods	396,676,159.51	35,786,485.72	360,889,673.79	397,887,593.61	40,308,659.81	357,578,933.80
Low-value consumables	5,214,307.63	579,477.49	4,634,830.14	3,959,549.24	511,180.12	3,448,369.12
Contract performance costs	10,783,314.93	-	10,783,314.93	4,604,470.93	-	4,604,470.93
Goods in transit	28,630,109.37	3,959,928.46	24,670,180.91	40,043,050.82	-	40,043,050.82
Total	554,819,183.62	47,363,316.04	507,455,867.58	575,770,993.55	47,753,085.33	528,017,908.22

**(2). Data resources recognized as inventories**□Applicable Not Applicable**(3). Provision for inventory impairment and provision for impairment of contract performance costs**Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period		Decrease in Current Period		Closing Balance
		Provision	Others	Reversal or Charge-off	Others	
Raw materials	6,176,253.93	5,016,782.97	-	5,440,808.42	-	5,752,228.48
Work-in-progress	756,991.47	2,013,876.75	-	1,485,672.33	-	1,285,195.89
Finished goods	40,308,659.81	1,693,722.23	-	6,215,896.32	-	35,786,485.72
Low-value consumables	511,180.12	264,018.78	-	195,721.41	-	579,477.49
Goods in transit	-	3,959,928.46	-	-	-	3,959,928.46
Total	47,753,085.33	12,948,329.19	-	13,338,098.48	-	47,363,316.04

Reasons for reversal or charge-off of provision for inventory impairment in current period

Applicable Not Applicable

Provision for inventory impairment on a portfolio basis

Applicable Not Applicable

Criteria of provision for inventory impairment on a portfolio basis

Applicable Not Applicable

**(4). Amount of borrowing costs capitalized in the closing balance of inventories, and the criteria and basis for its calculation**

Applicable Not Applicable

**(5). Explanation of amortization of contract performance costs in current period**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**11. Assets held for sale**

Applicable Not Applicable

**12. Current portion of non-current assets**

Applicable Not Applicable

**Debt investments due within one year**

Applicable Not Applicable

**Other debt investments due within one year**

Applicable Not Applicable

Other explanations for the current portion of non-current assets:

None

**13. Other current assets**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Input tax to be deducted	36,291,678.03	37,645,223.82
Deferred expenses	9,508,220.76	8,020,091.06
Prepaid enterprise income tax	1,447,156.27	5,219,260.54
Total	47,247,055.06	50,884,575.42

Other explanations: None

#### 14. Debt investments

##### (1). Debt investments

Applicable Not Applicable

Changes in provision for impairment of debt investments

Applicable Not Applicable

##### (2). Significant debt investments at the end of the period

Applicable Not Applicable

##### (3). Provision for impairment

Applicable Not Applicable

Basis for classification into stages and provision rate for impairment: None

Explanation of significant changes in the book balance of debt investments that experienced a change in loss provision during this period:

Applicable Not Applicable

Basis for provision for impairment and assessment of a significant increase in credit risk of financial instruments during the current period

Applicable Not Applicable

##### (4). Debt investments actually written off in current period

Applicable Not Applicable

Significant write-off of debt investments

Applicable Not Applicable

Explanation of write-off of debt investments:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

## **15. Other debt investments**

### **(1). Information on other debt investments**

Applicable Not Applicable

Changes in impairment provision for other debt investments in current period

Applicable Not Applicable

### **(2). Other significant debt investments at the end of the period**

Applicable Not Applicable

### **(3). Provision for impairment**

Applicable Not Applicable

Basis for classification into stages and provision rate for impairment: None

Explanation of significant changes in the book balance of other debt investments that experienced a change in loss provision during this period:

Applicable Not Applicable

Basis for provision for impairment and assessment of a significant increase in credit risk of financial instruments during the current period

Applicable Not Applicable

### **(4). Other debt investments actually written off in current period**

Applicable Not Applicable

Significant write-off of other debt investments

Applicable Not Applicable

Explanation of write-off of other debt investments:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**16. Long-term receivables**

**(1). Long-term receivables**

Applicable Not Applicable

**(2). Disclosure by Provision for Bad Debts Method**

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

**(3). Provision for bad debts based on the general model of expected credit losses**

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: NA

Explanation of significant changes in the book balance of long-term receivables that experienced a change in loss provision during this period:

Applicable Not Applicable

Basis for bad debt provision and assessment of a significant increase in credit risk of financial instruments during the current period

Applicable Not Applicable

**(4). Bad debt provisions**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(5). Long-term receivables actually written off in current period**

Applicable Not Applicable

Significant write-off of long-term receivables

Applicable Not Applicable

Explanation of write-off of long-term receivables:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**17. Long-term equity investments****(1). Long-term equity investments**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Investee	Opening Balance (Carrying Amount)	Increase/Decrease in Current Period								Closing Balance (Carrying Amount)	Closing Balance of Impairment Reserve
		Additional Investment	Reduction in Investment	Investment Gains and Losses Recognized under the Equity Method	Adjustments to Other Comprehensive Income	Changes in Other Equities	Cash Dividends or Profits Declared and Distributed	Provision for Impairment	Others		
I. Joint venture											
II. Associates											
Zhejiang Super Lighting Electric Appliance Co., Ltd.	241,963,177.40			-3,587,414.57					5,528.95	238,381,291.78	-
Jinyun Weston Investment Partnership Enterprise (Limited Partnership)	16,763,374.15									16,763,374.15	-
Zhuhai XIMO ELECTRIC INC.	7,312,941.11			-1,244,043.70					12,775.35	6,081,672.76	-
Suzhou Pupo Enterprise Management Partnership Enterprise (Limited Partnership)	-									-	-

Subtotal	266,039,492.6 6			-4,831,458.27					18,304.30	261,226,338.69	-
Total	266,039,492.6 6			-4,831,458.27					18,304.30	261,226,338.69	-

Note: The Company directly holds 19% equity interest in Zhejiang Shanpu, and indirectly holds an additional 4.09% equity interest through Jinyun Weston Investment Partnership (Limited Partnership), representing a total of 23.09% equity interest in Zhejiang Shanpu. Due to sustained losses of Suzhou Pubo Enterprise Management Partnership (Limited Partnership), as of December 31, 2025, the Company's long-term equity investment in Suzhou Pubo Enterprise Management Partnership (Limited Partnership), accounted for using the equity method, has been written down to zero.

**(2). Impairment testing of long-term equity investments**

Applicable Not Applicable

Other explanations: None

**18. Investments in other equity instruments****(1). Information on investments in other equity instruments**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase/Decrease in Current Period					Closing Balance	Dividend Revenue Recognized in Current Period	Cumulative Gains Recognized in Other Comprehensive Income	Cumulative Losses Recognized in Other Comprehensive Income	Reasons for Designated Measurement at Fair Value Through Other Comprehensive Income
		Additional Investment	Reduction in Investment	Gains Recognized in Other Comprehensive Income during the Current Period	Losses Recognized in Other Comprehensive Income during the Current Period	Others					
Chengdu Xinchao Media Group Co., Ltd.	142,901,100.00	-	-	-	-	-	142,901,100.00	-	-	7,098,900.00	Investments in non-trading equity instruments
Total	142,901,100.00	-	-	-	-	-	142,901,100.00	-	-	7,098,900.00	/

**(2). Explanation of derecognition in current period**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**19. Other non-current financial assets**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Financial assets measured at fair value through profit or loss	74,285,521.15	107,268,827.39
Including: Investments in equity instruments	74,285,521.15	107,268,827.39
Total	74,285,521.15	107,268,827.39

Other explanations:

Applicable Not Applicable

**20. Investment properties**

Measurement model for investment properties

**(1). Investment properties measured at cost**

Unit: Yuan Currency: RMB

Item	Houses and Buildings	Land Use Rights	Construction in Progress	Total
<b>I. Original carrying amount</b>				
1. Opening balance	113,703,108.43			113,703,108.43
2. Increase in current period	-			-
3. Decrease in current period	-			-
4. Closing balance	113,703,108.43			113,703,108.43
<b>II. Accumulated depreciation and amortization</b>				
1. Opening balance	66,308,668.68			66,308,668.68
2. Increase in current period	5,427,215.18			5,427,215.18
(1) Provision or amortization	5,427,215.18			5,427,215.18
3. Decrease in current period	-			-
4. Closing balance	71,735,883.86			71,735,883.86
<b>III. Impairment provision</b>				
<b>IV. Carrying amount</b>				

1. Closing carrying amount	41,967,224.57			41,967,224.57
2. Opening carrying amount	47,394,439.75			47,394,439.75

**(2). Investment properties without a certificate of title**

Applicable Not Applicable

**(3). Impairment testing of investment properties measured at cost**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**21. Fixed assets****Item presentation**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Fixed assets	1,248,608,006.36	1,327,409,436.51
Total	1,248,608,006.36	1,327,409,436.51

Other explanations:

Applicable Not Applicable

**Fixed assets****(1). Information on fixed assets**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Houses and Buildings	Production Equipment	Transportation Equipment	Office Equipment and Others	Total
I. Original carrying amount:					
1. Opening balance	1,660,322,124.91	714,202,259.24	31,534,378.79	72,702,350.84	2,478,761,113.78
2. Increase in current period	13,494,079.70	67,020,252.24	6,307,582.74	2,810,669.67	89,632,584.35
(1) Acquisition	12,103,109.22	53,446,509.69	5,096,617.34	1,602,561.67	72,248,797.92
(2) Transferred from construction in progress	1,390,970.48	13,573,742.55	1,210,823.52	1,078,715.74	17,254,252.29

(3) Increase from exchange differences	-	-	141.88	129,392.26	129,534.14
(4) Transferred from right-of-use assets	-	-	-	-	-
3. Decrease in current period	16,000,534.43	11,524,090.32	832,060.20	1,913,437.57	30,270,122.52
(1) Disposal or scrapping	-	11,494,539.99	818,489.05	1,872,845.83	14,185,874.87
(2) Decrease from exchange differences	197,377.60	-	13,571.15	40,591.74	251,540.49
(3) Others	15,803,156.83	29,550.33	-	-	15,832,707.16
4. Closing balance	1,657,815,670.18	769,698,421.16	37,009,901.33	73,599,582.94	2,538,123,575.61
<b>II. Accumulated depreciation</b>					
1. Opening balance	570,135,395.43	502,959,386.55	19,965,608.30	58,291,286.99	1,151,351,677.27
2. Increase in current period	80,853,137.04	59,364,733.42	4,092,812.53	7,386,675.82	151,697,358.81
(1) Provision	80,853,137.04	59,364,733.42	4,092,792.88	7,275,353.28	151,586,016.62
(2) Transferred from accumulated depreciation of right-of-use assets	-	-	-	-	-
(3) Increase from exchange differences	-	-	19.65	111,322.54	111,342.19
3. Decrease in current period	3,589.46	10,922,357.02	785,577.10	1,821,943.25	13,533,466.83
(1) Disposal or scrapping	-	10,922,357.02	775,235.13	1,784,692.07	13,482,284.22
(2) Decrease from exchange differences	3,589.46	-	10,341.97	37,251.18	51,182.61
(3) Others	-	-	-	-	-
4. Closing balance	650,984,943.01	551,401,762.95	23,272,843.73	63,856,019.56	1,289,515,569.25
<b>III. Impairment provision</b>					
<b>IV. Carrying amount</b>					
1. Closing carrying amount	1,006,830,727.17	218,296,658.21	13,737,057.60	9,743,563.38	1,248,608,006.36
2. Opening carrying amount	1,090,186,729.48	211,242,872.69	11,568,770.49	14,411,063.85	1,327,409,436.51

**(2) Temporarily idle fixed assets**

Applicable Not Applicable

**(3) Fixed assets leased out through operating leases**

Applicable Not Applicable

**(4) Fixed assets without a certificate of title**

Applicable Not Applicable

**(5). Impairment test of fixed assets**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**Liquidation of fixed assets**

Applicable Not Applicable

**22. Construction in progress****Item presentation**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Construction in progress	195,859,059.95	22,953,466.65
Total	195,859,059.95	22,953,466.65

Other explanations:

Applicable Not Applicable

**Construction in progress****(1). Construction in progress**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book Balance	Provision for Impairment	Carrying Amount	Book Balance	Provision for Impairment	Carrying Amount
Equipment installation	1,711,584.52	-	1,711,584.52	3,676,903.44	-	3,676,903.44
Buildings	194,147,475.43	-	194,147,475.43	19,276,563.21	-	19,276,563.21
Total	195,859,059.95	-	195,859,059.95	22,953,466.65	-	22,953,466.65

**(2) Changes in significant construction in progress during the current period**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Item	Budget	Opening Balance	Increase in Current Period	Amounts Transferred to Fixed Assets during the Current Period	Other Decrease in Current Period	Closing Balance	Proportion of Accumulative Project Investment in the Budget (%)	Construction Progress	Cumulative Amount of Capitalized Interest	Including: Amount of Capitalized Interest in Current Period	Interest Capitalization Rate in Current Period (%)	Source of Funds
Intelligent manufacturing factory and office building	RMB 132 million	17,231,051.80	91,296,409.26	-	-	108,527,461.06	82.29	82.29	-	-	-	Owned
B7 Factory project	RMB 135 million	1,627,985.43	84,112,907.42	-	120,878.48	85,620,014.37	63.34	63.34	-	-	-	Owned
Total	RMB 267 million	18,859,037.23	175,409,316.68	-	120,878.48	194,147,475.43			-	-		

**(3) Provisions for impairment of construction in progress during the current period**

Applicable Not Applicable

**(4). Impairment test of construction in progress**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**Project Materials**

**(1). Status of project materials**

Applicable Not Applicable

**23. Productive biological assets**

**(1). Productive biological assets measured at cost**

Applicable Not Applicable

**(2). Impairment test of productive biological assets measured at cost**

Applicable Not Applicable

**(3). Productive biological assets measured at fair value**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**24. Oil and gas assets**

**(1). Status of oil and gas assets**

Applicable Not Applicable

**(2). Impairment test of oil and gas assets**

Applicable Not Applicable

Other explanations:

None

**25. Right-of-use assets****(1). Situation of Right-of-use Assets**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Houses and Buildings	Total
<b>I. Original carrying amount</b>		
1. Opening balance	26,245,473.01	26,245,473.01
2. Increase in current period	3,352,464.63	3,352,464.63
(1) New leasing	2,370,952.20	2,370,952.20
(2) Increase from exchange differences	981,512.43	981,512.43
3. Decrease in current period	7,771,927.70	7,771,927.70
(1) Transferred to fixed assets	-	-
(2) Decrease from exchange differences	32,808.39	32,808.39
(3) Disposal	7,739,119.31	7,739,119.31
4. Closing balance	21,826,009.94	21,826,009.94
<b>II. Accumulated depreciation</b>		
1. Opening balance	12,018,032.75	12,018,032.75
2. Increase in current period	6,425,320.99	6,425,320.99
(1) Provision	6,012,052.49	6,012,052.49
(2) Increase from exchange differences	413,268.50	413,268.50
3. Decrease in current period	5,862,813.79	5,862,813.79
(1) Transferred to fixed assets	-	-
(2) Decrease from exchange differences	19,639.57	19,639.57
(3) Disposal	5,843,174.22	5,843,174.22
4. Closing balance	12,580,539.95	12,580,539.95
<b>III. Impairment provision</b>		
<b>IV. Carrying amount</b>		
1. Closing carrying amount	9,245,469.99	9,245,469.99
2. Opening carrying amount	14,227,440.26	14,227,440.26

**(2). Impairment test of right-of-use assets**

□Applicable √Not Applicable

Other explanations:

None

## 26. Intangible assets

### (1). Status of intangible assets

Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Land Use Rights	Office Software	Franchise Rights	Total
<b>I. Original carrying amount</b>				
1. Opening balance	492,948,250.52	17,305,335.18	66,862,394.72	577,115,980.42
2. Increase in current period	-	-	94,521,286.18	94,521,286.18
(1) Acquisition	-	-	94,521,286.18	94,521,286.18
3. Decrease in current period	2,368,840.46	-	-	2,368,840.46
(1) Decrease from exchange differences	2,368,840.46	-	-	2,368,840.46
4. Closing balance	490,579,410.06	17,305,335.18	161,383,680.90	669,268,426.14
<b>II. Accumulated amortization</b>				
1. Opening balance	66,908,108.92	15,695,756.85	10,290,402.29	92,894,268.06
2. Increase in current period	7,832,594.88	1,002,458.08	10,092,411.95	18,927,464.91
(1) Provision	7,832,594.88	1,002,458.08	10,092,411.95	18,927,464.91
3. Decrease in current period	-	-	-	-
(1) Disposal	-	-	-	-
4. Closing balance	74,740,703.80	16,698,214.93	20,382,814.24	111,821,732.97
<b>III. Impairment provision</b>				
<b>IV. Carrying amount</b>				
1. Closing carrying amount	415,838,706.26	607,120.25	141,000,866.66	557,446,693.17
2. Opening carrying amount	426,040,141.60	1,609,578.33	56,571,992.43	484,221,712.36

The proportion of intangible assets from internal R&D activities of the Company to the balance of intangible assets at the end of this period is 0.

### (2). Data resources recognized as intangible assets

Applicable  Not Applicable

### (3). Land use rights without a certificate of title

Applicable  Not Applicable

**(4). Impairment test of intangible assets**□Applicable Not Applicable

Other explanations:

□Applicable Not Applicable**27. Goodwill****(1). Original carrying amount of goodwill**Applicable □Not Applicable

Unit: Yuan Currency: RMB

Name of Investee or Goodwill Items	Opening Balance	Increase in Current Period		Decrease in Current Period		Closing Balance
		Formed by a Business Combination	Others	Disposal	Others	
Shanghai OPPLE Jiedeng Lighting Co., Ltd.	1,819,845.85	-	-	-	-	1,819,845.85
Guangxi Ouheng Intelligent Technology Co., Ltd.	6,750,000.00	-	-	6,750,000.00	-	-
Total	8,569,845.85	-	-	6,750,000.00	-	1,819,845.85

**(2). Provision for goodwill impairment**Applicable □Not Applicable

Unit: Yuan Currency: RMB

Name of Investee or Goodwill Items	Opening Balance	Increase in Current Period		Decrease in Current Period		Closing Balance
		Provision	Others	Disposal	Others	
Shanghai OPPLE Jiedeng Lighting Co., Ltd.	1,819,845.85	-	-	-	-	1,819,845.85
Guangxi Ouheng Intelligent Technology Co., Ltd.	6,750,000.00	-	-	6,750,000.00	-	-
Total	8,569,845.85	-	-	6,750,000.00	-	1,819,845.85

**(3). Information about the asset group or asset group portfolio to which the goodwill belongs**√ Applicable  Not Applicable

Name	Composition of the Asset Group or Portfolio of Asset Groups and Basis	Affiliated Business Division and Basis	No Change Compared to the Previous Year
Asset Group of Shanghai OPPLE Jiedeng Lighting Co., Ltd.	Related assets and liabilities; the asset group can generate cash inflows independently	Shanghai OPPLE Jiedeng Lighting Co., Ltd.; independent operating cash flows	Yes

Changes in the asset group or the asset group portfolio

 Applicable  Not Applicable

Other explanations:

 Applicable  Not Applicable**(4). Specific method for determining recoverable amount**

Recoverable amount is determined as the net amount of fair value minus disposal costs

 Applicable  Not Applicable

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

√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Carrying Amount	Recoverable Amount	Impairment Amount	Forecast Period	Key Parameters for the Forecast Period (Growth Rate, Profit Margin, etc.)	Basis for Determining Parameters of the Forecast Period	Key Parameters for the Stable Period (Growth Rate, Profit Margin, Discount Rate, etc.)	Basis for Determining Key Parameters of the Stable Period
Asset Group of Shanghai OPPLE Jiedeng Lighting Co., Ltd.	8,288,615.64	37,642,259.51	-	5.00	Revenue growth rate: 5.00%; Operating profit margin: 18.52%; Discount rate: 10.28%	/	Revenue growth rate: 0%; Operating profit margin: 18.52%; Discount rate: 10.28%	Revenue growth rate: 0%
Total	8,288,615.64	37,642,259.51		/	/	/	/	/

Reasons for significant discrepancies between the aforementioned information and the information used in the impairment tests of previous years or external information.

 Applicable  Not Applicable

Reasons for significant discrepancies between the information used in the Company's impairment tests of previous years and the actual circumstances of the current year.

Applicable Not Applicable

#### (5). Performance commitments and corresponding goodwill impairment

There are performance commitments when the goodwill is formed, and the reporting period or the period immediately preceding the reporting period falls within the performance commitment period.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

#### 28. Long-term deferred expenses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Amortization Amount in Current Period	Other Decreases	Closing Balance
Renovation costs	9,027,063.34	8,791,878.75	5,855,664.02	6,817.13	11,956,460.94
Others	23,705.94	-	12,588.02	-	11,117.92
Total	9,050,769.28	8,791,878.75	5,868,252.04	6,817.13	11,967,578.86

Other explanations: None

#### 29. Deferred tax assets/deferred tax liabilities

##### (1). Deferred tax assets not offset

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance		Opening Balance	
	Deductible Temporary Differences	Deferred Tax Asset	Deductible Temporary Differences	Deferred Tax Asset
Provision for asset impairment	155,191,408.23	28,161,831.11	146,471,772.25	26,452,647.04
Unrealized profits from internal transactions	62,592,601.11	8,403,457.91	57,829,675.88	8,108,274.88
Deductible losses	19,945,378.48	3,078,889.19	43,614,504.20	7,677,835.37
Gains and losses on changes in the fair value of trading financial liabilities	-	-	118,063.58	17,709.54

Employee benefits payable	25,957,333.75	4,400,510.46	38,577,422.01	6,221,049.73
Accrued expenses	285,916,134.95	48,723,033.18	284,661,806.22	46,604,411.66
Share-based payments	28,182,616.76	2,457,267.66	34,300,895.67	5,748,005.15
Provisions	41,781,029.40	8,756,991.16	44,953,951.72	9,630,856.33
Others	81,468,489.31	17,900,952.09	66,942,140.64	15,156,823.47
Total	701,034,991.99	121,882,932.76	717,470,232.17	125,617,613.17

**(2). Deferred income tax liabilities not offset**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance		Opening Balance	
	Temporary Taxable Differences	Deferred Tax Liability	Temporary Taxable Differences	Deferred Tax Liability
Valuation of trading financial instruments	11,569,353.79	1,765,052.15	9,059,236.78	1,389,795.26
Gains and losses on changes in the fair value of other non-current assets	1,597,763.34	239,664.50	2,476,504.96	371,475.75
Others	8,404,627.82	429,113.31	2,783,409.43	417,511.41
Total	21,571,744.95	2,433,829.96	14,319,151.17	2,178,782.42

**(3). Deferred tax assets or liabilities presented as net of offsets** Applicable  Not Applicable**(4). Breakdown of unrecognized deferred tax assets**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Deductible Temporary Differences	33,192,554.28	37,380,499.30
Deductible losses	8,027,874.42	-
Total	41,220,428.70	37,380,499.30

**(5). Maturity years of deductible losses of unrecognized deferred tax assets**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Year	Closing Balance	Opening Balance	Remark
2026	-	-	
2027	-	-	
2028	2,932,780.75	-	
2029	2,673,000.66	-	
2030	2,422,093.01	-	
Total	8,027,874.42	-	/

Other explanations:

 Applicable  Not Applicable**30. Other non-current assets**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book Balance	Provision for Impairment	Carrying Amount	Book Balance	Provision for Impairment	Carrying Amount
Prepaid land fees	41,151,798.00	-	41,151,798.00	41,151,798.00	-	41,151,798.00
Prepayment for engineering equipment	31,192,193.91	-	31,192,193.91	24,124,186.74	-	24,124,186.74
EMC project assets to be carried forward	42,765,940.54	-	42,765,940.54	26,657,833.07	-	26,657,833.07
Total	115,109,932.45	-	115,109,932.45	91,933,817.81	-	91,933,817.81

Other explanations: None

**31. Assets with restricted ownership or right of use**

Applicable Not Applicable

Other explanations: None

**32. Short-term borrowings****(1). Classification of short-term borrowings**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Note discounting not eligible for derecognition	8,769,946.31	2,092,805.00
Guaranteed loans	-	78,503,229.90
Total	8,769,946.31	80,596,034.90

Explanation of classification of short-term borrowings: None

**(2). Overdue and outstanding short-term borrowings**

Applicable Not Applicable

The significant overdue and outstanding short-term borrowings are as follows:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**33. Held-for-trading financial liabilities**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Closing Balance	Reasons and Basis for Designation
Held-for-trading financial liabilities	118,063.58	-	/
Including:			
Derivative financial liabilities	118,063.58	-	/
Total	118,063.58	-	/

Other explanations:

Applicable Not Applicable

**34. Derivative financial liabilities**

Applicable Not Applicable

**35. Notes payable****(1). Presentation of notes payable**

Applicable Not Applicable

**36. Accounts payable****(1). Presentation of accounts payables**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Within 1 year	765,260,131.48	913,326,184.72
1 to 2 years	10,938,046.86	10,606,353.71
2 to 3 years	3,585,023.04	2,489,513.73
More than 3 years	8,762,020.99	8,227,676.84
Total	788,545,222.37	934,649,729.00

**(2). Significant accounts payable with aging over one year or overdue**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**37. Advance receipts****(1) Presentation of advances received**

Applicable Not Applicable

**(2) Significant advances with aging over one year**

Applicable Not Applicable

**(3) Amounts and reasons for significant changes in carrying amount during the reporting period**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**38. Contract liabilities****(1). Status of contract liabilities**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Within 1 year	137,472,786.77	146,735,407.52
1 to 2 years	5,043,806.18	889,501.06
2 to 3 years	452,841.21	1,750,572.82
More than 3 years	2,845,750.80	2,217,379.15
Total	145,815,184.96	151,592,860.55

**(2). Significant contract liabilities with aging over one year**Applicable Not Applicable**(3). Amounts and reasons for significant changes in carrying amount during the reporting period**Applicable Not Applicable

Other explanations:

Applicable Not Applicable**39. Employee benefits payable****(1). Presentation of payroll payable**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
I. Short-term remuneration	292,438,704.69	1,255,942,905.25	1,284,765,162.85	263,616,447.09
II. Post-employment benefit- defined contribution plans	2,484,830.02	110,832,786.91	110,830,195.88	2,487,421.05
Total	294,923,534.71	1,366,775,692.16	1,395,595,358.73	266,103,868.14

**(2). Presentation of short-term remunerations**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
I. Salaries, bonuses, allowances and subsidies	290,871,155.82	1,128,654,166.76	1,158,266,031.64	261,259,290.94
II. Employee benefits	-	11,204,215.90	11,204,215.90	-
III. Social security contributions	1,566,761.27	65,804,685.78	65,015,082.00	2,356,365.05
Including: medical insurance premiums	1,415,806.12	58,764,230.54	57,974,431.09	2,205,605.57
Employment injury insurance premiums	46,278.42	4,703,807.50	4,703,814.05	46,271.87
Maternity insurance premiums	104,676.73	2,336,647.74	2,336,836.86	104,487.61
IV. Housing provident fund	-	46,266,897.58	46,266,897.58	-
V. Funds for trade unions and staff education	787.60	4,012,939.23	4,012,935.73	791.10
VI. Short-term absence with payroll	-	-	-	-
VII. Short-term profit sharing plan	-	-	-	-
Total	292,438,704.69	1,255,942,905.25	1,284,765,162.85	263,616,447.09

**(3). Presentation of defined contribution plans**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
1. Basic pension insurance	2,406,632.21	107,370,228.30	107,367,653.06	2,409,207.45
2. Unemployment insurance premiums	78,197.81	3,462,558.61	3,462,542.82	78,213.60
Total	2,484,830.02	110,832,786.91	110,830,195.88	2,487,421.05

Other explanations:

 Applicable  Not Applicable**40. Taxes and rates payable**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
------	-----------------	-----------------

Value-added tax (VAT)	30,289,778.56	34,308,336.76
Urban construction tax	1,890,793.11	1,877,115.69
Education surcharge	1,100,447.65	1,087,152.58
Local education surcharges	737,965.10	724,768.36
Corporate income tax	50,943,151.94	49,160,016.93
Personal income tax	5,577,964.02	3,502,085.34
Property tax	3,449,172.71	9,629,111.44
Land use tax	238,589.06	493,575.83
Stamp duty	2,496,356.74	1,645,726.59
Others	185,623.02	46,937.81
Total	96,909,841.91	102,474,827.33

Other explanations: None

#### 41. Other payables

##### (1). Item presentation

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Other payables	424,434,275.89	471,535,342.22
Total	424,434,275.89	471,535,342.22

Other explanations:

Applicable Not Applicable

##### (2). Interest payable

Classification and presentation

Applicable Not Applicable

Significant overdue payable interest:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**(3). Dividends payable**

Classification and presentation

Applicable Not Applicable**(4). Other payables**

Other payables presented by nature of payment

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Dealer deposit	116,920,131.57	121,440,024.35
Supplier warranty deposit	112,020,867.08	113,301,773.19
Accounts payable to other entities	54,998,212.96	85,434,032.46
Restricted stock repurchase obligations	48,630,688.60	78,286,396.27
Other payables to employees	1,942,894.76	2,145,953.97
Project payments payable	89,921,480.92	70,927,161.98
Total	424,434,275.89	471,535,342.22

Other significant payables with aging over one year or overdue

Applicable Not Applicable

Other explanations:

Applicable Not Applicable**42. Liabilities held for sale**Applicable Not Applicable**43. Non-current liabilities due within one year**Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Long-term payables due within one year	8,998,803.00	8,999,980.00
Lease liabilities due within one year	4,409,492.60	5,781,803.37
Total	13,408,295.60	14,781,783.37

Other explanations: None

**44. Other current liabilities**

Status of other current liabilities

√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Accrued expenses - rebates	171,226,847.48	200,148,640.17
-Channel support fee	329,225,224.65	360,709,808.63
-Marketing expenses	10,963,695.04	11,145,268.39
-Transportation costs	36,198,340.61	34,459,677.27
-Others	169,363,186.12	157,506,015.57
Tax to be charged off	11,032,679.11	9,792,979.43
Note endorsements not eligible for derecognition	11,114,093.69	3,040,000.00
Total	739,124,066.70	776,802,389.46

Increase or decrease in short-term bonds payable:

 Applicable  Not Applicable

Other explanations:

 Applicable  Not Applicable**45. Long-term borrowing****(1) Classification of long-term borrowings** Applicable  Not Applicable

Other explanations:

 Applicable  Not Applicable**46. Bonds payable****(1). Bonds payable** Applicable  Not Applicable**(2). Details of bonds payable (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities):** Applicable  Not Applicable**(3). Explanation of convertible bonds** Applicable  Not Applicable

Accounting treatment and basis for judgment of conversion rights

Applicable Not Applicable

#### (4). Description of other financial instruments classified as financial liabilities

Basic information of preferred shares, perpetual bonds and other financial instruments outstanding at the end of the period

Applicable Not Applicable

Table of changes in preferred shares, perpetual bonds and other financial instruments outstanding at the end of the period

Applicable Not Applicable

Basis for classification of other financial instruments as financial liabilities

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

#### 47. Lease liabilities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Operating lease payable	5,492,757.68	9,279,172.51
Total	5,492,757.68	9,279,172.51

Other explanations: None

#### 48. Long-term payables

Item presentation

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Long-term payables	-	8,998,803.00
Total	-	8,998,803.00

Other explanations:

Applicable Not Applicable

### Long-term payables

#### (1) Long-term payables presented by nature

Applicable Not Applicable

### Special payables

#### (1). Special payables presented by nature

Applicable Not Applicable

#### 49. Long-term employee benefits payable

Applicable Not Applicable

#### 50. Provisions

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance	Causes
Product quality assurance	44,925,810.26	47,482,998.90	
Total	44,925,810.26	47,482,998.90	/

Other explanations, including important assumptions and estimates related to significant provisions: None

#### 51. Deferred income

Status of deferred incomes

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance	Causes
Government grants	57,686,532.09	18,000,000.00	7,557,189.24	68,129,342.85	
Total	57,686,532.09	18,000,000.00	7,557,189.24	68,129,342.85	/

Other explanations:

Applicable Not Applicable

Items involved in governmental subsidies:

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance	Causes	Related to Assets/Related to Revenue
Subsidies for industrial project funds	50,000,000.00	-	-	-	50,000,000.00	Asset-related
Equipment technology renovation project	6,984,734.79	18,000,000.00	7,265,152.06	-	17,719,582.73	Asset-related
Subsidies for green energy saving	701,797.30	-	292,037.18	-	409,760.12	Asset-related
Total	57,686,532.09	18,000,000.00	7,557,189.24	-	68,129,342.85	

**52. Other non-current liabilities**Applicable Not Applicable**53. Share capital**Applicable Not Applicable

Unit: Yuan Currency: RMB

	Opening Balance	Change in Current Period (+/-)					Closing Balance
		New Shares Issued	Bonus Shares	Transfer from Reserved Funds to Share Capital	Others	Subtotal	
Total number of shares	745,225,175.00	-	-	-	-1,407,542.00	-1,407,542.00	743,817,633.00

Other explanations:

During the reporting period, the Company canceled a total of 1,407,542 repurchased restricted shares, reducing treasury shares by RMB 12,474,599.52, reducing share capital by RMB 1,407,542.00, and reducing capital reserve by the difference of RMB 11,067,057.52.

**54. Other equity instruments****(1). Basic information of preferred shares, perpetual bonds and other financial instruments outstanding at the end of the period**Applicable Not Applicable

**(2). Table of changes in preferred shares, perpetual bonds and other financial instruments outstanding at the end of the period**

Applicable Not Applicable

Explanation of changes in other equity instruments during the current period, reasons for the changes, and the basis for the relevant accounting treatment:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**55. Capital reserves**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
Capital premium (share premium)	604,381,751.25	25,453,231.92	24,683,020.72	605,151,962.45
Other capital reserves	41,520,671.57	19,320,543.41	25,453,231.92	35,387,983.06
Total	645,902,422.82	44,773,775.33	50,136,252.64	640,539,945.51

Other explanations on changes, including increases and decreases in current period and reasons for these changes:

1. During the reporting period, the Company canceled a total of 1,407,542 repurchased restricted shares, reducing treasury shares by RMB 12,474,599.52, reducing share capital by RMB 1,407,542.00, and reducing capital reserve by the difference of RMB 11,067,057.52.

2. During the reporting period, the Company granted 1,440,000 restricted shares, and the source of the granted shares was the treasury shares resulting from the Company's centralized repurchases. during this grant, the Company received total monetary fund contributions of RMB 9,878,400.00 from the subscribing shareholders, while simultaneously recognizing a repurchase obligation of RMB 9,878,400.00, decreasing treasury shares by RMB 23,494,363.20, and decreasing capital reserve by RMB 13,615,963.20.

3. During the reporting period, the Company lifted the trading restrictions on and listed for trading a total of 2,832,954 restricted shares that had met the unlocking conditions. In connection with this matter, the Company reduced treasury shares by RMB 24,559,835.04, derecognized the corresponding liability for the repurchase obligation, and carried forward the capital reserve (other capital reserve) of RMB 25,453,231.92 recognized during the vesting period.

4. In accordance with the relevant provisions of Accounting Standards for Business Enterprises, No. 11—Share-based Payments, the Company will recognize the services received in current period as relevant costs or expenses and capital reserve on each balance sheet date during the lock-up period or vesting period. As calculated, the amount of share-based payment expenses apportioned during this reporting period is RMB 19,320,543.41.

**56. Treasury shares**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
Restricted stock	83,396,900.00	9,878,400.00	38,034,830.38	55,240,469.62
Share repurchase	76,099,114.95	-	23,494,363.20	52,604,751.75
Total	159,496,014.95	9,878,400.00	61,529,193.58	107,845,221.37

Other explanations on changes, including increases and decreases in current period and reasons for these changes:

1. During the reporting period, the Company canceled a total of 1,407,542 repurchased restricted shares, reducing treasury shares by RMB 12,474,599.52, reducing share capital by RMB 1,407,542.00, and reducing capital reserve by the difference of RMB 11,067,057.52.

2. During the reporting period, the Company granted 1,440,000 restricted shares, and the source of the granted shares was the treasury shares resulting from the Company's centralized repurchases. during this grant, the Company received total monetary fund contributions of RMB 9,878,400.00 from the subscribing shareholders, while simultaneously recognizing a repurchase obligation of RMB 9,878,400.00, decreasing treasury shares by RMB 23,494,363.20, and decreasing capital reserve by RMB 13,615,963.20.

3. During the reporting period, the Company lifted the trading restrictions on and listed for trading a total of 2,832,954 restricted shares that had met the unlocking conditions. In connection with this matter, the Company reduced treasury shares by RMB 24,559,835.04, derecognized the corresponding liability for the repurchase obligation, and carried forward the capital reserve (other capital reserve) of RMB 25,453,231.92 recognized during the vesting period.

4. For holders of restricted shares that are expected to become unlockable in the future, the Company, based on the amount of cash dividends distributed, debited accounts such as "Other Payables — Repurchase Obligation for Restricted Shares" and credited the "Treasury Shares" account, thereby reducing treasury shares by RMB 1,000,395.82.

**57. Other comprehensive income**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Amount Incurred in Current Period						Closing Balance
		Amount Incurred in Current Period Before Income Tax	Less: Amount Recognized in Other Comprehensive Income in Previous Period and Transferred into the Profit or Loss in Current Period	Less: Amount Recognized in Other Comprehensive Income in Previous Period and Transferred into the Retained Earnings in Current Period	Less: Income Tax Expenses	Amount Attributable to the Parent Company After Tax	Amount Attributable to Minority Shareholders After Tax	
I. Other comprehensive income that cannot be re-classified into profit or loss	-7,098,900.00	-	-	-	-	-	-	-7,098,900.00
Including: changes in the fair value of other equity instrument investments	-7,098,900.00	-	-	-	-	-	-	-7,098,900.00
II. Other comprehensive income to be re-classified into profit or loss	-3,837,555.23	-14,584,677.69	-	-	-	-14,332,018.35	-252,659.34	-18,169,573.58
Including: Changes in fair value of other debt investments	-	-	-	-	-	-	-	-

Exchange differences on the translation of foreign currency financial statements	-3,837,555.23	-14,584,677.69	-	-	-	-14,332,018.35	-252,659.34	-18,169,573.58
Total other comprehensive income	-10,936,455.23	-14,584,677.69	-	-	-	-14,332,018.35	-252,659.34	-25,268,473.58

Other explanations, including adjustment of the effective portion of cash flow hedge gains/losses transferred to the initially recognized amount of the hedged item:  
None.

**58. Special reserves**

Applicable Not Applicable

**59. Surplus reserves**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period	Decrease in Current Period	Closing Balance
Statutory surplus reserve	400,338,803.84	-	-	400,338,803.84
Total	400,338,803.84	-	-	400,338,803.84

Explanation of surplus reserve, including information on changes during the current period and reasons for such changes: None

**60. Undistributed profits**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Current Period	Previous Period
Undistributed profits at the end of the previous period, before adjustment	5,103,007,686.94	4,823,670,299.69
Undistributed profits at the beginning of the current period, after adjustment	5,103,007,686.94	4,823,670,299.69
Add: Net profit attributable to owners of the parent for the period	920,496,707.23	902,969,226.83
Less: Appropriation to statutory surplus reserve	-	-
Ordinary share dividends payable	662,661,104.05	623,631,839.58
Undistributed profits at the end of the period	5,360,843,290.12	5,103,007,686.94

Details of adjustment of undistributed profits at the beginning of the period:

- 1) Due to retrospective adjustments made according to the Accounting Standards for Business Enterprises and relevant new regulations, the impact on undistributed profits at the beginning of the period is RMB 0.
2. Due to changes in accounting policies, the impact on undistributed profits at the beginning of the period is RMB 0.
3. Due to the correction of material accounting errors, the impact on undistributed profits at the beginning of the period is RMB 0.
4. Due to changes in consolidation scope arising from business combinations under common control, the impact on undistributed profits at the beginning of the period is RMB 0.
5. The total impact of other adjustments on undistributed profits at the beginning of the period is RMB 0.

**61. Operating revenues and operating costs****(1). Status of operating revenues and operating costs**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period		Amount Incurred in Previous Period	
	Revenue	Cost	Revenue	Cost
Main businesses	6,917,087,704.50	4,212,555,358.63	7,033,467,076.17	4,285,096,503.01
Other businesses	53,058,721.01	15,930,245.69	62,876,229.72	22,915,789.25
Total	6,970,146,425.51	4,228,485,604.32	7,096,343,305.89	4,308,012,292.26

**(2). Breakdown of operating revenue and operating costs**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the Current Period		Amount for the Previous Period	
	Operating revenue	Operating costs	Operating revenue	Operating costs
By industry				
Lighting industry	6,917,087,704.50	4,212,555,358.63	7,033,467,076.17	4,285,096,503.01
Total	6,917,087,704.50	4,212,555,358.63	7,033,467,076.17	4,285,096,503.01
By region				
Domestic sales	6,244,636,339.54	3,832,316,833.45	6,362,308,838.60	3,891,791,446.75
Foreign sales	672,451,364.96	380,238,525.18	671,158,237.57	393,305,056.26
Total	6,917,087,704.50	4,212,555,358.63	7,033,467,076.17	4,285,096,503.01

Other explanations:

 Applicable  Not Applicable**(3). Description of performance obligations** Applicable  Not Applicable**(4). Explanation of allocation to remaining performance obligations** Applicable  Not Applicable**(5). Major contract changes or significant adjustments to transaction prices** Applicable  Not Applicable

Other explanations: None

**62. Taxes and surcharges**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Urban maintenance and construction tax	15,311,287.81	16,956,773.97
Education surcharge	8,743,944.33	9,434,878.15
Local education surcharges	5,833,629.54	6,382,505.21
Property tax	18,134,075.86	18,474,322.71
Stamp duty	6,922,477.60	5,888,362.40
Land use tax	1,139,515.48	1,140,413.22
Environmental protection tax	437,477.44	48,557.36
Total	56,522,408.06	58,325,813.02

Other explanations: None

**63. Selling expenses**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Employee remuneration	490,381,372.88	527,801,313.17
Channel support fee	529,544,975.82	582,698,721.51
Advertising and marketing fee	18,377,374.77	18,100,459.12
Rental fee	37,901,243.84	34,011,548.88
Office expenses	128,811,719.55	122,720,170.12
Others	8,639,571.10	5,856,185.06
Total	1,213,656,257.96	1,291,188,397.86

Other explanations: None

**64. Administrative expenses**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Employee remuneration	150,792,180.31	177,910,773.23
Office expenses	47,148,381.37	46,431,853.74
Travel expenses, transportation expenses, transportation costs, etc.	5,325,396.06	7,230,147.69
Consulting fee	35,788,104.06	39,986,663.79
Depreciation and amortization	28,169,552.91	61,585,470.21
Others	2,334,324.11	2,548,327.51
Total	269,557,938.82	335,693,236.17

Other explanations: None

**65. R&D expenses**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Employee remuneration	205,494,151.27	205,714,668.56
Material consumption	51,187,576.55	55,432,258.01
Depreciation expenses and others	40,240,790.82	44,876,896.30
Total	296,922,518.64	306,023,822.87

Other explanations: None

**66. Financial expenses**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Interest expense	1,187,029.81	5,466,488.41
Including: interest on lease liabilities	331,516.86	281,738.36
Less: interest income	22,633,394.20	70,928,071.15
Exchange gains and losses	-17,032,476.93	4,938,708.93
Others	7,515,620.75	8,049,490.78
Total	-30,963,220.57	-52,473,383.03

Other explanations: None

**67. Other income**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Classification by nature	Amount Incurred in Current Period	Amount Incurred in Previous Period
Government grants	75,213,373.62	72,090,828.45
Withholding handling fee	1,111,938.84	762,684.56
Other subsidies	10,476,441.89	21,306,569.39
Total	86,801,754.35	94,160,082.40

Other explanations:

Government subsidies included in other income:

Classification by nature	Amount Incurred in Current Period	Amount Incurred in Previous Period	Related to Assets/Related to Revenue
Technical renovation project	7,265,152.06	2,054,659.54	Asset-related
Subsidies for green energy saving	292,037.18	292,037.14	Asset-related
Subsidies for upgrades and renovations under the energy performance contracting model	-	490,000.05	Asset-related
Subsidies for industrial project funds	-	129,578.46	Asset-related
Government funds and special-purpose funds	36,946,184.38	36,210,953.26	Earning-related
Financial support	30,710,000.00	32,913,600.00	Earning-related
Total	75,213,373.62	72,090,828.45	

**68. Investment income**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Income from long-term equity investments accounted for using the equity method	-4,831,458.27	25,834,599.07
Investment income from disposal of trading financial assets/liabilities	96,091.20	1,619,342.47
Investment income from disposal of financial assets measured at fair value through profit or loss	79,194,147.62	63,359,476.42

Investment income from debt restructuring	-	167,385.47
Investment income from disposing of long-term equity investment	-	923,926.03
Total	74,458,780.55	91,904,729.46

Other explanations: None

#### 69. Gains from net exposure hedging

Applicable Not Applicable

#### 70. Gains from changes in fair value

Applicable Not Applicable

Unit: Yuan Currency: RMB

Sources of Gains from Changes in Fair Value	Amount Incurred in Current Period	Amount Incurred in Previous Period
Held-for-trading financial assets	2,626,423.77	8,191,328.56
Including: Gains from changes in the fair value of derivative financial instruments	5,520,192.05	5,297,560.28
Others	-2,893,768.28	2,893,768.28
Other non-current financial assets	-878,741.62	-21,974.41
Total	1,747,682.15	8,169,354.15

Other explanations: None

#### 71. Credit impairment losses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Accounts receivable loss on bad debts	5,310,908.82	20,001,460.45
Other accounts receivable loss on bad debts	429,791.20	1,424,751.63
Total	5,740,700.02	21,426,212.08

Other explanations: None

**72. Asset impairment loss**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Loss on impairment of inventories and contract performance cost	10,019,653.52	9,646,897.38
Loss on impairment of contract assets	551,392.02	843,074.61
Total	10,571,045.54	10,489,971.99

Other explanations: None

**73. Gains from assets disposal**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Gains from disposal of fixed assets	29,920.35	106,676.20
Total	29,920.35	106,676.20

Other explanations: None

**74. Non-operating income**

Status of non-operating income

√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period	Amounts Included in Non-recurring Gains and Losses for the Period
Others	33,719,362.41	22,092,252.22	33,719,362.41
Total	33,719,362.41	22,092,252.22	33,719,362.41

Other explanations:

 Applicable  Not Applicable**75. Non-operating expenses**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period	Amounts Included in Non-recurring Gains and Losses for the Period
Total losses on disposal of	683,928.13	1,729,875.21	683,928.13

non-current assets			
External donations	30,305,102.08	66,521.78	30,305,102.08
Others	2,170,059.56	2,444,998.13	2,170,059.56
Total	33,159,089.77	4,241,395.12	33,159,089.77

Other explanations: None

## 76. Income tax expenses

### (1). Table of income tax expenses

Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Current income tax expenses	156,651,285.72	131,649,533.41
Deferred income tax expenses	3,989,727.95	-6,554,874.99
Total	160,641,013.67	125,094,658.42

### (2). Adjustment process for accounting profit and income tax expenses

Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period
Total profit	1,083,251,582.76
Income tax expenses calculated at the statutory/applicable tax rate	162,487,737.43
Effect of different tax rates applicable to subsidiaries	24,882,421.35
Effect of adjusting income taxes for prior periods	16,315,379.66
Effect of non-deductible costs, expenses, and losses	2,715,573.43
Effect of additional deduction for technological development expenses	-40,304,625.66
Impact of changes in income tax rates	-
Effect of utilizing deductible losses for which no deferred tax asset is recognized in prior periods	-13,212,941.83
Effect of deductible temporary differences or tax losses for which no deferred tax asset is recognized in current period	1,840,148.10
Others	5,917,321.19
Impact of the additional deduction for wages paid to disabled employees	-
Impact of tax-exempt income on income tax expense	-

Income tax expenses	160,641,013.67
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Other explanations:

Applicable Not Applicable

#### 77. Other comprehensive income

Applicable Not Applicable

#### 78. Cash flow statement items

##### (1). Cash related to operating activities

Other cash received relating to operating activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Interest income	22,633,394.20	70,928,071.15
Income from government subsidies	86,834,840.17	69,932,998.89
Receivables/payables and other payments	57,858,451.96	85,363,691.30
Total	167,326,686.33	226,224,761.34

Explanation of other cash received relating to operating activities: None

Other cash paid relating to operating activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Period expense paid	767,141,253.65	774,871,218.92
Receivables/payables and other payments	131,148,316.65	219,135,567.31
Total	898,289,570.30	994,006,786.23

Explanation of other cash paid relating to operating activities: None

**(2). Cash related to investment activities**

Significant cash received relating to investment activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Cash received from the disposal of investment	2,160,400,000.00	1,700,000,000.00
Total	2,160,400,000.00	1,700,000,000.00

Explanation of significant cash received relating to investment activities: None

Significant cash paid relating to investment activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Cash paid for investments	770,000,000.00	4,573,000,000.00
Total	770,000,000.00	4,573,000,000.00

Explanation of significant cash paid relating to investment activities: None

Other cash received relating to investment activities

Applicable Not Applicable

Other cash paid relating to investment activities

Applicable Not Applicable**(3). Cash related to financing activities**

Other cash received relating to financing activities

Applicable Not Applicable

Other cash paid relating to financing activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Financing proceeds and handling fees	6,558,438.06	9,325,876.58
Payments for share repurchase	13,173,159.36	174,229,334.44
Minority interest transactions	-	4,517,120.00

Total	19,731,597.42	188,072,331.02
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Explanation of other cash paid relating to financial activities: None

Changes in liabilities generated from financing activities

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Increase in Current Period		Decrease in Current Period		Closing Balance
		Cash Changes	Non-cash Changes	Cash Changes	Non-cash Changes	
Other payables - restricted share repurchase obligations	78,286,396.27	9,878,400.00	-	13,173,159.36	26,360,948.31	48,630,688.60
Short-term borrowings	80,596,034.90	20,198,103.33	-	91,780,690.37	243,501.55	8,769,946.31
Dividends payable	-	-	662,661,104.05	661,660,708.50	1,000,395.55	-
Lease liabilities (including the current portion of non-current liabilities)	15,060,975.90	-	3,288,188.32	6,495,856.79	1,951,057.15	9,902,250.28
Long-term payables - minority equity transactions (including the current portion of non-current liabilities)	4,178,480.00	-	-	-	2,089,240.00	2,089,240.00
Total	178,121,887.07	30,076,503.33	665,949,292.37	773,110,415.02	31,645,142.56	69,392,125.19

**(4). Explanation of representing cash flows on a net basis**

Applicable Not Applicable

**(5) Significant activities that do not involve current period cash receipts and payments but affect the financial position of the enterprise or may affect its cash flows in the future, and their financial effects**

Applicable Not Applicable

**79. Supplementary information to the cash flow statement**

**(1). Supplementary information to the cash flow statement**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Supplementary Information	Amount for the Current Period	Amount for the Previous Period
<b>1. Reconciliation of net profit to cash flow from operating activities:</b>		
Net Profit	922,610,569.09	904,753,983.56
Add: Provision for asset impairment	10,571,045.54	10,489,971.99
Credit impairment losses	5,740,700.02	21,426,212.08
Depreciation of fixed assets, depreciation of oil & gas assets, and depreciation of productive biological assets	151,697,358.81	152,983,274.96
Amortization of right-of-use assets	6,425,320.99	7,557,346.22
Amortization of intangible assets	18,927,464.91	15,648,580.51
Amortization of long-term prepaid expenses	5,868,252.04	9,962,100.98
Losses on the disposal of fixed assets, intangible assets and other long-term assets (gains denoted by "-")	-29,920.35	-106,676.20
Losses from scrapping of fixed assets (gains denoted by "-")	683,928.13	1,729,875.21
Loss on changes in fair value (gains denoted by "-")	-1,747,682.15	-8,169,354.15
Financial expenses (gains denoted by "-")	-16,700,960.07	5,220,447.29
Investment losses (gains denoted by "-")	-74,458,780.55	-91,904,729.46
Decrease in deferred tax assets (increase denoted by "-")	3,734,680.41	-7,795,186.58
Increase in deferred tax liabilities (decrease denoted by "-")	255,047.54	1,240,311.59
Decrease in inventories (increase denoted by "-")	10,542,387.12	35,031,550.16
Decrease in receivables under operating activities (increase denoted by "-")	-127,871,420.93	-92,264,375.80
Increase in payables under operating activities (decrease denoted by "-")	-226,373,511.04	-146,665,497.03
Others	-	-
Net cash flow from operating activities	689,874,479.51	819,137,835.33
<b>2. Significant investing and financing activities that do not involve cash receipts and payments:</b>		
<b>3. Net changes in cash and equivalents:</b>		
Closing balance of cash	1,715,158,948.15	1,576,091,564.61
Less: Opening balance of cash	1,576,091,564.61	4,537,065,540.94
Add: Closing balance of cash equivalents	-	-
Less: Opening balance of cash equivalents	-	950,000,000.00
Net increase in cash and cash equivalents	139,067,383.54	-3,910,973,976.33

**(2). Net cash paid for the acquisition of subsidiaries during the current period**

□Applicable √Not Applicable

**(3). Net cash received from disposal of subsidiaries during the current period**

□Applicable √Not Applicable

**(4). Composition of cash and cash equivalents**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
I. Cash	1,715,158,948.15	1,576,091,564.61
Including: Bank deposits that are readily available for payment	226,570,421.64	214,010,031.34
Deposits with the central bank that are available for payment	1,488,588,526.51	1,362,081,533.27
II. Cash equivalents	-	-
Including: Bond investments due within three months	-	-
III. Closing balance of cash and cash equivalents	1,715,158,948.15	1,576,091,564.61

**(5). Items restricted in use that are still presented as cash and cash equivalents**

□Applicable √Not Applicable

**(6). Monetary funds not classified as cash and cash equivalents**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance	Reason
Bond deposit	1,400,035.00	1,279,369.00	Restricted use
Others	3,760.00	3,675,010.00	Restricted use
Total	1,403,795.00	4,954,379.00	/

Other explanations:

□Applicable √Not Applicable

**80. Notes to items in the statement of changes in owner's equity**

Name of items under "Other" for which the previous closing balance is adjusted, and the adjustment amount:

Applicable Not Applicable

## 81. Monetary items denominated in foreign currencies

### (1). Monetary items denominated in foreign currencies

Applicable Not Applicable

Unit: Yuan

Item	Closing Balance in Foreign Currency	Exchange Rate for Translation	Closing Balance Translated to RMB
Monetary funds	-	-	336,051,566.12
Including: USD	39,935,145.36	7.0288	280,695,556.83
HKD	655,284.30	0.9032	591,853.29
EUR	5,329,033.72	8.2355	43,887,258.58
AED	1,200,797.89	1.9071	2,290,029.65
INR	7,921,812.83	0.0780	617,584.53
THB	17,698,913.68	0.2225	3,938,362.28
IDR	1,088,572,168.00	0.0004	457,200.31
VDN	13,224,756,088.00	0.0003	3,570,684.13
MXN	7,788.09	0.3899	3,036.51
Accounts Receivable	-	-	154,385,166.47
Including: USD	9,962,579.23	7.0288	70,024,976.80
EUR	7,889,591.86	8.2355	64,974,733.94
INR	201,143,737.56	0.0780	15,681,165.78
THB	2,354,481.73	0.2225	523,915.49
VDN	11,779,164,663.00	0.0003	3,180,374.46
Other receivables	-	-	1,562,190.70
Including: USD	28,064.09	7.0288	197,257.52
HKD	16,308.08	0.9032	14,729.48
EUR	142,187.61	8.2355	1,170,985.41
AED	16,000.00	1.9071	30,513.44
INR	1,262,272.17	0.0780	98,406.73
THB	18,821.08	0.2225	4,188.07
IDR	52,049,580.00	0.0004	21,860.82
VND	89,811,981.00	0.0003	24,249.23
Accounts payable	-	-	4,291,100.27
Including: USD	23,184.58	7.0288	162,959.65

EUR	231,460.51	8.2355	1,906,193.02
AED	74,391.76	1.9071	141,871.78
INR	26,388,943.30	0.0780	2,057,282.02
VND	84,421,462.00	0.0003	22,793.80
Other payables	-	-	3,314,538.98
Including: USD	39.61	7.0288	278.41
EUR	397,769.56	8.2355	3,275,831.22
AED	18,048.06	1.9071	34,419.27
THB	1,592.00	0.2225	354.25
IDR	5,087,658.00	0.0004	2,136.81
VND	5,626,000.00	0.0003	1,519.02

Other explanations: None

**(2). Explanation of overseas business entities, including, for significant overseas business entities, disclosure of their main overseas place of operations, functional currency and the basis for its selection, and if the functional currency has changed, the reasons for such change.**

Applicable Not Applicable

## 82. Leases

### (1). As the lessee

Applicable Not Applicable

Item	Amount for the Current Period	Amount for the Previous Period
Interest expense on lease liabilities	331,516.86	281,738.36
Short-term lease expenses subject to simplified treatment and included in the costs of relevant assets or current profit or loss	18,698,422.59	17,963,629.51
Total cash outflow related to leases	26,939,718.68	28,627,013.69

Variable lease payments not included in the measurement of lease liabilities

Applicable Not Applicable

Short-term leases subject to simplified treatment or leases of low-value assets

Applicable Not Applicable

Sale and leaseback transactions and basis of judgment

Applicable Not Applicable

Total cash outflow related to leasing: 26,939,718.68 (Unit: Yuan, Currency: RMB)

**(2). As the lessor**

Operating leases as lessor

Applicable Not Applicable

Financing leases as lessor

Applicable Not Applicable

Reconciliation of undiscounted lease payments receivable and net investment in the lease

Applicable Not Applicable

Undiscounted lease payments receivable for the next five years

Applicable Not Applicable

**(3) Recognition of sales profit or loss on a financing lease as a manufacturer or dealer**

Applicable Not Applicable

Other explanations: None

**83. Data resources**

Applicable Not Applicable

**84. Others**

Applicable Not Applicable

**VIII. Research and development expenses**

**1. Presentation by nature of expenses**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Employee remuneration	205,494,151.27	205,714,668.56
Material consumption	51,187,576.55	55,432,258.01
Depreciation expenses and others	40,240,790.82	44,876,896.30
Total	296,922,518.64	306,023,822.87

Other explanations: None

**2. Development expenditure on R&D projects is eligible for capitalization**

Applicable Not Applicable

Significant capitalized R&D projects

Applicable Not Applicable

Provision for impairment of development expenses

Applicable Not Applicable

Other explanations: None

**3. Significant outsourced, in-process R&D projects**

Applicable Not Applicable

**IX. Changes in Consolidation Scope**

**1. Business combination not under common control**

Applicable Not Applicable

**2. Business combination under common control**

Applicable Not Applicable

**3. Reverse acquisition**

Applicable Not Applicable

**4. Disposal of subsidiaries**

Whether there are any transactions or events that resulted in loss of control over subsidiaries during the current period.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

Whether there are any circumstances involving loss of control over subsidiaries through step-by-step disposal of investments in subsidiaries in multiple transactions during the current period

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

## 5. Changes in the consolidation scope due to other reasons

Descriptions for changes in consolidation scope due to other reasons (e.g., newly established subsidiaries, liquidated subsidiaries, etc.) and related circumstances:

Applicable Not Applicable

### 1. Deregistration of Guangxi Ouheng Intelligent Technology Co., Ltd.

During this reporting period, the Company's subsidiary, Guangxi Ouheng Intelligent Technology Co., Ltd., had been deregistered with the administration for industry and commerce and was no longer included in the scope of consolidation.

### 2. Deregistration of OPPLE Intelligent (Hangzhou) Technology Co., Ltd.

During this reporting period, the Company's subsidiary, OPPLE Intelligent (Hangzhou) Technology Co., Ltd., had been deregistered with the administration for industry and commerce and was no longer included in the scope of consolidation.

### 3. Establishment of OPPLE (Guangzhou) E-commerce Co., Ltd.

Our Company's subsidiary, OPPLE Intelligent Lighting Technology Co., Ltd., established OPPLE (Guangzhou) E-commerce Co., Ltd. with a monetary fund contribution, which was wholly funded by OPPLE Intelligent Lighting Technology Co., Ltd. Our Company had included it in its consolidation scope.

### 4. Establishment of OPPLE Smart City Technology (Shanghai) Co., Ltd.

Our Company's subsidiary, Shanghai Qianlong Energy Conservation Technology Co., Ltd., established OPPLE Smart City Technology (Shanghai) Co., Ltd. with a monetary fund contribution, which was wholly funded by Shanghai Qianlong Energy Conservation Technology Co., Ltd. Our Company had included it in its consolidation scope.

### 5. Establishment of Shanghai Oule Ouhe Lighting Technology Co., Ltd.

Our Company invested in establishing Shanghai Oule Ouhe Lighting Technology Co., Ltd., which was wholly funded by the Company through monetary fund contribution. Our Company had included it in its consolidation scope.

### 6. Establishment of OPPLE Smart City Technology (Zhongshan) Co., Ltd.

Our Company's subsidiary, Shanghai Qianlong Energy Conservation Technology Co., Ltd., established OPPLE Smart City Technology (Zhongshan) Co., Ltd. with a monetary fund contribution, which was wholly funded by Shanghai Qianlong Energy Conservation Technology Co., Ltd. Our Company had included it in its consolidation scope.

### 7. Establishment of OPPLE Lighting Company

Our Company's subsidiary, OPPLE Lighting International Holding Limited, established OPPLE Lighting Company with a monetary fund contribution, which was wholly funded by OPPLE Lighting International Holding Limited. Our Company had included it in its consolidation scope.

## 6. Others

Applicable Not Applicable

## X. Equity in Other Entities

### 1. Equity in subsidiaries

#### (1). Composition of the enterprise group

Applicable Not Applicable

Unit: Yuan Currency: RMB

Subsidiary Name	Principal Place of Business	Registered Capital	Place of Registration	Nature of Business	Shareholding Ratio (%)		Method of Acquisition
					Direct	Indirect	
Suzhou OPPLE Lighting Co., Ltd.	Suzhou, Jiangsu	CNY 280,000,000.00	Suzhou, Jiangsu	Manufacturing	100.00		Establishment
Shanghai Shanglong Lighting Co., Ltd.	Shanghai	CNY 1,000,000.00	Shanghai	Trading	100.00		Combination under common control
Shanghai Qianlong Energy Conservation Technology Co., Ltd.	Shanghai	CNY 10,000,000.00	Shanghai	Sales and design	77.00	23.00	Combination under common control
Shanghai Kupu Lighting Co., Ltd.	Shanghai	CNY 5,000,000.00	Shanghai	Sales and design	100.00		Merger under common control
OPPLE Lighting Appliances (Zhongshan) Co., Ltd.	Zhongshan, Guangdong	CNY 50,000,000.00	Zhongshan, Guangdong	Manufacturing	100.00		Business combination under common control
OPPLE Lighting International Holding Limited	Hong Kong	USD 28,750,000.00	Hong Kong	Trading	100.00		Establishment
Shanghai Pushi Lighting Co., Ltd.	Shanghai	CNY 5,000,000.00	Shanghai	Sales	100.00		Establishment
Shanghai Haoshi Lighting Co., Ltd.	Shanghai	CNY 5,000,000.00	Shanghai	Sales	100.00		Establishment
Shanghai OPPLE Jiedeng Lighting Co., Ltd.	Shanghai	CNY 10,000,000.00	Shanghai	Sales	100.00		Combination under common control
Shanghai OPPLE Weishang Building Materials Co., Ltd.	Shanghai	CNY 50,000,000.00	Shanghai	Sales	100.00		Establishment
OPPLE Intelligent Lighting Technology Co., Ltd.	Shanghai	CNY 100,000,000.00	Shanghai	Sales	100.00		Establishment
OPPLE (Zhongshan) Intelligent	Zhongshan, Guangdong	CNY 300,000,000.00	Zhongshan, Guangdong	Production and sales	100.00		Establishment

Technology Co., Ltd.							
Suzhou OPPLE Intelligent Lighting Co., Ltd.	Suzhou, Jiangsu	CNY 80,000,000.00	Suzhou, Jiangsu	Production and sales	100.00		Establishment
OPPLE Zhixiang (Shanghai) Technology Co., Ltd.	Shanghai	CNY 50,000,000.00	Shanghai	Sales	100.00		Establishment
OPPLE Zhihui (Shenzhen) Technology Co., Ltd.	Shenzhen, Guangdong	CNY 14,000,000.00	Shenzhen, Guangdong	Sales	100.00		Establishment
OPPLE Zhicheng Technology (Shenzhen) Co., Ltd.	Shenzhen, Guangdong	CNY 50,000,000.00	Shenzhen, Guangdong	Sales	100.00		Establishment
Shanghai OPPLE Ruishang Lighting Co., Ltd.	Shanghai	CNY 10,000,000.00	Shanghai	Sales	51.00		Establishment
OPPLE Zhicheng Technology (Henan) Co., Ltd.	Zhengzhou, Henan	CNY 20,000,000.00	Zhengzhou, Henan	Sales	100.00		Establishment
Shanghai Oule Ouhe Lighting Technology Co., Ltd.	Shanghai	CNY 10,000,000.00	Shanghai	Sales	100.00		Establishment
Kaiyun (Shanghai) Enterprise Management Partnership (Limited Partnership)	Shanghai	CNY 8,625,000.00	Shanghai	Others	99.99		Combination under common control

Explanation of the difference between the shareholding ratio in a subsidiary and the voting rights ratio: None

Basis for controlling the investee while holding half or less of the voting rights, or not controlling the investee while holding more than half of the voting rights: None

Basis for control over significant structured entities included in the consolidation scope: None

Basis for determining whether the Company acts as an agent or a principal: None

Other explanations: None

**(2). Significant non-wholly-owned subsidiaries**

Applicable Not Applicable

**(3). Main financial information of significant non-wholly-owned subsidiaries**

Applicable Not Applicable

**(4). Significant restrictions on the use of enterprise group assets and settlement of enterprise group liabilities**

Applicable Not Applicable

**(5). Financial or other support provided to structured entities included in the consolidated financial statement**

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**2. Transactions resulting in changes in the Company's ownership interest in subsidiaries while retaining control**

Applicable Not Applicable

**3. Equity in joint ventures or associates**

Applicable Not Applicable

**(1). Significant joint ventures and associates**

Applicable Not Applicable

**(2). Main financial information of significant joint ventures**

Applicable Not Applicable

**(3). Main financial information of significant associates**

Applicable Not Applicable

**(4). Aggregated financial information of non-significant joint ventures and associates**

Applicable Not Applicable

Unit: Yuan Currency: RMB

	Closing Balance/Amount for the Current Period	Opening Balance/Amount for the Previous Period
Joint ventures:		

Associates:		
Total carrying amount of investments	261,226,338.69	266,039,492.66
Aggregate amounts of the following items calculated based on shareholding ratios:		
--Net profit	-4,831,458.27	25,859,377.46
--Other comprehensive income	-	-
--Total comprehensive income	-4,831,458.27	25,859,377.46

Other explanations: None

**(5). Explanation of significant restrictions on the ability of joint ventures or associates to transfer funds to the Company**

Applicable Not Applicable

**(6). Excess loss incurred by joint ventures or associates**

Applicable Not Applicable

**(7). Unconfirmed commitment related to cooperative enterprise investment**

Applicable Not Applicable

**(8). Contingent liabilities related to investments in joint ventures or associates**

Applicable Not Applicable

**4. Significant joint operations**

Applicable Not Applicable

**5. Equity in structured entities not included in the consolidated financial statement**

Description on the structured main body that is not included in the combined financial statement:

Applicable Not Applicable

**6. Others**

Applicable Not Applicable

**XI. Government grants**

**1. Governmental subsidy recognized as receivables at the end of the reporting period**

Applicable Not Applicable

Reasons for not receiving the expected amounts of governmental subsidy at estimated time

Applicable Not Applicable

**2. Liabilities related to governmental subsidies**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Opening Balance	Newly increased subsidy amount in current period	Transferred to other income in current period	Other changes in current period	Closing Balance	Relevance to Assets/Income
Deferred income	57,686,532.09	18,000,000.00	7,557,189.24	-	68,129,342.85	Asset-related
Total	57,686,532.09	18,000,000.00	7,557,189.24	-	68,129,342.85	Asset-related

**3. Government grants recognized in the current profit and loss**√Applicable Not Applicable

Unit: Yuan Currency: RMB

Type	Amount Incurred in Current Period	Amount Incurred in Previous Period
Asset-related	7,557,189.24	2,966,275.19
Earning-related	67,656,184.38	69,124,553.26
Total	75,213,373.62	72,090,828.45

Other explanations: None

**XII. Risks Associated with Financial Instruments****1. Risk of financial instruments**√Applicable Not Applicable

The Company faces various financial risks in the process of operation, including credit risk, liquidity risk, and market risk (including exchange rate risk, interest rate risk, and other price risks). The Company's executive management is fully responsible for determining the risk management objectives and policies, and bears ultimate responsibility for them. The executive management reviews the effectiveness of the implemented procedures as well as the reasonableness of the risk management objectives and policies through the monthly reports submitted to them. Our Company's internal auditors also audit risk management policies and procedures, and report their findings to the Audit Committee.

The Company's overall objective of risk management is to formulate risk management policies to minimize risks as far as possible without having excessive influence on the competitiveness and resilience of the Company.

**1. Credit Risk**

Credit risk refers to the risk of financial loss to the other party arising from one party of financial instrument failing to fulfill obligations. Main credit risks of the Company are mainly caused by sales on credit. Prior to the signing of a new contract, the Company will evaluate the credit risks of new customers, including external credit ratings and bank reference letters in some cases, (when this information is available). The Company sets a credit limit for each customer, which is the maximum amount for them without requiring additional approval.

Through quarterly monitoring of existing customers' credit ratings and monthly review of accounts receivable aging analysis, the Company ensures that its overall credit risk is under control. In the monitoring of credit risks, the customers are grouped according to their credit characteristics. Customers rated as "high risk" will be placed on a restricted customer list, and the Company may only grant them credit sales in the future with additional approval; otherwise, such customers will be required to make the corresponding payments in advance.

## 2. Liquidity Risk

Liquidity risk refers to shortage risk of funds when the Company performs its settlement obligation in form of cash payment or payment of other financial assets.

Its policy is to ensure sufficient cash to repay debts. Liquidity risk is centrally controlled by the Company's financial department. By monitoring the cash balance, marketable securities that can be realized at any time and rolling forecast of cash flow in the next 12 months, the Financial Department ensures that the Company has sufficient funds to repay debts under all reasonable forecasts. At the same time, it continuously monitors whether the loan agreement is met, and obtains the commitment of providing sufficient reserve funds from major financial institutions to meet short-term and long-term capital needs.

The following table presents the Company's financial liabilities based on the undiscounted contractual cash flows, grouped by maturity date:

Item	Closing Balance			
	Within 1 year	1-3 years	More than 3 years	Total
Held-for-trading financial liabilities	-	-	-	-
Short-term borrowings	8,769,946.31	-	-	8,769,946.31
Accounts payable	788,545,222.37	-	-	788,545,222.37
Current portion of non-current liabilities	13,408,295.60	-	-	13,408,295.60
Total	810,723,464.28	-	-	810,723,464.28

Item	Closing Balance of Previous Year			
	Within 1 year	1-3 years	More than 3 years	Total
Held-for-trading financial liabilities	118,063.58	-	-	118,063.58
Short-term borrowings	80,596,034.90	-	-	80,596,034.90
Accounts payable	934,649,729.00	-	-	934,649,729.00
Current portion of non-current liabilities	14,781,783.37	-	-	14,781,783.37
Total	1,030,145,610.85	-	-	1,030,145,610.85

## 3. Market Risk

The market risk of financial instruments refers to the risk of fluctuation of the fair value or the future cash flow of the financial instruments caused by the change of the market price, including exchange rate risk, interest rate risk and other price risks.

(1) Interest Rate Risk

Interest rate risk refers to the fluctuation risk for fair value or the future cash flow of the financial instrument arising from the change of the market interest rate.

The interest rate risk of the Company is mainly from short-term borrowing from bank. By establishing a good bank-enterprise relationship, the Company ensures adequate credit facilities through the reasonable design of credit lines, credit varieties, and credit tenor, while securing favorable loan interest rates to meet its various short-term financing needs.

As of December 31, 2025, the Company's outstanding fixed-rate borrowings amounted to RMB 0.

(2) Exchange Rate Risk

The exchange rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in foreign exchange rates.

Our company continuously monitors the scale of foreign currency transactions, foreign currency assets, and foreign currency liabilities to minimize the foreign exchange risk it faces. In addition, the Company may enter into forward foreign exchange contracts or currency swap contracts to hedge against exchange rate risk.

Our Company's exchange rate risk primarily arises from financial assets and financial liabilities denominated in US dollars and Euros. The amounts of foreign currency financial assets and foreign currency financial liabilities translated into RMB are presented as follows:

Item	Closing Balance				Closing Balance of Previous Year			
	USD	EUR	Other Foreign Currencies	Total	USD	EUR	Other Foreign Currencies	Total
Foreign currency financial assets								
Monetary funds	280,695,556.83	43,887,258.58	11,468,750.70	336,051,566.12	365,852,587.88	43,848,823.79	11,630,139.71	421,331,551.38
Accounts Receivable	70,024,976.80	64,974,733.94	19,385,455.73	154,385,166.47	71,349,204.82	58,654,646.18	21,376,434.75	151,380,285.75
Other receivables	197,257.52	1,170,985.41	193,947.77	1,562,190.70	143,313.65	1,213,797.71	248,477.27	1,605,588.63
Subtotal	350,917,791.15	110,032,977.93	31,048,154.20	491,998,923.29	437,345,106.35	103,717,267.68	33,255,051.73	574,317,425.76
Foreign currency financial liabilities								
Short-term borrowings	-	-	-	-	-	-	-	-
Accounts payable	162,959.65	1,906,193.02	2,221,947.60	4,291,100.27	872,170.31	4,667,298.10	2,718,519.84	8,257,988.25
Other payables	278.41	3,275,831.22	38,429.35	3,314,538.98	26,356.77	342,526.64	21,710.96	390,594.37
Subtotal	163,238.06	5,182,024.24	2,260,376.95	7,605,639.25	898,527.08	5,009,824.74	2,740,230.80	8,648,582.62

As at 31 December 2025, if all other variables keep constant, a 10% appreciation or depreciation of the RMB against foreign currencies would increase or decrease the Company's net profit by RMB 48,439,328.40 (31 December 2024: RMB 56,566,884.31). The management believes that 10% reasonably reflects the range of possible changes in the exchange rate of RMB against foreign currencies in the coming year.

## 2. Hedging

### (1). The Company is engaged in hedging activities for risk management.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

### (2). The Company is engaged in eligible hedging activities and applies hedge accounting.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

### (3). The Company is engaged in hedging activities for risk management and expects to achieve risk management objectives, but does not apply hedge accounting.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

## 3. Transfer of financial assets

### (1). Classification of transfer methods

Applicable Not Applicable

### (2). Financial assets derecognized as a result of transfers

Applicable Not Applicable

### (3). Transferred financial assets with continuing involvement

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**XIII. Disclosure of Fair Value****1. Closing fair value of assets and liabilities measured at fair value**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Fair Value			
	Measured at Fair Value at Level 1	Measured at Fair Value at Level 2	Measured at Fair Value at Level 3	Total
<b>I. Continuous fair value measurement</b>				
(I) Held-for-trading financial assets	-	3,642,802,853.79	-	3,642,802,853.79
1. Financial assets measured at fair value through profit or loss	-	3,642,802,853.79	-	3,642,802,853.79
(1) Debt instrument investment	-	3,642,802,853.79	-	3,642,802,853.79
(2) Equity instrument investment	-	-	-	-
(3) Derivative financial assets	-	-	-	-
(II) Receivables financing	56,000.00	-	-	56,000.00
(III) Other debt investments	-	-	-	-
(IV) Other equity instrument investments	-	-	142,901,100.00	142,901,100.00
(V) Other non-current financial assets	-	-	74,285,521.15	74,285,521.15
1. Financial assets measured at fair value through profit or loss	-	-	74,285,521.15	74,285,521.15
(1) Debt instrument investment	-	-	-	-
(2) Equity instrument investment	-	-	74,285,521.15	74,285,521.15
(3) Others	-	-	-	-
<b>Total assets continuously measured at fair value</b>	56,000.00	3,642,802,853.79	217,186,621.15	3,860,045,474.94
(VI) Held-for-trading financial liabilities	-	-	-	-
1. Held-for-trading financial liabilities	-	-	-	-
(1) Trading bonds issued	-	-	-	-
(2) Derivative financial liabilities	-	-	-	-
(3) Others	-	-	-	-
<b>Total liabilities continuously measured at fair value</b>	-	-	-	-

**2. Basis for determining the market value of items continuously or not continuously measured at fair value at Level 1**

Applicable Not Applicable

**3. The valuation method and the qualitative and quantitative information of important parameters used for an item continuously or not continuously measured at fair value at Level 2**

Applicable Not Applicable

Item	Closing Fair Value	Valuation Techniques	Key Parameters	
			Qualitative Information	Quantitative Information
Debt instruments investment	3,642,802,853.79	Market approach	Quotation for similar assets	Predicted annualized rate of return
Derivative financial liabilities	-	Market approach	Quotation for similar assets	Predicted annualized rate of return

**4. The valuation method and the qualitative and quantitative information of important parameters used for an item continuously or not continuously measured at fair value at Level 3**

Applicable Not Applicable

Item	Closing Fair Value	Valuation Techniques	Unobservable Inputs
Held-for-trading financial assets (other)	-		
Other equity instrument investments (equity instrument investments)	142,901,100.00		
Other non-current financial assets (equity instrument investments)	74,285,521.15		

**5. The reconciliation information between the beginning and ending carrying amounts and the sensitivity analysis of unobservable parameters for an item continuously measured at fair value at Level 3**

√ Applicable    □ Not Applicable

Item	Closing Balance of Previous Year	Transferred-in to level 3	Transferred-out from Level 3	Total Gain or Loss in Current Period		Purchase, Issue, Sales and Settlement				Closing Balance	Unrealized Gains or Changes for Current Period Recognized in Profit or Loss (For Assets Held at End of Reporting Period)
				Recognized in Profit or Loss	Included in other Comprehensive Income	Purchase	New Shares	Sell or Settlement	Others		
◆ Held-for-trading financial assets	2,893,768.28	-	-	-	-	-	-	-	2,893,768.28	-	-
Financial assets measured at fair value through profit or loss	2,893,768.28	-	-	-	-	-	-	-	2,893,768.28	-	-
- Debt instrument investment	-	-	-	-	-	-	-	-	-	-	-
- Equity instrument investment	-	-	-	-	-	-	-	-	-	-	-
- Derivative financial	-	-	-	-	-	-	-	-	-	-	-

assets											
- Others	2,893,768.28	-	-	-	-	-	-	-	2,893,768.28	-	-
◆ Other equity instrument investments	142,901,100.00	-	-	-	-	-	-	-	-	142,901,100.00	-
◆ Other non-current financial assets	107,268,827.39	-	-	-878,741.62	-	-	-	32,104,564.62	-	74,285,521.15	-878,741.62
Financial assets measured at fair value through profit or loss	107,268,827.39	-	-	-878,741.62	-	-	-	32,104,564.62	-	74,285,521.15	-878,741.62
- Debt instrument investment	-	-	-	-	-	-	-	-	-	-	-
- Equity instrument investment	107,268,827.39	-	-	-878,741.62	-	-	-	32,104,564.62	-	74,285,521.15	-878,741.62
- Derivative financial assets	-	-	-	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	-
Total	253,063,695.67	-	-	-878,741.62	-	-	-	32,104,564.62	2,893,768.28	217,186,621.15	-878,741.62
Including: Profit and loss related to financial assets				-878,741.62							-878,741.62
Profit and loss related to non-financial assets				-							-



**6. For an item continuously measured at fair value, the transfers between levels (if any) occurred during the current period, the reasons for the transfers and the policy for determining the timing of such transfers**

Applicable Not Applicable

**7. Changes in valuation techniques during the current period and the reasons for such changes**

Applicable Not Applicable

**8. Fair value information of financial assets and financial liabilities not measured at fair value**

Applicable Not Applicable

Our Company's financial assets and financial liabilities measured at amortized cost mainly include: monetary fund, bills receivables, accounts receivables, other receivables, other current assets, accounts payable, other payables, other current liabilities, non-current liabilities due within one year, other non-current liabilities, etc. The carrying amounts of the Company's financial assets and financial liabilities not measured at fair value do not differ significantly from their fair values.

**9. Others**

Applicable Not Applicable

**XIV.Related parties and transactions**

**1. Information about the parent company**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Parent Company Name	Place of Registration	Nature of Business	Registered Capital	Shareholding Ratio of the Parent Company in the Company (%)	Voting Rights Ratio of the Parent Company in the Company (%)
Zhongshan OPPLE Investment Co., Ltd.	Zhongshan	Investment management	250,000,000.00	46.81	46.81

Explanation of the parent company of the Company: None

The ultimate controllers of the Company are Wang Yaohai and Ma Xiuhui.

Other explanations: None

**2. Information about subsidiaries of the Company**

Details of the Company's subsidiaries are set out in the Notes.

Applicable Not Applicable

Details of the Company's subsidiaries are set out in Note X "Interests in Other Entities".

### 3. Information about joint ventures and associates of the Company

Significant joint ventures or associates of the Company are set out in the Notes.

Applicable Not Applicable

Other joint ventures or associates that had related party transactions with the Company during the current period or had balances arising from related party transactions with the Company in prior periods are as follows:

Applicable Not Applicable

Name of Joint Venture or Associate	Relationship with the Company
Zhejiang Super Lighting Electric Appliance Co., Ltd.	Associate
Zhuhai XIMO ELECTRIC INC.	Associate
Suzhou Pupo Enterprise Management Partnership Enterprise (Limited Partnership)	Associate

Other explanations:

Applicable Not Applicable

### 4. Other related parties

Applicable Not Applicable

Name of Other Related Party	Relationship with the Company
Zhejiang Jinling Lighting Electrical Appliance Co., Ltd.	Controlled by a relative of Ma Xiuhui, one of the actual controllers of the Company
Jiangmen Jinhong Lighting Co., Ltd.	Controlled by a relative of Ma Xiuhui, one of the actual controllers of the Company
Suzhou Zhipu Intelligent Motor Co., Ltd.	Controlled by a relative of Ma Xiuhui, one of the actual controllers of the Company
Suzhou OPPLE Real Estate Co., Ltd.	Controlled by one of the actual controllers of the Company
Shanghai Fengyue Enterprise Management Partnership (Limited Partnership)	Controlled by one of the actual controllers of the Company
Suzhou OPPLE Property Management Co., Ltd.	Controlled by one of the actual controllers of the Company
Suzhou Shunheng New Energy Technology Co., Ltd.	Controlled by one of the actual controllers of the Company
Shanghai Ouzhi Investment Co., Ltd.	Controlled by one of the actual controllers of the Company
Shanghai Huida Puzhao Information Technology Co., Ltd.	Controlled by one of the actual controllers of the Company
Suzhou CM Technology Co., Ltd.	Controlled by the same controlling shareholder as the Company
CM Technology (Zhongshan) Co., Ltd.	Same controlling shareholder
Fengrong Financing Leasing (Shanghai) Co., Ltd.	Same controlling shareholder
Shanghai OP Energy Technology Co., Ltd.	Same controlling shareholder

Dalian Casamotion Art Glass Co., Ltd.	Joint stock company
Chengdu Xinchao Media Group Co., Ltd.	Joint stock company
Jiaxing Zhuiguang Intelligent Technology Co., Ltd.	Subsidiary controlled by an associate

Other explanations: None

## 5. Related party transactions

### (1). Related party transactions involving the purchase and sale of goods, and the provision and receipt of services

Table of purchases of goods/receipt of services

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Related Party	Nature of Related Party Transaction	Amount Incurred in Current Period	Approved Transaction Limit (If Applicable)	Limit Exceeded (If Applicable)	Amount Incurred in Previous Period
Zhejiang Super Lighting Electric Appliance Co., Ltd. and its subsidiaries	Purchase of raw materials	558,369.78	5,000,000.00	No	2,147,157.27
Zhejiang Jinling Lighting Electrical Appliance Co., Ltd.	Purchase of raw materials	22,411,306.44	15,000,000.00	Yes	22,502,191.20
Suzhou CM Technology Co., Ltd. and its subsidiaries	Outsourced mold development	46,800,148.82	110,000,000.00	No	95,067,040.11
Suzhou OPPL Property Management Co., Ltd.	Property management service	48,389.70	-		11,805,700.70
Shanghai Huida Puzhao Information Technology Co., Ltd.	Purchase of consulting services	22,227,900.01	29,800,000.00	No	17,198,443.40
Zhuhai XIMO ELECTRIC INC.	Purchase of goods	275,901.89	5,000,000.00	No	2,104,776.30
Suzhou Zhipu Intelligent Motor Co., Ltd.	Purchase of goods	45,623,327.45	70,000,000.00	No	46,668,869.43
Jiaxing Zhuiguang Intelligent Technology Co., Ltd.	Purchase of goods	14,164,663.96	-		11,962,440.28

Suzhou Shunheng New Energy Technology Co., Ltd.	Purchase of electricity	8,844,375.46	25,000,000.00	No	6,407,885.73
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Table of sales of goods/provision of services

Applicable  Not Applicable

Unit: Yuan Currency: RMB

Related Party	Nature of Related Party Transaction	Amount Incurred in Current Period	Amount Incurred in Previous Period
Suzhou CM Technology Co., Ltd.	Sale of products and provision of services	2,559,105.95	2,559,653.91
Suzhou OPPLE Real Estate Co., Ltd.	Projects	-	940,744.03
Suzhou OPPLE Real Estate Co., Ltd.	Sale of products	497,827.42	351,448.68
Shanghai OP Energy Technology Co., Ltd.	Sale of products	20,210.62	14,026.55

Explanation of related party transactions involving purchase and sale of goods, and provision and receipt of services

Applicable  Not Applicable

**(2). Entrusted management/contracting from related parties and delegated management/outsourcing by related parties**

Table of entrusted management/contracting by the Company:

Applicable  Not Applicable

Explanation of entrusted management/contracting from related parties

Applicable  Not Applicable

Table of delegated management/outsourcing from the Company

Applicable  Not Applicable

Explanation of delegated management/outsourcing by related parties

Applicable  Not Applicable

**(3). Related party leases**

The Company as lessor:

√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Name of Lessee	Type of Assets Leased	Lease Income Recognized in Current Period	Lease Income Recognized in Previous Period
Suzhou CM Technology Co., Ltd.	Houses and buildings	16,107,377.97	13,659,067.39
Suzhou OPPL Property Management Co., Ltd.	Houses and buildings	867.80	8,492.33
Shanghai Huida Puzhao Information Technology Co., Ltd.	Houses and buildings	55,819.41	75,890.10
Suzhou Zhipu Intelligent Motor Co., Ltd.	Houses and buildings	987,510.83	859,267.33
CM Technology (Zhongshan) Co., Ltd.	Houses and buildings	2,195,060.29	-
Shanghai OP Energy Technology Co., Ltd.	Houses and buildings	933.96	-

The Company as lessee:

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Name of Lessor	Type of Assets Leased	Amount Incurred in Current Period					Amount Incurred in Previous Period				
		Rental Expenses for Short-Term Leases Subjected to Simplified Treatment or Leases of Low-Value Assets (If Applicable)	Variable Lease Payments not Included in Measurement of Lease Liabilities (If Applicable)	Rent Paid	Interest Expense on Lease Liabilities Incurred	Increased Right-of-Use Assets	Rental Expenses for Short-Term Leases Subjected to Simplified Treatment or Leases of Low-Value Assets (If Applicable)	Variable Lease Payments not Included in Measurement of Lease Liabilities (If Applicable)	Rent Paid	Interest Expense on Lease Liabilities Incurred	Increased Right-of-Use Assets
Wang Yaohai	Houses and buildings			-				48,000.00			
Shanghai Ouzhi Investment Co., Ltd.	Houses and buildings			9,259,215.76				9,693,578.48			
Zhongshan OPPL Investment Co., Ltd.	Houses and buildings			8,861,973.16				5,166,874.86			

Explanation of related party leases

□ Applicable √ Not Applicable

**(4). Related party guarantees**

The Company as guarantor

Applicable Not Applicable

The Company as guaranteed party

Applicable Not Applicable

Explanation of related party guarantees

Applicable Not Applicable**(5). Related party fund borrowing/lending**Applicable Not Applicable**(6). Related party asset transfers and debt restructuring**Applicable Not Applicable**(7). Key management remuneration**Applicable Not Applicable

Unit: RMB 10,000 Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Key management remuneration	1,180.06	1,520.73

**(8). Other related party transactions**Applicable Not Applicable**6. Outstanding balances of receivables from and payables to related parties****(1). Receivables**Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Related Party	Closing Balance		Opening Balance	
		Book Balance	Bad-debt Provision	Book Balance	Bad-debt Provision
Accounts receivable	Suzhou CM Technology Co., Ltd.	768,488.80	-	710,433.93	-
Accounts receivable	Suzhou OPPL Real Estate Co., Ltd.	-	-	379,402.35	2,563.05
Contract assets	Suzhou OPPL Real Estate Co., Ltd.	30,751.61	6,150.32	30,762.34	207.81

**(2). Payables**

√ Applicable   □ Not Applicable

Unit: Yuan   Currency: RMB

Item	Related Party	Closing Book Balance	Opening Book Balance
Accounts payable	Suzhou CM Technology Co., Ltd. and its subsidiaries	174,157.03	36,669,982.14
Accounts payable	Suzhou Zhipu Intelligent Motor Co., Ltd.	7,224,736.59	8,810,924.32
Accounts payable	Zhejiang Jinling Lighting Electrical Appliance Co., Ltd.	3,610,300.82	4,438,112.65
Accounts payable	Zhuhai XIMO ELECTRIC INC.	-	162,884.81
Accounts payable	Zhejiang Super Lighting Electric Appliance Co., Ltd. and its subsidiaries	1,641.80	98,512.42
Accounts payable	Jiaxing Zhuiguang Intelligent Technology Co., Ltd.	2,303,290.51	3,215,995.21
Accounts payable	Shanghai Huida Puzhao Information Technology Co., Ltd.	1,228,050.00	350,700.00
Other payables	Suzhou CM Technology Co., Ltd.	300,000.00	300,000.00
Other payables	Zhejiang Super Lighting Electric Appliance Co., Ltd. and its subsidiaries	200,000.00	200,000.00
Other payables	Zhejiang Jinling Lighting Electrical Appliance Co., Ltd.	300,000.00	1,000,000.00
Other payables	Suzhou Zhipu Intelligent Motor Co., Ltd.	500,000.00	300,000.00
Other payables	Zhuhai XIMO ELECTRIC INC.	200,000.00	200,000.00
Other payables	Jiaxing Zhuiguang Intelligent Technology Co., Ltd.	300,000.00	300,000.00

**(3). Other items**

□ Applicable   √ Not Applicable

**7. Related party commitments**

□ Applicable   √ Not Applicable

**8. Others**

Applicable Not Applicable

**XV. Share-based Payments****1. Equity instruments****(1). Details**

Applicable Not Applicable

Quantity Unit: 10,000 Shares Amount Unit: 10,000 Yuan Currency: RMB

Type of Recipient	Granted during the Current Period		Exercised during the Current Period		Vested during the Current Period		Forfeited during the Current Period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Management and technical core staff	144.00	987.84	283.30		283.30		151.90	1,317.32
Total	144.00	987.84	283.30		283.30		151.90	1,317.32

**(2). Outstanding stock options or other equity instruments at the end of the period**

Applicable Not Applicable

**2. Equity-settled share-based payments**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Recipients of equity-settled share-based payments	Management and technical core staff
Method for determining the fair value of equity instruments on the grant date	The fair value of stock options is estimated using the internationally accepted Black-Scholes option pricing model; the fair value of restricted shares is determined using the closing price of restricted shares on the grant date
Significant parameters of the fair value of equity instruments on the grant date	
Basis for determining the number of exercisable equity instruments	Best estimate based on subsequent information, such as the latest changes in the number of employees expected to vest and restricted shares expected to unlock, is used to revise the estimated number of exercisable equity instruments.
Reasons for significant differences between the current period estimate and the previous period estimate	None
Cumulative amount of equity-settled share-based payments recognized in capital reserve	72,144,655.25

Other explanations:

1. Granting Restricted Shares in 2023

On May 4, 2023, the 11th meeting of the 4th Board of Directors and the 9th meeting of the Fourth Board of Supervisors of the Company deliberated and approved the Proposal on the First Grant of Restricted Shares to Incentive Recipients under the 2023 Restricted Stock Incentive Plan, agreeing that the Company would take May 4, 2023 as the grant date and grant a total of 6,798,000 restricted shares to 278 individuals at a grant price of RMB 9.52 per share. After the grant date, a total of 7 incentive recipients voluntarily waived an aggregate of 260,000 granted restricted shares for personal reasons. The Company actually granted 6,538,000 restricted shares to 271 individuals at a grant price of RMB 9.52 per share. The Company completed the grant registration on June 19, 2023.

The unlocking arrangement for the restricted shares granted this time is as shown in the table below:

Exercise Period/Unlocking Period	Exercise Time/Unlocking Time	Proportion of Exercisable/Unlockable Shares
1st exercise period/unlocking period	From the first trading day after the 12 months following the grant registration completion date to (and including) the last trading day within the 24 months following the grant registration completion date	30%
2nd exercise period/unlocking period	From the first trading day after the 24 months following the grant registration completion date to (and including) the last trading day within the 36 months following the grant registration completion date	30%
3rd exercise period/unlocking period	From the first trading day after the 36 months following the grant registration completion date to (and including) the last trading day within the 48 months following the grant registration completion date	40%

On June 22, 2024, the Company announced the Proposal Regarding the Satisfaction of the Unlocking Conditions for the First Lock-up Period of the First Grant Portion under the 2023 Restricted Stock Incentive Plan, which was deliberated and approved at the 18th meeting of the 4th Board of Directors and the 14th meeting of the Fourth Board of Supervisors. A total of 1,610,220 restricted shares that met the conditions for lifting the trading restrictions this time were unlocked and listed for trading on August 23, 2024.

## 2. Granting Reserved Restricted Shares in 2023

On November 7, 2023, the 15th meeting of the 4th Board of Directors and the 12th meeting of the Fourth Board of Supervisors of the Company deliberated and approved the Proposal Regarding the Grant of Reserved Restricted Shares to Incentive Recipients, agreeing that the Company would take November 7, 2023 as the reserved grant date and grant a total of 575,000 restricted shares to 13 incentive recipients at a grant price of RMB 9.52 per share. After the grant date, the Company actually granted 575,000 restricted shares to 13 individuals at a grant price of RMB 9.52 per share. The Company completed the grant registration on January 2, 2024.

The unlocking arrangement for the restricted shares granted this time is as shown in the table below:

Exercise Period/Unlocking Period	Exercise Time/Unlocking Time	Proportion of Exercisable/Unlockable Shares
1st exercise period/unlocking period	From the first trading day after the 12 months following the grant registration completion date to (and including) the last trading day within the 24 months following the grant registration completion date	30%
2nd exercise period/unlocking period	From the first trading day after the 24 months following the grant registration completion date to (and including) the last trading day within the 36	30%

	months following the grant registration completion date	
3rd exercise period/unlocking period	From the first trading day after the 36 months following the grant registration completion date to (and including) the last trading day within the 48 months following the grant registration completion date	40%

### 3. Granting Restricted Shares in 2024

On August 26, 2024, the 1st meeting of the 5th Board of Directors and the 1st meeting of the Fifth Board of Supervisors of the Company deliberated and approved the Proposal on the First Grant of Restricted Shares to Incentive Recipients under the 2024 Restricted Stock Incentive Plan, agreeing that the Company would take August 28, 2024 as the grant date and grant 5,957,600 restricted shares to 320 eligible incentive recipients at a grant price of RMB 7.76 per share. After the grant date, a total of 9 incentive recipients voluntarily waived all of their granted restricted shares for personal reasons, and 1 incentive recipient voluntarily waived part of their granted restricted shares for personal reasons, totaling 192,700 restricted shares. The Company actually granted 5,764,900 restricted shares to 311 individuals at a grant price of RMB 7.76 per share. The Company completed the grant registration on October 8, 2024.

The unlocking arrangement for the restricted shares granted this time is as shown in the table below:

Exercise Period/Unlocking Period	Exercise Time/Unlocking Time	Proportion of Exercisable/Unlockable Shares
1st exercise period/unlocking period	From the first trading day after the 12 months following the grant registration completion date to (and including) the last trading day within the 24 months following the grant registration completion date	30%
2nd exercise period/unlocking period	From the first trading day after the 24 months following the grant registration completion date to (and including) the last trading day within the 36 months following the grant registration completion date	30%
3rd exercise period/unlocking period	From the first trading day after the 36 months following the grant registration completion date to (and including) the last trading day within the 48 months following the grant registration completion date	40%

### 4. Granting Reserved Restricted Shares in 2025

On August 5, 2025, the 6th meeting of the 5th Board of Directors and the 6th meeting of the Fifth Board of Supervisors of the Company deliberated and approved the Proposal Regarding the Grant of 2024 Reserved Restricted Shares to Incentive Recipients, agreeing that the Company would take August 5, 2025 as the grant date and grant 1,440,000 restricted shares to 47 eligible incentive recipients at a grant price of RMB 6.86 per share. During the capital contribution process, no incentive recipients voluntarily gave up subscribing to the granted restricted shares. The actual number of incentive recipients participating in the subscription was 47, and the actual number of granted restricted shares was 1,440,000 shares. The Company completed the grant registration on September 17, 2025.

The unlocking arrangement for the restricted shares granted this time is as shown in the table below:

Exercise Period/Unlocking Period	Exercise Time/Unlocking Time	Proportion of Exercisable/Unlockable Shares
1st exercise period/unlocking period	From the first trading day after the 12 months following the grant registration completion date to (and including) the last trading day within the 24 months following the	30%

	grant registration completion date	
2nd exercise period/unlocking period	From the first trading day after the 24 months following the grant registration completion date to (and including) the last trading day within the 36 months following the grant registration completion date	30%
3rd exercise period/unlocking period	From the first trading day after the 36 months following the grant registration completion date to (and including) the last trading day within the 48 months following the grant registration completion date	40%

### 3. Cash-settled share-based payments

Applicable Not Applicable

### 4. Share-based payment expenses for the current period

Applicable Not Applicable

Unit: Yuan Currency: RMB

Type of Recipient	Equity-settled Share-based Payment Expenses	Cash-settled Share-based Payment Expenses
Management and technical core staff	19,320,543.41	
Total	19,320,543.41	

Other explanations: None

### 5. Modifications and termination of share-based payments

Applicable Not Applicable

### 6. Others

Applicable Not Applicable

## XVI. Commitments and Contingencies

### 1. Major commitments

Applicable Not Applicable

### 2. Contingencies

#### (1). Significant contingencies existed on the balance sheet date

Applicable Not Applicable

**(2). Explanation shall also be made if the Company has no significant contingencies to be disclosed:**Applicable Not Applicable**3. Others**Applicable Not Applicable**XVII. Events after the Balance Sheet Date****1. Significant non-adjusting events**Applicable Not Applicable**2. Profit distribution**Applicable Not Applicable

Unit: Yuan Currency: RMB

Profits or dividends to be distributed	628,986,174.75
Profits or dividends declared to be distributed after deliberation and approval	628,986,174.75

After being reviewed and approved at the 11th meeting of the 5th Board of Directors held on April 22, 2026, the profit distribution plan for the year 2025 of the Company is proposed to distribute a cash dividend of RMB 8.5 (including tax) for every 10 shares, based on the total share capital of the Company minus the number of shares in the special repurchase account. Based on the total share capital as of the disclosure date of this Report (743,207,949 shares) minus the number of shares in the special repurchase account (3,224,214 shares), the estimated amount of cash dividends (including tax) is RMB 628,986,174.75, accounting for 68.33% of the net profit attributable to shareholders of the parent company in 2025. The final total actual distribution amount shall be calculated based on the total number of shares entitled to the equity distribution at the registration date of the actual equity distribution, minus the number of shares in the special repurchase account. If there is a change in the total share capital and the number of shares in the special repurchase account before the equity registration date for equity distribution, the Company intends to maintain the same distribution amount per share and adjust the total distribution amount accordingly. In 2025, the Company proposed not to offer bonus shares to shareholders or to convert capital reserves into share capital.

Meanwhile, the Company's Board of Directors requests the General Meeting of Shareholders to authorize the Board of Directors to determine and implement the Company's 2026 interim profit distribution scheme, provided that the conditions for profit distribution are met. The aforementioned 2025 annual profit distribution scheme and the authorization for the 2026 interim profit distribution are still subject to submission to the Company's General Meeting of Shareholders for deliberation.

**3. Sales returns**Applicable Not Applicable**4. Explanations of other events after the balance sheet date**Applicable Not Applicable

**XVIII. Other Material Matters**

**1. Correction of accounting errors from the previous period**

Refer to Analysis and Explanation by the Company on the Reasons for and Impacts of Changes in Accounting Policies and Accounting Estimates, or Corrections of Material Accounting Errors under Material Matters

**2. Significant debt restructuring**

Applicable Not Applicable

**3. Asset replacement**

**(1). Non-monetary asset exchange**

Applicable Not Applicable

**(2). Other assets replacement**

Applicable Not Applicable

**4. Annuity scheme**

Applicable Not Applicable

**5. Discontinued operations**

Applicable Not Applicable

**6. Segment information**

**(1). Determination basis and accounting policy for reportable segments**

Applicable Not Applicable

**(2). Financial information of reportable segments**

Applicable Not Applicable

**(3). The Company shall explain the reason if there is no reportable segment, or it can not disclose the total assets and total liabilities in the reportable segments.**

Applicable Not Applicable

**(4). Other explanations**

Applicable Not Applicable

**7. Other significant transactions and matters affecting the investor's decision**

Applicable Not Applicable

1. Litigation Matter concerning Accounts Receivable against Hubei Wudang Taiji Lake Water Amusement Co., Ltd. under Hubei Wudang Taiji Investment Co., Ltd.

Hubei Wudang Taiji Lake Water Amusement Co., Ltd. under Hubei Wudang Taiji Investment Co., Ltd. (hereinafter referred to as “Taiji Lake Company”) is a customer of the Company. As of December 31, 2025, the Company’s accounts receivables balance due from Taiji Lake Company was RMB 10,672,237.58, with an aging of more than three years. After multiple failed collection attempts by the Company, on December 30, 2014, the Company filed a lawsuit with the Shiyang City Intermediate People’s Court in Hubei Province against Taiji Lake Company regarding the goods payment owed by it. On May 7, 2015, the Company filed an application for property preservation with the same court, and provided part of the buildings and land use rights of its subsidiary, OPPLE Electric, as security for such property preservation. On June 30, 2015, the Shiyang City Intermediate People’s Court in Hubei Province ruled in favor of the Company in the first-instance judgment. The case is currently under enforcement. As of the date of this Report, the Company has not yet received any payment. Therefore, based on the principle of prudence, the Company had previously made a full provision for impairment against this accounts receivable.

2. Litigation Matter concerning Accounts Receivables against GOME Appliance Co., Ltd.

GOME Appliance Co., Ltd. and its subsidiaries (hereinafter referred to as “Gome”) are customers of the Company. As of December 31, 2025, the Company’s accounts receivable balance due from Gome was RMB 13,449,405.02. In light of Gome’s current financial liquidity crisis and credit rating downgrade, and after unsuccessful collection efforts regarding the overdue payments, the Company filed a lawsuit with the people’s court on December 30, 2022 against Gome concerning the outstanding goods payment. On August 26, 2024, the Beijing Chaoyang District People’s Court ruled in favor of the Company in the first-instance judgment. The case is currently under enforcement. Based on the principle of prudence, the Company performed impairment testing on all accounts receivables due from GOME Appliance Co., Ltd. and its subsidiaries, and made a full provision for impairment.

## 8. Others

Applicable Not Applicable

## XIX. Notes to Major Items of the Parent Company's Financial Statement

### 1. Accounts Receivable

#### (1). Disclosure by Aging

Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Closing Book Balance	Opening Book Balance
Within 1 year (inclusive)	160,254,763.67	208,866,597.11
Within 1 year	160,254,763.67	208,866,597.11
1 to 2 years	4,461,810.11	2,166,466.10
2 to 3 years	1,566,842.29	317,021.47
More than 3 years	14,220,760.46	14,424,547.48
Total	180,504,176.53	225,774,632.16

**(2). Disclosure by Bad Debt Provision Method**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Category	Closing Balance					Opening Balance				
	Book Balance		Bad-debt Provision		Carrying Amount	Book Balance		Bad-debt Provision		Carrying Amount
	Amount	Proportion (%)	Amount	Provision Ratio (%)		Amount	Proportion (%)	Amount	Provision Ratio (%)	
Provision for bad debts on an individual basis:	15,503,461.24	8.59	14,314,894.38	92.33	1,188,566.86	15,922,620.64	7.06	14,324,117.09	89.96	1,598,503.55
Including:										
Accounts receivable with individually significant amount and a provision for bad debt on an individual basis	10,672,237.58	5.91	10,672,237.58	100.00	-	10,672,237.58	4.73	10,672,237.58	100.00	-

Accounts receivable with an insignificant single amount but a provision for bad debt on an individual basis	4,831,223.66	2.68	3,642,656.80	75.40	1,188,566.86	5,250,383.06	2.33	3,651,879.51	69.55	1,598,503.55
Provision for bad debts on a portfolio basis	165,000,715.29	91.41	2,706,005.08	1.64	162,294,710.21	209,852,011.52	92.94	1,483,074.49	0.71	208,368,937.03
Including:										
Related parties portfolio	115,292,425.22	63.87	-	-	115,292,425.22	171,967,120.95	76.16	-	-	171,967,120.95
Portfolio based on aging analysis	49,708,290.07	27.54	2,706,005.08	5.44	47,002,284.99	37,884,890.57	16.78	1,483,074.49	3.91	36,401,816.08
Total	180,504,176.53	100.00	17,020,899.46	9.43	163,483,277.07	225,774,632.16	100.00	15,807,191.58	7.00	209,967,440.58

Provision for bad debts on an individual basis:

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance			
	Book Balance	Bad-debt Provision	Provision Rate (%)	Reason for Provision
Taiji Lake Group Hubei Wudang Taiji Lake Water Recreation Co., Ltd.	10,672,237.58	10,672,237.58	100.00	See Note XVIII, 7 for details.
Others	4,831,223.66	3,642,656.80	75.40	
Total	15,503,461.24	14,314,894.38	92.33	/

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

Portfolio provision items: Portfolio based on aging analysis

Unit: Yuan Currency: RMB

Name	Closing Balance		
	Book Balance	Bad-debt Provision	Provision Rate (%)
Within 1 year	43,772,798.98	947,725.51	2.17
1 to 2 years	4,279,486.82	855,897.37	20.00
2 to 3 years	1,507,244.18	753,622.11	50.00
More than 3 years	148,760.09	148,760.09	100.00
Total	49,708,290.07	2,706,005.08	5.44

Explanation of provision for bad debts on a portfolio basis:

Applicable Not Applicable

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

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of accounts receivable that experienced a change in

loss provision during this period:

Applicable Not Applicable

**(3). Bad Debt Provisions**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Category	Opening Balance	Changes in Current Period				Closing Balance
		Provision	Recovery or Reversal	Charge-off or Write-off	Other Changes	
Accounts Receivable	15,807,191.58	1,213,707.88	-	-	-	17,020,899.46
Total	15,807,191.58	1,213,707.88	-	-	-	17,020,899.46

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(4). Receivables written off in current period**

Applicable Not Applicable

Significant write-off of accounts receivable

Applicable Not Applicable

Description of write-off of accounts receivable:

Applicable Not Applicable

**(5). Accounts receivable and contract assets from the top five debtors based on the closing balance**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance of Accounts Receivable	Closing Balance of Contract Assets	Closing Balance of Accounts Receivable and Contract Assets	Percentage to Total Closing Balance of Accounts Receivable and Contract Assets (%)	Closing Balance of Bad Debt Provision
No. 1	42,701,844.45	-	42,701,844.45	23.20	-
No. 2	34,860,989.09	-	34,860,989.09	18.94	-

No. 3	18,368,095.00	-	18,368,095.00	9.98	-
No. 4	13,421,520.42	-	13,421,520.42	7.29	-
No. 5	5,556,809.99	257,994.00	5,814,803.99	3.16	165,532.10
Total	114,909,258.95	257,994.00	115,167,252.95	62.57	165,532.10

Other explanations: None

Other explanations:

Applicable Not Applicable

## 2. Other receivables

### Item presentation

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Interest receivable	17,944.31	-
Dividends receivable	276,557,680.67	276,557,680.67
Other receivables	304,223,920.36	346,482,337.60
Total	580,799,545.34	623,040,018.27

Other explanations:

Applicable Not Applicable

### Interest receivable

#### (1) Classification of interest receivable

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening Balance
Interest receivable	17,944.31	-
Total	17,944.31	-

#### (2) Significant overdue interest

Applicable Not Applicable

**(3). Classification and disclosure by bad debt provision**

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

**(4). Provision for bad debts based on the general model of expected credit losses**

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of interest receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for bad debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(6). Accounts receivable actually written off during the current period**

Applicable Not Applicable

Significant write-off of interest receivable

Applicable Not Applicable

Write-off explanation:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

### Dividends receivable

#### (1) Dividends receivable

Applicable Not Applicable

Unit: Yuan Currency: RMB

Project (or Investee)	Closing Balance	Opening Balance
Suzhou OPPL Lighting Co., Ltd.	276,557,680.67	276,557,680.67
Subtotal	276,557,680.67	276,557,680.67
Less: bad debt provision	-	-
Total	276,557,680.67	276,557,680.67

#### (2) Significant dividends receivable with aging over one year

Applicable Not Applicable

#### (3). Classification and disclosure by bad debt provision

Applicable Not Applicable

Provision for bad debts on an individual basis:

Applicable Not Applicable

Explanation of provision for bad debts on an individual basis:

Applicable Not Applicable

Provision for bad debts on a portfolio basis:

Applicable Not Applicable

#### (4). Provision for bad debts based on the general model of expected credit losses

Applicable Not Applicable

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of dividends receivable that experienced a change in loss provision during this period:

Applicable Not Applicable

**(5). Provision for bad debts**

Applicable Not Applicable

Including: recoveries and reversals of bad debt provisions of material amounts

Applicable Not Applicable

Other explanations: None

**(6). Dividends receivable actually written off during the current period**

Applicable Not Applicable

Significant write-off of dividends receivable

Applicable Not Applicable

Write-off explanation:

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

**Other receivables****(1) Disclosure by aging**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Aging	Closing Book Balance	Opening Book Balance
Within 1 year (inclusive)	297,987,292.28	341,223,298.42
Within 1 year	297,987,292.28	341,223,298.42
1 to 2 years	1,443,619.86	3,289,126.31
2 to 3 years	2,729,163.15	1,240,665.80
More than 3 years	6,450,886.83	5,219,885.91
Total	308,610,962.12	350,972,976.44

**(2). Classification by nature of payment**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Nature of payment	Closing Book Balance	Opening Book Balance
Accounts receivable from entities within the scope of consolidation	291,267,753.68	333,418,506.79
Deposit and security	11,134,986.09	7,768,711.77
Employee reserve fund	277,478.64	3,699,730.73
Advanced five social insurance and one housing fund	2,045,335.52	2,197,620.16
Accounts receivable from other entities	3,885,408.19	3,888,406.99
Total	308,610,962.12	350,972,976.44

**(3). Provision for bad debts**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Bad-debt Provision	Stage 1	Stage 2	Stage 3	Total
	Expected Credit Loss over the Next 12 Months	Expected Credit Loss Within the Entire Duration (Without Credit Impairment)	Expected Credit Loss Within the Entire Duration (with Credit Impairment)	
Balance as of January 1, 2025	40,076.84	-	4,450,562.00	4,490,638.84
Changes in the balance as of January 1, 2025, in current period				
--Transferred to Stage 2	-	-	-	-
--Transferred to Stage 3	-	-	-	-
--Transferred back to Stage 2	-	-	-	-
--Transferred back to Stage 1	-	-	-	-
Provision in current period	-	-	285,476.57	285,476.57
Current reversal	3,035.08	-	-	3,035.08
Current charge-off	-	-	-	-
Current write-off	-	-	386,038.57	386,038.57
Other changes	-	-	-	-
Balance as of December 31, 2025	37,041.76	-	4,350,000.00	4,387,041.76

Basis for classification into stages and provision rate for bad debts: None

Explanation of significant changes in the book balance of other receivables that experienced a change in loss provision during this period:

Applicable Not Applicable

Basis for provision for bad debt and assessment of a significant increase in credit risk of financial instruments during the current period:

Applicable Not Applicable

**(4). Provision for bad debts**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Category	Opening Balance	Changes in Current Period				Closing Balance
		Provision	Recovery or Reversal	Charge-off or Write-off	Other Changes	
Other receivables	4,490,638.84	285,476.57	3,035.08	386,038.57	-	4,387,041.76
Total	4,490,638.84	285,476.57	3,035.08	386,038.57	-	4,387,041.76

Significant reversal or recovery of bad debt provision in current period:

Applicable Not Applicable

Other explanations: None

**(5). Other receivables actually written off during the current period**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Write-off Amount
Other receivables actually written off	386,038.57

Significant write-off of other receivables:

Applicable Not Applicable

Description of write-off of other receivables:

Applicable Not Applicable

**(6) Other receivables from the top five debtors based on the closing balance**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Name	Closing Balance	Percentage of Total Closing Balance of Other Receivables (%)	Nature	Aging	Bad-debt Provision Closing Balance
OPPLE (Zhongshan) Intelligent Technology Co., Ltd.	260,000,000.00	84.25	Accounts receivable from entities within the scope of consolidation	Within 1 year	-
Huazhu Hotel Management Co., Ltd.	1,300,000.00	0.42	Deposit and security	Within 1 year	-
Shenzhen Bokala Home Technology Co., Ltd.	1,200,000.00	0.39	Deposit and security	2-3 years	-
OPPLE Zhihui (Shenzhen) Technology Co., Ltd.	989,893.00	0.32	Accounts receivable from entities within the scope of consolidation	Within 1 year	-
Sany Automobile Manufacturing Co., Ltd.	500,000.00	0.16	Deposit and security	More than 3 years	-
Total	263,989,893.00	85.54	/	/	-

**(7) Presented as other receivables due to centralized fund management**

□ Applicable √ Not Applicable

Other explanations:

□ Applicable √ Not Applicable

**3. Long-term equity investments**√ Applicable  Not Applicable

Unit: Yuan Currency: RMB

Item	Closing Balance			Opening Balance		
	Book Balance	Provision for Impairment	Carrying Amount	Book Balance	Provision for Impairment	Carrying Amount
Investment in subsidiaries	1,122,571,911.84	-	1,122,571,911.84	1,091,463,511.84	-	1,091,463,511.84
Investment in associates and joint ventures	6,081,672.76	-	6,081,672.76	7,312,941.11	-	7,312,941.11
Total	1,128,653,584.60	-	1,128,653,584.60	1,098,776,452.95	-	1,098,776,452.95

**(1) Investment in subsidiaries**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Investee	Opening Balance (Carrying Amount)	Opening Balance of Provision for Impairment	Increase/Decrease in Current Period				Closing Balance (Carrying Amount)	Closing Balance of Impairment Reserve
			Additional Investment	Reduction in Investment	Provision for Impairment	Others		
Suzhou OPPLE Lighting Co., Ltd.	280,000,000.00	-	-	-	-	-	280,000,000.00	-
Shanghai Shanglong Lighting Co., Ltd.	26,010,696.65	-	-	-	-	-	26,010,696.65	-
Shanghai Qianlong Energy Conservation Technology Co., Ltd.	15,163,479.60	-	-	-	-	-	15,163,479.60	-
Shanghai Kupu Lighting Co., Ltd.	22,091,537.29	-	-	5,000,000.00	-	-	17,091,537.29	-
OPPLE Lighting Appliances (Zhongshan) Co., Ltd.	50,000,000.00	-	-	-	-	-	50,000,000.00	-
OPPLE Lighting International Holding Limited	154,822,775.00	-	43,208,400.00	-	-	-	198,031,175.00	-
Shanghai Pushi Lighting Co., Ltd.	550,000.00	-	-	-	-	-	550,000.00	-
Shanghai Haoshi Lighting Co., Ltd.	5,000,000.00	-	-	-	-	-	5,000,000.00	-
Shanghai OPPLE Jiedeng Lighting Co., Ltd.	8,411,840.30	-	-	-	-	-	8,411,840.30	-
Shanghai OPPLE Weishang Building	1,000,000.00	-	-	-	-	-	1,000,000.00	-

Materials Co., Ltd.								
OPPLE Intelligent Lighting Technology Co., Ltd.	100,000,000.00	-	-	-	-	-	100,000,000.00	-
OPPLE (Zhongshan) Intelligent Technology Co., Ltd.	300,000,000.00	-	-	-	-	-	300,000,000.00	-
Suzhou OPPLE Intelligent Lighting Co., Ltd.	35,350,000.00	-	-	-	-	-	35,350,000.00	-
Guangxi Ouheng Intelligent Technology Co., Ltd.	500,000.00	-	-	500,000.00	-	-	-	-
OPPLE Zhihui (Shenzhen) Technology Co., Ltd.	7,000,000.00	-	-	-	-	-	7,000,000.00	-
OPPLE Intelligent (Hangzhou) Technology Co., Ltd.	6,600,000.00	-	-	6,600,000.00	-	-	-	-
OPPLE Zhicheng Technology (Shenzhen) Co., Ltd.	40,000,000.00	-	-	-	-	-	40,000,000.00	-
OPPLE Zhicheng Technology (Henan) Co., Ltd.	2,000,000.00	-	-	-	-	-	2,000,000.00	-
Kaiyun (Shanghai) Enterprise Management Partnership (Limited Partnership)	36,963,183.00	-	-	-	-	-	36,963,183.00	-
Total	1,091,463,511.84	-	43,208,400.00	12,100,000.00	-	-	1,122,571,911.84	-

**(2) Investment in joint ventures and associates**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Investor	Opening Balance (Carrying Amount)	Increase/Decrease in Current Period								Closing Balance (Carrying Amount)	Closing Balance of Impairment Reserve
		Additional Investment	Reduction in Investment	Investment Gains and Losses Recognized under the Equity Method	Adjustments to Other Comprehensive Income	Changes in Other Equities	Cash Dividends or Profits Declared and Distributed	Provision for Impairment	Others		
I. Joint venture											
II. Associates											
Zhuhai Ximo Electric Inc.	7,312,941.11	-	-	-	-1,231,268.35	-	-	-	-	6,081,672.76	-
Suzhou Pupo Enterprise Management Partnership Enterprise (Limited Partnership)	-	-	-	-	-	-	-	-	-	-	-
Total	7,312,941.11	-	-	-	-1,231,268.35	-	-	-	-	6,081,672.76	-

Due to sustained losses of Suzhou Pupo Enterprise Management Partnership (Limited Partnership), as of December 31, 2025, the Company's long-term equity investment in Suzhou Pupo Enterprise Management Partnership (Limited Partnership), accounted for using the equity method, has been written down to zero.

**(3). Impairment testing of long-term equity investments**

Applicable Not Applicable

Other explanations: None

**4. Operating revenues and operating costs****(1) Operating revenue and operating costs**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period		Amount Incurred in Previous Period	
	Revenue	Cost	Revenue	Cost
Main businesses	4,184,813,252.58	3,056,729,374.72	4,463,008,955.02	3,272,532,979.36
Other businesses	6,491,163.44	2,589,508.09	8,013,802.35	2,057,591.79
Total	4,191,304,416.02	3,059,318,882.81	4,471,022,757.37	3,274,590,571.15

**(2). Breakdown of operating revenue and operating costs**

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the Current Period		Amount for the Previous Period	
	Operating revenue	Operating costs	Operating revenue	Operating costs
Product type				
Lighting industry	4,184,813,252.58	3,056,729,374.72	4,463,008,955.02	3,272,532,979.36
Total	4,184,813,252.58	3,056,729,374.72	4,463,008,955.02	3,272,532,979.36
By region				
Domestic sales	4,184,813,252.58	3,056,729,374.72	4,463,008,955.02	3,272,532,979.36
Total	4,184,813,252.58	3,056,729,374.72	4,463,008,955.02	3,272,532,979.36

Other explanations:

Applicable Not Applicable

**(3) Explanation of performance obligations**

Applicable Not Applicable

**(4) Explanation of allocation to remaining performance obligations**

Applicable Not Applicable

**(5) Major contract changes or significant adjustments to transaction prices**

□Applicable √Not Applicable

Other explanations: None

**5. Investment income**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Amount Incurred in Current Period	Amount Incurred in Previous Period
Long-term equity investment income measured with the cost method	173,540,761.12	346,335,914.50
Income from long-term equity investments accounted for using the equity method	-1,231,268.35	-96,887.70
Investment income from disposing of held-for-trading financial assets	-	-
Investment income from disposal of financial assets measured at fair value through profit or loss	71,647,732.49	58,547,403.02
Investment income from disposing of long-term equity investment	-	915,735.63
Total	243,957,225.26	405,702,165.45

Other explanations: None

**6. Others**

□Applicable √Not Applicable

**XX. Supplementary Information****1. Detailed statement of current non-recurring gains and losses**

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Item	Amount	Remarks
Gains and losses from the disposal of non-current assets, including the reversal of recognized impairment provisions for assets	-654,007.78	
Governmental subsidies recognized in the current profit or loss, except those that are closely related to the Company's normal operations, comply with national policies, are entitled under established criteria, and have a continuous impact on the Company's profit or loss	85,689,815.52	
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains	81,916,662.59	

and losses from the disposal of financial assets and financial liabilities, except for effective hedging transactions related to the Company's normal operations		
Gains and losses from entrusted investment or management of assets	-878,741.62	
Reversal of impairment provision for receivables subject to separate impairment tests	3,890,475.66	
Gains and losses from debt restructuring	-	
Other non-operating revenue and expenses, excluding the above items	1,244,200.77	
Other profit and loss items that meet the definition of non-recurring gains and losses	1,111,938.83	
Subtotal	172,320,343.97	
Less: Impact of income tax	-31,170,348.06	
Impact of minority equity (after-tax)	1,770.39	
Total	141,151,766.30	

Explanations shall be made for the Company's recognition of items not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities – Non-recurring gains and losses as items of non-recurring gains and losses with significant amounts, as well as the classification of items of non-recurring gains and losses listed in the Announcement as items of recurring gains and losses.

Applicable Not Applicable

Other explanations:

Applicable Not Applicable

## 2. Returns on equity and earnings per share

Applicable Not Applicable

Profits during the Reporting Period	Weighted Average Return on Equity (%)	Earnings per Share	
		Basic Earnings per Share	Diluted Earnings per Share
Net profit attributable to the Company's ordinary shareholders	13.62	1.26	1.26
Net profit attributable to the Company's ordinary shareholders after the deduction of the non-recurring gains and losses	11.53	1.06	1.06

**3. Differences in accounting data under domestic and foreign accounting standards**

Applicable Not Applicable

**4. Other**

Applicable Not Applicable

Chairman: Wang Yaohai

Date of submission approved by the Board of Directors: April 22, 2026

**Revision**

Applicable Not Applicable