Avary Holding (Shenzhen) Co., Limited

2025 Annual Report

Chairman of the Board：Charles Shen

2026.03

2025 Annual Report

Section I Important Notice, Table of Contents and Definitions

The Board of Directors, directors and senior management of the Company hereby warrant that the contents of this Annual Report are true, accurate and complete, without any false records, misleading statements or material omissions, and assume individual and joint and several legal liability therefor.

Charles Shen, the person in charge of the Company, Xiao Dewang, the person in charge of accounting work, and Xiao Dewang, the head of the accounting department (accounting supervisor), hereby declare that they guarantee the truthfulness, accuracy and completeness of the financial report contained in this Annual Report. All directors attended the Board of Directors meeting at which this Report was reviewed.

Forward-looking statements in this Report regarding future plans and other matters do not constitute substantive commitments by the Company to investors. Investors and relevant parties should maintain an adequate awareness of risks and understand the difference between plans, forecasts and commitments.

There are no material risk factors affecting the Company's production, operations, financial condition or sustained profitability. The Company has specifically described the risk factors it may face and corresponding countermeasures in this Annual Report. Investors are advised to refer to "Section III Management Discussion and Analysis—XI. Outlook for the Company's Future Development—(III) Risks and Countermeasures".

The profit distribution proposal reviewed and approved by the Board is: based on 2,317,536,658 shares, a cash dividend of RMB 10 (inclusive of tax) per 10 shares will be distributed to all shareholders, with no bonus shares (inclusive of tax) and no capitalization of capital reserves into share capital.

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Documents Available for Inspection

I. Financial statements bearing the signatures and seals of the legal representative, the person in charge of accounting work (Chief Financial Officer), and the head of the accounting department of the Company.

II. Original audit report bearing the seal of the accounting firm and the signatures and seals of the certified public accountants.

III. Originals of all company documents and announcements publicly disclosed on the website designated by the China Securities Regulatory Commission during the reporting period.

Definitions

Definition Term	Refers to	Definition
Avary Holding, the Company, this Company	refers to	Avary Holding (Shenzhen) Co., Limited
Mayco/Controlling Shareholder	refers to	Mayco Industrial Limited
Pacific Fair International	refers to	Pacific Fair International Limited
Zhen Ding/Indirect Controlling Shareholder	refers to	Zhen Ding Technology Holding Limited (4958.TW)
Hon Hai Group	refers to	Hon Hai Precision Industry Co., Ltd.
Qingding Precision	refers to	Qingding Precision Electronics (Huaian) Co., Ltd., a wholly-owned domestic subsidiary of the Company
Hongqisheng	refers to	Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd., a wholly-owned domestic subsidiary of the Company
Avary Hong Kong	refers to	Avary International Limited, a wholly-owned subsidiary of the Company in Hong Kong, China
Avary Taiwan	refers to	Avary Technology Inc., a wholly-owned subsidiary of the Company in Taiwan, China
Avary Singapore	refers to	Avary Singapore Private Limited, a wholly-owned subsidiary of the Company in Singapore
Avary India	refers to	Avary Technology (India) Private Limited, a wholly-owned subsidiary of the Company in India
Peng Shen	refers to	Peng Shen Technology (Thailand) Co., Ltd., a subsidiary of the Company in Thailand
Avary Investment	refers to	Avary Holding Investment (Shenzhen) Co., Ltd., a wholly-owned domestic subsidiary of the Company
Chengxin	refers to	Huaian Chengxin Park Management Co., Ltd., a wholly-owned domestic subsidiary of the Company
Hong Heng Sheng	refers to	Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd., a wholly-owned domestic subsidiary of the Company
Guangdong Zhanyang	refers to	Guangdong Zhanyang Intelligent Equipment Co., Ltd., a domestic associate of the Company
Yaoding Shenzhen	refers to	Yaoding Environmental Energy Technology (Shenzhen) Limited, formerly a wholly-owned domestic subsidiary of the Company
Yaoding Huaian	refers to	Yaoding Environmental Energy Technology (Huaian) Limited, a wholly-owned subsidiary of Yaoding Shenzhen
Yaoding Qinhuangdao	refers to	Yaoding Environmental Energy Technology (Qinhuangdao) Limited, a wholly-owned subsidiary of Yaoding Shenzhen
Wuxi Huayang	refers to	Wuxi Huayang Science and Technology Co., Ltd., a controlling subsidiary acquired by the Company
Jiangsu Turnsor	refers	Jiangsu Turnsor Technology Co., Ltd., a controlling subsidiary of Wuxi Huayang

	to	
Wuxi Yongyang	refers to	Wuxi Yongyang Electronic Technology Co., Ltd., an associate of Wuxi Huayang
Printed Circuit Board / PCB	refers to	Printed Circuit Board, a board formed on an insulating substrate according to a predetermined design, providing point-to-point connections and printed components
Prismark	refers to	Prismark Partners LLC, a U.S.-based authoritative consulting firm in the PCB industry
IDC	refers to	International Data Corporation, a globally renowned professional provider of advisory, consulting and event services for the information technology, telecommunications and consumer technology industries
FPC	refers to	Flexible Printed Circuit
SMA	refers to	Surface Mount Assembly or Surface Mount Technology
SLP	refers to	Substrate-Like PCB, a printed circuit board manufactured using the semi-additive process
HDI	refers to	High Density Interconnect board
RPCB	refers to	Rigid Printed Circuit Board
RigidFlex	refers to	Rigid-Flex PCB, a type of printed circuit board that combines the durability of rigid PCBs with the flexibility of flexible PCBs
IHDI	refers to	Intelligent High Density Interconnect, an evolution of PCB technology specifically designed to meet the high computing power demands of the AI era
HLC	refers to	High Layer Count PCB, a high-density, high-complexity circuit board typically with more than 10 layers, is widely used in AI servers, data centers and high-end communications equipment

Section II Company Profile and Key Financial Indicators

I. Company Information

Stock Abbreviation	Avary Holding	Stock Code	002938
Previous Stock Abbreviation (if any)	N/A		
Stock Exchange	Shenzhen Stock Exchange		
Chinese Name of the Company	鹏鼎控股（深圳）股份有限公司		
Chinese Short Name	鹏鼎控股		
Foreign Language Name (if any)	Avary Holding(Shenzhen)Co.,Limited		
Foreign Language Abbreviation (if any)	Avary Holding		
Legal Representative	Charles Shen		
Registered Address	27/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin’an Sub-district, Bao’an District, Shenzhen		
Postal Code of Registered Address	518101		
History of changes to the company’s registered address	In June 2022, the company’s registered address was changed from “Buildings A1 to A3, Avary Industrial Park, Songluo Road, Yanchuan Community, Yanluo Subdistrict, Bao’ an District, Shenzhen (with business premises located in Buildings 1 to 3, No.1 Yanshan Avenue, Yanchuan Community)” to “27/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin’an Sub-district, Bao’an District, Shenzhen.”		
Office Address	27/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin’an Sub-district, Bao’an District, Shenzhen		
Postal Code of Office Address	518101		
Company Website	http://www.avaryholding.com/		
Email	a-h-m@avaryholding.com		

II. Contact Persons and Contact Information

	Secretary of the Board	Securities Affairs Representative
Name	Zhou Hong	Ma Limei
Contact Address	30/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin’an Sub-district, Bao’an District, Shenzhen	30/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin’an Sub-district, Bao’an District, Shenzhen
Telephone	0755-29081675	0755-29081675
Fax	0755-33818102	0755-33818102
Email	a-h-m@avaryholding.com	a-h-m@avaryholding.com

III. Information Disclosure and Location of Documents

Website of the stock exchange where the Company discloses its Annual Report	CNINFO (http://www.cninfo.com.cn/)
Media names and websites where the	Shanghai Securities News, Securities Times

Company discloses its Annual Report	
Location where the Company's Annual Report is available for inspection	30/F, Tower A, Avary Times Building, No. 2038 Haixiu Road, Haibin Community, Xin'an Sub-district, Bao'an District, Shenzhen

IV. Changes in Registration

Unified Social Credit Code	Unified Social Credit Code: 9144030070855050X9
Changes in principal business since listing (if any)	No change
Historical changes in controlling shareholders (if any)	No change

V. Other Relevant Information

Accounting firm engaged by the Company

Name of accounting firm	PricewaterhouseCoopers Zhong Tian LLP
Office address of accounting firm	42/F, Qiantan Centre, No. 588 Dongyu Road, Pudong New Area, Shanghai
Names of signing certified public accountants	Guan Kun, Hu Yihan

Sponsor engaged by the Company to perform continuous supervision obligations during the reporting period

□ Applicable ☑ Not Applicable

Financial adviser engaged by the Company to perform continuous supervision obligations during the reporting period

□ Applicable ☑ Not Applicable

VI. Key Accounting Data and Financial Indicators

Whether the Company needs to make retroactive adjustments or restatements to prior-year accounting data

□ Yes ☑ No

	2025	2024	YoY Change	2023
Revenue (RMB)	39,147,009,392.27	35,140,384,498.03	11.40%	32,066,047,781.90
Net profit attributable to shareholders of the listed company (RMB)	3,737,843,458.40	3,620,351,391.33	3.25%	3,286,953,204.23
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss (RMB)	3,534,359,318.87	3,531,375,434.56	0.08%	3,170,101,901.38
Net cash flows from operating activities (RMB)	7,285,787,285.05	7,082,423,666.52	2.87%	7,968,561,814.22
Basic earnings per share (RMB/share)	1.61	1.56	3.21%	1.42
Diluted earnings per share (RMB/share)	1.61	1.56	3.21%	1.42
Weighted average return on net assets	11.42%	11.73%	-0.31%	11.38%
	End of 2025	**End of 2024**	**YoY Change**	**End of 2023**
Total assets (RMB)	48,849,582,772.20	44,542,561,839.93	9.67%	42,278,162,758.58

Net assets attributable to shareholders of the listed company (RMB)	34,136,963,183.17	32,109,843,557.76	6.31%	29,650,687,131.66

Whether the lower of the net profits before and after deducting non-recurring gains and losses was negative for each of the most recent three fiscal years, and whether the audit report for the latest fiscal year indicated that material uncertainty exists regarding the Company's ability to continue as a going concern

□ Yes ☑ No

Whether the lowest of the audited total profit, net profit and net profit after deducting non-recurring gains and losses for the Reporting Period was negative.

□ Yes ☑ No

VII. Differences in Accounting Data under Domestic and Foreign Accounting Standards

1. Differences in net profit and net assets between financial reports disclosed under International Financial Reporting Standards and Chinese Accounting Standards

□ Applicable ☑ Not Applicable

During the reporting period, there were no differences in net profit and net assets between financial reports disclosed under International Financial Reporting Standards and Chinese Accounting Standards.

2. Differences in net profit and net assets between financial reports disclosed under overseas accounting standards and Chinese Accounting Standards

□ Applicable ☑ Not Applicable

During the reporting period, there were no differences in net profit and net assets between financial reports disclosed under overseas accounting standards and Chinese Accounting Standards.

VIII. Key Financial Indicators by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Revenue	8,086,837,206.27	8,288,454,418.38	10,480,141,560.64	12,291,576,206.98
Net profit attributable to shareholders of the listed company	488,156,707.96	744,867,178.00	1,174,536,884.52	1,330,282,687.92
Net profit attributable to shareholders after deducting non-recurring profit or loss	477,912,388.81	670,596,275.06	1,096,212,880.48	1,289,637,774.52
Net cash flows from operating activities	2,504,703,146.61	1,772,230,360.23	-18,379,282.26	3,027,233,060.47

Whether the above financial indicators or their aggregate differ materially from the relevant financial indicators in the quarterly reports and semi-annual report previously disclosed by the Company

□ Yes ☑ No

IX. Non-recurring Profit or Loss Items and Amounts

☑ Applicable ☐ Not Applicable

Unit: RMB

Item	2025 Amount	2024 Amount	2023 Amount	Note
Gains/losses on disposal of non-current assets (including reversal of impairment provision)	14,348,695.97	6,504,015.86	11,971,819.01	
Government subsidies recognized in current profit or loss (excluding those closely related to the Company's normal business operations, in compliance with national policies, received on a fixed standard basis, and having a sustained impact on the Company's profit or loss)	149,696,650.09	136,043,573.52	109,251,461.76	
Fair value changes and disposal gains/losses on financial assets and liabilities held by non-financial enterprises, excluding effective hedges related to normal business operations	85,242,886.90	-39,277,221.73	11,781,496.00	
Gains/losses from entrusted investment or asset management	130,613.55			
Other non-operating income and expenses not listed above	-8,195,986.75	1,146,672.71	5,929,474.64	
Other profit or loss items meeting the definition of non-recurring profit or loss	913,191.57			
Less: Income tax effect	37,608,106.68	16,354,275.16	22,213,562.11	
Total	203,484,139.53	88,975,956.77	116,851,302.85	--

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

□ Applicable ☑ Not Applicable

The Company has no other profit or loss items meeting the definition of non-recurring profit or loss.

Explanation of classifying non-recurring profit or loss items listed in *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public—Non-recurring Profit or Loss* as recurring profit or loss

□ Applicable ☑ Not Applicable

The Company has no items classified as recurring profit or loss that are listed as non-recurring profit or loss items in *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public—Non-recurring Profit or Loss*.

Section III Management Discussion and Analysis

I. Principal Business during the Reporting Period

(I) Introduction to the Core Business, Products and Applications

The Company is a large integrated manufacturer covering R&D, design, fabrication, sales and services of various PCBs. The Company provides full-range PCB products and end-to-end customized solutions across the whole industrial chain to premium customers in line with bespoke specifications of downstream end products. By downstream application fields, the Company's PCB products are categorized into communication PCBs, consumer electronics & computer PCBs, automotive, server and other PCBs. These products are widely adopted in smartphones, network equipment, tablet computers, wearable devices, laptops, servers, storage devices, automotive electronics and other terminal sectors.

Communication PCBs refer to various printed circuit boards used in communication devices such as mobile phones, routers and switches. The Company's communication PCBs are extensively deployed across a wide range of communication electronic terminals, with smartphones as the primary application scenario, meeting the sustained industry demands for high transmission speed, high reliability and low latency amid advances in mobile communication technologies. Communication PCBs produced by the Company cover flexible printed circuits, rigid printed circuits, high-density interconnect boards, substrate-like PCBs (SLP) and other product types, and the Company's clients include leading domestic and overseas electronic brands.

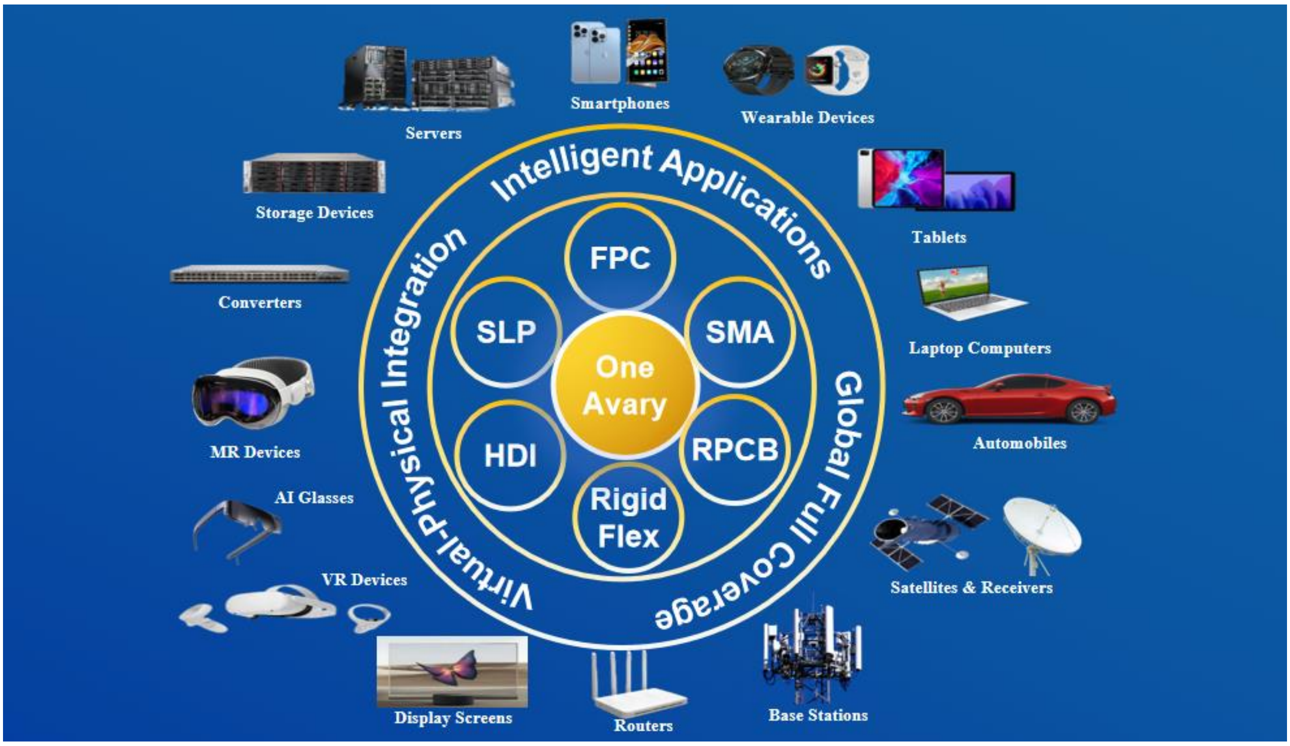
Consumer electronics & computer PCBs are applied to consumer and computing devices closely linked to people's daily life and entertainment, including tablets, laptops, wearables, game consoles and smart home appliances.

Automotive, server and other PCBs are designed for traditional & new energy vehicles, servers, optical modules and related sectors. In recent years, the Company has accelerated its market expansion in automotive electronics, AI servers and optical modules for AI data centers, with relevant products having obtained or pending certifications from domestic and overseas clients.

No material changes occurred to the Company's core business and product lineup during the reporting period.

(II) Market Position and Competitive Advantages of the Company's Products

The Company is one of the few large-scale professional manufacturers worldwide that can conduct R&D, design, production, sales and service of all types of PCBs simultaneously. The Company owns a high-quality and diversified PCB product line covering FPC, SMA, SLP, HDI, RPCB, Rigid Flex and other product categories. The Company's products are widely applied to communication electronic products, consumer electronics and computer products, as well as automotive electronics, AI servers, optical modules, high-speed computers and other products. The Company possesses strong capabilities to supply comprehensive PCB electronic interconnection products and services for various customers, and has built an all-round one-stop service platform for PCB products.



The Company boasts solid technical R&D strength, timely order response capacity and comprehensive quality assurance capacity to provide customers with high-quality and cutting-edge products and services that fully meet customer demands. Supported by the Company's diversified product portfolio strategy, outstanding rapid response capacity and mass delivery capacity, leading domestic and overseas downstream brand customers maintain long-term business cooperation with the Company.

According to the China Printed Circuit Association (CPCA) China PCB Industry Ranking, the Company has ranked first in China for consecutive years. Meanwhile, based on Prismark's global ranking of PCB enterprises by revenue from 2018 to 2026, the Company has been the world's largest PCB manufacturer for nine consecutive years from 2017 to 2025.

(III) Performance Drivers

1. Give full play to profound advantages accumulated by the Company in the consumer electronics sector and seize the development boom of edge AI

Fluctuations in key components including global memory chips have brought certain pressure on smartphone sales in 2026. However, downstream brand owners are increasing investment in high-end models equipped with AI applications and foldable designs, and high-end smartphones are expected to become the growth segment within the smartphone market. As a key supplier of high-end smartphones worldwide, the Company will rely on the Company's technical strengths and market insight to follow industrial development trends, deepen partnerships with downstream customers, and consolidate and expand the leading position of the Company in the high-end smartphone market.

AI wearable products represented by smart glasses and headsets are expected to become major carriers for AI applications. According to IDC forecasts, global shipments of AI glasses exceeded 9.5 million units in 2025, up 255.5% from 2024. In the future, continuous innovation in product forms and expansion of application scenarios will make smart glasses the next-generation human-machine interaction gateway and bring new growth momentum to the consumer electronics market. IDC predicts that global shipments of smart glasses will surpass 27 million units by 2030, with a five-year compound annual growth rate of 23.33% from 2025 to 2030, ranking first worldwide in growth rate. The Company has become an important global supplier of AI glasses and established stable cooperative ties with many world-famous brand manufacturers. The Company will continue to benefit from the development trend of edge AI products and create stable growth drivers for the performance growth of the Company.

2. Accelerate market development of server and optical module products to realize coordinated growth of cloud and edge markets

In recent years, AI technologies have fueled explosive growth in the server and optical module markets. According to research reports from IDC, global shipments of AI servers are expected to reach 2.15 million units in 2025, representing a 25% year-on-year increase against 2024, and shipments of AI servers are projected to hit 2.67 million units in 2026. The rapid expansion of AI servers has unlocked massive growth potential for the PCB industry, especially the HDI and HLC segments. Meanwhile, major AI server manufacturers are speeding up innovation and R&D of new technologies to meet surging computing power demands, which further drives continuous upgrades of PCB materials and specifications. Against such backdrop, leading PCB enterprises with robust technological innovation and industrialization capabilities will secure more favorable market positions and stronger competitive advantages. Drawing on extensive experience accumulated by the Company in HDI for consumer electronics, the Company has acquired mass production capacity for HDI products with six or more layers, and holds leading technological strengths and mass production capabilities particularly in high-end HDI and SLP products. Faced with market opportunities brought by PCB upgrading for AI servers, the Company further accelerated market expansion and customer certification procedures for AI server-related products in 2025. At present, high-end HDI products of the Company have successfully entered this sector and will achieve mass production in phases. Meanwhile, the Company is actively addressing insufficient production capacity for HLC products and continuously upgrading technical standards of relevant products. HLC products of the Company have obtained certifications from major well-known cloud service providers or are undergoing accelerated certification procedures, comprehensively lifting the overall competitiveness of the Company in the AI server market.

As an indispensable core component for interconnection of computing clusters, optical modules are growing increasingly important. Especially as internet cloud vendors push forward large-scale data center construction and expand AI computing clusters at a faster pace, market demand for 800G / 1.6T optical modules has witnessed explosive growth, and the rhythm of technological iteration across the whole industry keeps accelerating. In view of this, SLP products of the Company have successfully penetrated the high-growth 800G / 1.6T optical module segment starting from 2024. In 2025, supported by the booming 800G / 1.6T optical module market, relevant businesses of the Company achieved rapid growth. At present, the Company is actively planning for long-term development, and 3.2T products have entered the R&D and design stage. In the future, as the market scale of 1.6T optical modules keeps expanding, relevant businesses of the Company will maintain sound momentum of rapid growth.

3. Accelerate Capacity Layout to Lay a Solid Production Foundation for Future Business Expansion

As a leading enterprise in the global PCB industry, the Company has always adhered to the philosophy of sound operation. The Company attaches great importance to financial stability and strives to maintain sound capital liquidity. As of December 31, 2025, monetary funds held by the Company stood at RMB 12.032 billion, with an asset-liability ratio of 28.86%. Such abundant capital strength delivers strong support for the Company amid the new round of technological innovation cycle.

Faced with the industrial development boom driven by AI, the Company intensified strategic planning and implementation of capacity layout in 2025. In terms of capacity expansion, the Company plans to invest a total of RMB 8 billion from the second half of 2025 to 2028 to integrate and construct the Huaian PCB Industrial Park within the Huaian Industrial Zone. Meanwhile, the Company signed an investment agreement with Huaian Economic & Technological Development Zone in early 2026, proposing to invest RMB 11 billion in constructing a production base for high-end PCB projects in the coming years. For overseas deployment, Phase I capacity construction of the Company's Thailand factory was fully completed and smoothly entered the trial production stage in the first half of 2025, while Phase II and Phase III projects have commenced construction simultaneously. With the gradual completion and implementation of all investment layouts of the Company, the overall production capacity of products of the Company will be markedly lifted in the future. In particular, production capacity for high-end HDI, SLP and HLC products required by high-growth sectors including servers and optical modules will achieve substantial improvement. Such series of capacity expansions lay a solid foundation for further expansion of cloud and edge AI businesses of the Company, and bring new growth momentum for future business development and performance improvement.

II. Industry Overview during the Reporting Period

1. Current Status and Development Trend of Printed Circuit Boards

Printed circuit boards serve as critical interconnection components for assembling electronic parts. Printed circuit boards not only provide electrical connections for electronic components, but also undertake functions such as digital and analog signal transmission, power supply, as well as transmission and reception of radio frequency and microwave signals for electronic devices. Printed circuit boards are essential components for most electronic equipment and products, hence known as "the Mother of Electronic Products".

Despite adverse impacts from shifts in international trade environments and sluggish global economy in 2025, the global printed circuit board industry maintained a relatively rapid growth momentum against the backdrop of vigorous development of AI technologies and surging investment in AI infrastructure represented by AI servers. According to statistics released by Prismark, the global PCB market size was estimated to reach USD 85.18 billion in 2025, representing a year-on-year increase of 15.8% compared with 2024. Looking ahead to 2026, surging demand for AI servers together with the expansion and popularization of end-side AI application scenarios will continuously fuel growth momentum of the industry. Per Prismark's projections, the global PCB market size is expected to hit USD 95.78 billion in 2026, with a year-on-year growth rate of 12.5%. From 2026 to 2029, the output value of the global PCB industry will maintain a compound annual growth rate of 6.6%, and the market scale is forecasted to exceed USD 116.02 billion by 2029.

2. Industrial Development Trends of Core Products

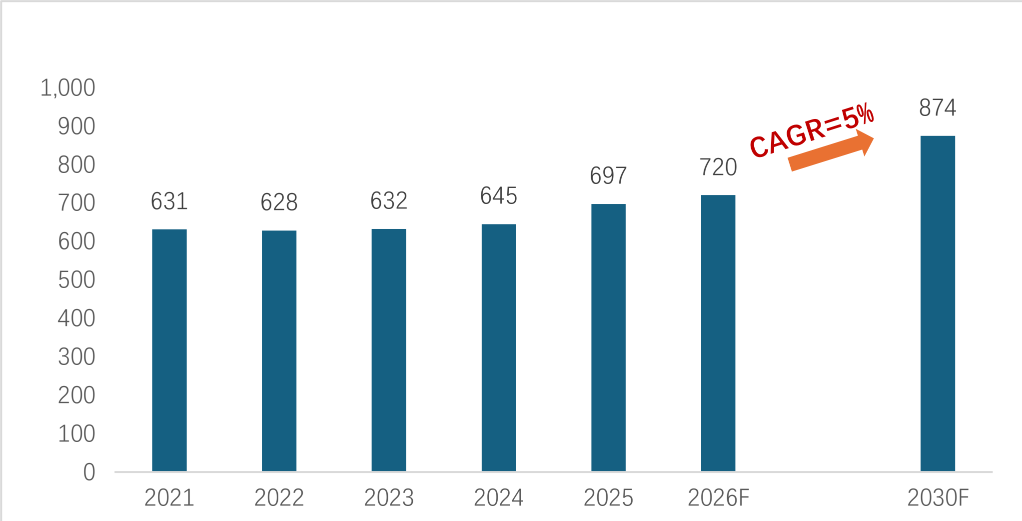
(1) Communications Electronics Industry

The communications electronics market downstream of PCB covers product categories including mobile phones, base stations, routers and switches. Communications electronics products of the Company are mainly applied to terminal communications products such as smartphones. Fluctuations in key components including global memory chips have brought certain pressure on smartphone sales in 2026. However, downstream brand owners are increasing investment in high-end models equipped with AI applications and foldable designs. High-end smartphones are expected to become the growth segment within the smartphone market and effectively drive up the average selling price per unit across the smartphone market.

As estimated by Prismark, the output value of global communications electronics products reached USD 697 billion in 2025, representing an 8.1% year-on-year increase against 2024. The compound annual growth rate is projected to stand at 5% from 2026 to 2030, and the market size will hit USD 874 billion by 2030.

Output Value of Communications Electronics Market Products

USD Billion



Source: Prismark, March 2026

As estimated by Prismark, the output value of PCB products for communications electronics reached USD 27.3 billion in 2025, representing an 18% year-on-year increase compared with 2024. The compound annual growth rate is projected to be 6.7% from 2026 to 2030, and the corresponding PCB output value will reach USD 39.2 billion by 2030.

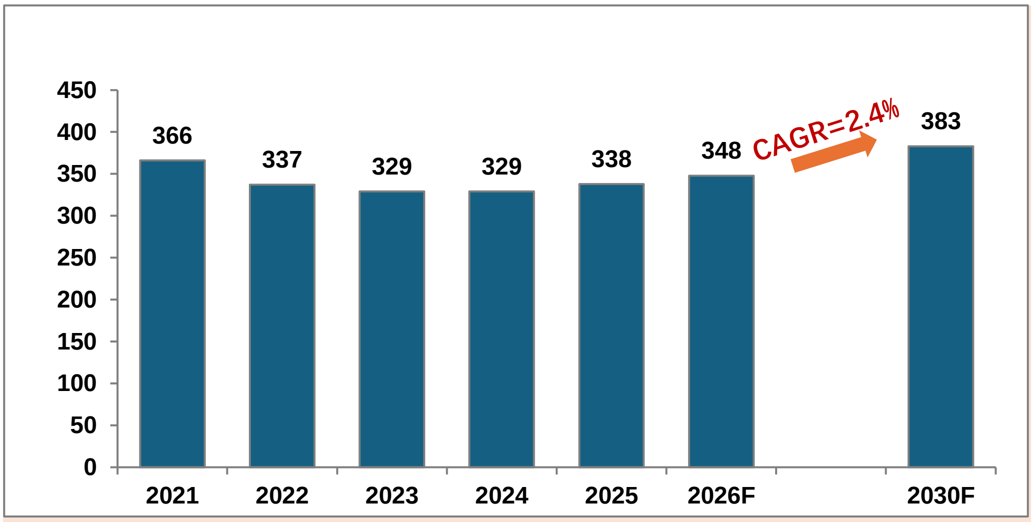
(2) Consumer Electronics Industry

The consumer electronics industry represented by PCs maintained a strong recovery momentum in 2025. The maturing and accelerated popularization of AI technologies injected powerful new driving forces into industrial recovery. With continuous technological upgrading and iteration, AI terminal products represented by AI smart glasses are expected to witness market breakout growth comparable to the launch of iPhone, bringing new development opportunities to the PCB market for consumer electronics.

As estimated by Prismark, the global output value of consumer electronics products stood at USD 338 billion in 2025, a year-on-year increase of 2.7% over 2024. The compound annual growth rate is projected to reach 2.4% from 2026 to 2030, and the output value will hit USD 383 billion by 2030.

Output Value of Consumer Electronic Products

USD Billion



Source: Prismark, March 2026

As estimated by Prismark, the output value of PCB products for consumer electronics reached USD 9.4 billion in 2025, representing a year-on-year increase of 5.6% compared with 2024. The compound annual growth rate is projected to be 2.6% from 2026 to 2030, and the corresponding PCB output value will reach USD 10.8 billion by 2030.

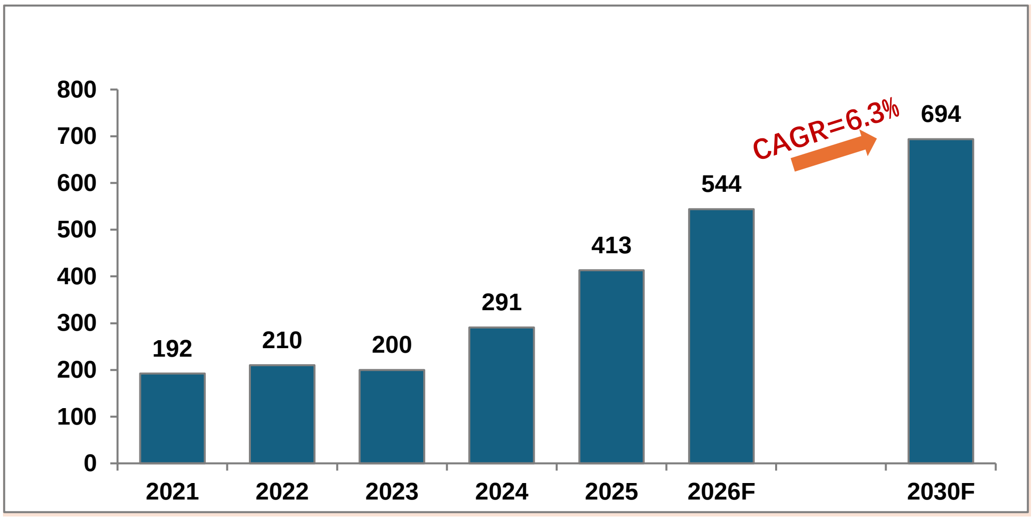
(3) Server Industry Segment

The rapid advancement of AI technologies has triggered explosive growth in computing power demand, which directly fuels the rapid expansion of AI servers. Meanwhile, the rising complexity of AI servers and continuous emergence of new technologies impose stricter requirements on printed circuit boards, further driving steady growth in the value of server-use PCBs.

As estimated by Prismark, the global market size of servers and storage products reached USD 413 billion in 2025, representing a substantial year-on-year increase of 41.9% against 2024. The compound annual growth rate is projected to hit 6.3% from 2026 to 2030, and the market size will reach USD 694 billion by 2030.

Output Value of Electronic Products in Server and Storage Industry

USD Billion



Source: Prismark, March 2026

As estimated by Prismark, the output value of PCB products for servers and storage reached USD 15.6 billion in 2025, representing a year-on-year increase of 43.6% compared with 2024. The compound annual growth rate is projected to be 12.6% from 2026 to 2030, and the corresponding PCB output value will reach USD 34.6 billion by 2030.

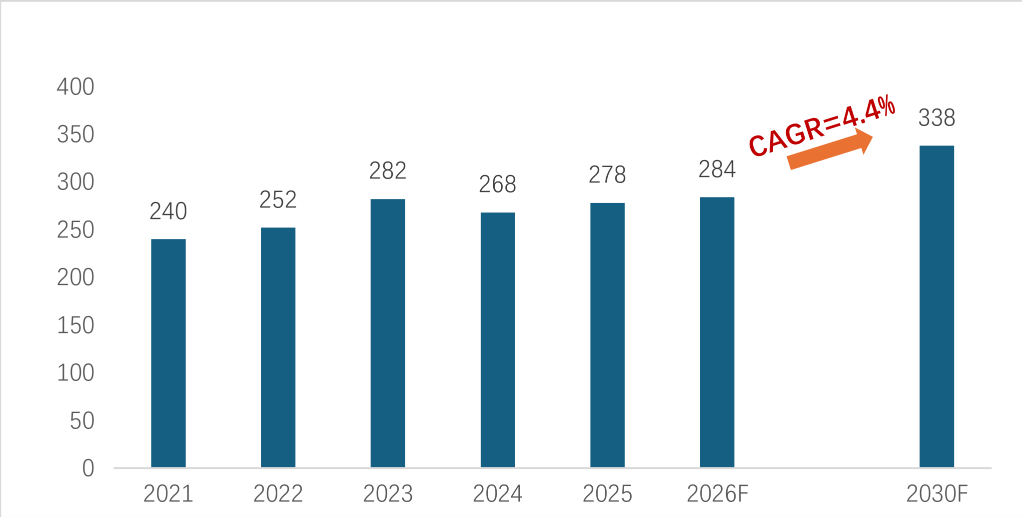
(4) Automotive Electronics Industry Segment

The global new energy vehicle industry maintained a growth momentum in 2025. The continuous advancement of automotive electrification, intelligence and connectivity has brought remarkable and continuously expanding growth space to the automotive electronics market.

As estimated by Prismark, the global market size of automotive electronic products reached USD 278 billion in 2025, representing a year-on-year increase of 3.7% compared with 2024. The compound annual growth rate is projected to be 4.4% from 2026 to 2030, and the global market size of automotive electronic products is expected to hit USD 338 billion by 2030.

Output Value of Automotive Electronic Products

USD Billion



Source: Prismark, March 2026

As estimated by Prismark, the market size of automotive-related PCB products reached USD 9.7 billion in 2025, representing a year-on-year increase of 5.7% compared with 2024. The compound annual growth rate is projected to stand at 3.5% from 2026 to 2030, and the corresponding PCB output value will reach USD 11.4 billion by 2030.

III. Analysis of Core Competitiveness

(I) Product Advantages: Build an All-round One-stop Service Platform for PCB Products

The Company is one of the few large-scale professional manufacturers worldwide that integrate R&D, design, production, sales and service capabilities for all types of PCB products. The Company owns a high-quality and diversified PCB product portfolio covering FPC, SMA, SLP, HDI, RPCB, Rigid Flex and other product categories. Products of the Company are widely applied to communication electronic products, consumer electronics and computer products, as well as automobiles, servers, optical modules, high-speed computers and other products. The Company boasts strong capabilities to deliver full-range PCB products and solutions for diverse customers, and has built an all-round one-stop service platform for PCB products.

The Company possesses solid technical R&D strength and efficient order response capacity to guarantee timely mass delivery to customers, provide customers with premium and cutting-edge products and services, and fully satisfy customer demands. Benefiting from the diversified product strategy of the Company, as well as outstanding rapid response and mass supply capabilities, leading domestic and overseas downstream brand customers maintain long-term business cooperation with the Company.

(II) Customer Advantages: Serving World-leading Brand Customers and Electronic Manufacturing Service Enterprises

Supply chain management in the electronic information industry generally adopts a qualified supplier certification system, which requires PCB manufacturers to have a sound operation network, efficient information management systems, abundant industrial experience and favorable brand reputation. In particular, when selecting qualified suppliers, certain world-leading brand customers not only focus on production indicators such as product quality, but also require suppliers to pass stringent audit procedures and meet numerous soft assessment criteria including 6S management (Sort, Set in Order, Shine, Standardize, Sustain, Safety), factory operation specifications, production procedures, environmental protection, employee welfare and social responsibility. Relying on robust R&D strength, mass production and on-time delivery capacity, stable high-quality product performance, excellent corporate management, comprehensive environmental protection arrangements and sound social image, the Company has successfully been included in the qualified supplier systems of numerous world-leading brand customers.

Through long-term persistent efforts, the Company has built up service capabilities covering rapid design, prototype development, fast production ramp-up and mass manufacturing for downstream customers. Such capabilities help customers shorten product launch cycles and seize market opportunities, supporting customers to establish a successful operation model featuring Time to Market + Time to Volume + Time to Money / Market Share. The above advantages enable the Company to forge close ties with leading downstream brand customers and build long-term, stable business partnerships.

In addition, the Company has maintained cooperation with world-class electronic brand customers since establishment. Brands the Company has served in the past include global leading names such as Motorola, Nokia and Sony Ericsson. At present, the Company has established in-depth cooperative relationships with top domestic and international brand customers. Continuous collaboration with world-class clients allows the Company to capture product trends and market shifts, and drive consistent improvements in technological and management capabilities.

(III) Technological Advantages: Participate in Pre-development Projects for World-leading Customers and Keep Pace with Cutting-edge Technologies

The Company continuously focuses on and delves into technical R&D of electronic circuit products. The printed circuit boards manufactured by the Company feature a minimum aperture of 0.025 mm and a minimum line width of 0.020 mm. The Company has completed product development and process establishment with industrialization capacity for products covering high-frequency and RF communication modules, high-speed transmission and signal integrity modules, dynamic bending and ultra-thin products, high-end camera modules, automotive and energy storage products, space communication equipment, high-performance computers, 1.6T optical modules, high-end rigid boards with embedded components and next-generation frame boards. The Company carries out product development and technical planning for products to be launched within the next one to two years alongside international brand customers, and conducts advance technical reserves including research on new material application, breakthrough research on new process technologies, quality verification of new products and construction of smart manufacturing production lines. In the next-generation electronic information industry, the Company conducts in-depth R&D layout covering artificial intelligence, 5G & 6G communication, diversified micro-displays, new energy, foldable displays, automotive electronics, consumer electronics, network communication base stations, optical communication, low-orbit satellites, AI servers, energy storage, robots, smart medical devices, wearable equipment and brain-computer interfaces. Centered on five core pillars including new products, new technologies, new processes, new materials and new equipment, the Company fully concentrates on key generic technologies and cutting-edge product technologies to capture market trends of product development. As of December 31, 2025, Avary Holding has filed a total of 2,801 patent applications and obtained 1,647 granted patents. The Company and its subsidiaries Hongqisheng and Qingding Precision have all obtained intellectual property standard implementation certification and been recognized as high-tech enterprises. The Company was accredited as a National Enterprise Technology Center in 2023.

By laying out products and technologies that may emerge in the next three to five years in advance, the Company directly participates in forward-looking development of customers' next-generation and future-generation products. Through collaborative R&D with world-class customers and participation in early-stage product development and design, the Company captures market trends and business opportunities for new products and accurately identifies the direction of product and technology R&D. Apart from independent R&D, the Company has built an industry-university-research collaborative R&D platform and established an enterprise technology center. The Company conducts research cooperation with many well-known universities and research institutes across Chinese mainland, Hong Kong and Taiwan to advance innovative projects and maintain a leading position in technological innovation and market demand matching. Meanwhile, the Company facilitates exchanges and cooperation with strategic partners along the industrial chain to boost technical integration, process development and process application among upstream and downstream industry participants, build a dedicated PCB technology platform and timely grasp the development trajectory of cutting-edge PCB technologies.

(IV) Management Advantages: Sound Operation Philosophy and Experienced Management Team

For many years, the Company adheres to the mission of “Develop technologies for the betterment of human beings; protect the environment for a greener earth”, and strives to realize the vision of “Develop PCB and other related industries to become a leader in the industry”. The core values of “Integrity, responsibility, innovation, excellence and profitability” are implemented throughout all operational links of the Company. The forward-looking operation philosophy strengthens cohesion, centripetal force and execution capability of the management team of the Company. Such philosophy not only helps the Company foster a corporate culture and values featuring pursuit of excellence, people-oriented management and green development, but also earns wide recognition from customers, partners and all sectors of society.

The Company boasts an experienced and forward-looking management team, covering elite talents with overseas educational backgrounds, industry professionals with profound electronics industry experience, R&D specialists with abundant research achievements, and financial professionals proficient in investment and financing. The operation team of the Company possesses rich industrial management experience and a global vision, and supervisors of major product divisions have years of practical operation experience in relevant fields. For middle and senior management as well as core key employees, the Company implements equity incentive plans and talent cultivation & promotion programs. Regular leadership training courses are held to improve leadership capabilities of management staff. Combined with dual career track system, promotion incentives and reward compensation mechanisms, such measures maximize the overall efficiency of the management team.

(V) Environmental Advantages: Comprehensive and Forward-looking Environmental Protection Layout

The Company attaches great importance to internal green culture development and promotes the concept of “Avary Seven Green” philosophy, namely Green Innovation, Green Procurement, Green Production, Green Logistics, Green Service, Green Reclamation and Green Living, to further generate green value and actively fulfill corporate social responsibilities. The Company has set up a dedicated environmental protection and energy conservation department, which develops proprietary green technologies covering pollution prevention, resource recovery, circular economy, energy saving and emission reduction. The department keeps track of the latest trends in environmental protection, energy conservation and emission reduction, and actively carries out greenhouse gas inventory and cleaner production audits. Since establishment, the Company has made advance planning for environmental facilities construction in all industrial parks and maintained continuous capital investment in environmental protection. The Company persistently advances energy conservation and emission reduction work, regards pollution prevention and resource recycling as the cornerstone of sustainable development, and has built demonstration production bases complying with upgraded environmental standards. Wastewater is classified into 20 to 25 categories according to water quality characteristics, while waste materials are sorted into more than 69 categories. All pollutant discharges meet or exceed government regulatory standards, and the recycling rate of waste materials exceeds 90%.

All industrial parks of the Company have repeatedly been awarded local green enterprise ratings. The Company was successively recognized as one of the first and second batches of National Model Green Factories by the Ministry of Industry and Information Technology (MIIT) in 2017 and 2018. Huaian Phase II Park and Qinhuangdao Park obtained the honor of Green Supply Chain Management Enterprise under the National Green Manufacturing Program issued by MIIT in 2020 and 2021 respectively. In 2025, all parks maintained Platinum certification under the Alliance for Water Stewardship (AWS) Standard and Platinum certification of UL 2799 Zero Waste to Landfill. Shenzhen Phase I Park was accredited as a MIIT Green Supply Chain Management Enterprise. Meanwhile, to support the national dual carbon goals, the Company formulated a long-term carbon neutrality roadmap and actively rolled out low-carbon operations to lay a solid foundation for scientific carbon reduction.

No changes have taken place in the core competitiveness of the Company during the reporting period.

IV. Analysis of Principal Business

1. Overview

In 2025, the rapid advancement of artificial intelligence technology triggered explosive growth in computing power demand, fueling rapid expansion of downstream markets represented by AI servers and driving robust development of the global printed circuit board (PCB) industry. Faced with external uncertainties including shifts in the global trade landscape and strained supply chains, the Company maintained strategic resolve and accurately captured industrial trends. The Company achieved steady revenue growth by consolidating market share among existing customers and expanding emerging business segments.

Meanwhile, continuous rises in raw material prices coupled with intensified exchange rate fluctuations created headwinds for cost control and profit growth. To seize market opportunities in AI servers, the Company ramped up capital expenditure, and the resulting increase in depreciation expenses exerted certain pressure on short-term earnings growth. Against such challenges, the Company took active measures to stabilize supply chains, thoroughly push forward cost reduction and efficiency improvement, capture market trends, and develop new customers and product lines, thereby sustaining sound profitability.

In 2025, the Company recorded operating revenue of RMB 39.147 billion, representing a year-on-year increase of 11.40%. Net profit attributable to shareholders of the listed company reached RMB 3.738 billion, up 3.25% year on year.

1. Seize Market Opportunities to Achieve Rapid Growth Across All Product Lines

All businesses of the Company posted steady and remarkable growth in 2025:

In terms of the communication board business, supported by technological and capacity advantages in FPC products, the Company steadily expanded its market share, took an active part in customers' R&D of new products and technologies, and maintained its leading position in the industry. During the reporting period, the communication board business generated operating revenue of RMB 25.437 billion, representing a year-on-year increase of 4.95%. Its gross profit margin stood at 19.03%, rising by 0.86 percentage points year on year.

For the consumer electronics and computer board business, the Company captured the recovery cycle of consumer electronics and vigorously pushed forward the development and mass production of edge AI products represented by AI glasses, delivering robust growth of relevant segments. During the reporting period, operating revenue from consumer electronics and computer boards reached RMB 11.287 billion, up 15.72% year on year, with a gross profit margin of 27.15%, an increase of 0.13 percentage points over the same period last year.

Driven by skyrocketing demand for AI servers, the automotive and server board business maintained ultra-high growth momentum. The Company actively advanced certification and prototype testing for new-generation products of well-known clients, and deepened R&D cooperation with cloud server manufacturers on AI ASIC-related products to strengthen the competitiveness of the Company's offerings in the AI server market. Relevant products have either obtained certifications or are undergoing certification procedures. During the reporting period, the automotive and server board business achieved operating revenue of RMB 2.119 billion, a year-on-year surge of 106.67%, with a gross profit margin of 21.55%.

2. Full Coverage of Cloud, Network and End Applications in the AI Era and Active Layout of Forward-looking Technologies

AI technology has become the core driving force advancing the development of the PCB industry. To seize opportunities brought by the new round of industrial growth, relying on the One Avary full-spectrum PCB product platform, the Company continuously increases R&D investment, innovation and strategic layout for AI-related products, covering all cloud-network-end application scenarios in the AI era. In 2025, the Company's R&D expenditure reached RMB 2.459 billion, accounting for 6.28% of operating revenue, representing a year-on-year increase of 5.79% in R&D spending.

In terms of intelligent terminal devices, with technological strengths in dynamically bendable FPC modules, wide-band antenna modules, ultra-fine circuit FPC assemblies and N+M stacked antenna development, the Company serves as a core supplier for terminal devices including foldable phones, AI smartphones and XR modules. In 2025, operating revenue generated by the Company's AI glasses business surged more than four times compared with 2024, making the Company the world's largest PCB manufacturer for AI glasses. Faced with the vast market potential of humanoid robots and their stringent technical requirements for PCBs, the Company actively develops PCB products for core functions such as main control systems, sensor modules, power management and joint drives. The Company has established cooperative ties with multiple domestic and international robot clients and conducts ongoing product development and prototype testing to meet customers' high-end PCB demands with high-precision and high-density wiring products.

In the AI server segment, relying on two major production bases in Huaian and Thailand, the Company centers its core product lines on IHDI and HLC, focuses on customers' demands for next-generation products and proactively expands market reach. The Company accelerates R&D of AI server-related technologies and launches high-end HDI boards compatible with GPU modules and high-speed transmission interfaces, embedded component and embedded circuit technologies, low-loss material development and back-drill stub reduction technologies to satisfy the high computing power requirements of AI servers. The Company also conducts pre-technical discussions and joint development with customers on products for the next two to three generations of platforms. In 2025, operating revenue from the Company’s AI server products more than doubled year on year, and robust growth is expected to continue in 2026.

In optical communication, leveraging leading technological and mass-production advantages in advanced mSAP processes, the Company targets the upgrade cycle of 800G and 1.6T optical communication, and collaborates with customers to develop next-generation 3.2T optical communication solutions. With the volume ramp-up of 1.6T optical modules, the corresponding business is projected to maintain rapid growth in the future.

For automotive PCB products, the Company has developed high-temperature-resistant and vibration-resistant HDI products to cater to unique automotive PCB specifications.

Driven by artificial intelligence, in-depth AI application and digital transformation fuel the Company’s continuous layout of forward-looking products. The Company consistently delivers comprehensive PCB product solutions for diverse clients and deepens customer partnerships through advanced process technologies and superior product quality. The Company expands research and layout of forward-looking technologies across emerging blue-chip PCB sectors including AI smart terminals, AR / VR spatial computing terminals, intelligent automotive cockpits, autonomous driving modules, AI servers and edge computing, low-altitude economy carriers, embodied intelligent robots and brain-computer interface modules, so as to sustain technological leadership in relevant fields.

3. Accelerate Global Capacity Layout and Digital Transformation to Lay a Foundation for New Round of Expansion

In 2025, the Company further sped up the deployment of global production capacity. Domestically, the Company plans to invest RMB 8 billion from the second half of 2025 to 2028 to expand high-end PCB capacity at the Huaian Park. It is expected that the IHDI and HLC capacity of Huaian Park will double by the end of 2026, greatly boosting the supply capacity of the Company for AI server products. Meanwhile, the Company signed an investment agreement with Huaian Economic & Technological Development Zone in early 2026, planning to invest RMB 11 billion in the construction of a production base for high-end PCB projects in the coming years.

Overseas, Phase I of the Company’s Thailand factory entered trial production in May 2025, mainly manufacturing high-end IHDI, HLC and optical communication module products. The mass production ramp-up is proceeding smoothly, and the factory has obtained certifications from multiple customers. Several world-leading clients in the server and optical communication sectors are actively conducting certification processes. As capacity utilization rises, the Company will continuously optimize its product mix to lift gross profit margins. In addition, four facilities including Thailand Phase II, Phase III, Phase V and a mechanical drilling center are under simultaneous construction. The newly added capacity will effectively meet the growing customer demand for high-end AI products and further consolidate the competitive edge of the Company in the global high-end electronics manufacturing industry.

The Company attaches great importance to continuously improving production and management efficiency through smart manufacturing and digital transformation. During the initial construction of new factories, the Company made forward-looking plans to build an in-depth integration and linkage mechanism between AI and production systems, enabling data-driven operations and forming a closed-loop smart factory system featuring “inspection-prediction-decision”. For the upgrading and renovation of existing plants, the Company formulated and implemented systematic upgrade solutions through on-site investigations, precise pain point analysis and scientific benefit evaluation, and established a maturity management system for smart factories covering the whole production process. At the group level, the Company fully pushes forward digital transformation, leverages artificial intelligence technologies to empower production management and business decision-making, and keeps optimizing operational workflows to secure steady growth in per capita output, thereby further strengthening overall profitability and market competitiveness.

4. Safeguard Secure and Stable Supply Chain, Prioritize Sound Financial Status and Operational Safety

2025 marked a pivotal year of capacity expansion for the PCB industry, during which major PCB manufacturers ramped up capital expenditure to expand production capacity, resulting in tight supply of upstream production equipment. Adhering to the philosophy of "treating suppliers with sincerity", the Company has established friendly long-term partnerships with all suppliers. Backed by solid business reputation and abundant capital strength, the Company secured robust support from the supply chain, ensuring the smooth rollout of all capacity expansion plans. Meanwhile, amid volatile prices of upstream raw materials, the Company's supply chain management department delivered full play to its functions. On one hand, its professional team conducted real-time analysis of the impacts of global political and economic conditions on international bulk commodities such as copper and gold, as well as supply status of upstream material suppliers, providing decision-making support for the Company's raw material procurement. On the other hand, digital transformation of the supply chain boosted decision-making efficiency to enable faster responses to market fluctuations. Strategic alliances were formed with multiple key upstream suppliers to guarantee supply chain stability. In 2025, the Company's operating revenue rose by 11.40% year on year, while operating costs grew by 10.37%, driving a 0.74 percentage point year-on-year increase in gross profit margin. Despite the overall price hike of upstream raw materials, the Company achieved effective cost control and sound profitability.

The Company attaches high priority to sound financial conditions and operational safety, maintaining all financial indicators at healthy levels and sufficient cash flow. As of December 31, 2025, the Company held monetary funds of RMB 12.032 billion with an asset-liability ratio of 28.86%. The turnover days of accounts receivable (including bills receivable) stood at 56 days and inventory turnover days at 43 days, both ranking at favorable levels within the industry. Ample cash reserves, a sound asset-liability structure and efficient asset turnover reflect the outstanding execution capacity of the Company in financial management and business operations, delivering steady backing for long-term stable development and capital expansion, and supporting sustainable and sound growth of the Company.

2. Revenue and Cost

(1) Breakdown of operating revenue

Unit: RMB

	2025		2024		YoY change
	Amount	As % of operating revenue (%)	Amount	As % of operating revenue (%)	
Total operating revenue	39,147,009,392.27	100%	35,140,384,498.03	100%	11.40%
By industry					
Printed circuit boards	38,842,549,642.22	99.22%	35,015,188,542.33	99.64%	10.93%
Others	304,459,750.05	0.78%	125,195,955.70	0.36%	143.19%
By product					
Communication boards	25,436,736,536.74	64.98%	24,235,941,642.49	68.97%	4.95%
Consumer electronics & computer boards	11,286,967,768.28	28.83%	9,754,027,353.36	27.76%	15.72%
Automotive / server & other boards	2,118,845,337.20	5.41%	1,025,219,546.48	2.92%	106.67%
Others	304,459,750.05	0.78%	125,195,955.70	0.36%	143.19%

By region					
United States	31,235,667,873.87	79.79%	28,884,852,815.45	82.20%	8.14%
Greater China	6,522,040,451.42	16.66%	5,111,118,444.12	14.54%	27.60%
Other Asian Countries	1,239,539,717.91	3.17%	1,090,941,442.57	3.10%	13.62%
Europe	149,761,349.07	0.38%	53,471,795.89	0.15%	180.08%
By sales model					
Direct sales	39,071,415,588.45	99.81%	35,083,197,509.24	99.84%	11.37%
Rental income	75,593,803.82	0.19%	57,186,988.79	0.16%	32.19%

(2) Industries, products, regions, and sales models accounting for more than 10% of the Company's operating revenue or operating profit

☑ Applicable ☐ Not applicable

Unit: RMB

	Operating revenue	Operating cost	Gross margin	Change in operating revenue from the same period of the previous yea	Change in operating cost from the same period of the previous year	Change in gross margin from the same period of the previous year
By industry						
Printed circuit boards	38,842,549,642.22	30,481,034,398.76	21.53%	10.93%	9.89%	0.74%
By product						
Communication boards	25,436,736,536.74	20,596,717,935.39	19.03%	4.95%	3.85%	0.86%
Consumer electronics & computer boards	11,286,967,768.28	8,222,062,160.93	27.15%	15.72%	15.51%	0.13%
By region						
United States	31,235,667,873.87	24,577,234,463.86	21.32%	8.14%	7.04%	0.81%
Greater China	6,522,040,451.42	5,014,056,494.36	23.12%	27.60%	26.29%	0.80%
By sales model						
Direct sales	39,071,415,588.45	30,696,074,716.04	21.44%	11.37%	10.40%	0.69%

Where the statistical basis for the Company's principal business data changed during the reporting period, the principal business data for the most recent year is presented based on the adjusted basis as at the end of the reporting period.

□ Applicable ☑ Not applicable

(3) Whether the Company's revenue from physical product sales exceeded its revenue from service

☑ Yes ☐ No

Industry	Item	Unit	2025	2024	YoY change
Printed circuit board industry	Sales volume	RMB	30,481,034,398.76	27,737,868,160.19	9.89%
	Output	RMB	30,286,115,652.43	28,147,350,942.94	7.60%

	Inventory	RMB	1,559,485,928.16	1,754,404,674.49	-11.11%

Explanation of YoY changes of more than 30% in relevant data

☐ Applicable ☑ Not applicable

(4) Performance of major sales contracts and major procurement contracts signed by the Company as at the end of the reporting period

□ Applicable ☑ Not applicable

(5) Breakdown of operating costs

Industry

Unit: RMB

Industry	Item	2025		2024		YoY chang
		Amount	As % of operating costs	Amount	As % of operating costs	
Printed circuit board	Direct Materials	17,655,672,970.03	57.45%	16,809,593,937.47	60.37%	5.03%
Printed circuit board	Direct Labor	2,160,571,699.52	7.03%	1,825,322,190.66	6.56%	18.37%
Printed circuit board	Manufacturing Overhead	10,914,173,772.54	35.52%	9,208,709,277.34	33.07%	18.52%

Explanation

No material changes occurred in the composition of the Company's operating costs during the reporting period.

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

☑ Yes ☐ No

1) On 30 October 2025, the Company acquired a 53.68% equity interest in Wuxi Huayang at a consideration of RMB 356,724,164.00. Wuxi Huayang became a non-wholly-owned subsidiary of the Group and was included in the consolidation scope.

2) On 29 December 2025, the Company disposed of all equity interests held in Yaoding Shenzhen and its subsidiaries Yaoding Huaian and Yaoding Qinhuangdao, resulting in a disposal loss of RMB 7,976,623.70.

(7) Whether there were any material changes or adjustments to the Company's business, products, or services during the Reporting Period

□ Applicable ☑ Not applicable

(8) Major customers and suppliers

Major customers of the Company

Total sales to the top five customers (RMB)	35,017,196,944.57
Total sales to the top five customers as a percentage of total annual sales	89.45%
Sales to related parties among the top five customers as a	6.20%

percentage of total annual sales	

Details of the Company's top five customer

No.	Customer	Sales amount (RMB)	As % of total annual sale
1	A	31,181,618,986.77	79.65%
2	B	2,428,659,568.58	6.20%
3	C	726,710,774.64	1.86%
4	D	375,126,100.42	0.96%
5	E	305,081,514.16	0.78%
Total	--	35,017,196,944.57	89.45%

Other information about major customers

☑ Applicable ☐ Not applicable

Major Customer B refers to Hon Hai Group and its subsidiaries under its control. Foxconn (Far East) Limited, a wholly-owned subsidiary of Hon Hai Group, is the largest shareholder of Avary Holding, the indirect controlling shareholder of the Company. In accordance with the substance over form principle, the Company identifies Hon Hai Group as a related party.

All related transactions between the Company and Hon Hai Group as well as its controlled subsidiaries during the reporting period were conducted on an arm's length basis with fair transaction prices. In addition, all relevant procedures governing related transactions stipulated in the Articles of Association have been strictly complied with.

Major suppliers of the Company

Total purchases from the top five suppliers (RMB)	6,728,693,830.51
Total purchases from the top five suppliers as a percentage of total annual purchases	21.28%
Purchases from related parties among the top five suppliers as a percentage of total annual purchases	2.95%

Details of the Company's top five supplier

No.	Supplier	Purchase amount (RMB)	As % of total annual purchases
1	A	1,843,610,096.21	5.83%
2	B	1,841,013,356.30	5.82%
3	C	1,121,895,896.84	3.55%
4	D	990,106,170.50	3.13%
5	E	932,068,310.66	2.95%
Total	--	6,728,693,830.51	21.28%

Other information about major suppliers:

☑ Applicable ☐ Not applicable

Major Supplier E is Hon Hai Group and its controlled subsidiaries. Foxconn (Far East) Limited, a wholly-owned subsidiary of Hon Hai Group, is the largest shareholder of Avary Holding, the Company's indirect controlling shareholder. The Company classifies Hon Hai Group as a related party based on the substance over form principle.

All related transactions between the Company and Hon Hai Group together with its controlled subsidiaries during the reporting period followed arm's length market principles with fair pricing. Meanwhile, all relevant procedures for related transactions set forth in the Articles of Association have been strictly implemented.

Revenue generated from the Company's trading business accounted for more than 10% of total operating revenue during the reporting period.

☐ Applicable ☑ Not applicable

3. Expenses

Unit: RMB

	2025	2024	YoY change	Explanation of material changes
Selling expenses	272,858,591.14	215,538,088.04	26.59%	Mainly attributable to higher compensation for sales staff resulting from the Company's intensified sales efforts.
Administrative expenses	1,484,265,651.24	1,204,401,327.56	23.24%	Mainly attributable to the increase in remuneration of administrative personnel
Financial expenses	-137,072,090.12	-736,342,413.09	Not applicable	Mainly attributable to lower exchange gains caused by exchange rate fluctuations
R&D expenses	2,458,991,706.79	2,324,474,754.49	5.79%	No material changes occurred

4. R&D expenses

☑ Applicable ☐ Not applicable

R&D project	Project purpose	Project progress	Target(s) to be achieved	Expected impact on the future development of the Compan
Development of Multi-layer FPC for Millimeter-Wave RF Communication Modules	Enhance product performance and market competitiveness	Completed	Completed process development of FPC with low-loss dielectric materials to meet performance requirements of millimeter-wave communication products	Enhance product technical capabilities and market competitiveness
Development of Fine-Pitch FPC for Next-Gen Camera Modules	Enhance product technical capabilities and market competitiveness	Completed	Completed fine-pitch FPC process development to meet high-performance and high-density packaging requirements of next-gen camera modules	Enhance product technical capabilities and market competitiveness
Development of Next-Gen High-Flexibility High-Frequency Transmission FPC	Enhance product performance and market competitiveness	Completed	Developed high dynamic bending & high-frequency transmission FPC to satisfy foldable smartphone performance and improve user experience	Enhance product technical capabilities and market competitiveness
Development of New Energy Storage FPC Products	Enhance product technical capabilities and market competitiveness	Completed	Completed process development of FPC for energy storage to meet end-product application requirements	Enhance product technical capabilities and market competitiveness
Development of High-Shielding Automotive FPC	Enhance product performance and market competitiveness	Completed	Eliminated EMI under high-frequency transmission to ensure signal integrity and manufacturability of automotive products	Enhance product technical capabilities and market competitiveness
Development of Low Power Consumption Flexible Circuit Boards for Camera Modules	Enhance product performance and market competitiveness	Completed	Developed low-power high-density FPC to meet high-performance low-loss transmission demands of camera modules	Enhance product technical capabilities and market competitiveness

Research on EMI & SUS Ground Opening Process Technology for Ultra-thin Flexible Structures	Enhance product technical capabilities and market competitiveness	Completed	Realized flexible inner-layer grounding and full EMI shielding design for multi-layer boards, facilitating end-product design optimization	Enhance product technical capabilities and market competitiveness
Development of High-Reliability Small-Pad HDI Process	Enhance product technical capabilities and market competitiveness	Completed	Developed 150/350μm & 350μm BGA pitch technology to advance high-density HDI and higher product integration	Enhance product technical capabilities and market competitiveness
Development of HDI Technology with Selective Plating VOP Process	Enhance product technical capabilities and market competitiveness	Completed	Adopted VOP technology combined with pattern plating and selective copper etching to meet fine-line production requirements	Enhance product technical capabilities and market competitiveness
Development of HDI Products for Low Earth Orbit Satellites	Expand product applications and strengthen market competitiveness	Completed	Adopted high-frequency substrates and improved alignment accuracy to enhance product signal transmission performance	Enhance product technical capabilities and market competitiveness
Development of HDI Products with Solder Mask Opening at Cavity Bottom	Enhance product technical capabilities and market competitiveness	Completed	Adopted cavity structure with exposed solder mask at bottom to expand inner space and boost product performance	Enhance product technical capabilities and market competitiveness
Development of R-F Transmission Technology Products	Enhance product performance and market competitiveness	In progress	Researched material sets with Dk = 3.5, Df = 0.002 to develop production process with 7.5% impedance tolerance	Enhance product technical capabilities and market competitiveness
Development of Thick-copper High-density HDI Products for Consumer Electronics	Enhance product quality and market competitiveness	In progress	Thick copper etching technology under development; various printing methods tested to improve solder mask thickness uniformity	Enhance product technical capabilities and market competitiveness
Process Development of Thin-type Sensing HDI Products for LED	Enhance product technical capabilities and market competitiveness	In progress	Developed thin, high-density cavity packaging boards; researched cavity structures, solder mask coverage and full manufacturing workflows	Enhance product technical capabilities and market competitiveness
Development of Advanced HDI Structure with Micro Blind Vias for Main Boards	Enhance product technical capabilities and market competitiveness	Completed	Green picosecond micro blind via technology successfully developed	Enhance product technical capabilities and market competitiveness
Development of 1.6T Optical Module Products	Expand product applications and strengthen market competitiveness	Completed	1.6T optical modules developed and sampled, with customer certification obtained	Enhance product technical capabilities and market competitiveness
Development of Advanced HDI Technology with Embedded Passive Components for Camera Modules	Expand product applications and strengthen market competitiveness	Completed	Achieved 94.86% MLCC embedding yield for camera modules; samples delivered to customers	Enhance product technical capabilities and market competitiveness
Development of Advanced	Enhance product	Completed	K-type optical modules with	Enhance product

HDI Technology with Circuit Layout on Cavity Area	technical capabilities and market competitiveness		patterned Cavity bottom have passed customer certification	technical capabilities and market competitiveness
Development of Advanced RPCB with Embedded SiC MOSFET Chips	Expand product applications and strengthen market competitiveness	In progress	Sample fabrication completed; prototypes submitted to customers for verification	Enhance product technical capabilities and market competitiveness
Development of Advanced TLPS RPCB Technology for Multi-layer Thick Boards	Enhance product technical capabilities and market competitiveness	In progress	Completed TLPS technology based on 12-layer, 14.0mm substrates; resistance variation less than 5% after six reflow cycles	Enhance product technical capabilities and market competitiveness
Research on Transmission Loss Impact of TLPS Applied in Advanced RPCB	Enhance product performance and market competitiveness	In progress	78-layer TLPS samples fabricated and loss tested, meeting loss specifications below 20GHz	Enhance product technical capabilities and market competitiveness
Development of High-layer HDI Boards for GPU OAM Modules	Enhance product performance and market competitiveness	Completed	Testing completed for 30-layer 4N4 HLC-HDI products	Enhance product technical capabilities and market competitiveness
Development of Multi-layer PTFE Hybrid-laminated High-speed Boards	Enhance product technical capabilities and market competitiveness	Completed	22-layer PTFE hybrid-laminated boards developed and sampled to customers	Enhance product technical capabilities and market competitiveness
Development of High-layer Boards with Step Gold Fingers	Enhance product technical capabilities and market competitiveness	Completed	18-layer boards with stepped gold fingers fabricated and samples delivered	Enhance product technical capabilities and market competitiveness
Development of Power Amplifier Products with Embedded Copper Blocks	Enhance product technical capabilities and market competitiveness	Completed	Embedded copper block and plating trench filling technologies fully developed	Enhance product technical capabilities and market competitiveness

R&D personnel of the Company

	2025	2024	Change
Number of R&D personnel	7,881	7,035	12.03%
Proportion of R&D personnel	16.57%	16.31%	0.26%
By educational background			
Bachelor’s degree	3,480	2,928	18.85%
Master’s degree	256	172	48.84%
Others	4,145	3,935	5.34%
By age group			
Under 30	4,009	3,366	19.10%
30-40	3,010	2,952	1.96%
Over 40	862	717	20.22%

R&D expenses of the Company

	2025	2024	Change
R&D investment (RMB)	2,458,991,706.79	2,324,474,754.49	5.79%
R&D investment as a percentage of operating revenue	6.28%	6.61%	-0.33%
Capitalized R&D investment(RMB)	0.00	0.00	0.00%
Capitalized R&D investment as a percentage of R&D investment	0.00%	0.00%	0.00%

Reasons for and impact of significant changes in the composition of the Company's R&D personnel

☐ Applicable ☑ Not applicable

Reasons for significant changes in the ratio of total R&D expenses to operating revenue compared with the previous year

☐ Applicable ☑ Not applicable

Reasons for and reasonableness of significant changes in the capitalization rate of R&D expenses

☐ Applicable ☑ Not applicable

5. Cash flows

Unit: RMB

Item	2025	2024	YOY change
Subtotal of cash inflows from operating activities	42,042,366,237.81	38,141,465,663.46	10.23%
Subtotal of cash outflows from operating activities	34,756,578,952.76	31,059,041,996.94	11.90%
Net cash flows from operating activities	7,285,787,285.05	7,082,423,666.52	2.87%
Subtotal of cash inflows from investing activities	233,773,420.41	687,092,707.30	-65.98%
Subtotal of cash outflows from investing activities	7,378,367,926.49	3,573,497,089.65	106.47%
Net cash flows from investing activities	-7,144,594,506.08	-2,886,404,382.35	Not applicable
Subtotal of cash inflows from financing activities	23,387,583,259.10	19,199,346,473.87	21.81%
Subtotal of cash outflows from financing activities	24,834,249,565.04	21,026,749,178.74	18.11%
Net cash flows from financing activities	-1,446,666,305.94	-1,827,402,704.87	Not applicable
Net increase in cash and cash equivalents	-1,528,395,963.30	2,504,934,195.69	-161.02%

Explanation of the main factors contributing to significant YoY changes in relevant data

☑ Applicable ☐ Not applicable

The decrease in cash inflows from investing activities was mainly attributable to lower cash received from maturing time deposits with a term over three months compared with the prior year.

The increase in cash outflows from investing activities was mainly due to higher cash payments for the acquisition and construction of fixed assets and other long-term assets during the reporting period.

The increase in cash inflows from financing activities was mainly driven by higher cash proceeds from borrowings.

The increase in cash outflows from financing activities was mainly attributable to higher cash repayments of borrowings.

Explanation of significant differences between net cash flows from operating activities during the reporting period and net profit for the year

☑ Applicable ☐ Not applicable

Net cash flows generated from operating activities of the Company during the reporting period amounted to RMB 7.286 billion, while net profit stood at RMB 3.713 billion. The difference between the two figures was mainly affected by combined factors including depreciation of fixed assets, amortization of intangible assets, depreciation of right-of-use assets and inventory increase during the reporting period. For details, please refer to Note 55 Supplementary Information to the Cash Flow Statement under VII Notes to Consolidated Financial Statements, Section VIII Financial Reports of this report.

V. Analysis of Non-Principal Business

☑ Applicable ☐ Not applicable

Unit: RMB

	Amount	As % of total profit	Reason	Whether recurring
Investment income	14,524,964.86	0.34%	Mainly dividends derived from the Company's investment in Chenyi Fund	No
Gains or losses from changes in fair value	78,050,851.71	1.82%	Mainly fair value gains generated by other non-current financial assets including the Company's investment in Chenyi Fund	No
Asset impairment	-50,343,999.45	-1.18%	Mainly asset impairments provisioned in accordance with the Company's accounting policies	Yes
Non-operating revenue	5,479,144.50	0.13%	Mainly penalty income, compensation and other items	No
Non-operating expenses	14,485,796.18	0.34%	Mainly external donations and late payment surcharges	No
Other income	147,346,650.09	3.44%	Mainly government subsidies recognized under other income	No
Credit impairment losses	-1,685,190.89	-0.04%	Mainly reversal of allowance for doubtful accounts on trade receivables and others	No
Gains on disposal of assets	15,159,360.90	0.35%	Mainly gains arising from the Company's disposal of fixed assets	No

VI. Analysis of Assets and Liabilities

1. Significant changes in asset composition

Unit: RMB

	End of 2025		Beginning of 2025		Change (%)	Explanation of material changes
	Amount	As % of total assets	Amount	As % of total assets		
Cash and cash equivalents	12,031,994,489.34	24.63%	13,496,952,363.88	30.30%	-5.67%	Mainly attributable to increased cash payments for the acquisition and construction of fixed

						assets, intangible assets and other long-term assets.
Trade receivables	6,073,127,859.07	12.43%	5,768,822,058.27	12.95%	-0.52%	No significant changes
Inventories	3,806,710,623.33	7.79%	3,355,543,367.59	7.53%	0.26%	Mainly due to higher stockpiles of raw materials
Investment properties	557,724,115.50	1.14%	585,467,490.84	1.31%	-0.17%	No significant changes
Long-term equity investments	18,780,344.60	0.04%	5,588,808.50	0.01%	0.03%	Resulted from recognizing Wuxi Yoyong Sensing and Technology Co., Ltd., an associate of acquired Wuxi Huayang, as long-term equity investments
Fixed assets	17,494,384,350.63	35.81%	15,738,449,342.88	35.33%	0.48%	Mainly due to transfer of construction in progress to fixed assets
Construction in progress	2,946,557,139.98	6.03%	1,382,440,351.02	3.10%	2.93%	Mainly driven by increased investments in new projects
Right-of-use assets	70,843,868.30	0.15%	87,221,618.86	0.20%	-0.05%	Mainly attributable to depreciation provision
Short-term borrowings	3,925,334,770.72	8.04%	3,256,896,552.17	7.31%	0.73%	Mainly due to the growth of bank borrowings
Contract liabilities	32,410,207.62	0.07%	59,832,456.69	0.13%	-0.06%	Mainly attributable to decreased advance payments from customers
Long-term borrowings	375,720,008.30	0.77%	179,710,003.01	0.40%	0.37%	Mainly due to additional long-term bank borrowings
Lease liabilities	60,032,708.13	0.12%	72,930,502.99	0.16%	-0.04%	No significant changes

Whether overseas assets account for a relatively high proportion

☐ Applicable ☑ Not applicable

2. Assets and liabilities measured at fair value

☑ Applicable ☐ Not applicable

Unit: RMB

Item	Opening balance	Gains or losses from changes in fair value for the current period	Cumulative fair value changes recognized in equity	Impairment provided for the current period	Purchases during the current period	Sales during the current period	Other changes	Closing balance
Financial assets								
1. Investments in other equity instruments	1,301,898,858.01		470,215,948.19		198,368,740.41	-57,628,986.79		1,912,854,559.82
2. Other non-current financial assets	346,717,946.00	78,050,851.71			79,891,999.86	-21,857,474.71		482,803,322.86
Total of the above items	1,648,616,804.01	78,050,851.71	470,215,948.19		278,260,740.27	-79,486,461.50		2,395,657,882.68
Financial liabilities	0							0

Other changes

Not applicable

Whether the measurement attributes of the Company’s major assets changed significantly during the reporting period

☐ YES ☑ No

3. Restrictions on asset rights as at the end of the reporting period

As of the end of the reporting period, no assets of the Company are subject to encumbrances.

VII. Investment Overview

1. Overall information

☑ Applicable □ Not applicable

Investment amount in the reporting period (RMB)	Investment amount in the same period of last year (RMB)	Change (%)
7,378,367,926.49	3,573,497,089.65	106.47%

2. Significant equity investments made during the reporting period

☑ Applicable □ Not applicable

Unit: RMB

Investee company	Principal business	Investment method	Amount Invested	Shareholding percentage	Source of funds	Partner	Investment term	Product type	Progress as at the balance sheet date	Expected returns	Investment gains or losses for the current period	Whether involved in litigation	Disclosure date (if any)	Disclosure index (if any)
Wuxi Huayang Science and Technology Co., Ltd.	Production of automotive modules, and R&D, production and sales of sensors	Others	356,724,164.00	53.68%	Self-owned funds	Not applicable	Not applicable	Not applicable	Equity transfer completed	0.00	9,149,090.72	No	October 31, 2025	2025-067
Total	--	--	356,724,164.00	--	--	--	--	--	--	0.00	9,149,090.72	--	--	--

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

☑ Applicable ☐ Not applicable

Unit: RMB

Project	Investment method	Whether fixed asset investment	Industries covered by investment project	Amount invested in current reporting period	Total actual cumulative investment as at end of reporting period	Source of funds	Project progress	Expected returns	Cumulative realized return as at end of reporting	Reasons for failure to meet scheduled progress	Disclosure date (if any)	Disclosure index (if any)

									period	and estimated return		
Huaian industrial park project (including phase II of the expansion project for high-end HDI and SLP printed circuit boards with an annual capacity of 5.2675 million square feet in Huaian third park)	Self-construction	Yes	Printed circuit board manufacturing	2,500,273,987.61	2,500,273,987.61	Self-owned or self-raised funds	31.25%	--	--	The project is under construction	August 20, 2025	2025-056
Phase I investment plan for kaohsiung FPC project in taiwan	Self-construction	Yes	Printed circuit board manufacturing	812,443,373.91	3,174,678,607.22	Self-owned or self-raised funds	115.91%	--	--	The Company plans to invest and build FPC flexible circuit and module assembly production lines in Kaohsiung, Taiwan. The project has been completed with no	September 10, 2020	2020-058

										separate income accounting		
Digital transformation and upgrading project	Self-construction	Yes	Printed circuit board manufacturing	367,330,498.98	679,262,254.69	Self-owned or self-raised funds	84.91%	--	--	The project is under construction	December 7, 2022	2022-063
Thailand production base project	Self-construction	Yes	Printed circuit board manufacturing	1,435,859,507.83	1,952,073,398.47	Self-owned or self-raised funds	108.46%	--	--	Phase I plant of the project has been completed and put into production without separate accounting; phase II and III are under construction	August 9, 2023	2023-070
Proposal on the company's 2025 flexible printed circuit board expansion investment plan	Self-construction	Yes	Printed circuit board manufacturing	1,470,508,971.52	1,470,508,971.52	Self-owned or self-raised funds	79.66%	--	--	The project is under construction	April 9, 2025	2025-011
Total	--	--	--	6,586,416,339.85	9,776,797,219.51	--	--	0.00	0.00	--	--	--

4. Investment in financial assets

(1) Securities investments

☑ Applicable □ Not applicable

Unit: RMB

Security type	Security code	Abbreviation	Initial investment cost	Accounting measurement model	Opening carrying amount	Gains or losses from changes in fair value for the current period	Cumulative fair value changes recognized in equity	Purchases during the current period	Sales during the current period	Gains or losses for the Reporting Period	Closing carrying amount	Accounting item	Source of funds
Others	--	Li Ding Semiconductor Technology (Shenzhen) Co., Ltd.	945,000,000.00	Fair value measurement	948,190,047.00		1,394,601.00				949,584,648.00	Investments in other equity instruments	Self-owned funds
Fund	--	Beijing Chenyi Merger and Acquisition Fund	130,000,000.00	Fair value measurement	220,515,116.00	14,141,761.71			-13,920,474.71		220,736,403.00	Other non-current financial assets	Self-owned funds
Domestic and overseas stocks	603124	Jiangxi Jiangnan New Material Technology Co., Ltd.	24,999,994.64	Fair value measurement			143,365,718.79	24,999,994.64			168,365,713.43	Investments in other equity instruments	Self-owned funds
Others	--	Chunhua Jingzhi (Beijing) Equity Investment Partnership Enterprise	77,731,800.00	Fair value measurement	68,482,830.00	-7,384,910.00		78,890,000.00			139,987,920.00	Other non-current financial assets	Self-owned funds

Others	--	Suzhou Xinrui Equity Investment Partnership (Limited Partnership)	60,000,000.00	Fair value measurement			71,830,280.00	60,000,000.00			131,830,280.00	Investments in other equity instruments	Self-owned funds
Others	--	Partnership interest in Jingning Dingqing Electronic Technology Partnership (Limited Partnership)	12,690,000.00	Fair value measurement	57,720,000.00	71,294,000.00			-7,937,000.00		121,077,000.00	Other non-current financial assets	Self-owned funds
Domestic and overseas stocks	688720	Equity interest in Jiangxi Aisen Semiconductor Material Co., Ltd.	30,056,000.00	Fair value measurement	102,856,000.00		67,380,986.79		-57,628,986.79		112,608,000.00	Investments in other equity instruments	Self-owned funds
Domestic and overseas stocks	301687	Suzhou Xinguangyi Electronics Co., Ltd.	29,999,998.77	Fair value measurement			57,808,479.16	29,999,998.77			87,808,477.93	Investments in other equity instruments	Self-owned funds
Domestic and overseas stocks	839222	Sanying Precision Instruments Co., Ltd.	15,885,798.64	Fair value measurement	28,954,895.01		41,462,827.89				70,417,722.90	Investments in other equity instruments	Self-owned funds
Others	--	Dongguan Sixpure Intelligent	30,000,000.00	Fair value measurement	35,448,463.00		28,925,394.00				64,373,857.00	Investments in other	Self-owned funds

		Technology Co., Ltd.										equity instruments	
Other securities investments held at the end of the reporting period			225,173,812.95	--	186,449,453.00		58,047,660.56	84,370,746.86			328,867,860.42	--	--
Total			1,581,537,405.00	--	1,648,616,804.01	78,050,851.71	470,215,948.19	278,260,740.27	-79,486,461.50		2,395,657,882.68	--	--
Disclosure date of board announcement for securities investment approval			Not applicable										
Disclosure date of shareholders' meeting announcement for securities investment approval (if any)			Not applicable										

(2) Derivative investments

□ Applicable ☑ Not applicable

The Company had no derivatives investments during the reporting period.

VIII. Sales of Major Assets and Equity Interests

1. Sale of major assets

□ Applicable ☑ Not applicable

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

2. Sale of major equity interests

□ Applicable ☑ Not applicable

IX. Analysis of Major Subsidiaries and Associated Companies

☑ Applicable ☐ Not applicable

Major subsidiaries and associated companies with impact of over 10% on the Company’s net profit

Unit: RMB

Company name	Company type	Principal business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Hongqisheng	Subsidiary	Printed Circuit Boards	RMB 2,338,456,231.36	8,967,801,698.26	6,886,103,290.26	9,748,681,805.07	1,654,150,777.23	1,458,504,072.70
Qingding Precision	Subsidiary	Printed Circuit Boards	RMB 3,401,522,135.86	13,023,431,988.31	9,229,126,016.57	14,023,455,577.72	1,480,798,060.53	1,327,955,292.04

Acquisition and disposal of subsidiaries during the reporting period

☑ Applicable ☐ Not applicable

Company name	Method of acquisition and disposal of subsidiaries during the reporting period	Impact on overall production, operations, and operating results
Wuxi Huayang Science and Technology Co., Ltd.	Equity acquisition	Wuxi Huayang is mainly engaged in the production of automotive modules and the R&D, production and sales of sensors. It has an experienced team, large-scale factories and sufficient production capacity. Within the automotive electronics industry, Wuxi HUAYANG maintains a high-quality customer base of vehicle OEMs and Tier 1 suppliers, and has accumulated mature operation and management experience. The Company’s acquisition of equity and capital contribution to Wuxi Huayang will further consolidate the Company’s strength in automotive electronics and enhance its capabilities in downstream application and system integration of advanced automotive PCB manufacturing processes. The Company recognized investment income of RMB 9,149,090.72 from Wuxi Huayang in 2025.
Yaoding Environmental Energy Technology (Shenzhen) Limited	Equity disposal	On December 29, 2025, the Company disposed of all equity interests held in Yaoding Shenzhen and its subsidiaries Yaoding Huaian and Yaoding Qinhuangdao, resulting in a disposal loss of RMB 7,976,623.70.

Explanation of major Subsidiaries and Investees

Benefiting from the mass production of Phase I Project at the Company’s three Huaian campuses, the expanded production capacity of subsidiary Qingding Precision drove revenue growth. In 2025, its operating revenue rose by 5.06% year-on-year. Meanwhile, the capacity utilization rate of new production lines kept climbing, continuously lifting its profitability. Its operating profit increased by 30.15% year-on-year and net profit rose by 25.57% in 2025.

X. Structured Entities Controlled by the Company

☐ Applicable ☑ Not applicable

XI. Outlook for the Company’s Future Development

(I) Corporate Development Strategy

The Company takes “Develop technologies for the betterment of human beings; protect the environment for a greener earth” as its mission, upholds the core values of “Integrity, responsibility, innovation, excellence and profitability”, and strives to fulfill its vision of developing PCB-related industries and becoming an industry leader.

Going forward, the Company will continue to adopt the business strategy of “stabilizing growth, adjusting structure, controlling risks and boosting innovation”. Rooted in Chinese mainland and with a global footprint, the Company will sustain its core strengths in technological R&D and lean management, focus on high-end product development, deepen industrial chain collaboration, and further refine the industrial layout under the “One Avary” framework. The Company will step up key technological research and resource investment centered on AI products, speed up the improvement of weak links, and accurately capture market trends. Faced with historic opportunities brought by the AI era to the PCB industry, the Company will leverage its full product portfolio to cover the entire AI industrial chain including cloud, network and terminal segments, consolidate and expand its leading market position, and achieve sustainable and high-quality development.

(II) Business Plan

The Company steadily advanced its overall business plan in 2025 and achieved remarkable results. Amid a volatile external environment, the Company maintained strategic focus, ramped up digital transformation and upgrading in pursuit of established development targets, and delivered all-round improvement in operating performance.

In 2026, the international landscape will remain volatile with heightened uncertainties in the global political and economic order. Escalating geopolitical tensions in the Middle East have severely disrupted the global energy supply system, while shifts in global trade conditions have introduced massive uncertainties to global supply chains. Meanwhile, the AI technological revolution has unlocked huge market opportunities for the industry, yet it has also triggered shortages of key components including memory chips, exerting substantial impacts on downstream electronics sectors. Faced with the complex and volatile market landscape, the Company will further consolidate and expand its market share in AI edge devices, foldable smartphones and other high-end products to strengthen its market edge in the AI edge segment. In parallel, the Company will accelerate capacity expansion projects in Huaian and Thailand to rapidly scale up production capacity for AI servers, optical modules and other related products, expedite customer and product certification for AI server businesses, deliver leapfrog growth in relevant segments and drive overall revenue expansion. The Company will systematically enhance its risk management system, boost supply chain resilience and security, and fully implement lean management. By optimizing resource allocation, raising operational efficiency and rigorously controlling all expenses, the Company will cut costs and improve efficiency to secure steady and sustainable operating returns.

1. R&D Strategies and Plans

Adhering to the mission of “Develop technologies for the betterment of human beings; protect the environment for a greener earth” and core values of “Integrity, responsibility, innovation, excellence and profitability”, the Company continuously develops advanced process technologies and forward-looking product technologies aligned with industry trends, expands its diversified product portfolio, and steadily strengthens its competitive edges.

Driven by technological advances in artificial intelligence, 6G communications, diversified micro-displays, new energy, foldable displays, and third- and fourth-generation semiconductors, sectors including automotive electronics, consumer electronics, communication base stations, optical communication, low-orbit satellites, AI servers, High Bandwidth Memory (HBM), energy storage, robotics, smart healthcare, wearables and brain-computer interfaces are undergoing rapid iteration. These new growth drivers will shape the future development of the industry.

Accordingly, the Company’s short-term R&D plan focuses on fast-growing AI cloud, network and terminal markets. The Company will develop core AI product technologies such as PCBs for AI chips and large-size high-layer PCBs, while also researching and developing promising forward-looking technologies.

The Company will adopt a dual R&D center strategy covering Taiwan and the Chinese Mainland, fully leveraging complementary strengths in the electronics industry across both regions, continuously boosting its capability for new technology development, and building a more competitive innovation ecosystem.

2. Capital Expenditure Plan

The estimated capital expenditure for 2026 is RMB 16.8 billion, funded mainly by internal capital and self-raised funds. Key investment projects include the Huaian Industrial Park Project, Thailand Production Base Construction Project, and the Company’s digital transformation and upgrading project.

3. Production and Operation Plan

The Company formulates annual sales strategies based on customer groups and product categories. In terms of product layout, the Company seizes AI development opportunities to improve the full AI cloud-network-terminal industrial chain, increases the revenue proportion of core products such as AI servers and optical modules, and realizes coordinated growth across cloud businesses. For customer development, the Company consolidates existing market share of mature products with long-term clients, taps new demand for new products from existing customers, and actively explores incremental markets with new clients and new products. Under the “One Avary” product platform, the Company will consolidate its advantages in FPCs, expand market share of HDI and MSAP products, address weak points of HLC products, and realize coordinated, complementary development across all product lines to deliver complete ONE-STOP SHOPPING solutions for customers.

In procurement management, guided by the Chairman’s core philosophy of “Treat suppliers well”, the Company pursues win-win cooperation with strategic partners and deepens strategic alliances with more key suppliers. Amid fast-changing market conditions, the Company optimizes procurement decision-making processes to improve response efficiency and safeguard supply chain security and stability.

In production management, the Company strengthens quality control, elevates customer service, advances smart manufacturing to boost productivity, and drives continuous improvement via CAPDCA to deliver premium products and services to customers.

In operation management, the Company will consistently uphold its core values of “Integrity, responsibility, innovation, excellence and profitability”, adhere to long-termism, and strive for sustainable corporate development. To this end, the Company will further advance digital transformation, revitalize organizational vitality, stimulate team innovation and collaboration, embrace breakthroughs and transformation, and ensure the smooth delivery of long-term strategic targets.

4. Financial Strategies

(1) Maintain sound liquidity and cash flow to secure stable corporate operation;

(2) Mitigate exchange rate volatility risks through appropriate financial hedging instruments to reduce the impact of currency fluctuations;

(3) Formulate scientific short-term and long-term financing plans, rationally allocate domestic and overseas financing, develop diversified financing channels, effectively cut financing costs and risks, and improve capital utilization efficiency.

5. Talent Development Plan

The Company keeps close track of market trends. Aligned with corporate development strategies and differentiated functional demands of businesses, the Company focuses on cultivating core competencies of employees, strengthens organizational culture, fosters future talents, empowers overseas business expansion, supports the delivery of strategic targets, and drives sustainable corporate operation. To this end, the Company has established a systematic talent development framework. It rolls out customized talent programs for different job ranks and specialties, integrates internal and external resources, and trains core professionals required by the Group in a targeted manner. A high-value talent supply chain is built through planning, implementation, resource introduction, system optimization and talent assessment.

(1) Right Talent Selection: Improve talent recruitment and selection mechanisms at all levels to match suitable employees with proper positions, deliver targeted training and upgrade their professional knowledge and skills.

(2) Professional Talent Cultivation: Develop diversified talents with international vision, specialized expertise, automation and smart manufacturing capabilities. Leverage internal training platforms to strengthen professional training. The Technical Committee and Quality & Management Institute formulate technical certification and assessment systems. Combined with industry-university cooperation and internalized external training resources, the Company builds an outstanding technical talent pipeline.

(3) Effective Talent Deployment: Implement a dynamic management mechanism for management cadres with flexible promotion, demotion, recruitment and exit. A sound system will be formed where competent staff get promoted, outstanding performers receive rewards, mediocre employees are demoted and underperformers eliminated. Succession planning will be advanced to realize orderly talent inheritance across all levels.

(4) Talent Retention: Unblock career development paths, build a high-value talent supply chain for the organization, and provide premium resources and support to facilitate steady growth of employees.

(5) Boost Human Resource Efficiency: Accelerate digital transformation of human resources, continuously optimize HR management systems, provide manpower data support for corporate decision-making, and improve talent quality and work efficiency.

(6) Cultural Development: Deepen corporate culture development, build an innovative and international corporate culture, and elevate the soft power of the Company.

(III) Potential Risks and Countermeasures

1. Risks Arising from Fluctuations in Global Macroeconomy

The strong resurgence of global trade protectionism in 2025 drew widespread attention and triggered chain reactions, reshaping the landscape of global supply chains, trade flows and economic growth models. At the start of 2026, escalating geopolitical tensions in the Middle East severely disrupted the international energy supply system and introduced new uncertainties to major global economies. Such circumstances may exert direct impacts on the electronic products industry, and in turn affect the PCB sector.

Countermeasures: The Company maintains long-term cooperation with top-tier customers and suppliers, develops high-end products including AI edge devices and foldable products, and closely tracks market trends. The Company continuously raises awareness of operational risk management, ensures the safety and controllability of all financial indicators, and proactively mitigates risks. Meanwhile, the Company leverages artificial intelligence and big data analytics to strengthen market forecasting capabilities, improve the efficiency and accuracy of decision-making, and consolidate its capacity to cope with uncertainties. Furthermore, the Company gives full play to its existing strengths to seize massive market opportunities driven by surging demand for AI computing power, accelerates market expansion of core products such as AI servers and optical modules, so as to effectively offset the adverse impacts of global macroeconomic volatility on consumer electronics businesses.

2. Exchange Rate Fluctuation Risks

The Company’s major customers and suppliers are overseas entities. Its export sales and raw material imports are mainly settled in US dollars, resulting in substantial US dollar assets (primarily US dollar cash and operating receivables) and US dollar liabilities (including operating payables, bank borrowings and other loans) held on a sustained basis. As production and sales scale expand, the value of imported raw materials and exported products will keep rising, driving up the volume of foreign exchange settlements. Against an increasingly complex global political and economic landscape, the US dollar exchange rate has become far more volatile, exposing the Company to heightened exchange rate fluctuation risks.

Countermeasures: The Company assigns dedicated professionals to monitor exchange rate movements and rationally adjust the composition and volume of foreign exchange holdings. Meanwhile, the Company conducts transactions in financial derivatives such as forward foreign exchange contracts and foreign exchange swaps to hedge against exchange rate risks.

3. Risks Arising from Shifts in Global Trade Landscape

The Company’s primary customers are overseas enterprises. Since 2025, the international trade environment has grown more intricate alongside reshuffling of the global trade landscape. As a large multinational enterprise, the Company’s operating performance may be adversely affected by shifts in global trade.

Countermeasures: The Company mitigates potential negative impacts from trade changes through a global footprint and intensified market development in mainland China and other regions worldwide.

4. Risks of Shortage and Price Hike of Raw Materials and Energy

The Company’s PCB products mainly consume raw materials including electronic components, copper-clad laminates, SUS stiffeners, adhesive films, coverlays, potassium gold cyanides, prepregs, inks, copper balls and copper powder. Fluctuations in raw material prices will exert certain impacts on the gross profit margin of the Company’s products. In addition, production requires massive electricity, whose supply and price are subject to swings in energy supply and prices. At present, escalating global geopolitical conflicts and climate change have triggered drastic price volatility in global energy and commodity markets. Meanwhile, the rapid expansion of downstream electronics industries has driven a sharp surge in industrial demand, which has been passed on to the upstream PCB supply chain. Against such backdrop, raw material and energy prices are highly uncertain, exposing the Company to operational risks arising from rising raw material and energy costs.

Countermeasures: The Company strengthens communication and cooperation with upstream raw material suppliers, adjusts raw material inventory levels in a timely manner to secure stable material supply. Meanwhile, through technological upgrading, the Company continuously optimizes its product mix and develops high value-added products to ease profit pressure caused by rising raw material prices.

5. Risks Arising from Rapid Industry Changes and Intensified Market Competition

The Company's products are mainly applied in communication, consumer electronics and computer sectors, which feature fast fashion cycles, frequent performance upgrades and numerous brands. Consumer preferences for various brands and products shift rapidly, resulting in shorter cycles of market share restructuring compared with traditional industries. The Company's operating performance may suffer adverse impacts if key clients fall into a disadvantageous position amid market competition, if the Company's technology and production capacity fail to meet clients' new product requirements, if clients temporarily adjust, delay or suspend new product technical routes, or if the Company fails to develop new clients in a timely manner.

Countermeasures: Leveraging leading technological strengths, the Company closely follows industry trends, ramps up development of new clients and new products, and accelerates market share expansion in downstream segments such as automotive electronics and data centers to mitigate risks brought by industry shifts.

No new risk factors have emerged during the current year, and there have been no material changes to the principal risks faced by the Company.

XII. Company-Hosted Research, Communication, and Interview Activities during the Reporting Period

☑ Applicable ☐ Not applicable

Date	Location	Method of reception	Attendee type	Attendee	Topics and materials provided	Reference index for research details
February 19, 2025	Company conference room	On-site research	Institution	22 institutional investors including SDIC Securities	Daily Operation of the Company	2025-01
April 9, 2025	Teleconference	Phone call	Institution	281 investors including Changsheng Fund	2024 Annual Performance Exchange	2025-02
April 17, 2025	Online performance briefing	Online exchange	Other	All investors participating online in the Company's 2024 Annual Performance Briefing	2024 Annual Performance Exchange	2025-03
July 1, 2025	Company conference room	On-site research	Institution	5 institutions including China Merchants Securities	Daily Operation of the Company	2025-04
July 16, 2025	Company conference room & teleconference	On-site research	Institution	51 institutions including Huatai Securities	Daily Operation of the Company	2025-05

August 26, 2025	Online performance briefing	Online exchange	Other	All investors participating online in the Company's 2025 Half-year Performance Briefing	2025 Half-year Performance Exchange	2025-06
October 31, 2025	Teleconference	Phone call	Institution	104 institutional investors including China Asset Management	2025 Q3 Performance Exchange	2025-07
November 20, 2025	Online Exchange	Online exchange	Other	Investors attending the 2025 Online Collective Investor Reception for Listed Companies in Shenzhen hosted by Panorama Network	Daily Operation of the Company	2025-08

XIII. Implementation of the Market Value Management System and Valuation Enhancement Plan

Whether the Company has established a market value management system

☑ Yes ☐ No

Whether the Company has disclosed a valuation enhancement plan

☐ Yes ☑ No

The Company held the 13th meeting of the 3rd Board of Directors on December 25, 2024, and reviewed and approved the *Proposal on Formulating the Company's Market Value Management System*.

The Company's *Market Value Management System* sets out systematic provisions covering market value management bodies and personnel, major market value management approaches, monitoring and early warning mechanisms, emergency response measures, and internal assessment and evaluation methods. It aims to effectively boost the Company's investment value, raise investor returns and safeguard investors' interests.

For full text of the *Market Value Management System*, please refer to *Market Value Management System of Avary Holding (Shenzhen) Co., Limited* published on CNINFO (www.cninfo.com.cn) on December 26, 2024.

XIV. Implementation of the Action Plan for "Improvement in Both Quality and Earnings"

Whether the Company has disclosed the announcement on the action plan for "Improvement in Both Quality and Earnings"

☑ Yes ☐ No

On March 6, 2024, the Company disclosed the *Announcement on the Action Plan for "Improvement in Both Quality and Earnings"* of Avary Holding on CNINFO. To implement the guiding principles set forth at the Political Bureau of the CPC Central Committee that "we shall invigorate the capital market and boost investor confidence" and the State Council executive meeting that "we shall substantially improve the quality and investment value of listed companies, adopt more powerful and effective measures to stabilize the market and shore up confidence", and safeguard the interests of all shareholders, the Company formulated the Action Plan for "Improvement in Both Quality and Earnings". Targeted measures will be rolled out across five dimensions: Focus on core business to achieve competitive advantages; Pursue innovative development to stay ahead of industry trends; Adopt green and low-carbon practices for sustainable operation; Advance digital transformation and standardized governance; Reward shareholders and enhance corporate value to fully deliver the goals of the Action Plan for "Improvement in Both Quality and Earnings".

During the reporting period, guided by its mission "Develop technologies for the betterment of human beings; protect the environment for a greener earth" and vision "Develop PCB and other related industries to become a leader in the industry", the Company kept pace with trends in the electronics sector and remained focused on its core PCB business. By consolidating market share with existing clients and expanding emerging business segments, the Company further refined its industrial layout under the "One Avary" framework. In 2025, the Company recorded core operating revenue of RMB 38.843 billion, representing a year-on-year increase of 10.93% compared with 2024.

In terms of R&D and innovation, leveraging the full-spectrum PCB product platform under "One Avary", the Company ramped up R&D investment and strategic layout for AI-related products, covering all cloud, network and terminal application scenarios in the AI era. In 2025, the Company's R&D expenditure reached RMB 2.459 billion, accounting for 6.28% of total operating revenue, with a 5.79% year-on-year rise in R&D spending. As of December 31, 2025, Avary Holding had filed a total of 2,801 patents and obtained 1,647 granted patents.

For green development, the Company consistently fosters internal green culture and actively responds to global demands for environmental protection and sustainable development. The Company optimizes production processes, adopts green energy and low-carbon materials to effectively cut carbon emissions and resource consumption during manufacturing. During the reporting period, total Scope 1 and Scope 2 greenhouse gas emissions from the Company's major production sites stood at 291,699 tons CO_2e, with an emission intensity of 0.07 tons CO_2e per RMB 10,000 revenue, marking an 84% reduction against the 2013 baseline.

Regarding digital transformation and standardized governance, the Company prioritizes smart manufacturing and digital upgrading to continuously lift production and management efficiency. By the end of 2025, the Company had built 17 smart factories. Elevating corporate governance standards, improving information disclosure quality and strengthening investor protection remain core priorities for the Company. In 2025, in compliance with the latest regulatory requirements and internal development needs, the Company comprehensively revised over 30 governance documents including the *Articles of Association*, *Rules of Procedure for the Board of Directors* and *Working Rules for Independent Directors*. The Company also optimized its governance structure by abolishing the Board of Supervisors and redefining the scope of responsibilities of the Audit Committee.

The Company has built an investor protection system centered on standardized information disclosure and has been awarded Grade A, the highest rating for information disclosure assessment by the Shenzhen Stock Exchange, for six consecutive years. In 2025, the Company maintained a 100% response rate on the SZSE Investor Interactive Platform (IRM.cninfo.com.cn), and all online inquiries submitted during the collective investor reception day activities received full replies.

The Company attaches great importance to shareholder returns. In 2025, the Company formulated a three-year Shareholder Return Plan covering 2025 to 2027, specifying clear criteria and ratios for cash dividends. In 2025, the Company distributed cash dividends in strict accordance with the shareholder return plan and profit distribution policies, and implemented the 2024 profit distribution scheme. Total cash dividends distributed for 2024 amounted to RMB 2,318,051,016, accounting for 64.03% of the net profit attributable to shareholders of listed companies for 2024. Since its IPO, the Company has distributed cumulative dividends of RMB 9.724 billion with an average dividend payout ratio of 40.91%. This fully demonstrates the management's strong commitment to safeguarding shareholder interests and sharing operating gains with investors while sustaining corporate growth.

Section IV Corporate Governance, Environmental and Social Responsibility

I. Overview of Corporate Governance

In accordance with the *Company Law*, the *Securities Law* and other relevant laws and regulations, the Company has established a corporate governance structure comprising the General Meeting of Shareholders, the Board of Directors, specialized committees of the Board and senior management. Pursuant to the relevant laws and regulations and the *Articles of Association*, the Company has formulated rules and procedures including the *Rules of Procedure of the General Meeting of Shareholders*, the *Rules of Procedure of the Board of Directors*, the *Working System for Independent Directors*, the *Working Guidelines for the Secretary of the Board of Directors*, and the *Working Guidelines for the Chief Executive Officer*, providing institutional support for the standardized operation of the Company's corporate governance structure.

(I) Shareholders and General Meeting of Shareholders

The Company strictly complies with laws, administrative regulations and the relevant provisions of the *Articles of Association* and the *Rules of Procedure of the General Meeting of Shareholders* to regulate the convening, holding and voting procedures of General Meetings. The Company treats all shareholders equally and ensures that all shareholders are able to fully exercise their rights. During the reporting period, the convening and holding procedures of the General Meeting, the qualifications of attendees and the voting procedures all complied with the *Company Law*, the *Articles of Association* and the *Rules of Procedure of the General Meeting of Shareholders*.

(II) Controlling Shareholders and the Listed Company

The Company maintains a complete business system and the capability to operate independently in the market. The Company is independent from its controlling shareholder, indirect controlling shareholder and other enterprises under their control in terms of assets, personnel, finance, organization and business. The Board of Directors and internal organizations of the Company are able to operate independently. The controlling shareholder conducts itself in a strictly regulated manner, without directly or indirectly interfering in the Company's decision-making and operations beyond the authority of the General Meeting of Shareholders. There are no acts that harm the interests of the listed company, such as non-operational occupation of the listed company's funds or illegal guarantees.

(III) Directors and Board of Directors

The Board of Directors comprises 9 directors, including 1 Chairman, 3 independent directors and 1 employee representative director. The Board has a well-balanced professional structure, and its members possess the knowledge, skills and qualities necessary to perform their duties. The Board has established five specialized committees, namely the Strategy and Risk Management Committee, the Audit Committee, the Nomination Committee, the Remuneration and Assessment Committee, and the ESG Development Committee, which assist the Board in performing its functions in respect of strategic development planning and risk management, internal and external auditing, the nomination of directors and senior management, remuneration and assessment of directors and senior management, and ESG development, respectively, providing scientific and professional advisory opinions for Board decisions. During the reporting period, the Company convened and held Board meetings strictly in accordance with the *Articles of Association* and the *Rules of Procedure of the Board of Directors*. Directors performed their duties faithfully, honestly and diligently, attended Board meetings on time and expressed clear opinions on matters deliberated by the Board.

(IV) Independent Directors

The Company has 3 independent directors, of whom 1 is an accounting professional and the other 2 also have extensive backgrounds and practical experience in the electronics industry. Independent directors perform their duties strictly in accordance with the requirements of laws and regulations and normative documents such as the *Company Law*, the *Corporate Governance Code for Listed Companies* and the *Measures for the Administration of Independent Directors of Listed Companies*. They perform their duties diligently and participate in Board decision-making in an independent and objective manner, playing a key role in financial report review, related-party transaction examination and internal control supervision. They effectively oversee matters that may involve material conflicts of interest with the controlling shareholder, actual controller, directors and senior management, thereby strongly promoting Board decisions that are in the overall interests of the listed company and effectively protecting the legitimate rights and interests of minority shareholders.

(V) Performance Evaluation and Incentive-Restraint Mechanism

The appointment of the Company's directors and senior management is open, transparent and in compliance with relevant laws, regulations and the *Articles of Association*. The responsibilities of the CEO and other senior management are clearly defined, enabling them to perform their duties in accordance with the *Articles of Association*, the *Working Guidelines for the CEO* and other management systems. The Company has formulated the *Proposal on the Performance-based Remuneration Accrual Method for the Chairman, Mid-to-Senior Management and Core Technical Personnel*, linking the remuneration of the Chairman and senior management with the Company's performance and individual performance results, thereby fully motivating senior management's work initiative and creativity, improving the level of corporate management and promoting the Company's healthy and sustainable development.

The performance evaluation of the Company's directors and senior management is the responsibility of the Remuneration and Assessment Committee of the Board. Each year, the CEO submits a work report to the Board; the Board reports to the General Meeting of Shareholders on the performance of directors' duties; and independent directors submit reports on their performance to the General Meeting of Shareholders.

(VI) Stakeholders

While maintaining rapid growth, the Company places great importance on corporate social responsibility. It regards "employees, customers, strategic partners, shareholders and society" as the five pillars of Avary's development, fully respecting and protecting the legitimate rights of employees and other stakeholders, and strengthening communication and cooperation with all parties to jointly drive the company's sustainable and healthy development. Meanwhile, guided by its corporate mission of "developing technology, benefiting humanity, advancing environmental protection, and making the earth a better place", the Company actively promotes a green corporate culture, advances environmentally friendly, low-carbon and high-quality development, actively participates in social welfare activities and practices corporate social responsibility.

(VII) Information Disclosure and Investor Protection

The Company strictly fulfills its information disclosure obligations in accordance with the Shenzhen Stock Exchange's *Rules for the Listing of Stocks* and other relevant laws and regulations, ensuring that information disclosure is truthful, accurate, complete and timely. The Company has designated *Shanghai Securities News*, *Securities Times* and CNINFO as its designated information disclosure media, ensuring that all shareholders have equal access to the Company's operational information. To further standardize information disclosure management and improve the internal control mechanism for information disclosure, the Company has established the Avary Holding Information Disclosure Committee and formulated the *Working Procedures of the Information Disclosure Committee*, which are strictly implemented.

To protect the interests of minority investors, and in accordance with the *Company's Information Disclosure Management System* and *Investor Relations Management System, the Company* has designated the Secretary of the Board to be responsible for information disclosure and investor relations work. The Office of the Secretary of the Board plans, arranges and organizes various investor relations management activities and day-to-day affairs. The Company has established unimpeded investor communication channels and maintains comprehensive communication and exchange with investors through dedicated investor hotlines, investor research visits and the interactive platform of the investor relations website. After the disclosure of periodic reports, the Company promptly holds performance briefings. During the reporting period, the Company held online performance briefings following the publication of the Annual Report and Semi-annual Report, enabling investors to gain a more comprehensive and in-depth understanding of the Company's operational performance and development strategy.

The Company has formulated a *Market Capitalization Management System* to effectively drive the enhancement of the Company's investment value, strengthen investor returns and protect investor interests. The Company actively rewards shareholders and has formulated a *Three-Year Shareholder Return Plan*, sharing the fruits of the Company's development with shareholders through stable annual cash dividends.

Whether there are material differences between the Company's actual corporate governance and the provisions on listed company governance issued by the laws, administrative regulations and the CSRC

□ Yes ☑ No

The Company's actual corporate governance does not materially differ from the provisions on listed company governance issued by the laws, administrative regulations and the CSRC.

II. Independence of the Company from its Controlling Shareholder and Actual Controller in Respect of Assets, Personnel, Finance, Organization and Business

The Company has a complete business system and the ability to operate independently in the market, and is independent from its controlling shareholder, indirect controlling shareholder and other enterprises under their control in terms of assets, personnel, finance, organization and business.

(I) Independence of Assets

The Company has a complete business system and all assets related to production and operations, with full control and disposal rights over all assets. There are no instances of assets being occupied by the controlling shareholder, indirect controlling shareholder or other enterprises under their control that would harm the interests of the Company.

(II) Independence of Personnel

The Company's human resources management is completely independent from the controlling shareholder, indirect controlling shareholder and other enterprises under their control. Senior management including the CEO, General Manager, Deputy General Managers, CFO and Secretary of the Board are employed on a full-time basis by the Company and receive remuneration solely from the Company. None of them hold any position other than director or supervisor, or receive any remuneration other than director's allowance, from the controlling shareholder, indirect controlling shareholder or other enterprises under their control. None of them holds a position in any other entity with the same or similar business as the Company or with other conflicts of interest. The Company's financial personnel do not hold concurrent positions at the controlling shareholder, indirect controlling shareholder or other enterprises under their control.

(III) Independence of Finance

The Company has established an independent finance department staffed with dedicated financial personnel capable of making independent financial decisions. The Company has established standardized corporate accounting systems, financial management systems and internal control systems. The Company maintains separate bank accounts and independently manages its operating funds, with no bank accounts shared with shareholders or any other entities or individuals. The Company files and pays taxes independently in accordance with the law, with no commingling of taxes with shareholders.

(IV) Independence of Organization

In strict compliance with the *Company Law*, the Company has established the General Meeting of Shareholders, the Board of Directors, specialized Board committees, senior management teams and relevant functional departments, and has established a standardized corporate governance structure and comprehensive internal rules and regulations, exercising its management powers independently.

(V) Independence of Business

The Company has an independent and complete R&D system, independently procures raw materials required for production, independently organizes product manufacturing, and independently sells products and provides services. The Company's business is independent from the controlling shareholder and other enterprises under its control. The Company independently generates business revenue and profit, without relying on shareholders or any other related parties.

III. Competition with the Same Industry

☑ Applicable ☐ Not Applicable

Issue Type	Type of Relationship with the Listed Company	Company Name	Company Nature	Cause of the Issue	Resolution Measures	Work Progress and Subsequent Plan
Horizontal Competition	Controlling Shareholder	Zhen Ding Technology Holding Limited	Overseas	Zhen Ding Technology acquired Xianfeng Communications overseas in 2020. As the Company's business continues to expand, Xianfeng Communications has certain business similarities with the Company. However, the company's main operations are located in the Taiwan region and its scale is relatively small; therefore, there is no horizontal competition that would constitute a material adverse impact on the Company.	The Company and Zhen Ding Holding signed the *Entrusted Management Cooperation Agreement* between Zhen Ding Technology Holding Limited and Avary Holding (Shenzhen) Co., Ltd. on January 1, 2023. Zhen Ding Holding issued the *Commitment Regarding the Resolution of Business Similarities with Xianfeng Communications Co., Ltd.* on March 14, 2023.	The aforementioned *Entrusted Management Cooperation Agreement* is proceeding normally.

IV. Directors and Senior Management

1. Basic Information

Name	Gender	Age	Position	Status	Term Start Date	Term End Date	Shares at Beginning of Period (shares)	Shares Increased During the Period (shares)	Shares Decreased During the Period (shares)	Other Changes (shares)	Shares at the End of Period (shares)	Reason for Share Changes
Charles Shen	Male	74	Chairman of the Board and CEO	Incumbent	May 16, 2017	April 25, 2026	0[1]	0	0	0	0	
You Zhehong	Male	63	Director	Incumbent	May 16, 2017	April 25, 2026	0	0	0	0	0	
Huang Chongxing	Male	72	Director	Incumbent	April 30, 2020	April 25, 2026	0	0	0	0	0	
Lin Yihong	Male	59	Director and General Manager	Incumbent	April 25, 2023	April 25, 2026	0[2]	0	0	0	0	

Ke Chengen	Male	74	Director	Incumbent	April 29, 2025	April 25, 2026	0	0	0	0	0	
Miao Chunna	Female	40	Employee Representative Director	Incumbent	April 29, 2025	April 25, 2026	196,238	0	0	0	196,238	
Zhang Milin	Female	43	Independent Director	Incumbent	April 18, 2022	April 25, 2026	0	0	0	0	0	
Zhang Jianjun	Male	62	Independent Director	Incumbent	April 25, 2023	April 25, 2026	0	0	0	0	0	
Wei Xuezhe	Male	56	Independent Director	Incumbent	April 25, 2023	April 25, 2026	0	0	0	0	0	
Chen Guosheng	Male	62	General Manager	Incumbent	October 30, 2023	April 25, 2026	0	0	0	0	0	
Xiao Dewang	Male	60	Deputy General Manager and CFO	Incumbent	May 16, 2017	April 25, 2026	0[3]	0	0	0	0	
Zhou Hong	Female	61	Deputy General Manager and Secretary to the Board of Directors	Incumbent	May 16, 2017	April 25, 2026	0	0	0	0	0	
Zhong Jiahong	Male	50	Deputy General Manager	Incumbent	December 27, 2019	April 25, 2026	0[4]	0	0	0	0	
Gao Guoqian	Male	62	Deputy General Manager	Incumbent	September 9, 2020	April 25, 2026	0	0	0	0	0	
Yang Weizhen	Female	59	Deputy General Manager	Incumbent	April 25, 2023	April 25, 2026	10,300[5]	0	0	0	10,300	
Luo Anzhi	Male	51	Deputy General Manager	Incumbent	October 30, 2024	April 25, 2026	60,000	0	0	-6,000	54,000	Repurchase and cancellation of restricted stock under the equity incentive plan
Total	--	--	--	--	--	--	266,538	0	0	-6,000	260,538	--

Note: 1. As of the end of the reporting period, Mr. Charles Shen indirectly holds 0.33% equity interest in Avary Holding through Yuefeng Company.

2. As of the end of the reporting period, Mr. Lin Yihong indirectly holds 0.03% equity interest in Avary Holding through Yuefeng Company.

3. As of the end of the reporting period, Mr. Xiao Dewang indirectly holds 0.03% equity interest in Avary Holding through Yuefeng Company.

4. As of the end of the reporting period, Mr. Zhong Jiahong indirectly holds 0.02% equity interest in Avary Holding through Dele Investment.

5. As of the end of the reporting period, Ms. Yang Weizhen indirectly holds 0.03% equity interest in Avary Holding through Dele Investment.

Whether any directors or senior management departed during their terms of office during the reporting period

□ Yes ☑ No

Changes in Directors and Senior Management of the Company

☑ Applicable ☐ Not Applicable

Name	Position Held	Type	Date	Reason
Ke Chengen	Director	Elected	April 29, 2025	By-election of Director
Miao Chunna	Employee Representative Director	Elected	April 29, 2025	By-election of Director
Charles Shen	Chairman of the Board and CEO	Removal	August 12, 2025	Job Transfer
Chen Guosheng	General Manager	Removal	August 12, 2025	Job Transfer

2. Employment Details

Professional Background, Principal Work Experience and Current Responsibilities of Current Directors and Senior Management of the Company

Mr. Charles Shen: Born in 1952, graduated from the Department of Business Administration at Chinese Culture University (Taiwan) with a bachelor’s degree. From 1979 to 1989, he served at the Export-Import Bank of the R.O.C., where he held the position of Section Chief. From 1990 to 1993, he served at Asia Securities Co., Ltd., where he held the position of Deputy General Manager. From 1993 to 1994, he served at Chung Hsing Bank of Commerce (Taiwan), where he held the position of Special Assistant to the General Manager. From 1994 to 1996, he served at Pacific Securities Co., Ltd. (Taiwan), where he held the position of Executive Vice President. From 1996 to 1997, he served at Asia Financial Advisors Co., Ltd., where he held the position of General Manager. From 1997 to 1999, he served at Ideal Land Co., Ltd., where he held the position of General Manager. From 1999 to 2004, he served at Yaowen Electronics Industrial Co., Ltd., where he held the position of General Manager. In 2004, he served at Hongyang Venture Capital Co., Ltd., where he held the position of Deputy General Manager. Since 2005, he has served as Chairman of Zhen Ding Holding. He currently serves as Chairman of the Board and Chief Executive Officer of the Company.

Mr. You Zhehong: Born in 1963, graduated from the Department of Law at National Chengchi University (Taiwan) with a bachelor’s degree, and later obtained a master’s degree from the Washington College of Law at American University (USA). From 1998 to 2002, he served at Hon Hai Group, where he held the position of Legal Counsel in the Legal Department. From 2002 to 2010, he served at Hongyang Venture Capital Co., Ltd., where he held the position of Senior Manager of the Investment and Legal Department. Since February 2010, he has been employed at Hon Hai Group. He currently serves as a Director of the Company, Senior Associate of the Central Finance and Legal Affairs Division of Hon Hai Group, and a Director of Zhen Ding Holding, among other positions.

Mr. Huang Chongxing: Born in 1954, graduated from the Department of Electrical Engineering at National Taiwan University with a bachelor’s degree, and later obtained a Ph.D. in Business Administration from the University of Texas (USA). From 1978 to 1982, he served at Texas Instruments (Taiwan), where he held the position of Engineering Department Manager. From 1987 to July 2018, he served at the College of Management of National Taiwan University, where he held the position of full-time Associate Professor. From 2017 to 2020, he served as an Independent Director of the Company. He currently serves as a Director of the Company, and concurrently serves as Distinguished Professor at Fudan University, Independent Director and member of the Remuneration Committee at Yiying

Co., Ltd., Independent Director at Chenbro Micom Co., Ltd., and Executive Director and full-time Professor at the College of Business, Chang Gung University (Taiwan).

Mr. Lin Yihong: Born in 1967, graduated from Feng Chia University with a bachelor's degree in International Trade, and later obtained a master's degree from the Rotterdam School of Management. From 1992 to 1994, he served at Baoqiao Taiwan Co., Ltd., where he held the position of Sales Representative. From 1997 to 2000, he served at IBM Taiwan Corporation, where he held the position of Specialist. From 2000 to 2006, he served at United Parcel Service (UPS) Taiwan, where he held the position of Senior Manager. In 2007, he served at Yulon Motor Co., Ltd., where he held the position of Senior Manager. From 2007 to 2017, he served at Zhen Ding Holding, where he held the position of Deputy General Manager. From 2017 to 2023, he served as Deputy General Manager of the Company. He currently serves as a Director and General Manager of the Company.

Mr. Ke Chengen: Born in 1952, graduated from the Department of Business Administration at National Taiwan University with a bachelor's degree, and subsequently obtained a Master's degree in Business Administration from the University of Southern California (USA) and a Ph.D. in Accounting from the University of Minnesota (USA). He previously served at the School of Accounting at the University of Southern California as an Assistant Professor, and at the Department of Accounting at National Taiwan University, where he served as Professor, Department Chair, and Dean of the College of Management. From 2017 to 2025, he served as a Supervisor of the Company. He is currently an Emeritus Professor in the Department of Accounting at National Taiwan University and serves as a Director of the Company. He concurrently serves as an Independent Director and member of the Remuneration Committee at Changtai Industrial Co., Ltd., an Independent Director and member of the Remuneration Committee at Lianmao Electronics Co., Ltd., a member of the Remuneration Committee at ATEN International Co., Ltd., a member of the Remuneration Committee at Yangcheng Technology Co., Ltd., and a member of the Remuneration Committee at Zhen Ding Holding.

Ms. Miao Chunna: Born in 1986, graduated from Northeastern University at Qinhuangdao with a bachelor's degree in Marketing, and later obtained a Master's degree in Business Administration from Tongji University. Since 2008, she has been employed at the Company. From 2017 to 2025, she served as an Employee Representative Supervisor of the Company. She currently serves as an Employee Representative Director of the Company and Chairperson of the Labor Union.

Ms. Zhang Milin: Born in 1982, graduated from Tsinghua University with a bachelor's and master's degree in Electronic Science and Technology, and obtained a Ph.D. from the Hong Kong University of Science and Technology. She served as a Postdoctoral Researcher at the University of Pennsylvania (USA). From 2016 to 2019, she served as an Assistant Professor at Tsinghua University. Since 2019, she has served as an Associate Professor in the Department of Electronic Engineering at Tsinghua University. She currently serves as an Independent Director of the Company.

Mr. Zhang Jianjun: Born in 1964, graduated from Anhui University of Finance and Economics with a bachelor's degree in Commercial Accounting, a master's degree in Accounting, and a Ph.D. in Accounting from Shanghai University of Finance and Economics. From 1985 to 1999, he taught at Jiangxi University of Finance and Economics, successively serving as Teaching Assistant in Accounting, Associate Professor and Deputy Department Chair, and Professor and Deputy Dean. From 1999 to 2001, he served as Vice President of Pengyuan Credit Rating Co., Ltd. From 2001 to 2006, he served as Dean and Professor of the School of Economics at Shenzhen University. Since 2003, he has concurrently served as a member of the Expert Committee for the Shenzhen Mayor's Quality Award. Since 2014, he has concurrently served as a Council Member of the Chinese Accounting Association. Since 2018, he has concurrently served as Supervisor General of the Shenzhen Accounting Association. Since 2007, he has served as Director and Professor of the Institute of Accounting and Finance at Shenzhen University. He currently serves as an Independent Director of the Company, and concurrently serves as an Independent Director of Sunwoda Electronic Co., Ltd. and an Independent Director of Chongda Technology Co., Ltd.

Mr. Wei Xuezhe: Born in 1970, graduated from the Department of Automation, School of Electronics and Information Engineering at Tongji University with a bachelor's and master's degree, and obtained a Ph.D. in Vehicle Engineering from the School of Automotive Studies at Tongji University. From 1997 to 2020, he taught at the School of Automotive Studies at Tongji University, successively serving as Teaching Assistant, Associate Professor, and Deputy Dean. Since 2011, he has served as a Professor at the School of Automotive Studies at Tongji University and as Secretary General of the Hydrogen Energy Fuel Cell Branch of the China Battery Industry Association. He currently serves as an Independent Director of the Company, and concurrently serves as an Independent Director of Ningbo Joyson Electronic Co., Ltd.

Mr. Chen Guosheng: Born in 1964, graduated from the Department of Electrical Engineering at National Kaohsiung University of Science and Technology (Taiwan) with a bachelor's degree, and later obtained a Master's degree in Business Administration from I-Shou University (Taiwan). From 1986 to 2020, he served at Nippon Mektron, Ltd. (Taiwan), where he held the position of General Manager. Since 2020, he has been employed at the Company. He currently serves as General Manager of the Company.

Mr. Xiao Dewang: Born in 1966, graduated from the Department of Business Administration at National Taiwan University with a bachelor's degree, and later obtained a master's degree in Business Administration from Cornell University (USA). From 1991 to 1993, he served at Yuntong Trading Co., Ltd., where he held the position of Deputy Manager. From 1996 to 1997, he served at Xinqiao Investment Co., Ltd., where he held the position of Specialist. From 1997 to 1998, he served at Xinyu Cogeneration Co., Ltd., where he held the position of Associate Manager. In 1999, he served at Lianqiao Chemical Co., Ltd., where he held the position of Deputy Manager. From 1999 to 2003, he served at Yaowen Electronics Industrial Co., Ltd., where he held the position of Manager/Special Assistant. From 2004 to 2005, he served at Hongyang Venture Capital Co., Ltd., where he held the position of Deputy Manager. From 2006 to 2017, he served at Zhen Ding Holding, where he held the position of Senior Associate. From 2015 to 2016, he served at Yangcheng Technology Co., Ltd., where he held the position of Director. Since 2017, he has served as Deputy General Manager and Chief Financial Officer of the Company.

Ms. Zhou Hong: Born in 1965, graduated from Tsinghua University with a bachelor's degree in Air Conditioning and Refrigeration, and later obtained a Master of Engineering from the School of Architecture at Tsinghua University, an MBA from Massey University (New Zealand), and a Master's degree in Finance. From 1989 to 1992, she served as a Lecturer at Beijing University of Technology. From 1992 to 1997, she served as an Engineer at Shenzhen Architectural Design Institute. From 2001 to 2007, she served as an Independent Director of EVOC Intelligent Technology Co., Ltd. From 2001 to 2002, she served as an Assistant to the President at Shenzhen Jiyu Investment Management Co., Ltd. From 2002 to 2003, she served as a Director at Asia Global Securities Co., Ltd., Hong Kong. From 2003 to 2005, she served at Dongfang Yijian Health Industry Investment Co., Ltd., where she held the position of Director. From 2005 to 2016, she served at CSG Holding Co., Ltd., where she held the position of Secretary to the Board of Directors. From 2016 to 2017, she served at Shenzhen Malian Technology Co., Ltd., where she held the position of Chief Executive Officer. Since 2017, she has served as Deputy General Manager and Secretary to the Board of Directors of the Company, and concurrently serves as an Independent Director of Chengtian Weiye.

Mr. Zhong Jiahong: Born in 1976, graduated from the Department of Electronics at Southern Taiwan University of Science and Technology. From 2003 to 2006, he served at Jialianyi Technology Co., Ltd. as an Overseas Sales Representative. From 2006 to 2017, he served at Zhen Ding Holding, where he held the position of Associate in the Sales Department. Since 2017, he has been employed at the Company. He currently serves as Deputy General Manager of the Company.

Mr. Gao Guoqian: Born in 1964, graduated from the Department of Chemical Engineering at Chung Yuan Christian University (Taiwan). From 1991 to 2003, he served as Deputy Plant Manager at Nan Ya PCB Co., Ltd. From 2003 to 2004, he served as Deputy General Manager at Jiading Technology Co., Ltd. From 2005 to 2020, he served as Plant Manager at Nan Ya PCB Co., Ltd. Since January 2020, he has been employed at the Company. He currently serves as Deputy General Manager of the Company.

Ms. Yang Weizhen: Born in 1967, graduated from Tamkang University with a bachelor's degree, majoring in Japanese and minoring in English. From 1989 to 1997, she served at Japan Airlines Co., Ltd., where she held the position of Senior Flight Attendant. From 1997 to 2002, she served at Proview Technology Co., Ltd., where she held the position of Deputy Manager in the Secretariat. Since 2005, she has served at Zhen Ding Holding, where she held the positions of Senior Secretary of the Chairman's Office / Director of the Chairman's Office / Director of Human Resources. Since 2017, she has been employed at the company. She currently serves as Deputy General Manager of the company.

Mr. Luo Anzhi: Born in 1975, graduated from the Department of Mechanical Engineering at Tamkang University (Taiwan). From 2000 to 2011, he served at Unimicron Technology Corporation, where he held the position of Senior Manager. Since 2011, he has been employed at Avary Holding. He currently serves as Deputy General Manager of the Company.

Whether the controlling shareholder or actual controller simultaneously serves as both Chairman and General Manager of the listed company

□ Applicable ☑ Not Applicable

Positions Held at Shareholder Entities

☑ Applicable ☐ Not Applicable

Name of Office Holder	Name of Shareholder Entity	Position Held in Shareholder Entity	Start Date of Term	End Date of Term	Whether Remuneration or Allowance Is Received from Other Entity
SHEN Qing-Fang	Zhen Ding Technology Holding Limited	Chairman	June 20, 2006	May 29, 2026	Yes
SHEN Qing-Fang	Mayco Industrial Co., Ltd.	Director	March 31, 2008	—	No
SHEN Qing-Fang	Pacific Fair International Co., Ltd.	Director	March 31, 2008	—	No
YOU Zhe-Hong	Zhen Ding Technology Holding Limited	Director	February 1, 2013	May 29, 2026	Yes
KE Cheng-En	Zhen Ding Technology Holding Limited	Member of the Remuneration Committee	October 6, 2011	May 29, 2026	Yes
HSIAO Te-Wang	Yuefeng Co., Ltd.	Director	October 20, 2016	—	No

Positions Held at Other Entities

☑ Applicable ☐ Not Applicable

Name of Office Holder	Name of Other Entity	Position Held in Other Entity	Start Date of Term	End Date of Term	Whether Remuneration or Allowance Is Received from Other Entity
YOU Zhe-Hong	Hon Hai Precision Industry Co., Ltd.	Senior Associate Vice President	February 1, 2010	—	Yes
HUANG Chung-Hsing	Fudan University	Distinguished Professor	July 1, 2018	—	Yes
HUANG Chung-Hsing	Medical Imaging Co., Ltd.	Independent Director and Member of the Remuneration Committee	September 1, 2017	—	Yes
HUANG Chung-Hsing	Chenbro Micom Co., Ltd.	Independent Director	June 23, 2020	—	Yes
HUANG Chung-Hsing	College of Management, Chang Gung University	Executive Director and Full-time Professor	February 1, 2022	—	Yes
ZHANG Mi-Lin	Department of Electronic Engineering, Tsinghua	Associate Professor	March 1, 2016	—	Yes

	University				
ZHANG Jian-Jun	Institute of Accounting and Finance, Shenzhen University	Director and Professor	January 1, 2007	—	Yes
ZHANG Jian-Jun	Sunwoda Electronic Co., Ltd.	Independent Director	May 20, 2020	—	Yes
ZHANG Jian-Jun	Suntak Technology Co., Ltd.	Independent Director	November 28, 2025	—	Yes
WEI Xue-Zhe	School of Automotive Studies, Tongji University	Professor	January 1, 2011	—	Yes
WEI Xue-Zhe	Ningbo Joyson Electronic Corp.	Independent Director	September 3, 2021	—	Yes
KO Cheng-En	Usun Technology Co., Ltd.	Member of the Remuneration Committee	August 7, 2024	—	Yes
KO Cheng-En	Chang Tai Industrial Co., Ltd.	Independent Director and Member of the Remuneration Committee	June 27, 2022	—	Yes
KO Cheng-En	ATEN International Co., Ltd.	Member of the Remuneration Committee	June 16, 2020	—	Yes
KO Cheng-En	Iteq Corporation	Independent Director and Member of the Remuneration Committee	May 30, 2024	—	Yes
KO Cheng-En	National Taiwan University	Professor Emeritus	January 1, 2012	—	Yes
ZHOU Hong	Shenzhen Chengtian Weiye Technology Co., Ltd.	Independent Director	December 19, 2025	—	Yes

Penalties imposed by securities regulatory authorities on current and departed directors and senior management within the past three years

□ Applicable ☑ Not Applicable

3. Remuneration of Directors and Senior Management

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

At the 2022 Annual General Meeting held on April 25, 2023, the Company reviewed and approved the *Proposal on the Accrual Method for Performance-based Remuneration for the Chairman, Middle and Senior Management, and Core Technical Personnel of the Company*. In order to fully motivate professional managers, enhance the sense of responsibility and cohesion of the Company’s professional management team and core technical personnel, maintain the stability of Avary Holding’s core management team and core talent pool, and promote the healthy and sustainable development of the Company, the Company aligns the interests of the professional management team represented by the Chairman and core technical personnel with the interests of the Company, and has established the following performance-based remuneration accrual plan: (i) After the end of each fiscal year, the Company accrues a performance bonus for its middle and senior management and core technical personnel at 5% to 12% of the profit for that year (the above profit refers to the profit amount before accrual of the performance bonus). The total annual performance bonus amount is confirmed by the Chairman as authorized by the Board of Directors, and implemented upon deliberation and approval by the Remuneration and Appraisal Committee of the Board of Directors. (ii) The Chairman’s remuneration is accrued at 0.5% of the pre-tax net profit of the previous year. (iii) The performance and remuneration of the Company’s middle and senior management and technical personnel are determined based on the performance appraisal results of the relevant personnel for the current year.

At the 2024 Annual Shareholders' Meeting held on April 29, 2025, the Company reviewed and approved the *Proposal on Remuneration of Directors of the Company*: Based on the industry in which the Company operates, taking into account the Company's actual circumstances and the duties and responsibilities of directors, the Board of Directors approved the following director remuneration: Directors who hold positions in the Company and concurrently serve as directors of the Company's shareholders shall receive the remuneration and benefits corresponding to their existing positions in the Company and the Company's shareholders; directors who do not hold any position in the Company shall receive remuneration of RMB 0.3 million (pre-tax); independent directors shall receive an annual allowance of RMB 0.3 million (pre-tax), calculated on a pro rata daily basis for service periods of less than one full year. Necessary expenses incurred by directors in attending meetings of the Board of Directors and Shareholders' Meetings and in exercising their powers in accordance with the *Company Law*, the *Articles of Association*, and other relevant provisions shall be separately reimbursed by the Company based on actual expenses incurred. The remuneration of the Chairman of the Company shall be calculated and paid in accordance with the *Company's Accrual Method for Performance-based Remuneration for the Chairman, Middle and Senior Management, and Core Technical Personnel*.

Remuneration of Directors and Senior Management During the Reporting Period

Unit: RMB 10,000

Name	Gender	Age	Position	Status	Total Pre-tax Remuneration from the Company	Whether Remuneration Is Received from Related Parties of the Company
SHEN Qing-Fang	Male	74	Chairman of the Board and CEO	Incumbent	813	Yes
YOU Zhe-Hong	Male	63	Director	Incumbent	0	Yes
HUANG Chung-Hsing	Male	72	Director	Incumbent	30	No
LIN Yi-Hong	Male	59	Director and General Manager	Incumbent	313.34	No
ZHANG Mi-Lin	Female	43	Independent Director	Incumbent	30	No
ZHANG Jian-Jun	Male	62	Independent Director	Incumbent	30	No
WEI Xue-Zhe	Male	56	Independent Director	Incumbent	30	No
KO Cheng-En	Male	74	Director	Incumbent	20	Yes
MIAO Chun-Na	Female	40	Employee Representative Director	Incumbent	30.54	No
CHEN Guo-Sheng	Male	62	General Manager	Incumbent	507.51	No
HSIAO Te-Wang	Male	60	Deputy General Manager and CFO	Incumbent	289.73	No
ZHOU Hong	Female	61	Deputy General Manager and Secretary to the Board of Directors	Incumbent	243.32	No
ZHONG Jia-Hong	Male	50	Deputy General Manager	Incumbent	299.03	No
GAO Guo-Qian	Male	62	Deputy General Manager	Incumbent	144.22	No

YANG Wei-Zhen	Female	59	Deputy General Manager	Incumbent	252.87	No
LUO An-Zhi	Male	51	Deputy General Manager	Incumbent	293.28	No
Total	—	—	—	—	3344.84	—

Assessment Basis for Remuneration Actually Received by All Directors and Senior Management at the End of the Reporting Period	The remuneration of the Company's directors is paid in accordance with the *Proposal on Remuneration of Directors of the Company approved at the 2024 Annual Shareholders' Meeting*. The remuneration of the Chairman and senior management is determined based on the *Accrual Method for Performance-based Remuneration for the Chairman, Middle and Senior Management, and Core Technical Personnel of the Company* approved at the 2022 Annual General Meeting, combined with individual year-end performance appraisals.
Completion Status of Assessment for Remuneration Actually Received by All Directors and Senior Management at the End of the Reporting Period	Completed
Deferred Payment Arrangements for Remuneration Actually Received by All Directors and Senior Management at the End of the Reporting Period	Not applicable
Clawback and Recovery of Remuneration Actually Received by All Directors and Senior Management at the End of the Reporting Period	Not applicable

Explanation of Other Circumstances

□ Applicable ☑ Not Applicable

V. Performance of Duties by Directors during the Reporting Period

1. Attendance of Directors at Board and Shareholder Meetings

Attendance of Directors at Board of Directors and General Meetings							
Name of Director	Number of Board Meetings Required to Attend During the Reporting Period	Number of Board Meetings Attended in Person	Number of Board Meetings Attended by Telecommunication	Number of Board Meetings Attended by Proxy	Number of Board Meetings Absent	Whether Failed to Attend Two Consecutive Board Meetings in Person	Number of Shareholders' Meetings Attended
SHEN Qing-Fang	9	3	6	0	0	No	1
YOU Zhe-Hong	9	3	6	0	0	No	1
HUANG Chung-Hsing	9	3	6	0	0	No	1
LIN Yi-Hong	9	3	6	0	0	No	1
ZHANG Mi-Lin	9	3	6	0	0	No	1
ZHANG Jian-Jun	9	3	6	0	0	No	1
WEI Xue-Zhe	9	3	6	0	0	No	1
KO Cheng-En	7	2	5	0	0	No	1
MIAO Chun-Na	7	2	5	0	0	No	1

Explanation for failure to personally attend two consecutive Board meetings

Not applicable

2. Objections Raised by Directors on Company Matters

Whether any director raised objections to company matters

□ Yes ☑ No

During the reporting period, no director raised any objection to company matters

3. Other Explanations on the Performance of Duties by Directors

Whether recommendations made by directors regarding the Company were adopted

☑ Yes ☐ No

The board's explanation regarding whether the relevant recommendations of the company have been adopted or not

In 2025, the Board of Directors strictly fulfilled the Board's responsibilities entrusted by the General Meeting in accordance with the *Company Law*, the *Shenzhen Stock Exchange's Rules for the Listing of Stocks* and other laws and regulations, as well as the *Articles of Association*, the *Rules of Procedure of the General Meeting*, the *Rules of Procedure of the Board of Directors* and other corporate rules. The Board strictly implemented all resolutions of the General Meeting, actively promoted the implementation of all Board resolutions, continuously improved the Company's corporate governance structure, and ensured that the Board made decisions scientifically and operated in a standardized manner. In terms of corporate management, the Board diligently carried out all its work, continuously strengthened internal control management, actively provided advice on major corporate decisions and promoted the development of the Company's various businesses.

In 2025, in accordance with the latest regulatory requirements and the Company's own development needs, the Company comprehensively revised over 30 governance systems including the *Articles of Association*, the *Rules of Procedure of the Board of Directors and the Working System for Independent Directors.* The governance structure was simultaneously optimized by abolishing the Board of Supervisors and redefining the scope of responsibilities of the Audit Committee.

VI. Specialized Committees under the Board of Directors during the Reporting Period

Committee Name	Members	Number of Meetings Held	Date of Meeting	Meeting Content	Important Opinions and Suggestions Proposed	Other Duties Performed	Details of Dissenting Matters (if any)
The 3rd Board of Directors' Audit Committee	Zhang Jianjun, Zhang Milin, Wei Xuezhe	6	Jan 17, 2025	Reviewed and adopted two proposals: the *Proposal on Estimating the Company's 2025 Routine Connected Transactions* and the *Proposal on Applying for the 2025 Financial Derivative Trading Quota*	The Audit Committee strictly complied with the estimation of the Company's 2025 routine connected transactions and the application for the 2025 financial derivative trading quota in accordance with the *Company Law*, CSRC regulatory rules, the *Articles of Association*, and other relevant provisions. After full communication and discussion, the	None	None

					Committee adopted the above proposals and agreed to submit them to the Board of Directors for deliberation.		
			Mar 28, 2025	Second Communication Meeting on the 2024 Annual Report Audit	None	The Audit Committee heard a presentation from the external audit firm on matters related to the Company's 2024 annual report audit.	None
			Apr 7, 2025	Reviewed and adopted seven proposals: the *Proposal on the Company's 2024 Annual Report and Its Summary*, the *Proposal on the Company's 2024 Financial Settlement Report*, the *Proposal on the Company's 2024 Internal Control Self-Evaluation Report*, the *Proposal on the Company's 2024 Internal Control Audit Report*, the *Proposal on the Reappointment of the Accounting Firm for 2025*, the *Proposal on Establishing the Company's Accounting Firm Selection and Appointment System*, and the *Proposal on the Pre-Approval Policy for Non-Attestation Services Provided by the Annual Audit Accounting Firm*	The Audit Committee strictly complied with the Company's 2024 annual report, internal control report, the reappointment of the accounting firm for 2025, and the establishment of the accounting firm selection and appointment system in accordance with the *Company Law,* CSRC regulatory rules, the *Articles of Association*, and other relevant provisions. After full communication and discussion, the Committee unanimously adopted all proposals and agreed to submit them to the Board of Directors for deliberation.	The Audit Committee heard a report on the 2024 work of the external audit firm and the Company's Internal Control Audit Department's 2024 annual internal audit work summary.	None
			Apr 28, 2025	Reviewed and adopted the *Proposal on the Company's 2025 First Quarterly Report*	The committee strictly complied with the *Company Law*, CSRC regulations, and the *Articles of Association* in reviewing the 2025 first quarterly report. It was approved and agreed to submit to the Board of Directors for	The Audit Committee communicated via email to understand the Company's Internal Control Audit Department's 2025 first	None

					deliberation.	quarter internal audit work status.	
			Aug 11, 2025	Reviewed and adopted the *Proposal on the Company's 2025 Semi-Annual Report and its Summary* and the *Proposal on the Estimated Amount of the Company's 2025 Daily Related Party Transactions*	The committee strictly complied with the *Company Law*, CSRC regulations, and the *Articles of Association* in reviewing the 2025 semi-annual report and its summary, as well as the related party transaction proposal. Approved and agreed to submit to the Board of Directors.	The Audit Committee heard the Company's Internal Control Audit Department's report on the 2025 second quarter internal audit work and the internal audit work plan for the second half of the year.	None
			Oct 29, 2025	Reviewed and adopted the *Proposal on the Company's 2025 Third Quarterly Report*	The committee strictly complied with the *Company Law*, CSRC regulations, and the *Articles of Association* in reviewing the 2025 third quarterly report. It was approved and agreed to submit to the Board of Directors for deliberation.	The Audit Committee heard the Company's Internal Control Audit Department's 2025 third quarter internal audit work status and conducted preliminary communication with the external audit firm regarding the Company's 2025 annual report audit work.	None
The 3rd Board of Directors' Nomination Committee	Wei Xuezhe, Zhang Jianjun, Huang Chongxing	2	Apr 07, 2025	Reviewed and adopted the *Proposal on Nominating Ke Chengen as a Candidate for Director of the Company*	The Nomination Committee reviewed the qualifications and personal background of Ke Chengen as a candidate for Director of the Company, and agreed to nominate Ke Chengen as a Director candidate to the Board of Directors.	None	None
			Aug 11, 2025	Reviewed and adopted the *Proposal on Adjusting the Organizational Structure of Senior Management*	The Nomination Committee reviewed the qualifications of the Company's senior management personnel and unanimously	None	None

					adopted the relevant proposal, agreeing to submit it to the Board of Directors for deliberation.		
The 3rd Remuneration and Appraisal Committee	Zhang Milin, Zhang Jianjun, Huang Chongxing	2	Apr 07, 2025	Reviewed and adopted five proposals: the *Proposal on the Company's 2024 Market Value Management Work and Evaluation Report*, the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan*, the *Proposal on the Partial Fulfillment of Lifting-of-Sales-Restriction Conditions for the Fourth Lifting-of-Sales-Restriction Period under the Company's 2021 Restricted Stock Incentive Plan*, the *Proposal on Accruing 2024 Performance-Based Remuneration*, and the *Proposal on Remuneration for the Company's Directors*	The Remuneration and Appraisal Committee discussed and adopted the Company's 2024 performance-based remuneration accrual matters. It also reviewed, in accordance with the Company's *2021 Restricted Stock Incentive Plan (Draft)*, the fulfillment of conditions for lifting sales restrictions in the fourth lifting-of-sales-restriction period of the 2021 restricted shares, and reviewed, in accordance with the *2021 Restricted Stock Incentive Plan (Draft)* and the *2024 Restricted Stock Incentive Plan (Draft)*, the repurchase and cancellation of certain restricted shares. The Committee also fully discussed the proposal on remuneration for the Company's Directors, unanimously agreed to the relevant proposals, and agreed to submit them to the Board of Directors for deliberation.	The Remuneration and Appraisal Committee reviewed the Company's 2024 market value management work evaluation report and affirmed the Company's market value management work in 2024.	None
			Aug 11, 2025	Reviewed and adopted the *Proposal on the Partial Fulfillment of Lifting-of-Sales-Restriction Conditions for the First Lifting-of-Sales-Restriction Period under the Company's 2024 Restricted Stock Incentive Plan*	The Company reviewed, in accordance with the *2024 Restricted Stock Incentive Plan (Draft)*, the partial fulfillment of conditions for lifting sales restrictions in the first lifting-of-sales-restriction period under the 2024 Restricted Stock Incentive Plan, unanimously adopted the proposal, and	None	None

					agreed to submit it to the Board of Directors for deliberation.		
The 3rd Board of Directors' Strategy and Risk Management Committee	Charles Shen, Huang Chongxing, Lin Yihong, Zhang Milin, Wei Xuezhe	6	Apr 07, 2025	Reviewed and adopted three proposals: the *Proposal on the Company's 2025 Flexible Board Capacity Expansion Investment Plan*, the *Proposal on Capital Increase to Wholly-Owned Subsidiary Taiwan Avary*, and the *Proposal on Capital Increase to Wholly-Owned Subsidiary Hong Heng Sheng*	The Strategy and Risk Management Committee fully understood the relevant investment background and risks, agreed to the Company's capital increase to subsidiaries Taiwan Avary and Hong Heng Sheng and the 2025 flexible board capacity expansion investment plan, and agreed to submit the proposals to the Board of Directors for deliberation.	The Company's risk management group reported to the Strategy and Risk Management Committee via email on the execution status of 2024 risk management and integrity in business operations.	None
			June 19, 2025	Reviewed and adopted the *Proposal on the Wholly-Owned Subsidiary's Participation in Subscribing for Investment Fund Units*	The Strategy and Risk Management Committee fully understood the relevant investment background and risks, agreed to subsidiary Hong Kong Avary's investment in the CRPIF fund, and agreed to submit the proposal to the Board of Directors for deliberation.	None	None
			Aug 11, 2025	Reviewed and adopted the *Proposal on Capital Increase to Wholly-Owned Subsidiary Singapore Avary*	The Strategy and Risk Management Committee fully understood the relevant investment background and risks, agreed to the Company's capital increase to subsidiaries Singapore Avary and India Avary, and agreed to submit the proposal to the Board of Directors for deliberation.	None	None
			Aug 18, 2025	Reviewed and adopted the *Proposal on the Company's Huaian Park Investment Plan*	80 The Strategy and Risk Management Committee fully understood the relevant investment background and risks, agreed to the Company's total	None	None

					investment of RMB 8 billion for the integrated construction of the Huaian Industrial Park within the Huaian Park, and agreed to submit the proposal to the Board of Directors for deliberation.		
			Oct 29, 2025	Reviewed and adopted two proposals: the *Proposal on Capital Increase to Wholly-Owned Subsidiary Hong Heng Sheng* and the *Proposal on the Acquisition of and Capital Increase to the Equity of Wuxi Huayang Science and Technology Co., Ltd.*	Based on a full understanding of the relevant investment background and risks, the Strategy and Risk Management Committee, after careful deliberation, agreed to the Company's capital increase to subsidiary Hong Heng Sheng. Meanwhile, the Committee also reviewed and adopted the proposal on the acquisition of and capital increase to the equity of Wuxi Huayang Science and Technology Co., Ltd. After full discussion, the Committee members unanimously agreed to submit the above two proposals to the Board of Directors for deliberation.	None	None
			Dec 14, 2025	Reviewed and adopted the *Proposal on the Company's 2026 Thailand Park Investment Plan*	The Strategy and Risk Management Committee fully understood the relevant investment background and risks, agreed to the Company's 2026 Thailand Park investment plan, and agreed to submit the proposal to the Board of Directors for deliberation.	None	None

VII. Work of the Audit Committee

Whether the Audit Committee identified any risks in the Company during its supervisory activities in the reporting period

☐ Yes ☑ No

The Audit Committee had no objections to the matters subject to supervision during the reporting period.

VIII. Employees of the Company

1. Number of Employees, Professional Composition, and Education Level

Number of employees of the parent company at the end of the reporting period	12,164
Number of employees of major subsidiaries at the end of the reporting period	35,409
Total number of employees at the end of the reporting period	47,573
Total number of employees receiving remuneration during the current period	47,573
Number of retired employees whose costs are borne by the parent company and major subsidiaries	0
Professional Composition	
Professional Category	Number of Persons
Production personnel	29,032
Sales personnel	491
Technical personnel	10,982
Finance personnel	137
Administrative personnel	2,454
Management personnel	4,477
Total	47,573
Education Level	
Education Level Category	Number of Persons
Master’s degree and above	542
Bachelor’s degree	8,648
Associate degree (Junior college)	14,570
Senior high school/ Vocational high school	13,402
Junior high school	10,411
Total	47,573

2. Remuneration Policy

Based on the Company’s operational objectives and profitability performance, and taking into consideration factors such as employees’ job responsibilities, professional skills and performance results, Avary provides a competitive overall compensation package. This package includes incentive-based variable compensation such as base salary, allowances, year-end performance bonuses, continuous service bonuses, innovation and R&D bonuses and proposal improvement bonuses, designed to boost employee morale at appropriate times and retain outstanding talent.

To maintain the Company’s overall compensation competitiveness, the Human Resources Department closely monitors changes in the external economic environment, coordinates planning and periodically reviews annual remuneration policies for each industrial park. When formulating policies, in addition to referencing the minimum wage standards promulgated by local governments, it also utilizes market remuneration survey reports provided by professional consulting firms to accurately assess salary levels in the locations of each industrial park and formulate salary adjustment plans in a timely manner.

The Company ensures that employees' base salary is not lower than the local statutory minimum wage standard to meet employees' basic living needs, and lawfully pays overtime compensation. In addition, the Company implements a differentiated salary adjustment mechanism based on employees' individual seniority and work performance, and provides corresponding seniority allowances and performance bonuses, thereby constructing a remuneration system that balances fairness and incentivization.

For detailed content of the Company's remuneration policy, please refer to the "Talent Attraction and Retention" chapter of the Company's disclosed *Avary Holding 2025 Sustainable Development Report*.

3. Training Plan

The Company places great emphasis on the cultivation and development of key middle-level core talents. By bringing in senior expert consultants, the Company conducts in-depth interviews and comprehensive 360-degree functional assessments for core talents, and precisely formulates personalized job-matching plans and career development paths based on assessment results. For employees at different ranks, the Company has planned diversified learning programs and activities, and constructed a tiered and categorized talent cultivation system. In terms of building organizational key talent pipelines, the Company has also invested substantial resources, covering multiple dimensions such as key position talent, young cadre reserves, and elite cadre class cultivation. The Company particularly focuses on systematic enhancement of professional capabilities, vigorously introducing cutting-edge technologies, and cultivating deep expertise in professional technical fields such as digital transformation, data analytics, intelligent manufacturing, and quality excellence, thereby forming a solid and effective talent cultivation mechanism.

In 2025, the average learning hours of the Company's employees reached 92.5 hours, and the total annual training expenditure exceeded RMB 3,447,268.

For detailed content of the Company's talent training plan, please refer to the "Talent Development and Empowerment" chapter of the Company's disclosed *Avary Holding 2025 Sustainable Development Report*.

4.Labor Outsourcing

□ Applicable ☑ Not Applicable

IX. Company Profit Distribution and Conversion of Capital Reserve into Share Capital

Profit distribution policy during the reporting period, in particular the formulation, implementation, or adjustment of the cash dividend policy

□ Applicable ☑ Not Applicable

To further strengthen the awareness of returning value to shareholders and provide shareholders with continuous, stable, and reasonable investment returns, Avary Holding (Shenzhen) Co., Ltd., in accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the CSRC's *Supervisory Guidelines for Listed Companies No. 3 — Cash Dividends of Listed Companies* and other relevant laws, regulations, normative documents, and the relevant provisions of the *Articles of Association of Avary Holding (Shenzhen) Co., Ltd.*, has formulated the Company's three-year (2025–2027) shareholder return plan, based on comprehensive consideration of various factors including the Company's strategic development objectives, business plans, profitability, cash flow conditions, and external financing environment.

The *Avary Holding (Shenzhen) Co., Ltd. Three-Year (2025–2027) Shareholder Return Plan* clearly stipulates the planning principles for shareholder returns, the specific content of the shareholder return plan (including profit distribution forms, interval periods, conditions and proportions for cash dividends, specific conditions for stock dividends, etc.), the decision-making procedures and mechanisms for profit distribution, and the adjustment mechanisms for profit distribution policies.

During the reporting period, the Company implemented one profit distribution:

2024 Annual Profit Distribution: Based on the parent company's distributable profit, with the total share capital of 2,318,560,816 shares as of December 31, 2024, after deducting the restricted shares proposed for repurchase and cancellation under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan, a cash dividend of RMB 10.00 per 10 shares (including tax) was distributed to all shareholders, with no bonus shares issued and no conversion of capital reserve into share capital.

Cash Dividend Policy Special Explanation	
Whether it complies with the provisions of the Articles of Association or the requirements of the shareholders' meeting resolutions	Yes
Whether the dividend standards and proportions are clear and well-defined	Yes
Whether the relevant decision-making procedures and mechanisms are complete	Yes
Whether the Independent Directors have fulfilled their duties and played their due role	Yes
Where the Company has not made a cash dividend distribution, the specific reasons shall be disclosed, together with the measures to be taken next to enhance the level of returns to investors	Not Applicable
Whether minority shareholders have sufficient opportunities to express their opinions and demands, and whether their legitimate rights and interests have been fully protected	Yes
Where the cash dividend policy has been adjusted or changed, whether the conditions and procedures are compliant and transparent	Yes

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

□ Applicable ☑ Not Applicable

Profit Distribution and Conversion of Capital Reserve into Share Capital for the Current Reporting Period

☑ Applicable ☐ Not Applicable

Number of bonus shares per 10 shares (shares)	0
Dividend per 10 shares (RMB) (including tax)	10
Share capital base for the distribution proposal (shares)	2,317,536,658
Cash dividend amount (RMB) (including tax)	2,317,536,658.00
Cash dividend amount through other means (e.g., share repurchase) (RMB)	0.00
Total cash dividend (including other means) (RMB)	2,317,536,658
Distributable profit (RMB)	17,424,872,405.03
Proportion of total cash dividend (including other means) to total profit distribution	100%
Current Cash Dividend Distribution	
The Company is in a growth stage and has major capital expenditure arrangements; when making profit distributions, the proportion of cash dividends in the current profit distribution shall be at least 20%.	
Detailed Explanation of the Profit Distribution or Conversion of Capital Reserve into Share Capital Proposal	
Based on the parent company's distributable profit, the Company proposes to distribute a cash dividend of RMB 10.00 per 10 shares (including tax) to all shareholders based on the total share capital of 2,318,051,016 shares as of December 31, 2025, after deducting the restricted shares proposed	

for repurchase and cancellation under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan, with no bonus shares issued and no conversion of capital reserve into share capital.

X. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan, or Other Employee Incentive Measures

☐ Applicable ☐ Not Applicable

1. Equity Incentive

(I) 2021 Restricted Stock Incentive Plan

1. On April 20, 2021, the Company convened the 2nd Board of Directors' 11th meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft) and Its Summary*, the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan Implementation Assessment Management Measures*, and the *Proposal on Requesting the Shareholders' General Meeting to Authorize the Board of Directors to Handle Matters Related to the Equity Incentive.* The Company's Independent Directors issued independent opinions on the above matters, and legal counsel issued the corresponding legal opinion letter. On the same day, the Company convened the 2nd Supervisory Board's 5th meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft) and Its Summary*, the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan Implementation Assessment Management Measures*, and the *Proposal on Verifying the List of Incentive Targets under the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan*.

2. The Company published the names and positions of the proposed incentive targets on its internal website, with a public notice period from April 21, 2021 to April 30, 2021. Upon expiration of the public notice period, the Company's Supervisory Board received no objections, and on May 7, 2021, disclosed the *Supervisory Board's Explanation of the Public Notice Status and Verification Opinion on the List of Incentive Targets under the Company's 2021 Restricted Stock Incentive Plan* (Announcement No.: 2021-030).

3. On May 12, 2021, the Company convened the 2020 Annual Shareholders' General Meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft) and Its Summary*, the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan Implementation Assessment Management Measures*, and the *Proposal on Requesting the Shareholders' General Meeting to Authorize the Board of Directors to Handle Matters Related to the Equity Incentive*. The Company's 2021 Restricted Stock Incentive Plan was thereby approved. On the same day, the Company disclosed the *Self-Check Report on the Trading of the Company's Shares by Insider Information Knowers and Incentive Targets under the 2021 Restricted Stock Incentive Plan* (Announcement No.: 2021-032).

4. Upon authorization by the Company's Shareholders' General Meeting, on June 15, 2021, the Company convened the 2nd Board of Directors' 13th meeting and the 2nd Supervisory Board's 7th meeting, respectively, which reviewed and adopted the *Proposal on Adjusting Matters Related to the 2021 Restricted Stock Incentive Plan* and the *Proposal on Granting Restricted Shares to Incentive Targets*. The Board of Directors agreed to adjust the relevant matters of the 2021 Restricted Stock Incentive Plan as follows: Given that 2 incentive targets no longer qualified as incentive targets due to resignation, 11 incentive targets voluntarily waived subscription of all restricted shares the Company intended to grant them for personal reasons, and 3 incentive targets voluntarily waived subscription of part of the restricted shares the Company intended to grant them for personal reasons, the Company adjusted the proposed incentive targets and the number of granted rights and interests under this incentive plan, granting 10,085,000 restricted shares to 287 incentive targets. Due to the implementation of the 2020 annual equity distribution, the restricted share grant price was adjusted from RMB 16.94 per share to RMB 16.44 per share. Meanwhile, the Board of Directors agreed that the grant date for the restricted shares under this plan

shall be June 15, 2021. The Company's Independent Directors issued independent opinions on the above matters, and legal counsel issued the corresponding legal opinion letter. From the grant date of the incentive plan to the registration date, 1 incentive target voluntarily waived subscription of 40,000 restricted shares the Company intended to grant them for personal reasons; the Company's actual number of granted restricted shares was adjusted from 10,085,000 shares to 10,045,000 shares, and the actual number of grantees was adjusted from 287 to 286.

5. On March 16, 2022, the Company convened the 2nd Board of Directors' 17th meeting and the 2nd Supervisory Board's 10th meeting, respectively, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*. The Company decided to repurchase and cancel 320,000 restricted shares that had been granted to but not yet released from sales restrictions for 10 incentive targets who had resigned, at a repurchase price of RMB 16.44 per share. The Company's Supervisory Board expressed its approval, the Independent Directors issued approving independent opinions, and legal counsel issued a legal opinion letter.

6. On April 18, 2022, the Company convened the 2021 Annual Shareholders' General Meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*, approving the repurchase and cancellation of 320,000 restricted shares that had been granted to but not yet released from sales restrictions for 10 incentive targets who had resigned. On May 30, 2022, the repurchase and cancellation of these partial A-share restricted shares was completed.

7. On April 28, 2022, the Company convened the 2nd Board of Directors' 19th meeting and the 2nd Supervisory Board's 11th meeting, respectively, which reviewed and adopted the *Proposal on the Fulfillment of Lifting-of-Sales-Restriction Conditions for the First Lifting-of-Sales-Restriction Period under the Company's 2021 Restricted Stock Incentive Plan*, agreeing that the Company shall, in accordance with the relevant provisions of the incentive plan, handle the lifting of sales restrictions for the incentive targets who meet the conditions. The Company's Supervisory Board expressed its approval, the Independent Directors issued approving independent opinions, and legal counsel issued a legal opinion letter. On July 11, 2022, the restricted shares released from sales restrictions in the first lifting-of-sales-restriction period under the 2021 Restricted Stock Incentive Plan became listed and tradable. A total of 274 incentive targets met the conditions for lifting sales restrictions, and the number of restricted shares that could be released from sales restrictions was 1,931,000 shares.

8. On March 28, 2023, the Company convened the 2nd Board of Directors' 25th meeting and the 2nd Supervisory Board's 16th meeting, respectively, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*. The Company decided to repurchase and cancel 718,000 restricted shares that had been granted to but not yet released from sales restrictions for 19 incentive targets who had resigned, at a repurchase price of RMB 16.44 per share. The Company's Supervisory Board expressed its approval, the Independent Directors issued approving independent opinions, and legal counsel issued a legal opinion letter.

9. On April 25, 2023, the Company convened the 2022 Annual Shareholders' General Meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*, approving the repurchase and cancellation of 718,000 restricted shares that had been granted to but not yet released from sales restrictions for 19 incentive targets who had resigned. On June 1, 2023, the repurchase and cancellation of these partial A-share restricted shares was completed.

10. On April 28, 2023, the Company convened the 3rd Board of Directors' 2nd meeting and the 3rd Supervisory Board's 2nd meeting, respectively, which reviewed and adopted the *Proposal on the Fulfillment of Lifting-of-Sales-Restriction Conditions for the Second Lifting-of-Sales-Restriction Period under the Company's 2021 Restricted Stock Incentive Plan*, agreeing that the Company shall, in

accordance with the relevant provisions of the incentive plan, handle the lifting of sales restrictions for the incentive targets who meet the conditions. The Company's Supervisory Board expressed its approval, the Independent Directors issued approving independent opinions, and legal counsel issued a legal opinion letter. On July 10, 2023, the restricted shares released from sales restrictions in the second lifting-of-sales-restriction period under the 2021 Restricted Stock Incentive Plan became listed and tradable. A total of 255 incentive targets met the conditions for lifting sales restrictions, and the number of restricted shares that could be released from sales restrictions was 1,757,000 shares.

11. On March 29, 2024, the Company convened the 3rd Board of Directors' 8th meeting and the 3rd Supervisory Board's 6th meeting, respectively, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*. The Company decided to repurchase and cancel: 150,000 restricted shares that had been granted to but not yet released from sales restrictions for 8 incentive targets who had resigned; 6,000 restricted shares that had been granted to but not yet released from sales restrictions for 1 incentive target who did not meet the lifting-of-sales-restriction conditions for the second lifting-of-sales-restriction period; and 1,721,000 restricted shares corresponding to the third lifting-of-sales-restriction period for 249 active incentive targets where the lifting-of-sales-restriction conditions were not met and therefore could not be released from sales restrictions; totaling 1,877,000 restricted shares, at a repurchase price of RMB 16.44 per share. The Company's Supervisory Board expressed its approval, and legal counsel issued a legal opinion letter.

12. On April 24, 2024, the Company convened the 2023 Annual Shareholders' General Meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan*, approving the repurchase and cancellation of: 150,000 restricted shares that had been granted to but not yet released from sales restrictions for 8 incentive targets who had resigned; 6,000 restricted shares that had been granted to but not yet released from sales restrictions for 1 incentive target who did not meet the lifting-of-sales-restriction conditions for the second lifting-of-sales-restriction period; and 1,721,000 restricted shares corresponding to the third lifting-of-sales-restriction period for 249 active incentive targets where the lifting-of-sales-restriction conditions were not met and therefore could not be released from sales restrictions; totaling 1,877,000 restricted shares. On June 3, 2024, the repurchase and cancellation of these partial A-share restricted shares was completed.

13. On August 13, 2024, the Company convened the 3rd Board of Directors' 10th meeting and the 3rd Supervisory Board's 8th meeting, respectively, which reviewed and adopted the *Proposal on Adjusting the 2024–2025 Performance Targets of the Company's 2021 Restricted Stock Incentive Plan*, agreeing to the Company's adjustment of the 2024–2025 performance targets of the 2021 restricted stock incentive plan, and the simultaneous adjustment of the *Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft)* and its summary and the *Avary Holding (Shenzhen) Co., Ltd. 2021 Restricted Stock Incentive Plan Implementation Assessment Management Measures*. The Company's Independent Directors' Special Meeting unanimously adopted the above proposals, and legal counsel issued a legal opinion letter.

14. On September 9, 2024, the Company convened the 2024 First Extraordinary Shareholders' General Meeting, which reviewed and adopted the *Proposal on Adjusting the 2024–2025 Performance Targets of the Company's 2021 Restricted Stock Incentive Plan,* agreeing to the Company's adjustment of the 2024–2025 performance targets of the 2021 Restricted Stock Incentive Plan

15. On April 8, 2025, the Company convened the 3rd Board of Directors' 15th meeting and the 3rd Supervisory Board's 11th meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan*. The Company decided to repurchase and cancel: 64,000 restricted shares that had been granted to but not yet released from sales restrictions for 6 incentive targets who had resigned; 10,000 restricted shares that had been granted to but not yet released from sales restrictions for 1 incentive target who did not meet the lifting-of-sales-restriction conditions for the fourth lifting-of-sales-restriction period; and, because the Company's 2024 performance did not fully achieve the Company-level performance assessment target conditions, 335,800 restricted shares corresponding to 20% of the shares

eligible for lifting of sales restrictions in the fourth lifting-of-sales-restriction period held by 242 active incentive targets; totaling 409,800 restricted shares for repurchase and cancellation, at a repurchase price of RMB 16.44 per share

16. On April 8, 2025, the Company convened the 3rd Board of Directors' 15th meeting and the 3rd Supervisory Board's 11th meeting, which reviewed and adopted the *Proposal on the Partial Fulfillment of Lifting-of-Sales-Restriction Conditions for the Fourth Lifting-of-Sales-Restriction Period under the Company's 2021 Restricted Stock Incentive Plan*: Given that the lifting-of-sales-restriction conditions for the fourth lifting-of-sales-restriction period under the Company's 2021 Restricted Stock Incentive Plan have been partially fulfilled, the Company agreed to handle the lifting of sales restrictions for the incentive targets who meet the conditions in accordance with the relevant provisions of the incentive plan. The Company's Supervisory Board expressed its approval, and legal counsel issued a legal opinion letter. On July 10, 2025, the restricted shares released from sales restrictions in the fourth lifting-of-sales-restriction period under the 2021 Restricted Stock Incentive Plan became listed and tradable. A total of 241 incentive targets met the conditions for lifting sales restrictions, and the number of restricted shares that could be released from sales restrictions was 1,336,800 shares

17. On April 29, 2025, the Company convened the 2024 Annual Shareholders' Meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan*, approving the repurchase and cancellation of: 64,000 restricted shares that had been granted to but not yet released from sales restrictions for 6 incentive targets who had resigned; 10,000 restricted shares that had been granted to but not yet released from sales restrictions for 1 incentive target who did not meet the lifting-of-sales-restriction conditions for the fourth lifting-of-sales-restriction period; and, because the Company's 2024 performance did not fully achieve the Company-level performance assessment target conditions, 335,800 restricted shares corresponding to 20% of the shares eligible for lifting of sales restrictions in the fourth lifting-of-sales-restriction period held by 242 active incentive targets; totaling 409,800 restricted shares for repurchase and cancellation. On June 9, 2025, the repurchase and cancellation of these partial A-share restricted shares was completed

(II) 2024 Restricted Stock Incentive Plan

1. On August 13, 2024, the Company convened the 3rd Board of Directors' 10th meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan (Draft) and Its Summary*, the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan Implementation Assessment Management Measures*, and the *Proposal on Requesting the Shareholders' General Meeting to Authorize the Board of Directors to Handle Matters Related to the Company's 2024 Restricted Stock Incentive Plan*. The Board of Directors' Remuneration and Appraisal Committee unanimously adopted the relevant proposals, and legal counsel issued the corresponding legal opinion letter. On the same day, the Company convened the 3rd Supervisory Board's 8th meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan (Draft) and Its Summary*, the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan Implementation Assessment Management Measures*," and the *Proposal on Verifying the List of Incentive Targets under the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan*.

2. The Company published the names and positions of the proposed incentive targets on its internal website, with a public notice period from August 14, 2024 to September 4, 2024. Upon expiration of the public notice period, the Company's Supervisory Board received no objections, and on September 4, 2024, disclosed the *Avary Holding (Shenzhen) Co., Ltd. Supervisory Board's Explanation of the Public Notice Status and Verification Opinion on the List of Incentive Targets under the Company's 2024 Restricted Stock Incentive Plan* (Announcement No.: 2024-053).

3. On September 9, 2024, the Company convened the 2024 First Extraordinary Shareholders' General Meeting, which reviewed and adopted the *Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan (Draft) and Its Summary*, the

Proposal on the Avary Holding (Shenzhen) Co., Ltd. 2024 Restricted Stock Incentive Plan Implementation Assessment Management Measures, and the *Proposal on Requesting the Shareholders' General Meeting to Authorize the Board of Directors to Handle Matters Related to the Company's 2024 Restricted Stock Incentive Plan*. The Company's 2024 Restricted Stock Incentive Plan was thereby approved. On the same day, the Company disclosed the *Self-Check Report on the Trading of the Company's Shares by Insider Information Knowers and Incentive Targets under the 2024 Restricted Stock Incentive Plan* (Announcement No.: 2024-056).

4. Upon authorization by the Company's Shareholders' General Meeting, on September 13, 2024, the Company convened the 3rd Board of Directors' 11th meeting and the 3rd Supervisory Board's 9th meeting, respectively, which reviewed and adopted the *Proposal on Adjusting Matters Related to the 2024 Restricted Stock Incentive Plan* and the *Proposal on Granting Restricted Shares to Incentive Targets*. The Board of Directors agreed to adjust the relevant matters of the 2024 Restricted Stock Incentive Plan as follows: Given that among the incentive targets proposed to be granted shares under this incentive plan, 7 incentive targets voluntarily waived subscription of all restricted shares the Company intended to grant them for personal reasons, the Board of Directors redistributed and adjusted the restricted share portions waived by the above employees for personal reasons among the remaining incentive targets. After adjustment, the number of incentive targets proposed to be granted restricted shares under this incentive plan changed from 388 to 381, and the total number of restricted shares proposed to be granted remained 9,469,900 shares. Meanwhile, the Board of Directors agreed that the grant date for the restricted shares under this plan shall be September 13, 2024. The Board of Directors' Remuneration and Appraisal Committee unanimously adopted the above proposals, and legal counsel issued the corresponding legal opinion letter. For details, please refer to Avary Holding's *Announcement on the Completion of Grant Registration for the 2024 Restricted Stock Incentive Plan* disclosed by the Company on October 16, 2024 (Announcement No.: 2024-066). On October 15, 2024, the grant registration for the 2024 Restricted Stock Incentive Plan was completed.

5. On April 8, 2025, the Company convened the 3rd Board of Directors' 15th meeting and the 3rd Supervisory Board's 11th meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan.* As of the current date, 4 incentive targets under the Company's 2024 Restricted Stock Incentive Plan have resigned for personal reasons and no longer qualify as incentive targets. In accordance with the Company's *2024 Restricted Stock Incentive Plan (Draft)*, the *2024 Restricted Stock Incentive Plan Implementation Assessment Management Measures*, and relevant laws and regulations, 100,000 restricted shares that had been granted to but not yet released from sales restrictions for the aforementioned 4 incentive targets will be repurchased and cancelled, at a repurchase price of RMB 17.70 per share.

6. On April 29, 2025, the Company convened the 2024 Annual Shareholders' Meeting, which reviewed and adopted the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan,* approving the repurchase and cancellation of 100,000 restricted shares that had been granted to but not yet released from sales restrictions for 4 incentive targets who had resigned. On June 9, 2025, the repurchase and cancellation of these partial A-share restricted shares was completed.

7. On August 12, 2025, the Company convened the 3rd Board of Directors' 18th meeting, which reviewed and adopted the *Proposal on the Partial Fulfillment of Lifting-of-Sales-Restriction Conditions for the First Lifting-of-Sales-Restriction Period under the Company's 2024 Restricted Stock Incentive Plan*: Given that the lifting-of-sales-restriction conditions for the first lifting-of-sales-restriction period under the Company's 2024 Restricted Stock Incentive Plan have been partially fulfilled, the Company agreed to handle the lifting of sales restrictions for the incentive targets who meet the conditions in accordance with the relevant provisions of the incentive plan. The Board of Directors' Remuneration and Appraisal Committee expressed its approval, and legal counsel issued a legal opinion letter. On October 16, 2025, the restricted shares released from sales restrictions in the first lifting-of-sales-restriction period under the 2024 Restricted Stock Incentive Plan became listed and tradable. A total of 375 incentive targets met the conditions for lifting sales restrictions, and the number of restricted shares that could be released from sales restrictions was 2,611,412 shares.

Equity Incentive for Directors and Senior Management

☑ Applicable ☐ Not Applicable

Unit: Shares

Name	Position	Stock Options Held at Beginning of Year	Newly Granted Stock Options in Reporting Period	Exercisable Shares during Reporting Period	Exercised Shares during Reporting Period	Exercise Price of Exercised Shares during Reporting Period (RMB/share)	Stock Options Held at the End of Year	Market Price at End of Reporting Period (RMB/share)	Restricted Shares Held at Beginning of Year	Shares Unlocked during Current Period	Newly Granted Restricted Shares in Reporting Period	Grant Price of Restricted Shares (RMB/share)	Restricted Shares Held at the End of Year
Luo Anzhi	Deputy General Manager								60,000	24,000	0	16.44	30,000
Total	--	0	0	0	0	--	0	--	60,000	24,000	0	--	30,000
Notes (if any)	Mr. Luo Anzhi, Deputy General Manager, held 60,000 restricted shares under the Company's 2021 Restricted Stock Incentive Plan at the beginning of the period. As the performance targets for the current period were partially achieved, 80% of the shares eligible for unlocking during the current period, i.e., 24,000 shares, were unlocked; the remaining 20% of the shares eligible for unlocking, i.e., 6,000 shares, were repurchased and cancelled by the Company at the grant price of RMB 16.44 per share. As of the end of the period, he still held 30,000 restricted shares under the equity incentive plan.												

Assessment and Incentive Mechanism for Senior Management

At the 2022 Annual Shareholders' General Meeting convened on April 25, 2023, the Company reviewed and adopted the *Proposal on the Performance-Based Remuneration Accrual Method for the Company's Chairman, Middle and Senior Management, and Core Technical Personnel*. As the Company's internationalization process continues to advance, the Company should establish an internationalized corporate governance system, construct a professional manager incentive mechanism aligned with international standards, and link professional managers' incentives to the Company's operating performance. To fully motivate the professional managers' work enthusiasm, enhance the sense of responsibility and cohesion of the Company's professional manager team and core technical personnel, maintain the stability of Avary Holding's core management team and core talent pool, and promote the healthy and sustainable development of the enterprise, the Company has aligned the interests of the professional manager team represented by the Chairman and core technical personnel with the interests of the enterprise, and determined the following performance-based remuneration accrual scheme: (1) After the end of each fiscal year, the Company shall accrue performance bonuses for middle and senior management and core technical personnel at 5%–12% of the current year's profit (the above profit refers to the profit amount before accrual of performance bonuses). The total annual performance bonus amount shall be confirmed by the Chairman upon authorization by the Company's Board of Directors, and shall be implemented after being reviewed and adopted by the Company's Board of Directors' Remuneration and Appraisal Committee. (2) The Chairman's remuneration shall be accrued at 0.5% of the prior year's pre-tax net profit. (3) The performance and remuneration of the Company's middle and senior management and technical personnel shall be determined based on the performance assessment results of the relevant personnel for the current year.

Based on the above proposal, on April 7, 2025, the Company convened the 3rd Remuneration and Appraisal Committee's 5th meeting, which reviewed and adopted the *Proposal on Accruing 2024 Performance-Based Remuneration*. For 2024, the Company accrued performance bonuses for middle and senior management and core personnel at 8% of the current year's profit (the above profit refers to the profit amount before accrual of performance bonuses).

2. Implementation of Employee Stock Ownership Plan

□ Applicable ☑ Not Applicable

3. Other Employee Incentive Measures

□ Applicable ☑ Not Applicable

XI. Internal Control System Construction and Implementation during the Reporting Period

1. Internal Control Construction and Implementation

In accordance with the *Basic Standard for Internal Control*, its accompanying guidelines, and other internal control regulatory requirements, and in combination with the Company's actual circumstances, the Company has established a sound internal control system that has been effectively implemented, encompassing shareholders' meeting rules of procedure, board of directors' rules of procedure, board specialized committee rules of procedure, supervision and management of subsidiaries, seal management, raised funds management, sales and collection, procurement and payment, inventory management, fixed asset management, fund management, investment and financing management, human resource management, information system management, and information disclosure management, covering all business processes related to financial reporting and information disclosure in the Company's business activities.

The Board of Directors has established an Audit Committee, which is responsible for supervising and evaluating the work of the internal audit department, reviewing the annual internal control self-evaluation report and related materials issued by the Company's internal audit department, and submitting them to the Board of Directors for deliberation.

Based on the identification of material weaknesses in the Company's internal control over financial reporting, as of the base date of the Internal Control Evaluation Report, there were no material weaknesses in internal control over financial reporting. The Company has maintained effective internal control over financial reporting in all material aspects in accordance with the requirements of the enterprise internal control standards system and relevant regulations; based on the identification of material weaknesses in the Company's internal control over non-financial reporting, as of the base date of the Internal Control Evaluation Report, no material weaknesses in internal control over non-financial reporting were identified.

2.Specific Circumstances of Material Weaknesses in Internal Control Identified during the Reporting Period

☐ Yes ☑ No

XII. Management and Control of Subsidiaries during the Reporting Period

Company Name	Integration Plan	Integration Progress	Problems Encountered in Integration	Solutions Adopted	Resolution Progress	Follow-up Resolution Plan
Wuxi	The Company carried out integration and	The board of directors of	None	None	None	None

Huayang Science and Technology Co., Ltd.	unified management and control of Wuxi Huayang, making decisions on Wuxi Huayang's operations and management by controlling its board of directors. While maintaining Wuxi Huayang's operations based on its existing business model and flexible operations, the Company ensured that Wuxi Huayang continuously complied with the internal management system requirements of the listed company, including internal control, information disclosure, connected transactions, fund management, budget management, and audit systems. The listed company and Wuxi Huayang completed the integration of the management team; Wuxi Huayang's core personnel continued to stay and remained stable, and the workforce did not undergo significant changes.	Wuxi Huayang has been reorganized and the management team members confirmed; the listed company and Wuxi Huayang have achieved integrated operations and management.				

As of the end of the reporting period, the Company had 17 subsidiaries. The Company has formulated the *Subsidiary Management Measures*, which regulate the standardized operations, personnel management, financial management, business decision-making management, and information management of subsidiaries at the institutional level. As an investor, the Company exercises supervision and management over major matters of subsidiaries in the capacity of a shareholder or controlling person, lawfully enjoys the rights to investment returns, selection of managers, and equity disposal as major decision-making matters for invested enterprises, and bears the obligation to provide guidance, supervision, and relevant assistance services to subsidiaries. In terms of personnel management, the Company lawfully exercises shareholder rights and, in accordance with the provisions of the subsidiary's articles of association, elects or appoints directors, supervisors, and senior management personnel. In terms of financial management, subsidiaries and the Company implement a unified accounting system; subsidiaries accept the business guidance and supervision of the Company's finance department, and may not lend funds externally (including entrusted loans) or provide external guarantees without the Company's consent. In terms of business decision-making management, the subsidiary's operations and development plans must comply with and serve the Company's development strategy and overall planning, and within the framework of the Company's development planning, the subsidiary shall refine and improve its own plans; if a subsidiary engages in external investment activities, it must report to the Company in accordance with the relevant provisions of the Company's *External Investment Management System*, and such activities shall be approved by the Shareholders' General Meeting, the Board of Directors, or the Chief Executive Officer within their respective scopes of authority. In terms of information management, the head of the subsidiary is the first responsible person for the management and reporting of information disclosure affairs, and shall promptly report major matters of the subsidiary to the Secretary to the Board of Directors and the Office of the Secretary to the Board of Directors in accordance with the provisions of the Company's *Major Information Internal Reporting System*. In addition, the Company periodically or from time to time implements audit supervision over subsidiaries to ensure that subsidiaries operate in compliance with the Company's various regulations.

Whether there are abnormalities in the management and control of subsidiaries

☐ Yes ☑ No

XIII. Internal Control Evaluation Report or Internal Control Audit Report

1.Internal Control Evaluation Report

Full Disclosure Date of the Internal Control Evaluation Report	March 31, 2026	
Full Disclosure Index of the Internal Control Evaluation Report	CNINFOhttp://www.cninfo.com.cn	
Proportion of Total Assets of Entities Included in the Evaluation Scope to the Company's Consolidated Financial Statement Total Assets	99.22%	
Proportion of Operating Revenue of Entities Included in the Evaluation Scope to the Company's Consolidated Financial Statement Operating Revenue	99.84%	
Deficiency Identification Standards		
Category	Financial Reporting	Non-Financial Reporting
Qualitative Standards	Material Weakness: (1) Fraud by the Company's directors, supervisors, or senior management personnel; (2) Correction of previously published financial reports by the Company; (3) Material misstatements in the current period's financial report discovered by the certified public accountant but not identified by the Company's internal control; (4) The Audit Committee and the audit department's supervision over the Company's internal control is ineffective. Significant Deficiency: (1) Ineffective control environment; (2) Failure to select and apply accounting policies in accordance with generally accepted accounting standards; (3) Failure to establish anti-fraud procedures and control measures; (4) Failure to establish corresponding control mechanisms or implement them for the accounting treatment of unusual or special transactions, with no corresponding compensating controls. General Deficiency: Other control deficiencies beyond the above material weaknesses and significant deficiencies.	Material Weakness: (1) Serious violations of national laws and regulations; (2) Unscientific decision-making procedures leading to major errors; (3) Lack of institutional control over important business activities or systematic failure of such systems; (4) Large-scale departure of key management personnel or important talents; (5) Frequent negative media coverage. Significant Deficiency: (1) The Company suffers significant property losses due to management errors, and control activities fail to prevent such errors; (2) Although property losses do not reach or exceed the materiality threshold, the nature of the situation still warrants attention from the Board of Directors and management. General Deficiency: Other control deficiencies beyond the above material weaknesses and significant deficiencies.
Quantitative Standards	Material Weakness: Misstatements that have occurred or are estimated (likely) to occur due to internal control deficiencies ≥ 1% of operating revenue. Significant Deficiency: 0.5% of operating revenue ≤ misstatements that have occurred or are estimated (likely) to occur due to internal control deficiencies < 1% of operating revenue. General Deficiency: Misstatements that have occurred or are estimated (likely) to occur due	Material Weakness: Potential direct property losses ≥ 1% of operating revenue (inclusive), or penalties from national-level government departments causing significant negative impact on the Company. Significant Deficiency: 0.5% of operating revenue ≤ potential direct property losses < 1% of operating revenue, or penalties from provincial-level government departments causing negative impact on the Company.

	to internal control deficiencies < 0.5% of operating revenue.	General Deficiency: Potential direct property losses < 0.5% of operating revenue, or penalties from municipal-level government departments causing negative impact on the Company.
Number of material weaknesses in internal control over financial reporting	0	
Number of material weaknesses in internal control over non-financial reporting	0	
Number of significant deficiencies in internal control over financial reporting	0	
Number of significant deficiencies in internal control over non-financial reporting	0	

2. Internal Control Audit Report

☑ Applicable ☐ Not Applicable

Opinion Section of the Internal Control Audit Report	
PricewaterhouseCoopers Zhong Tian LLP believes that: Avary Holding maintained effective internal control over financial reporting in all material aspects as of December 31, 2025, in accordance with the *Basic Standard for Enterprise Internal Control* and relevant regulations.	
Internal Control Audit Report Disclosure Status	Disclosed
Full Disclosure Date of the Internal Control Audit Report	March 31, 2026
Full Disclosure Index of the Internal Control Audit Report	CNINFO http://www.cninfo.com.cn
Opinion Type of the Internal Control Audit Report	Standard Unqualified Opinion
Whether there are material weaknesses in non-financial reporting	No

Whether the accounting firm issued a non-standard opinion Internal Control Audit Report

☐ Yes ☑ No

Whether the opinion in the Internal Control Audit Report issued by the accounting firm is consistent with the Board of Directors' self-evaluation report

☑ Yes ☐ No

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

☐ Yes ☑ No

XIV. Self-Inspection and Rectification of Issues under the Listed Company Governance Special Action

In 2021, in accordance with the requirements of the China Securities Regulatory Commission (CSRC), the Company conducted a self-inspection of its corporate governance from the time of listing through 2020. The self-inspection results showed that there was one issue requiring rectification in the Company's governance, namely that a director was absent from the Company's 2019 Annual Shareholders' General Meeting.

In response to this issue, the Company internally formulated the *Shareholders' Meeting Work Manual*, stipulating that when issuing shareholders' meeting notices, as well as three days before and one day before the shareholders' meeting, all directors and senior management personnel must be reminded via email or mobile phone to attend or be present at the shareholders' meeting, ensuring that directors and senior management personnel attend the shareholders' meeting on time. At the same time, to facilitate directors and senior management personnel's attendance at shareholders' meetings, the Company has established dedicated video conference accounts for directors and senior management personnel, providing technical support for their video participation.

Since the self-inspection and rectification, all of the Company's directors have attended the Company's shareholders' meetings on time, with no absences.

XV. Environmental Information Disclosure

Whether the listed company and its major subsidiaries are included in the list of enterprises subject to statutory environmental information disclosure

☑ Yes ☐ No

Number of enterprises included in the list of enterprises subject to statutory environmental information disclosure		4
No.	Enterprise Name	Query Index for Statutory Environmental Information Disclosure Report
1	Avary Holding (Shenzhen) Co., Ltd.	Guangdong Provincial Department of Ecology and Environment Enterprise Information Statutory Disclosure System (https://gdee.gd.gov.cn/gdeepub/front/dal/ent/list/detail?entId=381bf165-0fcd-4ab8-a6d2-67595acbc673)
2	Qingding Precision Electronics (Huaian) Co., Ltd.	Jiangsu Provincial Department of Ecology and Environment Enterprise Environmental Information Statutory Disclosure System (http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=./sps/views/yfpl/views/yfplHomeNew/index.js)
3	Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd.	Jiangsu Provincial Department of Ecology and Environment Enterprise Environmental Information Statutory Disclosure System (http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=./sps/views/yfpl/views/yfplHomeNew/index.js)
4	Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd.	Hebei Provincial Department of Ecology and Environment Enterprise Environmental Information Statutory Disclosure System (http://121.29.48.71:8080/#/fill/detail?enpId=B77414D9-2E33-41BA-9855-22E524656A6F&year=2024)

XVI. Social Responsibility

Avary Holding takes "Developing technology, benefiting humanity; Advancing environmental protection, making the Earth a better place" as its development mission, and "Integrity, Responsibility, Innovation, Excellence, and Benefiting Others" as its core values for corporate development. Over the years, while the company has been developing rapidly, it has also attached great importance to fulfilling its corporate social responsibility.

Mr. Charles Shen, Chairman of the Company, takes "Never do things that keep you awake at night" as his basic principle for personal conduct and business, and has deeply embedded this philosophy into the DNA of the Company's development. While achieving standardized corporate governance, he also attaches great importance to protecting the rights and interests of shareholders and creditors, employee rights, and the interests of strategic partners. Meanwhile, the Company regards environmental protection and sustainable development as the cornerstone of its perpetual operations and actively participates in social welfare. For specific details on the Company's fulfillment of social responsibility, please refer to the *Avary Holding (Shenzhen) Co., Ltd. 2025 Sustainable Development Report* disclosed on CNINFO.

XVII. Consolidating and Expanding Poverty Alleviation Achievements and Rural Revitalization

In 2025, with a strong sense of social responsibility and mission, the Company continued to pay close attention to and actively participate in various efforts related to poverty alleviation and rural revitalization. The following are the major contributions and efforts made in this area:

Poverty Alleviation Donation Projects:

The Company donated RMB 0.1 million to Yong'an Town, Du'an County, Guangxi, for improving local road infrastructure construction.

Education Support Projects:

The Company donated books to three schools in Songkou Town, Meixian District, Meizhou City — Songkou Central Primary School, Songnan Central Primary School, and Songnan Middle School, with an amount of approximately RMB 0.105 million;

The Company continued to pay attention to the education of university students in poverty-stricken areas, helping them successfully complete their studies and realize their life dreams through the establishment of financial aid and scholarships. In 2025, the Company continued its educational assistance visits to impoverished students in Ziyang, Shaanxi and Daliangshan, Sichuan, raising a total of RMB 0.8387 million;

Agricultural Benefit Projects:

The company purchased over 70,000 Meizhou golden pomelos, demonstrating its commitment to the concept of assisting and benefiting farmers through concrete actions, effectively solving local fruit farmers' sales difficulties, tangibly driving farmers' income growth, and solidly safeguarding farmers' livelihood security.

For detailed content of the Company's efforts in consolidating and expanding poverty alleviation achievements and promoting rural revitalization, please refer to the "Rural Revitalization Initiatives" chapter of the Company's disclosed *Avary Holding 2025 Sustainable Development Report*.

Section V Important Matters

I. Status of Fulfillment of Commitments

1. Commitments fulfilled during the reporting period and commitments not yet fulfilled as of the end of the reporting period by the Company’s actual controller, shareholders, related parties, acquirers, and the Company itself as commitment-related partie.

☑ Applicable ☐ Not Applicable

Commitment Origin	Commitment Party	Commitment Type	Commitment Content	Commitment Date	Commitment Period	Fulfillment Status
Commitments made during the Initial Public Offering or Refinancing	Company Directors: Charles Shen, You Zhehong, Huang Chongxing; Company Senior Management: Lin Yihong, Xiao Dewang, Zhou Hong	Share Reduction Commitment	During my tenure as a Director or Senior Management of the Company, I will promptly report my holdings of the Company’s shares and any changes thereto in accordance with the relevant regulations of the Shenzhen Stock Exchange, and the number of Company shares I transfer each year shall not exceed 25% of the total number of shares I directly or indirectly hold in the Company. Within six months after my departure, I shall not transfer any shares I directly or indirectly hold in the Company; within the twelve-month period after six months from the declaration of departure, the proportion of Company shares sold through the stock exchange’s listed trading shall not exceed 50% of the total number of shares I hold in the Company. 2. If I reduce my holdings of the Company’s shares through centralized competitive trading, I shall fulfill the relevant procedures, including reporting and filing the share reduction plan with the exchange and making public announcements, at least 15 trading days prior to the first sale of shares. 3. In addition to the foregoing	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled

			commitments, I commit that my share reduction activities will strictly comply with the provisions of the *Company Law,* the *Securities Law*, the *Several Provisions on the Reduction of Shares by Shareholders, Directors, Supervisors and Senior Management of Listed Companies*, the *Shenzhen Stock Exchange Stock Listing Rules*, the *Shenzhen Stock Exchange Implementation Rules for the Reduction of Shares by Shareholders and Directors, Supervisors, and Senior Management of Listed Companies*, and other relevant laws, regulations, and normative documents. 4. If relevant laws, regulations, departmental rules, normative documents, or regulatory requirements of the China Securities Regulatory Commission and its agencies / stock exchanges (hereinafter collectively referred to as "Regulatory Requirements") no longer require the content of a particular commitment, the corresponding portion shall terminate automatically. If Regulatory Requirements introduce new provisions regarding the lock-up or reduction of shares of listed companies, I shall comply with the latest applicable rules when locking up or reducing my holdings of the Company's shares.			
	Company Supervisors: Ke Chengen, Miao Chunna	Share Reduction Commitment	During my tenure as a Supervisor of the Company, I will promptly report my holdings of the Company's shares and any changes thereto in accordance with the relevant regulations of the Shenzhen Stock Exchange, and the number of Company shares I transfer each year shall not exceed	September 18, 2018	Long-term Effective	The company abolished the Supervisory Board; commitment fulfilled

			25% of the total number of shares I directly or indirectly hold in the Company. Within six months after my departure, I shall not transfer any shares I directly or indirectly hold in the Company; within the twelve-month period after six months from the declaration of departure, the proportion of Company shares sold through the stock exchange's listed trading shall not exceed 50% of the total number of shares I hold in the Company. 2. If I reduce my holdings of the Company's shares through centralized competitive trading, I shall fulfill the relevant procedures, including reporting and filing the share reduction plan with the exchange and making public announcements, at least 15 trading days prior to the first sale of shares. 3. In addition to the foregoing commitments, I commit that my share reduction activities will strictly comply with the provisions of the *Company Law*, the *Securities Law*, the *Several Provisions on the Reduction of Shares by Shareholders, Directors, Supervisors and Senior Management of Listed Companies*, the *Shenzhen Stock Exchange Stock Listing Rules*, the *Shenzhen Stock Exchange Implementation Rules for the Reduction of Shares by Shareholders and Directors, Supervisors, and Senior Management of Listed Companies*, and other relevant laws, regulations, and normative documents. 4. If relevant laws, regulations, departmental rules, normative documents, or regulatory requirements of the China Securities Regulatory Commission and			

			its agencies / stock exchanges (hereinafter collectively referred to as “Regulatory Requirements”) no longer require the content of a particular commitment, the corresponding portion shall terminate automatically. If Regulatory Requirements introduce new provisions regarding the lock-up or reduction of shares of listed companies, I shall comply with the latest applicable rules when locking up or reducing my holdings of the Company’s shares.			
	Pacific Fair International Limited, Mayco Industrial Co., Limited	Share Reduction Commitment	(I) Our enterprise and our concerted action parties commit to comply with the following rules when reducing holdings of the Company’s shares (except for reducing shares acquired through centralized competitive trading by our enterprise and our concerted action parties): 1. When our enterprise and our concerted action parties reduce holdings of the Company’s shares through centralized competitive trading, we shall fulfill the relevant procedures, including reporting and filing the share reduction plan with the exchange and making public announcements, at least 15 trading days prior to the first sale of shares, and ensure that the total number of shares reduced by our enterprise and our concerted action parties, calculated on an aggregate basis, within any consecutive 90-day period shall not exceed 1% of the Company’s total shares at the time; 2. When our enterprise and our concerted action parties reduce holdings of the Company’s shares through block trading, the total number of shares reduced by	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled

			our enterprise and our concerted action parties, calculated on an aggregate basis, within any consecutive 90-day period shall not exceed 2% of the Company's total shares at the time; 3. When our enterprise and our concerted action parties reduce holdings of the Company's shares through transfer by agreement, we shall ensure that the proportion accepted by a single transferee shall be no less than 5% of the Company's total shares; 4. If, after our enterprise and our concerted action parties reduce holdings through transfer by agreement, the aggregate shareholding ratio of our enterprise and our concerted action parties falls below 5%, then our enterprise and our concerted action parties shall jointly continue to comply with the relevant commitments set forth in Item 1 above for a period of 6 months following such reduction. (II) If relevant laws, regulations, departmental rules, normative documents, or regulatory requirements of the China Securities Regulatory Commission and its agencies / stock exchanges (hereinafter collectively referred to as "Regulatory Requirements") no longer require the content of a particular commitment, the corresponding portion shall terminate automatically. If Regulatory Requirements introduce new provisions regarding the lock-up or reduction of shares of listed companies, our enterprise and our concerted action parties shall comply with the latest applicable rules when locking up or reducing holdings of the Company's shares. (III) Our enterprise			

			and our concerted action parties shall bear the legal liability arising from any breach of this commitment letter. If any party's breach of this commitment letter causes another party to bear legal liability, the breaching party shall compensate the complying party for its losses.			
	Zhen Ding Technology Holding Limited, Pacific Fair International Limited, Mayco Industrial Co., Limited	Commitments regarding Horizontal Competition, Connected Transactions, and Fund Appropriation	Commitment to Avoid Horizontal Competition: 1. As of the date of issuance of this commitment letter, our Company and the enterprises directly or indirectly controlled by our Company have not, within or outside the territory of China, directly or indirectly engaged in any business that constitutes horizontal competition or potential horizontal competition with Avary Holding and its subordinate enterprises; 2. Our Company and the enterprises directly or indirectly controlled by our Company will not, in any form, directly or indirectly engage in any business or activity that constitutes horizontal competition or potential horizontal competition with the business operated by Avary Holding and its subordinate enterprises, and will not directly or indirectly control, acquire, or merge with any enterprise or other economic organization whose business constitutes competition or may constitute competition with the business operated by Avary Holding and its subordinate enterprises; 3. If our Company and the enterprises directly or indirectly controlled by our Company have any commercial opportunity to participate in or invest in any business that may constitute competition or may	October 25, 2017	During the period as the Company's Controlling Shareholder / Indirect Controlling Shareholder	Being Fulfilled as Scheduled

			potentially constitute competition with the business operated by Avary Holding and its subordinate enterprises, our Company shall, within the scope permitted by the relevant laws and regulations to which it is bound, immediately notify Avary Holding, and provide such commercial opportunity to Avary Holding and its subordinate enterprises in an appropriate manner on a preferential basis, enabling Avary Holding and its subordinate enterprises to acquire the assets or equity involved in such business on a preferential basis under the same conditions, in order to avoid horizontal competition with Avary Holding and its subordinate enterprises.			
	Zhen Ding Technology Holding Limited, Pacific Fair International Limited, Mayco Industrial Co., Limited	Commitments regarding Horizontal Competition, Connected Transactions, and Fund Appropriation	Commitment to Avoid Connected Transactions: 1. Provided that no adverse effect is caused to the interests of the Company and other shareholders, our Company and the companies directly or indirectly controlled by our Company (hereinafter referred to as "our Company and Connected Companies") will take measures to regulate and minimize the occurrence of connected transactions with the Company; 2. For connected transactions within the normal scope of business or where there are other reasonable reasons that make such transactions unavoidable, our Company and Connected Companies will, in accordance with relevant laws, regulations, normative documents, and the Company's Articles of Association, follow the approval procedures with the Company, and ensure that all such connected	October 25, 2017	Long-term Effective	Being Fulfilled as Scheduled

			transactions are implemented based on the principle of fair pricing; 3. Our Company and Connected Companies will strictly comply with relevant provisions to fulfill the obligations of necessary abstention from voting by connected parties, perform the statutory approval procedures for connected transactions, and fulfill information disclosure obligations; 4. We shall not use connected transactions to illegally transfer the Company's funds or profits, and shall not use connected transactions to harm the interests of the Company and other shareholders; 5. Our Company is willing to bear the corresponding liability for compensation arising from any breach of the above commitments.			
	Pacific Fair International Limited, Mayco Industrial Co., Limited, Zhen Ding Technology Holding Limited	Commitments regarding Horizontal Competition, Connected Transactions, and Fund Appropriation	Commitment to Avoid Fund Appropriation: 1. During the period when our Company serves as the Company's Indirect Controlling Shareholder / Controlling Shareholder / Connected Party of the Controlling Shareholder, there shall be no non-operating appropriation of the Company's funds or assets by our Company or other enterprises controlled by our Company; 2. In the operating fund transactions between our Company and other enterprises controlled by our Company and the Company, the appropriation of the Company's funds and assets shall be strictly restricted in accordance with relevant laws and regulations, and the approval procedures shall be strictly performed in accordance with the Company's *Articles of Association* and the *Connected Transactions*	October 25, 2017	Long-term Effective	Being Fulfilled as Scheduled

			Management System; 3. Our Company and other enterprises controlled by our Company shall not abuse the rights of the Controlling Shareholder to encroach upon the Company's funds or assets; 4. Our Company agrees to bear the corresponding liability for compensation arising from any breach of the above commitments.			
	Avary Holding (Shenzhen) Co., Ltd. (the "Company"), Zhen Ding Technology Holding Limited, Pacific Fair International Limited, Mayco Industrial Co., Limited; Company Directors: Charles Shen, You Zhehong, Huang Chongxing; Company Senior Management: Lin Yihong, Xiao Dewang, Zhou Hong, Zhong Jiahong, Gao Guoqian, Chen Guosheng, Yang Weizhen, Luo Anzhi	IPO Stock Price Stabilization Commitment	When the closing prices of the Company's shares are lower than the most recently audited net asset value per share for 20 consecutive trading days, and the regulatory authorities' requirements for behaviors such as increasing holdings or repurchasing the Company's shares are simultaneously satisfied, the Company, the Company's Controlling Shareholder, Directors, and Senior Management shall take stock price stabilization measures in the following order: (1) the Company repurchasing shares; (2) the Controlling Shareholder increasing holdings of the Company's shares; (3) Directors (excluding Independent Directors) and Senior Management increasing holdings of the Company's shares, and shall fulfill the corresponding information disclosure obligations.	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled
	Zhen Ding Technology Holding Limited, Pacific Fair International Limited, Mayco Industrial Co., Limited	Commitment that the Prospectus Contains No Misrepresentation, Misleading Statements, or Material Omission	If, due to any misrepresentation, misleading statements, or material omission in the prospectus for Avary Holding's initial public offering and listing, investors suffer losses in securities transactions, Zhen Ding Holding, Mayco Industrial, and Pacific Fair International shall, after the China Securities Regulatory	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled

			Commission (hereinafter referred to as "CSRC") and other competent authorities make a final determination regarding the relevant illegal facts, compensate investors for their losses in accordance with the law; 2. If, due to any misrepresentation, misleading statements, or material omission in the prospectus for Avary Holding's initial public offering and listing, a material and substantive impact is caused on the determination of whether Avary Holding meets the legal requirements for issuance conditions, Mayco Industrial and Pacific Fair International shall, within 20 trading days after the CSRC and other competent authorities make a final determination regarding the relevant illegal facts, formulate a share repurchase plan to repurchase the originally restricted shares publicly offered by our Company at the time of Avary Holding's initial public offering (if any), with the repurchase price determined based on the issue price (adjusted accordingly if Avary Holding's shares undergo ex-dividend or ex-rights events such as dividend distribution, bonus share issuance, or conversion of capital reserve into share capital during this period) plus interest on bank deposits for the corresponding period, and such repurchase shall be implemented in accordance with the procedures stipulated by relevant laws, regulations, and the Company's Articles of Association. In implementing the foregoing share repurchase, if other provisions exist in laws,			

			regulations, and the Company's Articles of Association, such provisions shall prevail. Avary Holding's Indirect Controlling Shareholder, Zhen Ding Holding, shall urge and assist Mayco Industrial and Pacific Fair International in fulfilling the foregoing repurchase obligations.			
	Company Directors: Charles Shen, You Zhehong, Guo Mingjian (resigned), Huang Kuangjie (resigned), Xu Renshou (resigned), Huang Chongxing, Zhang Bo (resigned); Company Supervisors: Ke Chengen, Zang Xiuqing (resigned), Miao Chunna; Company Senior Management: Charles Shen, Chen Zhangyao (resigned), Lin Yihong, Fan Zhenkun (resigned), Xiao Dewang, Zhou Hong	Commitment that the Prospectus Contains No Misrepresentation, Misleading Statements, or Material Omission	If, due to any misrepresentation, misleading statements, or material omission in the prospectus for Avary Holding's initial public offering and listing, investors suffer losses in securities transactions, I shall, after the China Securities Regulatory Commission and other competent authorities make a final determination regarding the relevant illegal facts, compensate investors for their losses in accordance with the law.	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled
	Avary Holding (Shenzhen) Co., Ltd. (the "Company"), Zhen Ding Technology Holding Limited, Pacific Fair International Limited, Mayco Industrial Co., Limited; Company Directors: Charles Shen, You Zhehong, Huang Chongxing; Ke Chengen, Miao Chunna; Company Senior Management: Lin Yihong, Xiao	Restrictive Measures for Failure to Fulfill Commitments	If Avary Holding fails to fulfill its public commitments (except where such failure is caused by objective reasons beyond Avary Holding's control, such as changes in relevant laws and regulations, policy changes, natural disasters, and other force majeure events), Avary Holding shall, within 2 trading days after the fact of failure to fulfill the commitment is confirmed, announce the relevant situation, publicly explain the specific reasons for the failure to fulfill the commitment on the	September 18, 2018	Long-term Effective	Being Fulfilled as Scheduled

	Dewang, Zhou Hong, Zhong Jiahong, Gao Guoqian, Yang Weizhen, Chen Guosheng		newspapers designated by the China Securities Regulatory Commission, apologize to investors, and promptly study a treatment plan to minimize the losses to investors' interests, so as to protect the interests of the Company's investors as much as possible; 2. If Zhen Ding Holding, Mayco Industrial, or Pacific Fair International fails to fulfill its public commitments (except where such failure is caused by objective reasons beyond our Company's control, such as changes in relevant laws and regulations, policy changes, natural disasters, and other force majeure events), the Company shall, within 2 trading days after the fact of failure to fulfill the commitment is confirmed, announce the relevant situation, and Mayco Industrial and Pacific Fair International shall publicly explain the specific reasons for the failure to fulfill the commitment on the newspapers designated by the China Securities Regulatory Commission and apologize to investors; in the year when the fact is determined and the Company distributes dividends to shareholders, if the commitment has still not been fulfilled, Mayco Industrial and Pacific Fair International voluntarily entrust the dividends they receive to the Company for custody as a guarantee for fulfilling the commitment; if the dividends for the current year have already been distributed, Mayco Industrial and Pacific Fair International voluntarily entrust the dividends they receive in the following year to the Company for custody as a guarantee for fulfilling			

			the commitment. Zhen Ding Holding shall urge Mayco Industrial and Pacific Fair International to fulfill the above commitments; 3. If the Company's Directors, Supervisors, and Senior Management fail to fulfill their public commitments (except where such failure is caused by objective reasons beyond the control of the Company's Directors, Supervisors, and Senior Management, such as changes in relevant laws and regulations, policy changes, natural disasters, and other force majeure events), prior to the fulfillment of the commitments, the Company shall not include them as equity incentive targets; depending on the severity of the circumstances, the Company may impose punitive measures on the Directors, Supervisors, and Senior Management who fail to fulfill their public commitments, including deduction of performance-based remuneration, salary reduction, and demotion; 4. The Company shall disclose in its periodic reports the fulfillment status of the public commitments of the Company, Zhen Ding Holding, Mayco Industrial, Pacific Fair International, Directors, Supervisors, and Senior Management, as well as the remedial and corrective measures in case of non-fulfillment; 5. If Avary Holding fails to fulfill its public commitments and receives an investigation filing from regulatory authorities or is subject to relevant penalties, Avary Holding agrees to bear the corresponding legal liability in accordance with relevant laws and regulations and the requirements of the regulatory authorities, and			

			will actively assist and cooperate with the regulatory authorities' investigation or assist in the execution of relevant penalties.			
Equity Incentive Commitment	Avary Holding (Shenzhen) Co., Ltd. (the "Company")	Other Commitment	The Company and all its Directors and Supervisors guarantee that the Company's 2021 Restricted Stock Incentive Plan and its summary contain no misrepresentation, misleading statements, or material omission, and shall bear individual and joint legal liability for the authenticity, accuracy, and completeness thereof.	April 20, 2021	Long-term Effective	Being Fulfilled as Scheduled
	All Incentive Targets under the 2021 Restricted Stock Incentive Plan	Other Commitment	All incentive targets of the Company commit that, if the Company fails to meet the conditions for granting or exercising equity rights due to misrepresentation, misleading statements, or material omission in information disclosure documents, the incentive targets shall, after the relevant information disclosure documents are confirmed to contain misrepresentation, misleading statements, or material omission, return to the Company all benefits obtained from the equity incentive plan.	April 20, 2021	Long-term Effective	Being Fulfilled as Scheduled
	Avary Holding (Shenzhen) Co., Ltd. (the "Company")	Other Commitment	The Company and all its Directors and Supervisors guarantee that the Company's 2024 Restricted Stock Incentive Plan and its summary contain no misrepresentation, misleading statements, or material omission, and shall bear individual and joint legal liability for the authenticity, accuracy, and completeness thereof.	August 13, 2024	Long-term Effective	Being Fulfilled as Scheduled
	All Incentive Targets under the 2024 Restricted Stock Incentive	Other Commitment	All incentive targets of the Company commit that, if the Company fails to meet the conditions for granting or	August 13, 2024	Long-term Effective	Being Fulfilled as Scheduled

	Plan		exercising equity rights due to misrepresentation, misleading statements, or material omission in information disclosure documents, the incentive targets shall, after the relevant information disclosure documents are confirmed to contain misrepresentation, misleading statements, or material omission, return to the Company all benefits obtained from the equity incentive plan.			
Whether the commitments were fulfilled on schedule	Yes					
If any commitments have not been fulfilled beyond their scheduled period, the specific reasons for the incomplete fulfillment and the next-step work plan should be explained in detail	Not Applicable					

2. Description of Whether the Assets or Projects Have Achieved the Original Profit Forecasts and the Underlying Reasons

☐ Applicable ☑ Not applicable

3. Performance Commitments and the Achievement Thereof

☐ Applicable ☑ Not applicable

II. Non-operating Appropriation of Funds of the Listed Company by Controlling Shareholders and Other Related Parties

☐ Applicable ☑ Not applicable

During the reporting period, the Company had no non-operating appropriation of funds by controlling shareholders or other related parties.

III. Non-compliance in External Guarantees

☐ Applicable ☑ Not applicable

During the reporting period, the Company had no non-compliance in external guarantees.

IV. Explanation by the Board of Directors on the Latest “Non-standard Audit Report”

☐ Applicable ☑ Not applicable

V. Explanation by the Board of Directors and Independent Directors (if any) on the “Non-standard Audit Report” Issued by the Accounting Firm for the Reporting Period

☐ Applicable ☑ Not applicable

VI. Changes in Accounting Policies, Changes in Accounting Estimates, and Correction of Material Accounting Errors as Compared with the Prior Year’s Financial Statements

☐ Applicable ☑ Not applicable

During the reporting period, the Company had no changes in accounting policies, changes in accounting estimates, or correction of material accounting errors.

VII. Changes in the Scope of the Consolidated Financial Statements as Compared with the Prior Year’s Financial Statements

☑ Applicable ☐ Not applicable

(1) On October 30, 2025, the Company acquired a 53.68% equity interest in Wuxi Huayang Technology Co., Ltd. (“Wuxi Huayang”) for a consideration of RMB 356,724,164.00. Wuxi Huayang became a non-wholly-owned subsidiary of the Group and was included in the scope of consolidation.

(2) On December 29, 2025, the Company disposed of its entire equity interest in Yaoding Technology (Shenzhen) Co., Ltd. (“Yaoding Shenzhen”) and its subsidiaries Yaoding Huai’an and Yaoding Qinhuangdao, recognizing a disposal loss of RMB 7,976,623.70.

VIII. Appointment and Dismissal of Accounting Firms

Currently Appointed Accounting Firm

Name of domestic accounting firm	PricewaterhouseCoopers Zhong Tian LLP
Remuneration of domestic accounting firm (RMB million)	2.98
Consecutive years of audit services by the domestic accounting firm	8
Names of certified public accountants of the domestic accounting firm	GUAN Kun, HU Yihan
Consecutive years of audit services by the certified public accountants of the domestic accounting firm	GUAN Kun: 2 years; HU Yihan: 1 year

Whether the accounting firm was changed during the current period

☐ Yes ☑ No

Appointment of internal control audit accounting firm, financial advisor or sponsor

☑ Applicable ☐ Not applicable

During the year, the Company appointed PricewaterhouseCoopers Zhong Tian LLP as its internal control audit accounting firm, with internal control audit fees of RMB 0.30 million.

IX. Delisting Risk After Annual Report Disclosure

☐ Applicable ☑ Not applicable

X. Matters Relating to Bankruptcy and Reorganization

☐ Applicable ☑ Not applicable

No bankruptcy or reorganization events occurred during the reporting period.

XI. Material Litigation and Arbitration

☐ Applicable ☑ Not applicable

No material litigation or arbitration occurred during the reporting period.

XII. Penalties and Rectification

☐ Applicable ☑ Not applicable

No penalties or rectification occurred during the reporting period.

XIII. Integrity of the Company, Its Controlling Shareholders and Actual Controller

☐ Applicable ☑ Not applicable

XIV. Material Related Party Transactions

1. Related Party Transactions in the Ordinary Course of Business

☑ Applicable ☐ Not applicable

Related Party	Relationship	Type of Related Party Transaction	Details of Related Party Transaction	Pricing Principle	Transaction Price	Transaction Amount (RMB million)	Proportion of Similar Transactions	Approved Transaction Limit (RMB million)	Whether Exceeding Approved Limit	Settlement Method	Comparable Market Price	Disclosure Date	Disclosure Index
Hon Hai Group and its contr	Foxconn (Far East) Limited, a	Sale of goods, equipment	Sale of PCB products, equip	Market price	Market price	2,530.7940	6.46%	2,710	No	Bank transfer	Not applicable	August 13, 2025	Cninfo (www.cninfo.com.cn): *Announcement on Increasing*

olled subsidiaries	wholly-owned subsidiary of Hon Hai Group, is the largest shareholder of Zhen Ding Technology Holding Limited, the indirect controlling shareholder of the Company	and provision of services to related parties	ment and provision of services to Hon Hai Group and its controlled subsidiaries										*the Estimated Amount of Daily Related Party Transactions for 2025* (Announcement No. 2025-052)
Hon Hai Group and its controlled subsidiaries	Foxconn (Far East) Limited, a wholly-owned subsidiary of Hon Hai Group, is the largest shareholder of Zhen Ding Technology Holding Limited, the	Purchase of raw materials, machinery and equipment, and services from related parties	Purchase of raw materials, equipment, and services from Hon Hai Group and its controlled subsidiaries	Market price	Market price	948.2997	3.00%	1,080	No	Bank transfer	Not applicable	January 21, 2025	Cninfo (www.cninfo.com.cn): *Announcement on the Estimated Daily Related Party Transactions for 2025* (Announcement No. 2025-003)

	indirect controlling shareholder of the Company												
GIS Holding and its controlled subsidiaries	GIS Holding Co., Ltd. is an affiliate of Foxconn (Far East) Limited, the largest shareholder of Zhen Ding Technology Holding Limited, the indirect controlling shareholder of the Company	Sale of goods, equipment and provision of services to related parties	Sale of goods, equipment and provision of services to GIS Holding and its controlled subsidiaries	Market price	Market price	276.8468	0.71%	500	No	Bank transfer	Not applicable	January 21, 2025	Cninfo (www.cninfo.com.cn): *Announcement on the Estimated Daily Related Party Transactions for 2025* (Announcement No. 2025-003)
GIS Holding and its controlled subsidiaries	GIS Holding Co., Ltd. is an affiliate of Foxconn (Far East)	Purchase of raw materials, machinery and equipment, and servic	Purchase of goods, equipment and services from GIS Holdi	Market price	Market price	215.5295	0.68%	580	No	Bank transfer	Not applicable	January 21, 2025	Cninfo (www.cninfo.com.cn): *Announcement on the Estimated Daily Related Party Transactions for 2025* (Announce

	Limited, the largest shareholder of Zhen Ding Technology Holding Limited, the indirect controlling shareholder of the Company	es from related parties	ng and its controlled subsidiaries										ment No. 2025-003)
Zhen Ding Technology Holding Limited and its controlled subsidiaries (other than the Company)	Zhen Ding Technology Holding Limited is the indirect controlling shareholder of the Company	Sale of goods, equipment and provision of services to related parties	Sale of goods and provision of services to Zhen Ding Technology Holding Limited and its controlled subsidiaries (other than the Company)	Cost-plus / Market price	Cost-plus / Market price	338.8855	0.87%	1,000	No	Bank transfer	Not applicable	January 21, 2025	Cninfo (www.cninfo.com.cn): *Announcement on the Estimated Daily Related Party Transactions for 2025* (Announcement No. 2025-003)
Zhen Ding Technology Holdi	Zhen Ding Technology Holdi	Purchase of raw materials,	Purchase of goods, equip	Market price	Market price	102.4561	0.32%	140	No	Bank transfer	Not applicable	August 13, 2025	Cninfo (www.cninfo.com.cn): *Announcement on*

ng Limited and its controlled subsidiaries (other than the Company)	ng Limited is the indirect controlling shareholder of the Company	machinery and equipment, and services from related parties	ment and services from Zhen Ding Technology Holding Limited and its controlled subsidiaries (other than the Company)										*Increasing the Estimated Amount of Daily Related Party Transactions for 2025* (Announcement No. 2025-052)
Total				--	--	4,412.8116	--	6,010	--	--	--	--	--
Details of material sales returns				None									
Actual fulfillment during the reporting period in the case of total estimated amount of daily related party transactions by category (if any)				In accordance with the *Proposal on the Estimated Daily Related Party Transactions for 2025* approved by the 14th Meeting of the Third Board of Directors and the 2024 Annual General Meeting, and the *Proposal on Increasing the Estimated Amount of Daily Related Party Transactions for 2025* approved at the 18th Meeting of the Third Board of Directors held on August 12, 2025, the Company estimated total daily related party transactions for 2025 at RMB 6,010 million. The actual amount incurred in 2025 was RMB 4,412.8116 million, which did not exceed the limits approved by the Board of Directors and the General Meeting.									
Reasons for significant discrepancy between transaction price and market reference price (if applicable)				None									

2. Related Party Transactions Involving Asset or Equity Acquisitions and Disposals

☐ Applicable ☑ Not applicable

3. Related Party Transactions Involving Joint External Investments

☐ Applicable ☑ Not applicable

No joint external investments with related parties occurred during the reporting period.

4. Related Party Debts and Credits

☐ Applicable ☑ Not applicable

No material related party debts and credits existed during the reporting period.

5. Transactions with Finance Companies with Related Party Relationships

☐ Applicable ☑ Not applicable

No deposits, loans, credit facilities or other financial transactions existed between the Company and finance companies with related party relationships.

6. Transactions Between the Company's Controlled Finance Company and Related Parties

☐ Applicable ☑ Not applicable

No deposits, loans, credit facilities or other financial transactions existed between the Company's controlled finance company and related parties.

7. Other Material Related Party Transactions

☑ Applicable ☐ Not applicable

Targeted Capital Reduction of Associated Company Leading Semiconductor

On January 12, 2023, the Company convened the 23rd Meeting of the Second Board of Directors, which approved the *Proposal on Investment in Related Company Leading Interconnect Semiconductor Technology (Shenzhen) Co., Ltd*, pursuant to which the Company agreed to make an additional capital contribution of USD 136,020,151 to Leading Interconnect Semiconductor Technology (Shenzhen) Co., Ltd ("Leading Semiconductor"), a related company, of which USD 15,113,350 was credited to the registered capital of Leading Semiconductor and the remaining amount was credited to capital reserve. Upon completion of the capital increase, the Company held an 8.47% equity interest in Leading Semiconductor (calculated on the basis of the subscribed capital contribution). For details, please refer to the *Announcement of Avary Holding on External Investment and Related Party Transaction* (Announcement No. 2023-003) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on January 13, 2023.

On May 30, 2025, Leading Semiconductor, an associated company of the Company, convened a general meeting and resolved to implement a targeted capital reduction by canceling the unpaid capital contributions of certain shareholders, reducing the total subscribed registered capital from USD 178.464543 million to USD 110.13121 million. Following this capital reduction, the Company's capital contribution to Leading Semiconductor remained unchanged, and the Company's equity interest in Leading Semiconductor increased from 8.47% to 13.72%. For details, please refer to the *Announcement of Avary Holding on the Capital Reduction of an Associated Company* (Announcement No. 2025-035) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on June 3, 2025.

In July 2025, the capital reduction of Leading Semiconductor was completed.

Website Links for Interim Announcements on Material Related Party Transactions

Interim Announcement Title	Date of Interim Announcement Disclosure	Website for Interim Announcement Disclosure
Announcement on External Investment and Related Party Transaction	January 13, 2023	Cninfo (www.cninfo.com.cn)
Announcement on the Capital Reduction of an Associated Company	June 3, 2025	Cninfo (www.cninfo.com.cn)

XV. Material Contracts and Their Performance

1. Trusteeship, Contracting and Leasing Arrangements

(1) Trusteeship

☐ Applicable ☑ Not applicable

No trusteeship arrangements existed during the reporting period.

(2) Contracting

☐ Applicable ☑ Not applicable

No contracting arrangements existed during the reporting period.

(3) Leasing

☑ Applicable ☐ Not applicable

Description of Leasing Arrangements

Assets Leased by the Company from Other Parties:

1. The subsidiary Avary Hong Kong leases one office from Chuk Kwan Kee Enterprises Limited for office purposes.

2. The Company and its subsidiaries lease a total of 2,486 residential units from third parties within Mainland China for use as employee dormitories and ancillary living facilities.

3. Avary India leases a factory building of 257,000 square feet from S.N. Darmani Infra Private Limited in India for production purposes.

4. To comply with local government regulations, Avary India leases 174,240 square feet of green space from Ramakrishnan Rajagopal and Ravindranath Rajagopal, respectively.

5. The Vietnam Representative Office of Avary Hong Kong leases one office from LÊ MINH CƯỜNG ＆ NGUYỄN THỊ MAI for office purposes.

6. Peng Shen leases one office from CORAL HOLDING CO., LTD. for office purposes.

7. Peng Shen leases a total of 244 rooms from Saha Pathanapibul PCL for use as employee dormitories and ancillary living facilities.

8. Peng Shen leases land of 8.38725 rai from Saha Pathana Inter-Holding PCL for industrial park construction.

Assets of the Company Leased by Other Parties:

Assets of the Company leased by other parties primarily consist of the leasing of office floors in the Company’s headquarters building and ancillary employee service facilities in the Company’s various industrial parks, the amounts of which are immaterial and do not have a significant impact on the Company.

Projects generating profit or loss amounting to 10% or more of the Company’s total profit for the reporting period

☐ Applicable ☑ Not applicable

No leasing projects generated profit or loss amounting to 10% or more of the Company’s total profit for the reporting period.

2. Material Guarantees

☐ Applicable ☑ Not applicable

No material guarantees existed during the reporting period.

3. Entrusted Cash Asset Management

(1) Entrusted Wealth Management

☐ Applicable ☑ Not applicable

No entrusted wealth management existed during the reporting period.

(2) Entrusted Loans

☐ Applicable ☑ Not applicable

No entrusted loans existed during the reporting period.

4. Other Material Contracts

☐ Applicable ☑ Not applicable

No other material contracts existed during the reporting period.

XVI. Use of Raised Proceeds

☐ Applicable ☑ Not applicable

No proceeds were raised during the reporting period.

XVII. Other Material Matters

☑ Applicable ☐ Not applicable

1. Capital Increase in Wholly-Owned Subsidiary Avary Taiwan

The Company convened the 5th Meeting of the Second Board of Directors on September 9, 2020, which approved the *Proposal on Capital Increase in Wholly-Owned Subsidiaries*, pursuant to which the Board approved a capital increase of USD 0.1 billion by the Company to Avary Hong Kong, and then by Avary Hong Kong to Avary Taiwan in the amount of NTD 3 billion for the construction of the Kaohsiung, Taiwan FPC project. For details, please refer to the *Announcement of Avary Holding on Capital Increase in Wholly-Owned Subsidiaries* (Announcement No. 2020-059) published in *China Securities Journal*, *Securities Times*, *Shanghai Securities News*, *Securities Daily* and on Cninfo (www.cninfo.com.cn) on September 10, 2020.

On April 8, 2025, the Company convened the 15th Meeting of the Third Board of Directors, which approved the *Proposal on Capital Increase in Wholly-Owned Subsidiary Avary Taiwan*, pursuant to which the Company agreed to adjust the above capital increase arrangement to a capital increase of NTD 3 billion (equivalent to approximately RMB 0.66 billion) by the wholly-owned subsidiary Avary Hong Kong to Avary Taiwan. For details, please refer to the *Announcement of Avary Holding on Capital Increase in Wholly-Owned Subsidiary Avary Taiwan* (Announcement No. 2025-021) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on April 9, 2025.

This capital increase was completed in June 2025. For details, please refer to the *Announcement of Avary Holding on the Completion of Capital Increase in Wholly-Owned Subsidiary Avary Taiwan* (Announcement No. 2025-040) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on June 18, 2025.

2. Capital Increase in Wholly-Owned Subsidiary Hong Heng Sheng

The Company convened the 15th Meeting of the Third Board of Directors on April 8, 2025, which approved the *Proposal on Capital Increase in Wholly-Owned Subsidiary Hong Heng Sheng*, pursuant to which the Company agreed to make a capital increase of RMB 0.5 billion in Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd. , a wholly-owned subsidiary. For details, please refer to the *Announcement of Avary Holding on Capital Increase in Wholly-Owned Subsidiary Hong Heng Sheng* (Announcement No. 2025-022) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on April 9, 2025.

The related capital increase procedures were completed in April 2025. For details, please refer to the *Announcement of Avary Holding on the Completion of Business Registration Changes of a Subsidiary* (Announcement No. 2025-027) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on April 12, 2025.

The Company convened the 21st Meeting of the Third Board of Directors on October 30, 2025, which approved the *Proposal on Capital Increase in Wholly-Owned Subsidiary Hong Heng Sheng*, pursuant to which the Company agreed to make a capital increase of RMB 0.5 billion in Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd. For details, please refer to the *Announcement of Avary Holding on Capital Increase in Wholly-Owned Subsidiary Hong Heng Sheng* (Announcement No. 2025-066) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on October 31, 2025.

The related capital increase procedures were completed in December 2025. For details, please refer to the *Announcement of Avary Holding on the Completion of Business Registration Changes of a Subsidiary* (Announcement No. 2025-074) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on December 18, 2025.

3. Investment in Suzhou Xinrui Equity Investment Partnership (Limited Partnership)

In January 2025, the Company invested RMB 60,040,086 in Suzhou Xinrui Equity Investment Partnership (Limited Partnership), of which RMB 60,000,000 was used to invest in King Long Technology (Suzhou) Co., Ltd. ("King Long Technology"). King Long Technology is an independent IC testing house that provides customers with integrated back-end IC services including logic and analog IC testing, memory testing, CMOS image sensor packaging and testing, etc.

4. Investment in DCT Co., Ltd.

In February 2025, the Company invested RMB 24,999,996 to subscribe for 2,976,190 shares in a private placement by DCT Co., Ltd. ("DCT"), at a subscription price of RMB 8.40 per share. DCT is a company listed on the National Equities Exchange and Quotations (NEEQ) and is an enterprise that develops and produces laser micro-machining equipment and rapid PCB prototyping equipment with laser direct processing technology as its core business.

5. Investment in Jiangxi Jiangnan New Material Technology Co., Ltd.

In March 2025, the Company invested RMB 24,999,995 to participate in the IPO strategic placement of Jiangxi Jiangnan New Material Technology Co., Ltd. ("Jiangnan New Material"), subscribing for a total of 2,371,916 shares. Jiangnan New Material is an enterprise engaged in the development and production of copper balls, copper oxide powder, high-precision copper-based heat sinks and other materials, with copper-based new materials as its core business.

6. Investment in Dingqin Technology (Shenzhen) Co., Ltd.

In April 2025, the Company invested RMB 20,000,000 in Dingqin Technology (Shenzhen) Co., Ltd. ("Dingqin Technology"). Dingqin Technology is an enterprise that provides automation equipment, vertical chemical equipment, and high-end electroplating equipment for the PCB, IC substrate, and semiconductor sectors.

7. Investment in Subscription of Chunhua Jingzhi (Beijing) Equity Investment Partnership (Limited Partnership) Interests

On January 25, 2021, the Company convened the 9th Meeting of the Second Board of Directors, which approved the *Proposal on Participation of Wholly-Owned Subsidiary in Investment in a Private Equity Fund*. The Board approved that Avary Holding Investment (Shenzhen) Co., Ltd., a wholly-owned subsidiary, as a limited partner, would subscribe for up to 20% of the total fund capital of Chunhua Jingzhi (Beijing) Equity Investment Partnership (Limited Partnership), not exceeding RMB 200 million, and execute the *Limited Partnership Agreement of Chunhua Jingzhi (Beijing) Equity Investment Partnership (Limited Partnership)*.

In September 2021, the Company contributed RMB 5 million to subscribe for the corresponding Chunhua Jingzhi fund interests. In September 2022, the Company made an additional contribution of RMB 3.36 million. In November 2022, the Company made an additional investment of RMB 16.72 million. In May 2023, the Company made an additional investment of RMB 12.6342 million. In March 2024, the Company made an additional investment of RMB 9.6198 million. In June 2024, the Company made an additional investment of RMB 31.556 million. In February 2025, the Company made an additional investment of RMB 31.556 million. In July 2025, the Company made an additional investment of RMB 47.334 million to subscribe for the corresponding Chunhua Jingzhi fund interests.

8. Participation in Subscription of Investment Fund Interests

The Company convened the 17th Meeting of the Third Board of Directors on June 24, 2025, which approved the *Proposal on Participation of Wholly-Owned Subsidiary in Subscription of Investment Fund Interests*, pursuant to which the subsidiary Avary Hong Kong was approved to contribute an amount not exceeding USD 30 million to subscribe for interests in the China Renewable Power Infrastructure LPF. For details, please refer to the *Announcement of Avary Holding on Participation of Wholly-Owned Subsidiary in Subscription of Investment Fund Interests* (Announcement No. 2025-042) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on June 25, 2025. In August 2025, the Company completed the first installment payment of USD 142,556.32.

9. Capital Increase in Wholly-Owned Subsidiary Avary Singapore

The Company convened the 18th Meeting of the Third Board of Directors on August 12, 2025, which approved the *Proposal on Capital*

Increase in Wholly-Owned Subsidiary Avary Singapore. To meet the working capital requirements of the wholly-owned subsidiary Avary India, the Company agreed to make a capital increase of USD 70 million to Avary Singapore, which in turn would make a capital increase of USD 70 million (equivalent amount in Indian Rupees) to Avary India. For details, please refer to the Announcement of Avary Holding on Capital Increase in Wholly-Owned Subsidiary (Announcement No. 2025-053) published in *Securities Times*, *Shanghai Securities News* and on Cninfo (www.cninfo.com.cn) on August 13, 2025.

As of the date of this report, the related capital increase procedures are in progress.

10. Investment in Suzhou Xinguangyi Electronics Co., Ltd.

In December 2025, the Company invested RMB 29,999,998.77 to participate in the IPO strategic placement of Suzhou Xinguangyi Electronics Co., Ltd. ("Xinguangyi"), subscribing for a total of 1,367,989 shares. Xinguangyi, established in 2004, is a high-tech enterprise specializing in the R&D, production, and sale of high-performance specialty functional materials. It is principally engaged in the R&D and manufacturing of specialty electronic materials, production of electronic components, and sale of plastic and rubber products. Its business covers the R&D and production of functional materials such as anti-overflow adhesive specialty films and high-resistance specialty films, which are used in consumer electronics, automotive electronics, new energy lithium batteries, photovoltaics and other sectors.

11. Investment in Chengdu Keyi Polymer Technology Co., Ltd.

In November 2025 and January 2026, the Company successively invested RMB 38,368,751 and RMB 19,999,984, totaling RMB 58,368,735, in Chengdu Keyi Polymer Technology Co., Ltd. ("Keyi Polymer") through the acquisition of existing shares. Keyi Polymer is a high-tech enterprise engaged in the R&D, production, and sale of new high-performance base resins, serving as a key material supplier for CCL manufacturers in the upstream of the PCB industry.

XVIII. Material Events of Subsidiaries of the Company

☑ Applicable ☐ Not applicable

1. High and New Technology Enterprise Re-certification of Subsidiary Hongqisheng

Hongqisheng, a wholly-owned subsidiary of the Company, obtained the *High and New Technology Enterprise Certificate* (Certificate No. GR201913001342) on October 30, 2019, with a validity period of three years. In 2022, Hongqisheng passed the High and New Technology Enterprise re-certification and obtained a certificate (Certificate No. GR202213000771) with a validity period of three years. In October 2025, Hongqisheng again passed the High and New Technology Enterprise re-certification and obtained a certificate (Certificate No. GR202513000044) with a validity period of three years.

Section VI Changes in Shares and Shareholders

I. Changes in Shares

1. Changes in Shares

Unit: Shares

	Before Change		Increase/Decrease (+/-)					After Change	
	Number	Proportion	Issuance of New Shares	Bonus Issue	Capitalization of Capital Reserve	Others	Subtotal	Number	Proportion
I. Shares Subject to Trading Moratorium	13,066,803.00	0.56%				-4,449,012.00	-4,449,012.00	8,617,791.00	0.37%
1. State-owned shares									
2. Shares held by state-owned legal persons									
3. Other domestic shares	12,067,078.00	0.52%				-3,952,796.00	-3,952,796.00	8,114,282.00	0.35%
Including: Shares held by domestic legal persons									
Shares held by domestic natural persons	12,067,078.00	0.52%				-3,952,796.00	-3,952,796.00	8,114,282.00	0.35%
4. Foreign shares	999,725.00	0.04%				-496,216.00	-496,216.00	503,509.00	0.02%
Including: Shares held by									

foreign legal persons									
Shares held by foreign natural persons	999,725.00	0.04%				-496,216.00	-496,216.00	503,509.00	0.02%
II. Shares Not Subject to Trading Moratorium	2,305,494,013.00	99.44%				3,939,212.00	3,939,212.00	2,309,433,225.00	99.63%
1. RMB ordinary shares	2,305,494,013.00	99.44%				3,939,212.00	3,939,212.00	2,309,433,225.00	99.63%
2. Domestically listed foreign shares									
3. Overseas listed foreign shares									
4. Others									
III. Total Shares	2,318,560,816.00	100.00%				-509,800.00	-509,800.00	2,318,051,016.00	100.00%

Reasons for Changes in Shares

☑ Applicable ☐ Not applicable

The Company repurchased and cancelled 509,800 restricted shares under the 2021 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan.

Approval of Changes in Shares

☑ Applicable ☐ Not applicable

The 15th Meeting of the Third Board of Directors convened on April 8, 2025, the 11th Meeting of the Third Board of Supervisors, and the 2024 Annual General Meeting held on April 29, 2025 approved the *Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan*. The Company was authorized to repurchase and cancel 509,800 restricted shares held by 253 incentive recipients whose shares had been granted but had not yet become tradable.

Transfer Registration of Changes in Shares

☑ Applicable ☐ Not applicable

Upon confirmation by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the repurchase and cancellation of certain A-share restricted shares was completed on June 9, 2025. Following the repurchase and cancellation, the total share capital of the Company was reduced from 2,318,560,816 shares to 2,318,051,016 shares.

Impact of Changes in Shares on Basic Earnings Per Share and Diluted Earnings Per Share, Net Assets Per Share Attributable to Ordinary

Shareholders of the Company, and Other Financial Indicators for the Most Recent Year and Most Recent Period

☑ Applicable ☐ Not applicable

The repurchase and cancellation of shares resulted in a reduction in total share capital, which will increase basic earnings per share and diluted earnings per share, as well as net assets per share attributable to ordinary shareholders of the Company. However, given that the repurchased and cancelled shares represented a very small proportion of total shares, the impact was minimal.

Other Information Required to Be Disclosed as Deemed Necessary by the Company or Securities Regulatory Authorities

☐ Applicable ☑ Not applicable

2. Changes in Shares Subject to Trading Moratorium

☑ Applicable ☐ Not applicable

Unit: Shares

Shareholder Name	Restricted Shares at Period-Beginning	Increase in Restricted Shares During the Period	Release of Restricted Shares During the Period	Restricted Shares at Period-End	Reason for Restriction	Date of Release from Restriction
Restricted shares under share incentive plan	12,911,900.00		4,458,012.00[1]	8,453,888.00	Restricted shares under share incentive plan	See Note 1
Shares subject to lock-up by senior management	154,903.00	9,000.00[2]		163,903.00	Shares subject to lock-up by senior management	Not applicable
Total	13,066,803.00	9,000.00	4,458,012.00	8,617,791.00	--	--

Note:1 On June 9, 2025, the Company repurchased and cancelled an aggregate of 509,800 restricted shares under the 2021 Restricted Stock Incentive Plan and the 2024 Restricted Stock Incentive Plan. On July 10, 2025, the restricted shares under the 2021 Restricted Stock Incentive Plan that met the conditions for the fourth lock-up release period were released from lock-up and listed for trading, totaling 1,336,800 shares. On October 16, 2025, the restricted shares under the 2024 Restricted Stock Incentive Plan that met the conditions for the first lock-up release period were released from lock-up and listed for trading, totaling 2,611,412 shares.

2 The 24,000 restricted shares held by Mr. Luo Anzhi, Vice General Manager of the Company, were released from lock-up on July 10, 2025, of which 9,000 shares were reclassified as shares subject to lock-up for senior management.

II. Securities Issuance and Listing

1. Securities Issuance During the Reporting Period (Excluding Preference Shares)

☐ Applicable ☑ Not applicable

2. Description of Changes in Total Shares and Shareholder Structure, and Changes in Asset and Liability Structure of the Company

☑ Applicable ☐ Not applicable

During the reporting period, the Company repurchased and cancelled 509,800 restricted shares under the 2021 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan, resulting in a reduction in total shares.

3. Existing Internal Employee Shares

☐ Applicable ☑ Not applicable

III. Shareholders and Actual Controller

1. Number of Shareholders and Shareholdings

Unit: Shares

Total number of ordinary shareholders at period-end	88,425	Total number of ordinary shareholders as of the end of the last month prior to the annual report disclosure date	82,295	Total number of preference shareholders with restored voting rights at period-end (if any) (see Note 8)	0	Total number of preference shareholders with restored voting rights as of the end of the last month prior to the annual report disclosure date (if any) (see Note 8)		0
Shareholdings of shareholders holding 5% or more of the shares or top 10 shareholders (excluding shares lent through securities refinancing)								
Shareholder Name	Nature of Shareholder	Shareholding Percentage	Number of Shares Held at Period-End	Increase/Decrease During the Reporting Period	Number of Restricted Shares Held	Number of Unrestricted Shares Held	Status of Pledge, Marking or Freezing	
							Status	Number
Mayco Industrial Limited	Foreign legal person	66.19%	1,534,242,198.00	0.00	0.00	1,534,242,198.00	Not applicable	0
Pacific Fair International Limited	Foreign legal person	5.71%	132,402,775.00	0.00	0.00	132,402,775.00	Not applicable	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	2.71%	62,734,091.00	17,964,949.00	0.00	62,734,091.00	Not applicable	0
National Social Security Fund Portfolio 103	Others	1.73%	39,999,981.00	5,699,981.00	0.00	39,999,981.00	Not applicable	0

Industrial and Commercial Bank of China Limited — Huatai-PineBridge CSI 300 ETF	Others	0.50%	11,491,235.00	-548,265.00	0.00	11,491,235.00	Not applicable	0
Yuefeng Limited	Foreign legal person	0.45%	10,318,217.00	-478,800.00	0.00	10,318,217.00	Not applicable	0
China Construction Bank Corporation — E Fund CSI 300 ETF	Others	0.35%	8,200,627.00	-88,300.00	0.00	8,200,627.00	Not applicable	0
Industrial and Commercial Bank of China Limited — ChinaAMC CSI 300 ETF	Others	0.27%	6,252,400.00	749,000.00	0.00	6,252,400.00	Not applicable	0
National Social Security Fund Portfolio 416	Others	0.27%	6,228,600.00	5,832,300.00	0.00	6,228,600.00	Not applicable	0
Bank of China Limited — Harvest CSI 300 ETF	Others	0.23%	5,388,988.00	171,956.00	0.00	5,388,988.00	Not applicable	0
Strategic investors or general legal persons becoming top 10 shareholders through placement of new shares (if any) (see Note 3)		None						
Description of		Among the top 10 shareholders: 1. Mayco Industrial Limited and Pacific Fair International Limited are						

affiliated relationships or acting-in-concert among the above shareholders	both wholly-owned subsidiaries indirectly controlled by Zhen Ding Technology Holding Limited (TW: 4958); 2. Mayco Industrial Limited holds 11.82% of the equity interest in Yuefeng Limited; 3. Based on publicly available information, National Social Security Fund Portfolio 103 and National Social Security Fund Portfolio 416 are both investment portfolios of the National Social Security Fund. Save for the above affiliations, it is not known whether there are any other affiliated relationships or acting-in-concert relationships among the top 10 shareholders, or whether they are persons acting in concert.
Description of shareholders' entrustment/waiver of voting rights	None
Special remarks on repurchase accounts among top 10 shareholders (if any) (see Note 10)	None

Shareholdings of top 10 unrestricted shareholders (excluding shares lent through securities refinancing and shares subject to lock-up by senior management)			
Shareholder Name	Number of Unrestricted Shares Held at Period-End	Class of Shares	
		Class of Shares	Number
Mayco Industrial Limited	1,534,242,198.00	RMB ordinary shares	1,534,242,198.00
Pacific Fair International Limited	132,402,775.00	RMB ordinary shares	132,402,775.00
Hong Kong Securities Clearing Company Limited	62,734,091.00	RMB ordinary shares	62,734,091.00
National Social Security Fund Portfolio 103	39,999,981.00	RMB ordinary shares	39,999,981.00
Industrial and Commercial Bank of China Limited — Huatai-PineBridge CSI 300 ETF	11,491,235.00	RMB ordinary shares	11,491,235.00
Yuefeng Limited	10,318,217.00	RMB ordinary shares	10,318,217.00
China Construction Bank Corporation — E Fund CSI 300 ETF	8,200,627.00	RMB ordinary shares	8,200,627.00
Industrial and Commercial Bank of China Limited —	6,252,400.00	RMB ordinary shares	6,252,400.00

ChinaAMC CSI 300 ETF			
National Social Security Fund Portfolio 416	6,228,600.00	RMB ordinary shares	6,228,600.00
Bank of China Limited — Harvest CSI 300 ETF	5,388,988.00	RMB ordinary shares	5,388,988.00
Description of affiliated relationships or acting-in-concert among the top 10 unrestricted shareholders, and between the top 10 unrestricted shareholders and the top 10 shareholders	Among the top 10 unrestricted shareholders: 1. Mayco Industrial Limited and Pacific Fair International Limited are both wholly-owned subsidiaries indirectly controlled by Zhen Ding Technology Holding Limited (TW: 4958); 2. Mayco Industrial Limited holds 11.82% of the equity interest in Yuefeng Limited; 3. Based on publicly available information, National Social Security Fund Portfolio 103 and National Social Security Fund Portfolio 416 are both investment portfolios of the National Social Security Fund. Save for the above affiliations, it is not known whether there are any other affiliated relationships or acting-in-concert relationships among the top 10 shareholders and the top 10 unrestricted shareholders, or whether they are persons acting in concert.		
Description of top 10 ordinary shareholders participating in margin trading and securities lending (if any) (see Note 4)	None		

Shareholdings of Shareholders Holding 5% or More of the Shares, Top 10 Shareholders, and Top 10 Unrestricted Shareholders Participating in Securities Refinancing Business

☐ Applicable ☑ Not applicable

Changes in Top 10 Shareholders and Top 10 Unrestricted Shareholders Due to Securities Refinancing Lending/Return as Compared with the Prior Period

☐ Applicable ☑ Not applicable

Whether Top 10 Ordinary Shareholders or Top 10 Unrestricted Ordinary Shareholders Entered into Agreed Share Repurchase Transactions During the Reporting Period

☐ Yes ☑ No

No top 10 ordinary shareholders or top 10 unrestricted ordinary shareholders entered into agreed share repurchase transactions during the reporting period.

2. Controlling Shareholder of the Company

Nature of controlling shareholder: Foreign-controlled

Type of controlling shareholder: Legal person

Name of Controlling Shareholder	Legal Representative / Responsible Person	Date of Establishment	Organization Code	Principal Business
Mayco Industrial Limited	Charles Shen	November 14, 2007	1185264	Investment holding
Equity interests held by the controlling shareholder in other	None			

domestic and overseas listed companies during the reporting period				

Change in Controlling Shareholder During the Reporting Period

☐ Applicable ☑ Not applicable

No change in the controlling shareholder occurred during the reporting period.

3. Actual Controller of the Company and Its Concerted Parties

Nature of actual controller: No actual controller

Type of actual controller: Non-existent

Explanation of Why the Company Has No Actual Controller

The indirect controlling shareholder of the Company is Zhen Ding Technology Holding Limited, a company listed in Taiwan. The largest shareholder of Zhen Ding Technology Holding is Foxconn (Far East) Limited, a wholly-owned subsidiary of Hon Hai Group. During the reporting period, Hon Hai Group had no actual controller. Hon Hai Group held only one seat among the seven board members of Zhen Ding Technology Holding. Hon Hai Group has never consolidated Zhen Ding Technology Holding and accounts for it using the equity method only. Zhen Ding Technology Holding has no actual controller, and therefore the Company also has no actual controller.

Whether Any Shareholder at the Ultimate Control Level Holds 10% or More of the Shares

☑ Yes ☐ No

☑ Legal person ☐ Natural person

Shareholdings at the Ultimate Control Level

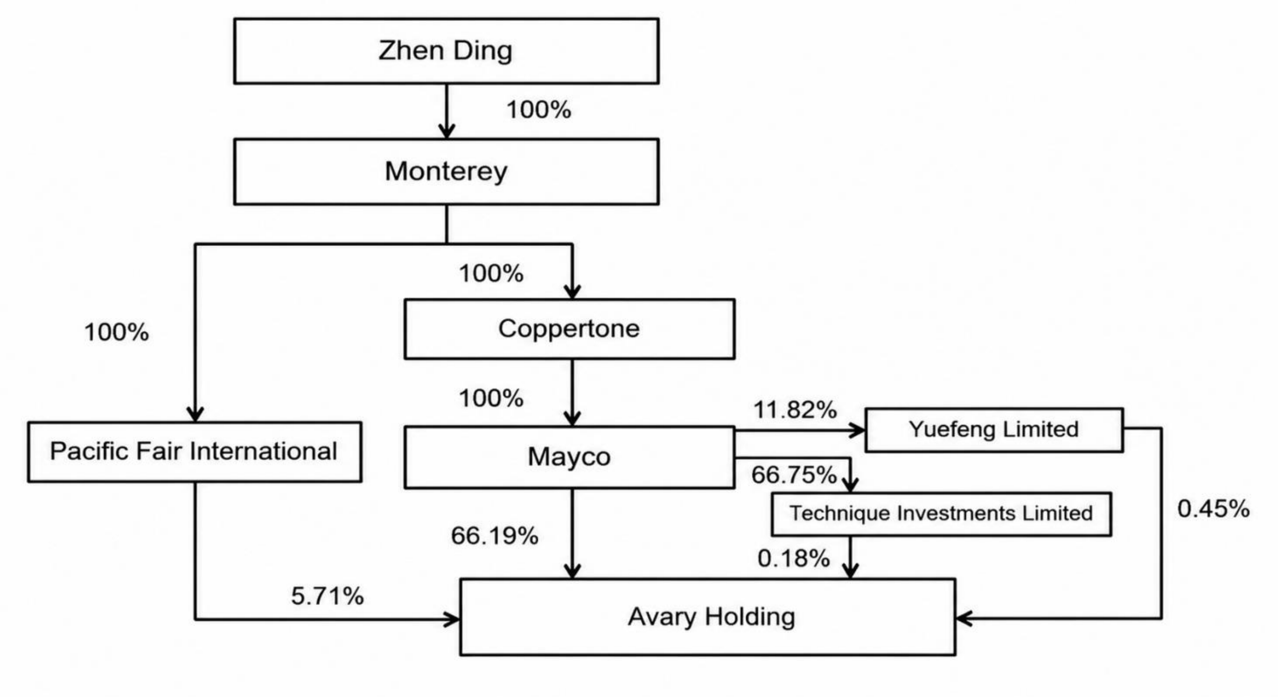
Name of Shareholder at the Ultimate Control Level	Legal Representative / Responsible Person	Date of Establishment	Organization Code	Principal Business
Zhen Ding Technology Holding Limited	Charles Shen	June 5, 2006	168714	Investment holding
Equity interests controlled by the shareholder at the ultimate control level in other domestic and overseas listed companies during the reporting period	None			

Change in Actual Controller During the Reporting Period

☐ Applicable ☑ Not applicable

No change in the actual controller occurred during the reporting period.

Property Rights and Control Relationship Chart Between the Company and Its Actual Controller



The Actual Controller Controls the Company through Trusts or Other Asset Management Arrangements

☐ Applicable ☑ Not applicable

4. Pledged Shares of the Controlling Shareholder or Largest Shareholder and Their Concerted Parties as a Percentage of Their Respective Shareholdings in the Company Reaching 80%

☐ Applicable ☑ Not applicable

5. Other Legal Person Shareholders with Shareholdings of 10% or More

☐ Applicable ☑ Not applicable

6. Restriction on Shareholding Reductions by the Controlling Shareholder, Actual Controller, Reorganization Parties and Other Commitment Entities

☐ Applicable ☑ Not applicable

IV. Specific Implementation of Share Repurchases During the Reporting Period

Progress of Share Repurchases

☐ Applicable ☑ Not applicable

Progress on Repurchase Share Disposals through Centralized Bidding

☐ Applicable ☑ Not applicable

V. Preference Share-Related Matters

☐ Applicable ☑ Not applicable

No preference shares existed during the reporting period.

Section VII Matters Relating to Bonds

☐ Applicable ☑ Not applicable

Section VIII Financial Statements

I. AUDITOR’S REPORT

Type of audit opinion	Standard unqualified opinion
Date of the auditor’s report	March 30, 2026
Name of the audit firm	PricewaterhouseCoopers Zhong Tian LLP
Reference number of the auditor’s report	PwC ZT Shen Zi (2026) No. 10008
Names of certified public accountants	GUAN Kun, HU Yihan

Text of the Auditor’s Report

To the Shareholders of Avary Holding (Shenzhen) Co., Ltd.:

I. Auditor’s Opinion

(i) What We Have Audited

We have audited the financial statements of Avary Holding (Shenzhen) Co., Limited (hereinafter referred to as “Avary Holding”), which comprise the consolidated and company balance sheets as at December 31, 2025, and the consolidated and company income statements, consolidated and company cash flow statements, and consolidated and company statements of changes in shareholders’ equity for the year then ended, and the notes to the financial statements.

(ii) Our Opinion

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

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In accordance with the China Standards on Independence — Part 1: Independence Requirements for Audits and Reviews of Financial Statements and the Code of Ethics for Chinese Certified Public Accountants, we are independent of Avary Holding and have fulfilled our other ethical responsibilities. We have complied with the independence requirements applicable to audits of public interest entities throughout our audit.

III. Key Audit Matters

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

(i) Recognition of revenue from sales of goods

(ii) Provision for inventories

Key Audit Matters	How our audit addressed the key audit matter
(I) Recognition of revenue from sales of goods Refer to Note II(23) (Revenue) and Note IV(38) (Revenue and cost of sales) to the financial statements. Avary Holding (Shenzhen) Co., Limited and its subsidiaries (hereinafter referred to as the “Avary Group”) recorded revenue of approximately RMB 39,147 million for the year ended 31 December 2025, of	We obtained an understanding of, assessed and tested the internal controls over revenue from sales of goods, including the design and operating effectiveness of key controls throughout the complete business process from product pricing, customer credit management, order management, sales delivery, sales reconciliation, revenue recognition to sales collection, as well as

which RMB 38,843 million was revenue from sales of goods. The Avary Group manufactures various printed circuit board products and sells them to customers in multiple regions. Its sales model is primarily divided into two types: the warehouse delivery model and the factory direct shipment model. The revenue recognition methods under these two models are as follows: Under the warehouse delivery model, the Avary Group produces goods according to customer orders and delivers the finished products to a warehouse. The Group usually engages a logistics company to manage the inventory in the warehouse. Customers pick up the goods from the warehouse upon their demand and with the Group's consent. Revenue is recognized by the Group based on the pickup records when customers take possession of the products. Under the factory direct shipment model, in accordance with the sales contracts and orders, the Avary Group is required to deliver the printed circuit board products to the delivery point designated by the customer. Revenue is recognized upon customer acceptance and the signing of the goods delivery note by both parties. The credit period granted by the Avary Group to its customers is generally 45 to 90 days, which is consistent with industry practice, and there is no significant financing component. Due to the large volume of sales transactions, the wide variety of product models, and the broad geographic distribution of customers, the recognition of revenue from sales of goods involves complexity. Accordingly, we have identified the recognition of revenue from sales of goods as a key audit matter.	the general controls over information systems relevant to the recognition of revenue from sales of goods. We selected the sales contracts and orders of the Avary Group's major customers, and reviewed the key contractual terms with such customers, including order placement, product delivery, invoicing and collection, to evaluate the Avary Group's accounting policies relating to revenue recognition. Using sampling methods, we performed the following procedures to test the recognition of revenue from sales of goods: Tested revenue from sales of goods in different regions and from different customers by inspecting supporting documents relevant to revenue recognition, such as sales orders, delivery notes, shipping documents and goods receipt acknowledgements; Sent confirmation requests to selected customers regarding transaction amounts and outstanding accounts receivable balances, based on the transaction amounts, nature and customer characteristics; Tested revenue from sales of goods recorded around the balance sheet date by comparing the revenue recognition entries with supporting documents such as delivery notes, shipping documents and goods receipt acknowledgements, to assess whether the relevant revenue from sales of goods was recognised in the appropriate accounting period. Based on the audit procedures performed, we concluded that the recognition of revenue from sales of goods by the Avary Group is supported by the evidence we have obtained.
(II) Provision for inventories Refer to Note II(11) (Inventories), Note II(28) (Significant accounting estimates and judgements) and Note IV(7) (Inventories) to the financial statements. As at 31 December 2025, the gross carrying amount of inventories and the provision for inventories in the consolidated financial statements of the Avary Group amounted to RMB 3,941 million and RMB 134 million, respectively. The Avary Group measures inventories at the lower of cost and net realisable value, and recognises a provision for inventories against inventory items that have exceeded a certain ageing period, as well as obsolete or damaged items. Due to the significant magnitude of the Avary Group's inventories, the estimation of the provision for inventories involves inherent uncertainty. The assessment of future selling prices and the likelihood of sale is subjective and requires significant management judgement and estimates. Accordingly, we have identified the provision for inventories as a key audit matter.	We obtained an understanding of, assessed and tested the internal controls over the provision for inventories, including the general controls over the inventory-related reporting systems, the reporting logic and the automated report calculations used by management in estimating the provision for inventories. We assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and other inherent risk factors, such as the complexity and subjectivity of the estimate, and management bias or fraud in making the estimate. We compared the actual write-offs and losses of inventories during the current year with the provision for inventories recognised in prior years to assess whether significant management bias existed in the determination of the provision for inventories. We obtained the inventory provision schedules prepared by the Avary Group's management and performed the following procedures: - Using sampling methods, we examined the net realisable value used in the inventory provision schedules, and compared it with recent purchase prices of raw materials or recent selling prices of finished goods, contract fulfilment costs and selling expense ratios; - Using sampling methods, we tested the accuracy of the inventory ageing used by management in calculating the provision for inventories; - During the inventory count observation, we paid attention to the condition of inventories and observed whether there were any slow-moving, obsolete, aged or damaged inventory items. We compared such observed items with management's inventory provision list to assess the completeness of the provision for inventories. Based on the audit procedures performed, we concluded that the provision for inventories of the Avary Group is supported by the evidence we have obtained.

IV. Other Information

Management of Avary Holding is responsible for the other information. The other information comprises the information included in the annual report of Avary Holding for the year ended December 31, 2025, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. In this regard, we have nothing to report.

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

Management of Avary Holding is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing Avary Holding's financial reporting process.

VI. Auditor's Responsibilities for the Audit of 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

(ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

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

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

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

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

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

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

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

II. FINANCIAL STATEMENTS

The amounts in the accompanying financial statements and notes are presented in Renminbi Yuan (RMB).

1. Consolidated Balance Sheet

Prepared by: Avary Holding (Shenzhen) Co., Ltd.

December 31, 2025

Unit: RMB

Item	Closing Balance	Opening Balance
Current assets:		
Cash and bank balances	12,031,994,489.34	13,496,952,363.88
Settlement deposit		
Loans to banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable	143,979,927.94	69,974,867.39
Accounts receivable	6,073,127,859.07	5,768,822,058.27
Accounts receivable financing	39,453,938.12	
Advances to suppliers	238,608,572.18	207,583,834.54
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	253,354,062.17	264,542,514.16
Incl.: Interest receivable		
Dividends receivable		
Financial assets held under resale agreements		
Inventories	3,806,710,623.33	3,355,543,367.59

Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	546,110,900.45	471,343,061.39
Total current assets	23,133,340,372.60	23,634,762,067.22
Non-current assets:		
Loans and advances to clients		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	18,780,344.60	5,588,808.50
Investments in other equity instruments	1,912,854,559.82	1,301,898,858.01
Other non-current financial assets	482,803,322.86	346,717,946.00
Investment properties	557,724,115.50	585,467,490.84
Fixed assets	17,494,384,350.63	15,738,449,342.88
Construction in progress	2,946,557,139.98	1,382,440,351.02
Productive biological assets		
Oil and gas assets		
Right-of-use assets	70,843,868.30	87,221,618.86
Intangible assets	1,515,665,988.78	1,197,608,242.64
Incl.: Data resources		
Development expenses		
Incl.: Data resources		
Goodwill	78,563,171.00	20,406,065.22
Long-term deferred expenses	2,971,997.93	1,949,340.94
Deferred tax assets	132,144,483.47	139,522,526.08
Other non-current assets	502,949,056.73	100,529,181.72
Total non-current assets	25,716,242,399.60	20,907,799,772.71
Total assets	48,849,582,772.20	44,542,561,839.93
Current liabilities:		

Short-term borrowings	3,925,334,770.72	3,256,896,552.17
Borrowings from the central bank		
Borrowings from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	5,661,602,306.85	5,079,448,457.17
Advances from customers		
Contract liabilities	32,410,207.62	59,832,456.69
Financial liabilities held under repurchase agreements		
Deposits from customers and other banks		
Proceeds from agency securities transactions		
Proceeds from agency underwriting		
Employee benefits payable	869,029,794.71	895,842,644.24
Taxes payable	225,339,164.74	310,057,442.65
Other payables	1,903,549,987.03	1,584,470,358.11
Incl.: Interest payable		
Dividends payable		
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	13,921,869.71	17,386,791.31
Other current liabilities		
Total current liabilities	12,631,188,101.38	11,203,934,702.34
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	375,720,008.30	179,710,003.01
Bonds payable		

Incl.: Preference shares		
Perpetual bonds		
Lease liabilities	60,032,708.13	72,930,502.99
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	390,483,172.88	359,277,511.49
Deferred tax liabilities	560,980,431.42	405,200,536.34
Other non-current liabilities	80,831,200.00	
Total non-current liabilities	1,468,047,520.73	1,017,118,553.83
Total liabilities	14,099,235,622.11	12,221,053,256.17
Equity:		
Share capital	2,318,051,016.00	2,318,560,816.00
Other equity instruments		
Incl.: Preference shares		
Perpetual bonds		
Capital reserve	12,773,381,186.63	12,705,150,135.49
Less: Treasury shares	171,228,311.37	257,454,835.82
Other comprehensive income	631,667,978.88	224,357,558.25
Special reserve		
Surplus reserve	1,160,218,908.00	1,160,218,908.00
General risk reserve		
Undistributed profit	17,424,872,405.03	15,959,010,975.84
Total equity attributable to owners of the parent company	34,136,963,183.17	32,109,843,557.76
Non-controlling interests	613,383,966.92	211,665,026.00
Total equity	34,750,347,150.09	32,321,508,583.76
Total liabilities and equity	48,849,582,772.20	44,542,561,839.93

Legal Representative: Charles Shen   Chief Financial Officer: XIAO Dewang   Head of Accounting Department: XIAO Dewang

2. Standalone Balance Sheet

Unit: RMB

Item	Closing Balance	Opening Balance
Current assets:		
Cash and bank balances	5,597,421,634.33	6,209,487,932.15
Financial assets held for trading		
Derivative financial assets		
Notes receivable	117,749,008.81	62,884,294.68
Accounts receivable	4,502,781,730.43	4,665,438,351.23
Accounts receivable financing		
Advances to suppliers	62,872,843.08	66,097,241.01
Other receivables	748,858,189.35	1,501,375,896.77
Incl.: Interest receivable		
Dividends receivable		
Inventories	1,009,385,724.11	832,412,354.81
Incl.: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	67,234,353.15	51,196,766.24
Total current assets	12,106,303,483.26	13,388,892,836.89
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	10,281,909,302.54	8,709,471,186.54
Investments in other equity instruments	1,450,197,119.36	1,051,046,047.00
Other non-current financial assets	121,077,000.00	57,720,000.00
Investment properties	557,726,045.20	585,467,490.84
Fixed assets	3,499,273,662.21	3,487,364,625.80
Construction in progress	81,662,346.23	56,674,397.14
Productive biological assets		
Oil and gas assets		

Right-of-use assets	45,352,349.59	64,415,057.24
Intangible assets	883,346,097.65	936,186,584.75
Incl.: Data resources		
Development expenses		
Incl.: Data resources		
Goodwill		
Long-term deferred expenses		
Deferred tax assets		
Other non-current assets	78,231,498.19	2,808,643.39
Total non-current assets	16,998,775,420.97	14,951,154,032.70
Total assets	29,105,078,904.23	28,340,046,869.59
Current liabilities:		
Short-term borrowings	0.00	52,999,938.94
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	3,017,243,846.51	2,962,595,898.88
Advances from customers		
Contract liabilities	7,687,886.71	11,192,054.10
Employee benefits payable	255,123,906.17	293,620,368.44
Taxes payable	31,790,654.65	117,280,508.12
Other payables	427,751,891.39	561,969,943.67
Incl.: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	19,971,004.50	18,833,153.64
Other current liabilities		
Total current liabilities	3,759,569,189.93	4,018,491,865.79
Non-current liabilities:		
Long-term borrowings		

Bonds payable		
Incl.: Preference shares		
Perpetual bonds		
Lease liabilities	83,244,956.12	103,215,960.68
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	273,762,181.13	238,084,235.43
Deferred tax liabilities	186,603,308.95	81,746,343.24
Other non-current liabilities		
Total non-current liabilities	543,610,446.20	423,046,539.35
Total liabilities	4,303,179,636.13	4,441,538,405.14
Equity:		
Share capital	2,318,051,016.00	2,318,560,816.00
Other equity instruments		
Incl.: Preference shares		
Perpetual bonds		
Capital reserve	12,935,530,570.63	12,874,226,346.68
Less: Treasury shares	171,228,311.37	257,454,835.82
Other comprehensive income	310,048,077.07	64,591,539.95
Special reserve		
Surplus reserve	1,160,218,908.00	1,160,218,908.00
Undistributed profit	8,249,279,007.77	7,738,365,689.64
Total equity	24,801,899,268.10	23,898,508,464.45
Total liabilities and equity	29,105,078,904.23	28,340,046,869.59

3. Consolidated Income Statement

Unit: RMB

Item	2025	2024
I. Total operating revenue	39,147,009,392.27	35,140,384,498.03

Incl.: Operating revenue	39,147,009,392.27	35,140,384,498.03
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	35,057,287,141.15	31,126,235,586.83
Incl.: Operating cost	30,730,418,442.09	27,843,625,405.47
Interest expenses		
Fee and commission expenses		
Surrenders		
Net payments for insurance claims		
Net insurance contract reserves		
Policyholder dividends		
Reinsurance expenses		
Taxes and surcharges	247,824,840.01	274,538,424.36
Selling expenses	272,858,591.14	215,538,088.04
Administrative expenses	1,484,265,651.24	1,204,401,327.56
R&D expenses	2,458,991,706.79	2,324,474,754.49
Financial expenses	-137,072,090.12	-736,342,413.09
Incl.: Interest expenses	125,035,367.53	113,651,755.74
Interest income	-434,880,480.59	-445,274,282.35
Add: Other income	147,346,650.09	129,893,027.52
Investment income (loss expressed with “-”)	14,524,964.86	9,631,033.35
Incl.: Investment income from associates and joint ventures	-3,087,631.90	316,617.13
Gain on derecognition of financial assets at amortised cost		
Exchange gain (loss expressed with “-”)		
Net exposure hedging income (loss expressed with “-”)		
Gain on changes in fair value	78,050,851.71	-39,277,221.73

(loss expressed with "-")		
Credit impairment loss (loss expressed with "-")	-1,685,190.89	2,145,663.73
Impairment loss on assets (loss expressed with "-")	-50,343,999.45	-79,727,256.39
Gain on disposal of assets (loss expressed with "-")	15,159,360.90	6,675,515.13
III. Operating profit (loss expressed with "-")	4,292,774,888.34	4,043,489,672.81
Add: Non-operating revenue	5,479,144.50	8,302,724.37
Less: Non-operating expenses	14,485,796.18	7,327,550.93
IV. Profit before tax (loss expressed with "-")	4,283,768,236.66	4,044,464,846.25
Less: Income tax expenses	570,463,311.10	425,417,104.53
V. Net profit (loss expressed with "-")	3,713,304,925.56	3,619,047,741.72
(I) Classified by continuity of operation		
1. Net profit from continuing operations (loss expressed with "-")	3,713,304,925.56	3,619,047,741.72
2. Net profit from discontinued operations (loss expressed with "-")	0.00	0.00
(II) Classified by attribution		
1. Net profit attributable to owners of the parent company	3,737,843,458.40	3,620,351,391.33
2. Profit attributable to non-controlling interests	-24,538,532.84	-1,303,649.61
VI. Other comprehensive income, net after tax	458,179,792.12	-37,768,936.24
Other comprehensive income attributable to owners of the parent company, net after tax	453,379,407.42	-38,372,652.23
(I) Other comprehensive income that cannot be reclassified to profit or loss	387,852,435.74	-45,835,972.13
1. Changes arising from remeasurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss		

under the equity method		
3. Change in fair value of investments in other equity instruments	387,852,435.74	-45,835,972.13
4. Change in fair value of the corporation's credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss	65,526,971.68	7,463,319.90
1. Other comprehensive income that can be reclassified to profit or loss under the equity method		
2. Change in fair value of other debt investments		
3. Financial assets reclassified to other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserves for cash flow hedge		
6. Differences in translation of foreign currency financial statements	65,526,971.68	7,463,319.90
7. Others		
Other comprehensive income attributable to non-controlling interests, net after tax	4,800,384.70	603,715.99
VII. Total comprehensive income	4,171,484,717.68	3,581,278,805.48
Total comprehensive income attributable to owners of the parent company	4,191,222,865.82	3,581,978,739.10
Total comprehensive income attributable to non-controlling interests	-19,738,148.14	-699,933.62
VIII. Earnings per share		
(I) Basic earnings per share	1.61	1.56
(II) Diluted earnings per share	1.61	1.56

Legal Representative: Charles Shen Chief Financial Officer: XIAO Dewang Head of Accounting Department: XIAO Dewang

4. Standalone Income Statement

Unit: RMB

Item	2025	2024
I. Operating revenue	17,245,296,355.77	15,298,191,700.27
Less: Operating cost	14,797,600,742.65	12,835,643,864.53
Taxes and surcharges	65,152,551.74	45,736,743.17
Selling expenses	69,175,539.03	65,370,786.67
Administrative expenses	422,226,045.65	452,507,843.85
R&D expenses	762,561,231.11	735,737,702.68
Financial expenses	-111,711,843.36	-360,496,134.55
Incl.: Interest expenses	6,580,439.40	15,571,910.71
Interest income	-269,094,955.44	-249,621,078.34
Add: Other income	85,573,322.15	91,208,495.40
Investment income (loss expressed with “-”)	1,509,436,941.45	2,001,307,000.00
Incl.: Investment income from associates and joint ventures		
Gain on derecognition of financial assets at amortised cost (loss expressed with “-”)		
Net exposure hedging income (loss expressed with “-”)		
Gain on changes in fair value (loss expressed with “-”)	71,294,000.00	-27,650,000.00
Credit impairment loss (loss expressed with “-”)	2,802,183.93	4,061,608.67
Impairment loss on assets (loss expressed with “-”)	1,689,157.97	-21,103,924.04
Gain on disposal of assets (loss expressed with “-”)	11,442,865.54	6,156,001.76
II. Operating profit (loss expressed with “-”)	2,922,530,559.99	3,577,670,075.71

Add: Non-operating revenue	975,977.00	1,976,022.86
Less: Non-operating expenses	4,771,394.21	5,470,778.55
III. Profit before tax (loss expressed with "-")	2,918,735,142.78	3,574,175,320.02
Less: Income tax expenses	135,839,795.44	138,361,558.57
IV. Net profit (loss expressed with "-")	2,782,895,347.34	3,435,813,761.45
(I) Net profit from continuing operations (loss expressed with "-")	2,782,895,347.34	3,435,813,761.45
(II) Net profit from discontinued operations (loss expressed with "-")		
V. Other comprehensive income, net after tax	291,525,523.91	-43,766,301.10
(I) Other comprehensive income that cannot be reclassified to profit or loss	291,525,523.91	-43,766,301.10
1. Changes arising from remeasurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Change in fair value of investments in other equity instruments	291,525,523.91	-43,766,301.10
4. Change in fair value of the corporation's credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that can be reclassified to profit or loss under the equity method		
2. Change in fair value of other debt investments		
3. Financial assets reclassified to other comprehensive income		
4. Provision for credit		

impairment of other debt investments		
5. Reserves for cash flow hedge		
6. Differences in translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	3,074,420,871.25	3,392,047,460.35
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2025	2024
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	39,460,977,357.34	36,289,350,371.72
Net increase in deposits from customers and other banks		
Net increase in borrowings from the central bank		
Net increase in borrowings from other financial institutions		
Cash received from insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits and investments from policyholders		
Cash received from interest, fees and commissions		
Net increase in borrowings from banks and other financial institutions		
Net increase in funds from repurchase agreements		
Net cash received from agency		

securities transactions		
Refund of taxes and levies	1,948,617,740.64	1,164,317,015.55
Cash received relating to other operating activities	632,771,139.83	687,798,276.19
Sub-total of cash inflows from operating activities	42,042,366,237.81	38,141,465,663.46
Cash paid for purchase of goods and receipt of services	26,381,034,140.25	23,482,528,578.60
Net increase in loans and advances to clients		
Net increase in deposits with the central bank and other banks		
Cash paid for insurance claims under original insurance contracts		
Net increase in loans to banks and other financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for policyholder dividends		
Cash paid to and on behalf of employees	5,686,664,632.92	5,062,438,996.46
Payments of various taxes and levies	822,085,901.53	746,597,644.79
Cash paid relating to other operating activities	1,866,794,278.06	1,767,476,777.09
Sub-total of cash outflows from operating activities	34,756,578,952.76	31,059,041,996.94
Net cash flows from operating activities	7,285,787,285.05	7,082,423,666.52
II. Cash flows from investing activities:		
Cash received from disposal of investments	158,005,715.44	590,349,281.27
Cash received from investment income	19,363,450.03	17,669,361.41
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	56,404,254.94	79,074,064.62
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		

Sub-total of cash inflows from investing activities	233,773,420.41	687,092,707.30
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	6,626,316,438.75	2,844,036,380.56
Cash paid for investments	435,549,677.77	729,379,050.00
Net increase in loans secured by pledge		
Net cash paid for acquisition of subsidiaries and other business units	229,233,928.32	81,659.09
Cash paid relating to other investing activities	87,267,881.65	0.00
Sub-total of cash outflows from investing activities	7,378,367,926.49	3,573,497,089.65
Net cash flows from investing activities	-7,144,594,506.08	-2,886,404,382.35
III. Cash flows from financing activities:		
Cash received from capital contributions	196,559,053.90	27,647,221.45
Incl.: Cash received from minority shareholders' capital contributions to subsidiaries	196,559,053.90	27,647,221.45
Cash received from borrowings	23,191,024,205.20	19,004,082,022.42
Cash received relating to other financing activities	0.00	167,617,230.00
Sub-total of cash inflows from financing activities	23,387,583,259.10	19,199,346,473.87
Cash repayments of borrowings	22,362,820,024.89	19,700,390,119.71
Cash paid for distribution of dividends and profits or payment of interest	2,442,681,033.74	1,277,219,417.81
Incl.: Dividends and profits paid by subsidiaries to minority shareholders		
Cash paid relating to other financing activities	28,748,506.41	49,139,641.22
Sub-total of cash outflows from financing activities	24,834,249,565.04	21,026,749,178.74
Net cash flows from financing activities	-1,446,666,305.94	-1,827,402,704.87
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-222,922,436.33	136,317,616.39
V. Net increase in cash and cash	-1,528,395,963.30	2,504,934,195.69

equivalents		
Add: Cash and cash equivalents at beginning of the period	13,393,976,259.24	10,889,042,063.55
VI. Cash and cash equivalents at end of the period	11,865,580,295.94	13,393,976,259.24

6. Standalone Cash Flow Statement

Unit: RMB

Item	2025	2024
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	17,522,361,349.08	15,656,629,262.49
Refund of taxes and levies	613,121,575.75	331,916,306.73
Cash received relating to other operating activities	343,359,347.22	368,878,901.28
Sub-total of cash inflows from operating activities	18,478,842,272.05	16,357,424,470.50
Cash paid for purchase of goods and receipt of services	14,329,693,144.82	11,940,463,955.42
Cash paid to and on behalf of employees	1,649,658,213.66	1,445,912,303.51
Payments of various taxes and levies	278,035,552.45	183,454,218.63
Cash paid relating to other operating activities	258,042,598.39	106,059,963.64
Sub-total of cash outflows from operating activities	16,515,429,509.32	13,675,890,441.20
Net cash flows from operating activities	1,963,412,762.73	2,681,534,029.30
II. Cash flows from investing activities:		
Cash received from disposal of investments	1,601,258,021.98	2,683,500,000.00
Cash received from investment income	1,590,107,248.96	2,095,554,142.13
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	18,332,583.35	11,217,625.03
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other		

investing activities		
Sub-total of cash inflows from investing activities	3,209,697,854.29	4,790,271,767.16
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	972,597,111.14	656,447,542.54
Cash paid for investments	1,956,555,993.41	1,492,100,000.00
Net cash paid for acquisition of subsidiaries and other business units	356,724,164.00	0.00
Cash paid relating to other investing activities		
Sub-total of cash outflows from investing activities	3,285,877,268.55	2,148,547,542.54
Net cash flows from investing activities	-76,179,414.26	2,641,724,224.62
III. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received from borrowings		197,501,953.75
Cash received relating to other financing activities		167,617,230.00
Sub-total of cash inflows from financing activities		365,119,183.75
Cash repayments of borrowings	52,501,953.75	1,190,000,000.00
Cash paid for distribution of dividends and profits or payment of interest	2,319,584,184.77	1,165,084,880.66
Cash paid relating to other financing activities	28,040,248.80	48,364,523.03
Sub-total of cash outflows from financing activities	2,400,126,387.32	2,403,449,403.69
Net cash flows from financing activities	-2,400,126,387.32	-2,038,330,219.94
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-103,137,894.71	42,004,040.03
V. Net increase in cash and cash equivalents	-616,030,933.56	3,326,932,074.01
Add: Cash and cash equivalents at beginning of the period	6,193,464,200.96	2,866,532,126.95
VI. Cash and cash equivalents at end of the period	5,577,433,267.40	6,193,464,200.96

7. Consolidated Statement of Changes in Equity

Current Period

Unit: RMB

Item	2025								
	Equity Attributable to Owners of the Parent Company							Minority Interests	Total Equity
	Share Capital	Capital Reserve	Less: Treasury Shares	Other Comprehensive Income	Surplus Reserve	Undistributed Profit	Subtotal		
I. Balance at the end of the prior year	2,318,560,816.00	12,705,150,135.49	257,454,835.82	224,357,558.25	1,160,218,908.00	15,959,010,975.84	32,109,843,557.76	211,665,026.00	32,321,508,583.76
II. Balance at the beginning of the year	2,318,560,816.00	12,705,150,135.49	257,454,835.82	224,357,558.25	1,160,218,908.00	15,959,010,975.84	32,109,843,557.76	211,665,026.00	32,321,508,583.76
III. Movements for the year (decrease expressed with "-")	-509,800.00	68,231,051.14	-86,226,524.45	407,310,420.63		1,465,861,429.19	2,027,119,625.41	401,718,940.92	2,428,838,566.33
(I) Total comprehensive income				453,379,407.42		3,737,843,458.40	4,191,222,865.82	-19,738,148.14	4,171,484,717.68
(II) Capital contributions and reductions	-509,800.00	76,470,882.17	-8,858,236.36				84,819,318.53	420,632,839.72	505,452,158.25

by owners									
1. Ordinary shares contributed by owners	-509,800.00	-2,351,081.83	-8,858,236.36				5,997,354.53	420,632,839.72	426,630,194.25
2. Capital contributed by holders of other equity instruments									
3. Share-based payments recognized in equity		78,821,964.00	0.00				78,821,964.00		78,821,964.00
(III) Profit distribution						-2,318,051,016.00	-2,318,051,016.00		-2,318,051,016.00
1. Distributions to owners (or shareholders)						-2,318,051,016.00	-2,318,051,016.00		-2,318,051,016.00
(IV) Internal transfers within equity				-46,068,986.79		46,068,986.79	0.00		
5. Transfer of other comprehensive income to retained earnings				-46,068,986.79		46,068,986.79	0.00		
(VI) Others		-8,239,831.03	-77,368,288.09				69,128,457.06	824,249.34	69,952,706.40

IV. Balance at the end of the year	2,318,051,016.00	12,773,381,186.63	171,228,311.37	631,667,978.88	1,160,218,908.00	17,424,872,405.03	34,136,963,183.17	613,383,966.92	34,750,347,150.09

Prior Period

Unit: RMB

Item	2024								
	Equity Attributable to Owners of the Parent Company							Minority Interests	Total Equity
	Share Capital	Capital Reserve	Less: Treasury Shares	Other Comprehensive Income	Surplus Reserve	Undistributed Profit	Subtotal		
I. Balance at the end of the prior year	2,320,437,816.00	12,702,407,870.49	288,312,715.82	262,730,210.48	1,160,218,908.00	13,493,205,042.51	29,650,687,131.66	24,717,738.17	29,675,404,869.83
II. Balance at the beginning of the year	2,320,437,816.00	12,702,407,870.49	288,312,715.82	262,730,210.48	1,160,218,908.00	13,493,205,042.51	29,650,687,131.66	24,717,738.17	29,675,404,869.83
III. Movements for the year (decrease expressed with "-")	-1,877,000.00	2,742,265.00	-30,857,880.00	-38,372,652.23		2,465,805,933.33	2,459,156,426.10	186,947,287.83	2,646,103,713.93
(I) Total comprehensive income				-38,372,652.23		3,620,351,391.33	3,581,978,739.10	-699,933.62	3,581,278,805.48
(II) Capital contributions and reductions by owners	-1,877,000.00	2,742,265.00	-30,857,880.00				31,723,145.00	187,647,221.45	219,370,366.45

1. Ordinary shares contributed by owners	-1,877,000.00	-28,980,880.00	-30,857,880.00				0.00	187,647,221.45	187,647,221.45
3. Share-based payments recognized in equity		31,723,145.00							
(III) Profit distribution						-1,154,545,458.00	-1,154,545,458.00		-1,154,545,458.00
3. Distributions to owners (or shareholders)						-1,154,545,458.00	-1,154,545,458.00		-1,154,545,458.00
IV. Balance at the end of the year	2,318,560,816.00	12,705,150,135.49	257,454,835.82	224,357,558.25	1,160,218,908.00	15,959,010,975.84	32,109,843,557.76	211,665,026.00	32,321,508,583.76

8. Standalone Statement of Changes in Equity

Current Period

Unit: RMB

Item	2025						
	Share Capital	Capital Reserve	Less: Treasury Shares	Other Comprehensive Income	Surplus Reserve	Undistributed Profit	Total Equity
I. Balance at the end of the prior year	2,318,560,816.00	12,874,226,346.68	257,454,835.82	64,591,539.95	1,160,218,908.00	7,738,365,689.64	23,898,508,464.45

II. Balance at the beginning of the year	2,318,560,816.00	12,874,226,346.68	257,454,835.82	64,591,539.95	1,160,218,908.00	7,738,365,689.64	23,898,508,464.45
III. Movements for the year (decrease expressed with "-")	-509,800.00	61,304,223.95	-86,226,524.45	245,456,537.12		510,913,318.13	903,390,803.65
(I) Total comprehensive income				291,525,523.91		2,782,895,347.34	3,074,420,871.25
(II) Capital contributions and reductions by owners	-509,800.00	70,473,527.64	-8,858,236.36				78,821,964.00
1. Ordinary shares contributed by owners	-509,800.00	-8,348,436.36	-8,858,236.36				0.00
2. Share-based payments recognized in equity		78,821,964.00	0				78,821,964.00
(III) Profit distribution						-2,318,051,016.00	-2,318,051,016.00
1. Distributions to owners (or shareholders)						-2,318,051,016.00	-2,318,051,016.00
(IV) Internal transfers within equity				-46,068,986.79		46,068,986.79	

(V) Others		-9,169,303.69	-77,368,288.09				68,198,984.40
1. Transfer of other comprehensive income to retained earnings				-46,068,986.79		46,068,986.79	
IV. Balance at the end of the year	2,318,051,016.00	12,935,530,570.63	171,228,311.37	310,048,077.07	1,160,218,908.00	8,249,279,007.77	24,801,899,268.10

Prior Period

Unit: RMB

Item	2024						
	Share Capital	Capital Reserve	Less: Treasury Shares	Other Comprehensive Income	Surplus Reserve	Undistributed Profit	Total Equity
I. Balance at the end of the prior year	2,320,437,816.00	12,871,484,081.68	288,312,715.82	108,357,841.05	1,160,218,908.00	5,457,097,386.19	21,629,283,317.10
II. Balance at the beginning of the year	2,320,437,816.00	12,871,484,081.68	288,312,715.82	108,357,841.05	1,160,218,908.00	5,457,097,386.19	21,629,283,317.10
III. Movements for the year (decrease expressed with "-")	-1,877,000.00	2,742,265.00	-30,857,880.00	-43,766,301.10		2,281,268,303.45	2,269,225,147.35
(I) Total comprehensive income				-43,766,301.10		3,435,813,761.45	3,392,047,460.35
(II) Capital	-1,877,000.00	2,742,265.00	-30,857,880.00				31,723,145.00

contributions and reductions by owners							
1. Ordinary shares contributed by owners	-1,877,000.00	-28,980,880.00	-30,857,880.00				0.00
2. Share-based payments recognized in equity		31,723,145.00					31,723,145.00
(III) Profit distribution						-1,154,545,458.00	-1,154,545,458.00
1. Others						-1,154,545,458.00	-1,154,545,458.00
IV. Balance at the end of the year	2,318,560,816.00	12,874,226,346.68	257,454,835.82	64,591,539.95	1,160,218,908.00	7,738,365,689.64	23,898,508,464.45

III. COMPANY INFORMATION

1. Place of Registration, Organizational Form and Headquarters Address

Avary Holding (Shenzhen) Co., Ltd. was formerly known as Fu Kui Precision Components (Shenzhen) Co., Ltd. (the "Former Company"), which was established with capital contributed by Coppertone Enterprises Limited ("Coppertone") and approved by the Shenzhen Municipal People's Government under the approval document Wai Jing Mao Yue Shen Wai Zi Zheng Zi [1999] No. 0120. The Former Company was formally incorporated on April 29, 1999. Pursuant to the resolution of the board of directors of the Former Company dated April 28, 2017 and the promoters' agreement, the Former Company resolved to be converted into a joint stock company. The Company was listed on the Shenzhen Stock Exchange on September 18, 2018.

As of December 31, 2025, the Company had issued a total of 2,318,051,016 shares, with registered capital of RMB 2,318.051016 million. Registered address: 27/F, Block A, Avary Times Tower, No. 2038 Haixiu Road, Haibin Community, Xin'an Subdistrict, Bao'an District, Shenzhen. Headquarters address: Block A, Avary Times Tower, No. 2038 Haixiu Road, Haibin Community, Xin'an Subdistrict, Bao'an District, Shenzhen.

The parent company of the Company is Mayco Industrial Limited, and the ultimate controlling party is Zhen Ding Technology Holding Limited.

2. Nature of Business and Principal Operating Activities

The approved business scope of the Company and its subsidiaries (collectively the "Group") includes research, production, development and sale of automation equipment and components, precision molds and parts, new electronic components, new instrument components, various types of printed circuit boards, and electronic information product boards; self-owned property leasing; warehousing services; wholesale, import and export of electronic information products and boards and related ancillary services (excluding state-traded goods; for goods subject to quota, license or other special regulatory requirements, such shall be applied for in accordance with relevant state regulations); water pollution control; environmental consulting services; real estate development and operation, etc.

3. Scope of Consolidation

Details of the principal subsidiaries included in the scope of consolidation for the year are set out in IX. Interests in Other Entities.

4. Approval of the Financial Statements for Issue

These financial statements were approved for issue by the Board of Directors of the Company on March 30, 2026.

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of Preparation

These financial statements have been prepared in accordance with the *Accounting Standards for Business Enterprises — Basic Standard*, specific accounting standards and related regulations (collectively the "*Accounting Standards for Business Enterprises*") promulgated by the Ministry of Finance on February 15, 2006 and subsequently, as well as the disclosure requirements set out in the *Preparation Convention No. 15 for Information Disclosure by Companies Publicly Issuing Securities — General Provisions on Financial Reporting* issued by the China Securities Regulatory Commission.

2. Going Concern

These financial statements have been prepared on a going concern basis.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Disclosure of Specific Accounting Policies and Accounting Estimates:

The Group has determined its specific accounting policies and accounting estimates based on the characteristics of its production and operations, which are mainly reflected in the measurement of expected credit losses on receivables, the costing method for inventories, depreciation of fixed assets and investment properties, amortization of intangible assets and right-of-use assets, the criteria for capitalization of development expenditure, the point in time at which revenue is recognized, etc.

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company for the year ended December 31, 2025 comply with the requirements of the Accounting Standards for Business Enterprises and present truly and completely the consolidated and company financial position of the Company as of December 31, 2025, and the consolidated and company results of operations and cash flows for the year then ended and other relevant information.

2. Accounting Period

The accounting year runs from January 1 to December 31 of the Gregorian calendar.

3. Functional Currency

The functional currency of the Company and its subsidiaries within Mainland China is Renminbi (RMB). Each of the Group's subsidiaries outside Mainland China determines its own functional currency based on the primary economic environment in which it operates, being principally the United States Dollar (USD), New Taiwan Dollar (NTD), Thai Baht (THB), and Indian Rupee (INR), etc. These financial statements are presented in RMB.

4. Methods for Determining Materiality Thresholds and Selection Basis

☑ Applicable ☐ Not applicable

Item	Materiality Threshold
Significant current account balances with aging exceeding 1 year and overdue	Individual current account balances with aging exceeding 1 year and overdue exceeding 5% of profit before tax
Subsidiaries with significant non-controlling interests	Non-controlling interests' share of profit or loss exceeding 15% of consolidated net profit
Significant associates	Carrying amount of individual long-term equity investment exceeding 15% of the Group's net assets
Significant construction in progress projects	Budgeted amount of individual construction in progress project exceeding 0.5% of total assets

5. Accounting Treatment of Business Combinations Involving Enterprises Under Common Control and Not Under Common Control

(a) Business Combinations Involving Enterprises Under Common Control

The consideration paid and net assets acquired by the Group are measured at carrying amounts. If the acquiree was previously acquired by the ultimate controlling party from a third party, the assets and liabilities of the acquiree (including goodwill arising from the acquisition of the acquiree by the ultimate controlling party) are measured at their carrying amounts in the consolidated financial statements of the ultimate controlling party. The difference between the carrying amount of the net assets acquired and the carrying amount of the consideration paid is adjusted against capital reserve (share premium); where the capital reserve (share premium) is insufficient to absorb the difference, surplus reserve and undistributed profit are reduced successively. Directly attributable costs incurred for the business combination are recognized in profit or loss for the period in which they are incurred. Transaction costs associated with the issuance of equity securities or debt securities for the business combination are included in the initial recognition amount of the equity securities or debt securities.

(b) Business Combinations Not Involving Enterprises Under Common Control

The cost of combination and the identifiable net assets acquired in a business combination are measured at fair value at the acquisition date. The excess of the cost of combination over the Group's share of the fair value of the identifiable net assets of the acquiree at the acquisition date is recognized as goodwill. The excess of the Group's share of the fair value of the identifiable net assets of the acquiree over the cost of combination is recognized in profit or loss. Directly attributable costs incurred for the business combination are recognized in profit or loss for the period in which they are incurred. Transaction costs associated with the issuance of equity securities or debt securities for the business combination are included in the initial recognition amount of the equity securities or debt securities.

6. Criteria for Determining Control and Method of Preparing Consolidated Financial Statements

In preparing the consolidated financial statements, the scope of consolidation includes the Company and all of its subsidiaries.

The Group begins to include a subsidiary in the scope of consolidation from the date on which it obtains actual control over the subsidiary, and ceases to do so from the date on which it loses actual control. For a subsidiary acquired through a business combination involving enterprises under common control, it is included in the scope of consolidation from the date on which it and the Company come under common control of the ultimate controlling party, and its net profit realized prior to the date of the business combination is presented as a separate line item in the consolidated income statement.

In preparing the consolidated financial statements, where the accounting policies or accounting periods of a subsidiary differ from those adopted by the Company, the financial statements of the subsidiary are adjusted as necessary in accordance with the accounting policies and accounting period of the Company. For a subsidiary acquired through a business combination not involving enterprises under common control, the financial statements of the subsidiary are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions and unrealized profits are eliminated on consolidation. The portion of the shareholders' equity, net profit or loss for the period, and total comprehensive income of a subsidiary not attributable to the Company is presented separately as non-controlling interests, profit attributable to non-controlling interests, and total comprehensive income attributable to non-controlling interests, respectively, under the headings of shareholders' equity, net profit, and total comprehensive income in the consolidated financial statements. Where the loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' share of the opening owners' equity of that subsidiary, the excess is charged against non-controlling interests. Unrealized profits or losses on internal transactions arising from sales of assets by the Company to a subsidiary are fully eliminated against net profit attributable to owners of the parent company. Unrealized profits or losses on internal transactions arising from sales of assets by a subsidiary to the Company are allocated and eliminated between net profit attributable to owners of the parent company and profit attributable to non-controlling interests based on the Company's allocation ratio in that subsidiary. Unrealized profits or losses on internal transactions arising from sales of assets between subsidiaries are allocated and eliminated between net profit attributable to owners of the parent company and profit attributable to non-controlling interests based on the parent company's allocation ratio in the selling subsidiary. When the relevant subsidiary is disposed of and control is lost, the above internal transaction profits or losses are realized and the Group adjusts the profit or loss for the current period in respect of the disposal of the subsidiary accordingly.

If the recognition of an identical transaction differs when the Group is used as the accounting entity compared with when the Company or a subsidiary is used, the transaction is adjusted from the Group's perspective.

Where the Group acquires all or part of the non-controlling interests held by the minority shareholders of a subsidiary, the assets and liabilities of the subsidiary continue to be reflected at the amounts calculated on a continuous basis from the acquisition date or the date of the business combination. The difference between the additional long-term equity investment arising from the acquisition of non-controlling interests and the share of the net assets of the subsidiary calculated on a continuous basis from the acquisition date or the date of the business combination corresponding to the newly acquired shareholding percentage is adjusted against capital reserve (capital premium or share premium). Where the capital reserve is insufficient to absorb the difference, surplus reserve and undistributed profit are reduced successively.

7. Criteria for Determining Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits that are readily available for payment, and short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

8. Foreign Currency Transactions and Translation of Foreign Currency Financial Statements

(a) Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the balance sheet date, foreign currency monetary items are translated into the functional currency using the spot exchange rates prevailing at the balance sheet date. Exchange differences arising from foreign currency borrowings specifically borrowed for the acquisition or construction of assets qualifying for capitalization of borrowing costs are capitalized during the capitalization period. All other exchange differences are recognized directly in profit or loss. Foreign currency non-monetary items measured at historical cost are translated at the spot exchange rates at the dates of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) Translation of Foreign Currency Financial Statements

The asset and liability items in the balance sheets of foreign operations are translated at the spot exchange rates prevailing at the balance sheet date. Equity items, other than undistributed profit, are translated at the spot exchange rates at the dates on which they arose. Revenue and expense items in the income statements of foreign operations are translated at the average exchange rates for the period. The exchange differences arising from the above translation are recognized in other comprehensive income. The cash flow items of foreign operations are translated at the average exchange rates for the period when the cash flows occurred. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

9. Financial Instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset, financial liability or equity instrument when it becomes a party to the contractual provisions of the financial instrument.

(a) Financial Assets

(i) Classification and Measurement

Based on the business model for managing financial assets and the contractual cash flow characteristics of the financial assets, the Group classifies financial assets into: (1) financial assets measured at amortised cost; (2) financial assets measured at fair value through other comprehensive income; and (3) financial assets measured at fair value through profit or loss.

Financial assets are measured at fair value on initial recognition. For financial assets measured at fair value through profit or loss, related transaction costs are recognized directly in profit or loss. For financial assets of other categories, related transaction costs are included in the initial recognition amount. For accounts receivable or notes receivable arising from the sale of products or rendering of services that do not contain or are not considered to contain a significant financing component, the Group measures them initially at the amount of consideration that it expects to be entitled to receive.

Debt Instruments

Debt instruments held by the Group are instruments that meet the definition of a financial liability from the issuer’s perspective, and are measured using the following three methods:

Measured at Amortized Cost:

The Group’s business model for managing such financial assets is to hold the assets to collect contractual cash flows, and the contractual cash flow characteristics of such financial assets are consistent with a basic lending arrangement, i.e., the contractual cash flows on specified dates are solely payments of principal and interest on the principal amount outstanding. The Group recognizes interest income on such financial assets using the effective interest method. Such financial assets mainly comprise cash and bank balances, notes receivable, accounts receivable, and other receivables.

Measured at Fair Value Through Other Comprehensive Income:

The Group’s business model for managing such financial assets is both to hold the assets to collect contractual cash flows and to sell the assets, and the contractual cash flow characteristics of such financial assets are consistent with a basic lending arrangement. Such financial assets are measured at fair value with changes recognized in other comprehensive income, except for impairment gains or losses, exchange gains or losses, and interest income calculated using the effective interest method, which are recognized in profit or loss. Such financial assets mainly comprise accounts receivable financing.

Measured at Fair Value Through Profit or Loss:

Debt instruments that are not classified as measured at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. On initial recognition, to eliminate or significantly reduce an accounting mismatch, the Group may designate certain financial assets as measured at fair value through profit or loss. Those with a maturity exceeding one year from the balance sheet date and expected to be held for more than one year are presented as other non-current financial assets, and the remainder are presented as financial assets held for trading.

Equity Instruments

The Group measures investments in equity instruments over which it does not exercise control, joint control or significant influence at fair value through profit or loss, presented as financial assets held for trading. Those expected to be held for more than one year from the balance sheet date are presented as other non-current financial assets.

In addition, the Group irrevocably designates certain investments in non-trading equity instruments on initial recognition as financial assets at fair value through other comprehensive income, presented as investments in other equity instruments. Dividend income from such financial assets is recognized in profit or loss.

(ii) Impairment

The Group recognizes loss allowances for financial assets measured at amortised cost, debt instrument investments measured at fair value through other comprehensive income, contract assets, and lease receivables, based on expected credit losses.

The Group considers reasonable and supportable information, including information about past events, current conditions and forecasts of future economic conditions, that is available without undue cost or effort at the balance sheet date. The expected credit loss is measured as 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.

For notes receivable, accounts receivable, and accounts receivable financing arising from ordinary course operating activities such as the sale of goods and rendering of services, irrespective of whether a significant financing component exists, the Group measures the loss allowance based on the expected credit losses over the entire lifetime.

Other than the above notes receivable, accounts receivable, accounts receivable financing, and lease receivables, at each balance sheet date, the Group measures the expected credit losses separately for financial instruments in different stages. A financial instrument whose credit risk has not increased significantly since initial recognition is classified as Stage 1, and the Group measures the loss allowance based on the 12-month expected credit losses. A financial instrument whose credit risk has increased significantly since initial recognition but has not become credit-impaired is classified as Stage 2, and the Group measures the loss allowance based on the expected credit losses over the entire lifetime. A financial instrument that has become credit-impaired since initial recognition is classified as Stage 3, and the Group measures the loss allowance based on the expected credit losses over the entire lifetime.

For financial instruments with low credit risk at the balance sheet date, the Group assumes that their credit risk has not increased significantly since initial recognition, and classifies them as Stage 1, measuring the loss allowance based on the 12-month expected credit losses.

For financial instruments in Stage 1 and Stage 2, the Group calculates interest income based on their gross carrying amounts before deducting impairment provisions and the effective interest rate. For financial instruments in Stage 3, the Group calculates interest income based on their amortised cost, being the gross carrying amount less the impairment provision recognized, and the effective interest rate.

For various types of financial assets for which expected credit losses are assessed on an individual basis, their credit risk characteristics are significantly different from those of other financial assets within the same category. When information for assessing expected credit losses on an individual financial asset basis cannot be obtained at a reasonable cost, the Group groups trade receivables into several portfolios based on credit risk characteristics and calculates expected credit losses on a portfolio basis. The basis for determining the portfolios is as follows:

Notes receivable portfolio	Bank acceptance bills, trade acceptance bills
Accounts receivable financing portfolio	Bank acceptance bills
Accounts receivable portfolio	Sales customers, with the initial recognition date as the starting point for aging
Other receivables portfolio	Deposits and guarantees, etc.

For accounts receivable and notes receivable arising from ordinary course operating activities such as the sale of goods and rendering of services that are classified into portfolios, the Group calculates expected credit losses with reference to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, by compiling a mapping table of overdue days of accounts receivable against expected credit loss rates over the entire lifetime. For other notes receivable, accounts receivable financing, and other receivables classified into portfolios, the Group calculates expected credit losses with reference to historical credit loss experience, combined with current conditions and forecasts of future economic conditions, by reference to the default risk exposure and the 12-month or entire lifetime expected credit loss rates.

The Group recognizes the provision or reversal of loss allowance in profit or loss. For debt instruments held by the Group and measured at fair value through other comprehensive income, the Group adjusts other comprehensive income while recognizing impairment loss or gain in profit or loss.

(iii) Derecognition

A financial asset is derecognized when one of the following conditions is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee; or (3) the financial asset has been transferred and although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it relinquishes control over the financial asset.

When an investment in other equity instruments is derecognized, the difference between its carrying amount and the sum of the consideration received and the cumulative amount of changes in fair value previously recognized in other comprehensive income is recognized in retained earnings. When other financial assets are derecognized, the difference between their carrying amount and the sum of the consideration received and the cumulative amount of changes in fair value previously recognized in other comprehensive income is recognized in profit or loss.

(b) Financial Liabilities

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

The Group’s financial liabilities are primarily financial liabilities measured at amortised cost, including accounts payable, other payables, and borrowings. Such financial liabilities are initially measured at fair value less transaction costs and are subsequently measured using the effective interest method. Those with a maturity of one year or less (inclusive) are presented as current liabilities. Those with a maturity of more than one year but maturing within one year (inclusive) from the balance sheet date are presented as non-current liabilities due within one year. The remainder are presented as non-current liabilities.

When the present obligation under a financial liability is discharged in whole or in part, the Group derecognizes the financial liability or the discharged part. The difference between the carrying amount of the derecognized part and the consideration paid is recognized in profit or loss.

(c) Determination of Fair Value of Financial Instruments

For financial instruments with an active market, their fair value is determined using quoted prices in the active market. For financial instruments without an active market, their fair value is determined using valuation techniques. In conducting the valuation, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to support, selects inputs that are consistent with the characteristics of the assets or liabilities that market participants would consider in a transaction for the relevant assets or liabilities, and gives priority to the use of relevant observable inputs wherever possible. Unobservable inputs are used only when relevant observable inputs are not available or it is impracticable to obtain them.

10. Notes Receivable

Refer to 9. Financial Instruments.

11. Accounts Receivable

Refer to 9. Financial Instruments.

12. Accounts Receivable Financing

Refer to 9. Financial Instruments.

13. Other Receivables

Method for determining expected credit losses on other receivables and the accounting treatment thereof:

Refer to 9. Financial Instruments.

14. Inventories

(a) Classification

Inventories include raw materials, work in progress, finished goods, and self-manufactured semi-finished products, and are measured at the lower of cost and net realizable value.

(b) Costing Method for Inventories Issued

The cost of inventories upon issuance is calculated using the weighted average method. The cost of finished goods and work in progress includes raw materials, direct labor, and an allocation of manufacturing overheads based on normal production capacity using a systematic method.

(c) Basis for Determining Net Realizable Value of Inventories and Method of Recognizing Provision for Impairment of Inventories

A provision for impairment of inventories is recognized for the amount by which the cost of inventories exceeds their net realizable value. Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs to be incurred to completion, estimated contract fulfillment costs, selling expenses and related taxes and levies. For inventories that are produced and sold in the same region and have similar or identical end uses, the Group recognizes the provision for impairment of inventories on an aggregated basis. The Group recognizes the provision for impairment of inventories based on factors such as aging, storage conditions, historical sales discount situation, and estimated future sales conditions.

(d) The Group's inventory counting system is the perpetual inventory system.

15. Debt Investments

Refer to 9. Financial Instruments.

16. Long-Term Equity Investments

Long-term equity investments comprise: the Company's long-term equity investments in subsidiaries; and the Group's long-term equity investments in associates.

Subsidiaries are investees over which the Company is able to exercise control. Associates are investees over which the Group is able to exercise significant influence over their financial and operating policies.

Investments in subsidiaries are measured using the cost method in the Company's financial statements and are adjusted to the equity method when preparing the consolidated financial statements. Investments in associates are accounted for using the equity method.

(a) Determination of Investment Cost

For a long-term equity investment arising from a business combination involving enterprises under common control, the investment cost is the share of the owners' equity of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of the business combination. For a long-term equity investment arising from a business combination not involving enterprises under common control, the investment cost is the cost of combination.

For a long-term equity investment obtained by means other than a business combination: a long-term equity investment obtained by payment of cash is initially measured at the actual purchase price paid; a long-term equity investment obtained through the issuance of equity securities is initially measured at the fair value of the equity securities issued.

(b) Subsequent Measurement and Method of Recognizing Profit or Loss

For a long-term equity investment accounted for using the cost method, it is measured at the initial investment cost. Cash dividends or profits declared by the investee are recognized as investment income in profit or loss.

For a long-term equity investment accounted for using the equity method, if the initial investment cost exceeds the Group's share of the fair value of the identifiable net assets of the investee at the time of the investment, the initial investment cost is used as the cost of the long-term equity investment. If the initial investment cost is less than the Group's share of the fair value of the identifiable net assets of the investee at the time of the investment, the difference is recognized in profit or loss and the cost of the long-term equity investment is adjusted upward accordingly.

For a long-term equity investment accounted for using the equity method, the Group recognizes its share of the net profit or loss of the investee as investment income or loss for the period. If the investee incurs a net loss, the carrying amount of the long-term equity investment and other long-term interests that in substance form part of the net investment in the investee are reduced to zero, unless the Group has the obligation to assume additional losses and the conditions for recognizing a provision are met, in which case the Group continues to recognize the estimated amount of losses to be assumed. Other changes in the owners' equity of the investee other than net profit or loss, other comprehensive income, and profit distribution are adjusted against the carrying amount of the long-term equity investment and recognized in capital reserve. Profits or cash dividends declared by the investee reduce the carrying amount of the long-term equity investment by the Group's share.

Unrealized profits or losses on internal transactions between the Group and an investee are eliminated to the extent of the Group's shareholding percentage in the investee, and the investment income or loss is recognized on this basis. In preparing the consolidated financial statements, for upstream transactions involving the Group selling assets to or contributing assets to an investee, the unrealized profit or loss attributable to the Group is eliminated on the basis of the elimination in the Company's financial statements by eliminating the corresponding portion of unrealized revenue and cost or asset disposal gain or loss, and adjusting the investment income accordingly. For downstream transactions involving an investee selling assets to or contributing assets to the Group, the unrealized profit or loss attributable to the Group is eliminated on the basis of the elimination in the Company's financial statements by eliminating the corresponding portion of unrealized profit or loss included in the carrying amount of the relevant assets, and adjusting the carrying amount of the long-term equity investment accordingly. In respect of internal transaction losses between the Group and an investee, the corresponding unrealized loss to the extent of an asset impairment loss is not eliminated.

(c) Basis for Determining Whether the Group Exercises Control or Significant Influence over an Investee

Control exists when the Group has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee.

Significant influence exists when the Group has the power to participate in the financial and operating policy decisions of the investee, but does not have control or joint control over the formulation of those policies.

(d) Impairment of Long-Term Equity Investments

The carrying amounts of long-term equity investments in subsidiaries and associates are reduced to their recoverable amounts when the recoverable amounts are lower than their carrying amounts.

17. Investment Properties

Measurement model for investment properties

Cost method

Depreciation or amortization method

Investment properties include buildings held for the purpose of earning rental income and are initially measured at cost. Subsequent expenditure relating to investment properties is included in the cost of the investment properties when it is probable that the economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably; otherwise, it is recognized in profit or loss in the period in which it is incurred.

The Group adopts the cost model for the subsequent measurement of all investment properties, with depreciation provided on buildings based on their estimated useful lives and estimated net residual value rates. The estimated useful lives, estimated net residual value rates and annual depreciation rates of investment properties are set out below:

	Estimated Useful Life	Estimated Net Residual Value Rate	Annual Depreciation Rate
Buildings and related land use rights	24.75 years	-	4.04%

When the use of an investment property changes to owner-occupied, the investment property is transferred to fixed assets or intangible assets from the date of the change. When the use of an owner-occupied property changes to earning rental income or capital appreciation, the fixed asset or intangible asset is transferred to investment properties from the date of the change. Upon transfer, the carrying amount before the transfer is used as the carrying amount after the transfer.

The estimated useful lives, estimated net residual values and depreciation methods of investment properties are reviewed at the end of each year and adjusted as appropriate.

An investment property is derecognized when it is disposed of or permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the disposal proceeds, net of the carrying amount and related taxes and levies, of the sale, transfer, retirement or destruction of an investment property is recognized in profit or loss.

When the recoverable amount of an investment property is lower than its carrying amount, the carrying amount is reduced to the recoverable amount.

18. Fixed Assets

(1) Recognition Criteria

Fixed assets comprise land, buildings and structures, machinery and equipment, transportation vehicles, computer and electronic equipment, and other equipment.

Fixed assets are recognised when it is probable that the economic benefits associated with the assets will flow to the Group and the cost of the assets can be measured reliably. Fixed assets acquired or constructed are initially measured at cost at the time of acquisition or construction.

Subsequent expenditures relating to fixed assets are included in the cost of fixed assets when it is probable that the associated economic benefits will flow to the Group and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

(2) Depreciation Method

Category	Depreciation method	Useful life	Residual value rate	Annual depreciation rate
Land	Straight-line method	Indefinite	-	-
Buildings and structures	Straight-line method	5-51 years	0% or 1%	1.94%-20.00%
Machinery and equipment	Straight-line method	2-10 years	0% or 1%	9.90%-50.00%
Transportation vehicles	Straight-line method	2-10 years	0% or 1%	9.90%-50.00%
Computer and electronic equipment	Straight-line method	2-10 years	0% or 1%	9.90%-50.00%
Other equipment	Straight-line method	3-15 years	0% or 1%	6.60%-33.33%

Fixed assets are depreciated using the straight-line method over their estimated useful lives, after taking into account their estimated residual values. For fixed assets for which impairment provisions have been recognised, depreciation is determined based on the carrying amount net of impairment provision and the remaining useful life.

The estimated useful lives, estimated residual values and depreciation methods of fixed assets are reviewed and adjusted as appropriate at the end of each financial year.

When the recoverable amount of a fixed asset is less than its carrying amount, the carrying amount is written down to the recoverable amount.

A fixed asset is derecognised when it is disposed of or when no future economic benefits are expected from its use or disposal. The amount of disposal proceeds from the sale, transfer, scrapping or damage of a fixed asset, net of its carrying amount and related taxes and expenses, is recognised in profit or loss for the period.

19. Construction in Progress

Construction in progress is measured at actual cost incurred. Actual cost comprises construction costs, installation costs, borrowing costs eligible for capitalisation and other necessary expenditures incurred to bring the construction in progress to its intended condition for use. Construction in progress is transferred to fixed assets when it is ready for its intended use, and depreciation commences from the following month. When the recoverable amount of construction in progress is less than its carrying amount, the carrying amount is written down to the recoverable amount.

20. Borrowing Costs

Borrowing costs incurred by the Group that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to prepare for its intended use are capitalised as part of the cost of the asset when expenditures for the asset and borrowing costs are incurred and the activities necessary to prepare the asset for its intended use have commenced. Capitalisation of borrowing costs ceases when the asset is ready for its intended use, and borrowing costs incurred thereafter are recognised in profit or loss. If the construction activities of the asset are interrupted abnormally and the interruption period exceeds three consecutive months, capitalisation of borrowing costs is suspended until the construction activities recommence.

For specific-purpose borrowings obtained for the acquisition or construction of assets eligible for capitalisation, the amount of borrowing costs to be capitalised is determined as the actual interest expense incurred on such borrowings during the period, less any interest income earned from depositing the unutilised borrowings in banks or any investment income earned from temporary investment of such borrowings.

For general borrowings used for the acquisition or construction of assets eligible for capitalisation, the amount of borrowing costs to be capitalised is determined by multiplying the weighted average of the capital expenditures in excess of specific-purpose borrowings by the weighted average effective interest rate of the general borrowings utilised. The effective interest rate is the rate that discounts the estimated future cash flows of the borrowings over their expected life or a shorter applicable period to the initially recognised amount of the borrowings.

21. Intangible Assets

(1) Useful Lives, Basis of Determination, Estimates, Amortisation Methods and Review Procedures

Intangible assets comprise land use rights, software and customer relationships, which are measured at cost.

(a) Land Use Rights

Land use rights are amortised on a straight-line basis over the period of use.

(b) Software

Software is amortised on a straight-line basis over the estimated useful life of 1-5 years.

(c) Customer Relationships

Customer relationships are intangible assets recognised in the course of business combinations, representing customer resources acquired by the Group as a result of assuming the business of the acquiree. Customer relationships are initially recognised at fair value at the acquisition date and subsequently amortised on a straight-line basis over the estimated beneficial period.

(d) Periodic Review of Useful Lives and Amortisation Methods

The estimated useful lives and amortisation methods of intangible assets with finite useful lives are reviewed and adjusted as appropriate at the end of each financial year.

(e) Research and Development

The Group's research and development expenditures primarily comprise materials consumed in conducting research and development activities, employee benefits expense of the R&D department, depreciation and amortisation of assets such as equipment and software used in R&D, and repair and maintenance expenses related to R&D activities.

(2) Scope of R&D Expenditure Aggregation and Related Accounting Treatment

Expenditure incurred in the planned investigation, evaluation and selection phase for the research of PCB production processes is classified as research phase expenditure, which is recognised in profit or loss as incurred. Expenditure incurred in the design and testing phase for the final application of PCB production processes prior to mass production is classified as development phase expenditure, which is capitalised when all of the following conditions are satisfied:

The development of the PCB production process has been fully substantiated by the technical team;

Management has approved the budget for the development of the PCB production process;

The research and analysis from prior market surveys demonstrate that the products manufactured using the PCB production process have market potential;

Sufficient technical and financial resources are available to support the development of the PCB production process and the subsequent mass production; and the expenditures on the development of the PCB production process can be reliably measured.

Development phase expenditures that do not meet the above conditions are recognised in profit or loss as incurred. Development expenditures previously recognised as expenses are not subsequently recognised as assets. Capitalised development phase expenditures are presented as development expenditures in the balance sheet and are transferred to intangible assets from the date the project is ready for its intended use.

When the recoverable amount of an intangible asset is less than its carrying amount, the carrying amount is written down to the recoverable amount.

22. Impairment of Long-term Assets

Fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, investment properties measured using the cost model, and long-term equity investments in subsidiaries and associates are tested for impairment when there are indications of impairment at the balance sheet date. Intangible assets not yet ready for use are tested for impairment at least annually, irrespective of whether there are indications of impairment. Where the result of an impairment test indicates that the recoverable amount of an asset is less than its carrying amount, an impairment provision is recognised for the difference and charged to asset impairment loss. The recoverable amount is the higher of the asset's fair value less costs of disposal and the present value of estimated future cash flows of the asset. Impairment provisions are calculated and recognised on an individual asset basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs is determined. An asset group is the smallest group of assets that is capable of generating cash inflows independently.

Goodwill presented separately in the financial statements is tested for impairment at least annually, irrespective of whether there are indications of impairment. For impairment testing, the carrying amount of goodwill is allocated to the asset groups or groups of asset groups that are expected to benefit from the synergies of the business combination. If the test result indicates that the recoverable amount of an asset group or group of asset groups to which goodwill has been allocated is less than its carrying amount, the corresponding impairment loss is recognised. The impairment loss is first applied to reduce the carrying amount of goodwill allocated to the asset group or group of asset groups, and then to reduce the carrying amounts of the other assets in the asset group or group of asset groups on a pro rata basis based on the carrying amount of each asset.

Once the above asset impairment loss is recognised, it is not reversed in subsequent periods for any recovery in value.

23. Long-term Prepaid Expenses

Long-term prepaid expenses include improvements to right-of-use assets and other expenses that have been incurred but should be borne over the current and subsequent periods with an amortisation period exceeding one year. They are amortised on a straight-line basis over the estimated beneficial period and are presented net of actual expenditures less accumulated amortisation.

24. Contract Liabilities

The Company's obligation to transfer goods or provide services to customers for which consideration has been received or is receivable from customers is presented as contract liabilities.

25. Employee Benefits

(1) Accounting Treatment of Short-term Employee Benefits

Short-term employee benefits include wages, bonuses, allowances and subsidies, employee welfare expenses, medical insurance premiums, work-related injury insurance premiums, maternity insurance premiums, housing provident fund contributions, trade union and education funds, and short-term paid absences. The Group recognises the actual short-term employee benefits incurred as a liability in the accounting period in which the employees render services, and charges them to profit or loss or the cost of related assets. Non-monetary benefits are measured at fair value.

(2) Accounting Treatment of Post-employment Benefits

The Group classifies post-employment benefit plans into defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions to an independent fund and has no further payment obligations. Defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group's post-employment benefits primarily comprise basic pension insurance and unemployment insurance contributions for employees, both of which are classified as defined contribution plans.

The Group's employees participate in the social basic pension insurance scheme organised and implemented by the local labour and social security authorities. The Group makes monthly contributions to the local social basic pension insurance agencies based on the contribution bases and percentages stipulated by the local authorities. After employees retire, the local labour and social security authorities are responsible for paying social basic pensions to retired employees. The Group recognises the amounts payable calculated in accordance with the above social insurance regulations as a liability in the accounting period in which the employees render services, and charges them to profit or loss or the cost of related assets.

(3) Accounting Treatment of Termination Benefits

Where the Group terminates the employment relationship with an employee before the expiry of the employment contract, or offers compensation to encourage voluntary redundancy, a liability for the compensation arising from termination of the employment relationship is recognised, and the amount is charged to profit or loss for the period, on the earlier of the date when the Group can no longer unilaterally withdraw the termination plan or redundancy offer and the date when the Group recognises the costs or expenses related to a restructuring involving the payment of termination benefits.

Termination benefits expected to be paid within one year from the balance sheet date are presented as employee benefits payable.

26. Share-based Payment

Share-based payment is classified into equity-settled share-based payment and cash-settled share-based payment. Equity-settled share-based payment refers to a transaction in which the Group receives services and settles the transaction using shares or other equity instruments as consideration.

Equity-settled share-based payment transactions in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to the employees. For equity instruments that vest immediately upon grant, the fair value at the grant date is recognised in profit or loss for the period with a corresponding increase in capital reserve. For equity instruments that vest upon completion of services within the vesting period or upon satisfaction of specified performance conditions, at each balance sheet date during the vesting period, the Group makes its best estimate of the number of equity instruments expected to vest based on the latest available information such as changes in the number of employees expected to meet the vesting conditions and whether the specified performance conditions have been met, and on this basis, recognises the services received during the period in profit or loss at the fair value at the grant date.

For share-based payment ultimately not meeting the vesting conditions, the Group does not recognise any cost or expense, unless the vesting conditions are market conditions or non-vesting conditions, in which case vesting is deemed to have occurred as long as all non-market conditions among all vesting conditions are satisfied, irrespective of whether the market conditions or non-vesting conditions are met.

When the Group modifies the terms of a share-based payment arrangement, if the modification increases the fair value of the equity instruments granted, the Group recognises the incremental services received based on the difference between the fair value of the equity instruments before and after the modification at the modification date. If the Group modifies the vesting conditions in a manner beneficial to employees, the Group accounts for the modified vesting conditions. If the Group modifies the vesting conditions in a manner detrimental to employees, the modification is not taken into account in accounting, unless the Group cancels some or all of the equity instruments granted. If the Group cancels the equity instruments granted, the cancellation is treated as an acceleration of vesting, and the amount that would otherwise have been recognised over the remaining vesting period is recognised immediately in profit or loss, with a corresponding recognition in capital reserve.

If the Group is required to repurchase restricted shares that have not vested and become invalid or forfeited at a pre-agreed repurchase price, the Group recognises a liability and treasury shares based on the number of restricted shares and the corresponding repurchase price.

27. Revenue

The accounting policies adopted for revenue recognition and measurement are disclosed by type of business.

The Group recognises revenue at the amount of consideration to which it expects to be entitled when the customer obtains control of the relevant goods or services.

(a) Sale of Goods

The Group manufactures various PCB products and sells them to customers across different regions. The Group’s sales models are primarily categorised into the shipment warehouse model and the factory direct delivery model, and the revenue recognition methods under each model are as follows:

Under the shipment warehouse model, after producing products based on customer orders, the Group delivers the finished goods to the shipment warehouse. The Group typically engages logistics companies to manage the goods in the shipment warehouse. Customers collect goods from the shipment warehouse based on their needs and upon the Group’s approval. The Group recognises revenue based on the collection of goods by customers.

Under the factory direct delivery model, in accordance with the sales contracts and order terms, the Group is required to deliver PCB products to the delivery location designated by the customer. Revenue is recognised after the customer accepts the goods and both parties sign the goods delivery confirmation.

The credit period granted by the Group to customers is typically 45-90 days, which is consistent with industry practice, and there is no significant financing component.

(b) Rental Income

The Group leases out its own buildings and structures under operating leases. Rental income from operating leases is recognised on a straight-line basis over the lease term.

28. Government Grants

Government grants are monetary or non-monetary assets obtained by the Group from the government without consideration, including tax refunds, fiscal subsidies and the like.

Government grants are recognised when the Group can satisfy the conditions attached to them and the grants can be received. Government grants in the form of monetary assets are measured at the amount received or receivable. Government grants in the form of non-monetary assets are measured at fair value. Where fair value cannot be reliably obtained, they are measured at nominal amount.

Government grants related to assets are government grants obtained by the Group for the acquisition, construction or other formation of long-term assets. Government grants related to income are government grants other than those related to assets.

Government grants related to assets are either offset against the carrying amount of the related assets, or recognised as deferred income and amortised to profit or loss over the useful lives of the related assets on a reasonable and systematic basis.

Government grants related to income that are intended to compensate the Group for related costs, expenses or losses in future periods are recognised as deferred income and are recognised in profit or loss or offset against related costs in the period in which the related costs, expenses or losses are recognised. Government grants related to income that are intended to compensate the Group for related expenses or losses already incurred are recognised directly in profit or loss or offset against related costs.

The Group applies consistent presentation methods to government grants of the same nature.

Government grants related to ordinary activities are included in operating profit. Government grants not related to ordinary activities are recognised in non-operating income and expenses.

For policy-based preferential interest rate loans received by the Group, the actual amount of borrowings received is used as the initial carrying amount of the borrowings, and the related borrowing costs are calculated based on the principal of the borrowings and the policy-based preferential interest rate. Fiscal interest subsidies received directly are offset against the related borrowing costs.

29. Deferred Tax Assets/Deferred Tax Liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences (temporary differences) between the tax bases of assets and liabilities and their carrying amounts. Deferred tax assets are recognised for deductible losses that can be carried forward against future taxable income in accordance with tax laws. No deferred tax liability is recognised for temporary differences arising from the initial recognition of goodwill. No deferred tax assets or deferred tax liabilities are recognised for temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither the accounting profit nor taxable income (or deductible losses), where the initially recognised assets and liabilities do not give rise to equal amounts of taxable temporary differences and deductible temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences related to investments in subsidiaries and associates, unless the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences related to investments in subsidiaries, associates and joint ventures when it is probable that the temporary differences will reverse in the foreseeable future and that future taxable income will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are presented on a net basis after offsetting when all of the following conditions are satisfied:

The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity within the Group; and

The taxable entity within the Group has a legally enforceable right to settle current tax assets and current tax liabilities on a net basis.

30. Leases

(1) Accounting Treatment of Leases as a Lessee

The Group recognises a right-of-use asset at the commencement date of the lease and recognises a lease liability at the present value of the lease payments not yet paid. Lease payments include fixed payments and amounts expected to be payable where it is reasonably certain that a purchase option or a termination option will be exercised. Variable lease payments determined as a percentage of sales are not included in lease payments and are recognised in profit or loss as incurred. The Group presents the lease liabilities due within one year (inclusive) from the balance sheet date as non-current liabilities due within one year.

The Group’s right-of-use assets comprise leased buildings and structures, machinery and equipment, and transportation vehicles. Right-of-use assets are initially measured at cost, which comprises the initial measurement amount of the lease liability, lease payments made at or before the commencement date, initial direct costs incurred, less any lease incentives received. Where the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, depreciation is provided over the remaining useful life of the leased asset. Where it is not reasonably certain to obtain ownership of the leased asset at the end of the lease term, depreciation is provided over the shorter of the lease term and the remaining useful life of the leased asset. When the recoverable amount is less than the carrying amount of a right-of-use asset, the Group writes down its carrying amount to the recoverable amount.

For short-term leases with a lease term not exceeding 12 months and leases of low-value assets when the assets are new, the Group elects not to recognise right-of-use assets and lease liabilities, and recognises the related rental expenses in profit or loss or the cost of related assets on a straight-line basis over each period within the lease term.

Where a lease modification occurs and all of the following conditions are met, the Group accounts for the lease modification as a separate lease: (1) the lease modification expands the scope of the lease by adding the right to use one or more underlying assets; and (2) the increased consideration is commensurate with the stand-alone price for the expansion in scope, adjusted to reflect the circumstances of the contract.

When a lease modification is not accounted for as a separate lease, the Group redetermines the lease term at the effective date of the lease modification, remeasures the lease liability by discounting the modified lease payments using a revised discount rate. Where the lease modification results in a reduction in the scope of the lease or a shortening of the lease term, the Group correspondingly reduces the carrying amount of the right-of-use asset and recognises the related gain or loss on partial or full termination of the lease in profit or loss. For other lease modifications that result in remeasurement of the lease liability, the Group correspondingly adjusts the carrying amount of the right-of-use asset.

(2) Accounting Treatment of Leases as a Lessor

Leases in which the Group as lessor transfers substantially all the risks and rewards incidental to ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

Operating Leases

When the Group leases out its own buildings and structures, machinery and equipment, and transportation vehicles under operating leases, rental income from operating leases is recognised on a straight-line basis over the lease term. Variable lease payments determined as a percentage of sales are recognised as rental income when they are incurred.

When a lease modification occurs, the Group accounts for it as a new lease from the effective date of the modification, and treats the prepaid or receivable lease payments relating to the lease before the modification as the lease payments of the new lease.

31. Other Significant Accounting Policies and Accounting Estimates

During the reporting period, the Company had no other significant accounting policies and accounting estimates.

32. Changes in Significant Accounting Policies and Accounting Estimates

(1) Changes in Significant Accounting Policies

□Applicable ☑Not applicable

(2) Changes in Significant Accounting Estimates

□Applicable ☑Not applicable

(3) Adjustments to the Relevant Items of the Financial Statements at the Beginning of the Year of First-time Adoption of New Accounting Standards from 2025

□Applicable ☑Not applicable

VI. TAXATION

1. Principal Tax Categories and Tax Rates

Tax Category	Tax Basis	Tax Rate
Value-added tax (“VAT”)	Taxable value-added amount (the tax payable is calculated as taxable sales multiplied by the applicable VAT rate, less the deductible input VAT for the current period)	5%, 6%, 9% and 13%
Urban maintenance and construction tax	VAT paid and VAT credit refunded	7%
Corporate income tax (“CIT”)	Taxable income	15%, 16.5%, 17%, 20%, 22% and 25%
Education surcharge	VAT paid and VAT credit refunded	3%
Local education surcharge	VAT paid and VAT credit refunded	2%

Disclosure of Taxpayers Subject to Different CIT Rates

Taxpayer	CIT Rate
Avary International Limited (incorporated in Hong Kong, China)	16.5%

Avary Technology Co., Ltd. (incorporated in Taiwan, China)	20%
Avary Singapore Private Limited (incorporated in Singapore)	17%
Avary Technology (India) Private Limited (incorporated in India)	22%
Peng Shen Technology (Thailand) Co., Ltd. (incorporated in Thailand)	20%

2. Tax Incentives

(a) The Company's subsidiary, Pengding Property Management Services (Shenzhen) Co., Ltd. ("Pengding Property"), is subject to the preferential enterprise income tax rate applicable to small and micro enterprises. Pursuant to the Announcement on Policies Concerning Further Support for the Development of Small and Micro Enterprises and Self-employed Businesses (Announcement 〔2023〕 No. 12 of the Ministry of Finance and the State Taxation Administration), the policy under which small and low-profit enterprises calculate taxable income at a reduced rate of 25% and pay enterprise income tax at a rate of 20% has been extended to 31 December 2027.

(b) Pursuant to the Announcement on Policies Concerning Deepening the Reform of the Value-Added Tax issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs (Announcement 〔2019〕 No. 39 of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs), from 1 April 2019, the Group's subsidiaries located in Mainland China are subject to a VAT rate of 13% for VAT taxable sales activities or imports of goods.

(c) In December 2024, the Company successfully renewed its certification as a High and New Technology Enterprise and obtained the corresponding certificate (Certificate No. GR202444206929), jointly issued by the Shenzhen Municipal Innovation Committee, the Shenzhen Municipal Finance Committee, the Shenzhen Municipal Bureau of the State Taxation Administration and the Shenzhen Local Taxation Bureau. The certificate is valid for three years. Pursuant to Article 28 of the Enterprise Income Tax Law of the People's Republic of China, the Company is subject to an enterprise income tax rate of 15% for 2025 (2024: 15%).

(d) In October 2022, the Company's subsidiary Hongqisheng renewed its certification as a High and New Technology Enterprise and obtained the corresponding certificate (Certificate No. GR202213000771), jointly issued by the Department of Science and Technology of Hebei Province, the Department of Finance of Hebei Province and the Hebei Provincial Tax Service of the State Taxation Administration. The certificate is valid for three years. In October 2025, Hongqisheng again passed the re-certification review and obtained an updated High and New Technology Enterprise Certificate (Certificate No. GR202513000044), which is valid for three years. Pursuant to Article 28 of the Enterprise Income Tax Law of the People's Republic of China, Hongqisheng is subject to an enterprise income tax rate of 15% for 2025 (2024: 15%).

(e) In November 2023, the Company's subsidiary Qingding renewed its certification as a High and New Technology Enterprise and obtained the corresponding certificate (Certificate No. GR202332000685), jointly issued by the Department of Science and Technology of Jiangsu Province, the Department of Finance of Jiangsu Province, the Jiangsu Provincial Office of the State Taxation Administration and the Jiangsu Local Taxation Bureau. The certificate is valid for three years. Pursuant to Article 28 of the Enterprise Income Tax Law of the People's Republic of China, Qingding is subject to an enterprise income tax rate of 15% for 2025 (2024: 15%).

(f) In December 2025, the Company's subsidiary Wuxi Huayang Science and Technology Co., Ltd. ("Wuxi Huayang") renewed its certification as a High and New Technology Enterprise and obtained the corresponding certificate (Certificate No. GR202532006160), jointly issued by the Department of Science and Technology of Jiangsu Province, the Department of Finance of Jiangsu Province, the Jiangsu Provincial Office of the State Taxation Administration and the Jiangsu Local Taxation Bureau. The certificate is valid for three years. Pursuant to Article 28 of the Enterprise Income Tax Law of the People's Republic of China, Wuxi Huayang is subject to an enterprise income tax rate of 15% for 2025.

VII. Notes to the Consolidated Financial Statements

1. Cash and Cash Equivalents

Unit: RMB

item	closing balance	opening balance
Cash on hand	39,300.81	52,982.81
Cash at banks	11,997,452,291.53	13,465,553,142.47
Other monetary funds	9,639,272.36	1,323,902.71
Interest	24,863,624.64	30,022,335.89
Total	12,031,994,489.34	13,496,952,363.88
Including:Total funds deposited overseas	3,211,769,908.44	5,372,007,208.32

Other disclosures:

As at 31 December 2025, other monetary funds included customs security deposits of RMB974,568.76 (31 December 2024: RMB1,069,768.75) and securities investment funds deposited of RMB8,664,703.60 (31 December 2024: RMB254,133.96).

2. Notes Receivable

(1) Notes receivable by category

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	131,672,304.37	69,974,867.39
Commercial acceptance bills	12,307,623.57	0.00
Total	143,979,927.94	69,974,867.39

(2) Disclosure by the method of provision for bad debts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross carrying amount		Allowance for doubtful accounts		Carrying amount	Gross carrying amount		Allowance for doubtful accounts		Carrying amount
	Amount	Percentage	Amount	Provision ratio		Amount	Percentage	Amount	Provision ratio	
Notes receivable for which an allowance for doubtful accounts is provided on a collective basis	144,413,167.26	100.00%	433,239.32	0.30%	143,979,927.94	70,185,423.65	100.00%	210,556.26	0.30%	69,974,867.39
Total	144,413,167.26	100.00%	433,239.32	0.30%	143,979,927.94	70,185,423.65	100.00%	210,556.26	0.30%	69,974,867.39

Provision for bad debts on a collective basis:

Name	Closing balance		
	Gross carrying amount	Allowance for doubtful accounts	Provision ratio
Banker's acceptance bills	132,068,509.72	396,205.35	0.30%
Commercial acceptance bills	12,344,657.54	37,033.97	0.30%
Total	144,413,167.26	433,239.32	

If the allowance for notes receivable is measured under the general expected credit loss model:

☑Applicable □ Not Applicable

Unit: RMB

Allowance for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	

Balance at 1 January 2025		210,556.26		210,556.26
Balance at 1 January 2025 during the period				
Provision during the current period		433,239.32		433,239.32
Reversal during the current period		210,556.26		210,556.26
Balance at 31 December 2025		433,239.32		433,239.32

(3) Movements in the allowance for doubtful accounts during the year

Provision for bad debts during the year:

Unit: RMB

Category	Opening balance	Movements during the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Banker's acceptance bills	210,556.26	396,205.35	210,556.26			396,205.35
Commercial acceptance bills		37,033.97				37,033.97
Total	210,556.26	433,239.32	210,556.26			433,239.32

Including significant recoveries or reversals of bad debt allowances during the year:

□ Applicable ☑Not Applicable

3. Accounts Receivable

(1) Aging analysis

Unit: RMB

Aging	Closing balance	Opening balance
Within one year (inclusive)	6,091,308,860.64	5,786,155,915.60
Total	6,091,308,860.64	5,786,155,915.60

(2) Disclosure by the method of provision for bad debts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross carrying amount		Allowance for doubtful accounts		carrying amount	Gross carrying amount		Allowance for doubtful accounts		carrying amount
	Amount	percentage	Amount	Provision ratio		Amount	percentage	Amount	Provision ratio	
Including:										
Accounts receivable for which an allowance for doubtful accounts is provided on a collective basis	6,091,308,860.64	100.00%	18,181,001.57	0.30%	6,073,127,859.07	5,786,155,915.60	100.00%	17,333,857.33	0.30%	5,768,822,058.27
Including:										
Total	6,091,308,860.64	100.00%	18,181,001.57	0.30%	6,073,127,859.07	5,786,155,915.60	100.00%	17,333,857.33	0.30%	5,768,822,058.27

Provision for bad debts on a collective basis:

Unit: RMB

Name	Closing balance		
	Gross carrying amount	Allowance for doubtful accounts	Provision ratio
Sales customers	6,091,308,860.64	18,181,001.57	0.30%
Total	6,091,308,860.64	18,181,001.57	

If the allowance for doubtful accounts receivable is provided under the general expected credit loss model:

☑Applicable □ Not Applicable

Unit: RMB

Allowance for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2025		17,333,857.33		17,333,857.33
Balance at 1 January 2025 — transfers during the period:				
Charge for the year		18,534,354.26		18,534,354.26
Reversal for the year		17,405,112.35		17,405,112.35
Other changes		282,097.67		282,097.67
Balance at 31 December		18,181,001.57		18,181,001.57

(3) Movements in the allowance for doubtful accounts during the year

Provision for bad debts during the year:

Unit: RMB

Category	Opening balance	Movements during the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Sales customers	17,333,857.33	18,534,354.26	17,405,112.35		282,097.67	18,181,001.57
Total	17,333,857.33	18,534,354.26	17,405,112.35		282,097.67	18,181,001.57

(4) Top five accounts receivable and contract assets by debtor at period end

Unit: RMB

Name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of the total closing balance of accounts receivable and contract assets	Closing balance of allowance for doubtful accounts receivable and impairment provision for contract assets
Total accounts receivable from the top five debtors	4,048,821,109.53	0.00	4,048,821,109.53	66.47%	12,146,463.33
Total	4,048,821,109.53	0.00	4,048,821,109.53	66.47%	12,146,463.33

4. Accounts Receivable Financing

(1) Accounts receivable financing by category

Unit: RMB

Item	Closing balance	Opening balance
Banker's acceptance bills	39,453,938.12	
Total	39,453,938.12	

5. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	253,354,062.17	264,542,514.16
Total	253,354,062.17	264,542,514.16

(1) Other receivables

1) Other receivables by nature

Unit: RMB

Nature of amount	Closing gross carrying amount	Opening gross carrying amount
Production capacity deposits receivable	100,000,000.00	0
Amounts due from related parties	61,747,405.25	161,721,765.95
Tax refunds receivable	72,452,506.99	94,447,927.58
Receivables for scrap sales	13,268,025.79	6,800,074.18
Other	6,131,423.81	1,602,616.18
Total	253,599,361.84	264,572,383.89

2) Aging analysis

Unit: RMB

Aging	Closing gross carrying amount	Opening gross carrying amount
Within one year (inclusive)	253,599,361.84	264,572,383.89
Total	253,599,361.84	264,572,383.89

3) Disclosure by the method of provision for bad debts

☑ Applicable □ Not Applicable

Unit: RMB

Category	closing balance					opening balance				
	Gross carrying amount		Allowance for doubtful accounts		Carrying amount	Gross carrying amount		Allowance for doubtful accounts		Carrying amount
	Amount	Percentage	Amount	Provision ratio		Amount	percentage	Amount	Provision ratio	
Allowance for doubtful accounts provided on an individual basis	172,452,506.99	68.00%			172,452,506.99	254,447,927.58	96.17%			254,447,927.58
Including:										
Allowance for doubtful accounts provided on a collective basis	81,146,854.85	32.00%	245,299.67	0.30%	80,901,555.18	10,124,456.31	3.83%	29,869.73	0.30%	10,094,586.58
Including:										
Total	253,599,361.84	100.00%	245,299.67	--	253,354,062.17	264,572,383.89	100.00%	29,869.73	--	264,542,514.16

Provision for bad debts on a collective basis:

Unit: RMB

Name	Closing balance		
	Gross carrying amount	Allowance for doubtful accounts	Provision ratio
Other receivables portfolio	81,146,854.85	245,299.67	0.30%
Total	81,146,854.85	245,299.67	

Significant changes in the carrying amount corresponding to movements in loss allowances during the year

□ Applicable ☑Not Applicable

4) Movements in the allowance for doubtful accounts during the year

Provision for bad debts during the year:

Unit: RMB

Category	Opening balance	Movements during the current period				Closing balance
		Provision	Recovery or reversal	Write-off or cancellation	Other	
Other receivables portfolio	29,869.73	246,629.38	32,081.62		882.18	245,299.67
Total	29,869.73	246,629.38	32,081.62		882.18	245,299.67

5) Top five other receivables by debtor at period end

Unit: RMB

Name	Nature of amount	Closing balance	Aging	Percentage of total closing balance of other receivables	Closing balance of allowance for doubtful accounts
Honghe Electronic Materials Technology Co., Ltd.	Production capacity deposits receivable	100,000,000.00	Within one year	39.43%	0.00
Huai'an Tax Bureau	Tax refunds receivable	62,348,853.84	Within one year	24.59%	0.00
Yaoding Environmental Energy Technology (Huai'an) Co., Ltd.	Receivables for scrap sales	38,403,132.00	Within one year	15.14%	115,209.39
Yaoding Environmental Energy Technology (Shenzhen) Co., Ltd.	Receivables for scrap sales	13,452,691.84	Within one year	5.30%	40,358.07
New Taipei National Taxation Bureau Tax Office	Tax refunds receivable	10,091,845.22	Within one year	3.98%	0.00
Total		224,296,522.90		88.44%	155,567.46

6. Prepayments

(1) Prepayments by aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within one year	236,029,758.23	98.92%	205,522,477.69	99.01%
1 to 2 years	902,375.90	0.38%	1,334,224.27	0.64%
2 to 3 years	1,037,446.84	0.43%	1,400.00	0.00%
Over 3 years	638,991.21	0.27%	725,732.58	0.35%
Total	238,608,572.18		207,583,834.54	

Explanation of significant prepayments aged over one year that have not been settled in a timely manner:

As at 31 December 2025, prepayments aged over one year amounted to RMB 2,578,813.95 (31 December 2024: RMB 2,061,356.85), mainly representing prepayments for purchase of materials that had not been settled because the purchased products had not yet arrived.

(2) Top five prepayments by prepaid counterparty at period end

The total prepayments to the top five prepaid counterparties amounted to RMB 102,765,792.43, accounting for 43.07% of total prepayments.

7. Inventories

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

No

(1) Inventories by category

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Provision for decline in value of inventories or impairment provision for contract fulfillment costs	Carrying amount	Gross carrying amount	Provision for decline in value of inventories or impairment provision for contract fulfillment costs	Carrying amount
Raw materials	1,031,117,499.40	33,479,293.76	997,638,205.64	760,375,360.89	38,318,728.22	722,056,632.67
Work in progress	917,256,937.66	20,642,926.18	896,614,011.48	676,461,238.24	24,236,907.47	652,224,330.77
Finished goods	1,558,179,397.46	63,193,197.53	1,494,986,199.93	1,754,404,674.49	62,646,165.58	1,691,758,508.91
Self-manufactured semi-Finished goods	434,434,269.88	16,962,063.60	417,472,206.28	316,112,772.77	26,608,877.53	289,503,895.24
Total	3,940,988,104.40	134,277,481.07	3,806,710,623.33	3,507,354,046.39	151,810,678.80	3,355,543,367.59

(2) Provision for decline in value of inventories and impairment provision for contract fulfillment costs

Unit: RMB

Item	Opening balance	Increase during the current period		Decrease during the current period		Closing balance
		Provision	Other	Reversal or write-off	Other	
Raw materials	38,318,728.22	33,868,083.46		38,318,728.22	388,789.70	33,479,293.76
Work in progress	24,236,907.47	20,671,306.36		24,236,907.47	28,380.18	20,642,926.18
Finished goods	62,646,165.58	59,363,245.05		58,384,760.63	431,452.47	63,193,197.53
Self-manufactured semi-	26,608,877.53	16,971,633.38		26,608,877.53	9,569.78	16,962,063.60

finished goods						
Total	151,810,678.80	130,874,268.25		147,549,273.85	858,192.13	134,277,481.07

8. Other Current Assets

Unit: RMB

Item	Closing balance	Opening balance
Input VAT to be deducted	545,726,255.91	465,416,039.20
Prepaid income tax	384,644.54	5,927,022.19
Total	546,110,900.45	471,343,061.39

9. Investments in Other Equity Instruments

Unit: RMB

Project name	Closing balance	Opening balance	Gains recognized in other comprehensive income during the current period	Losses recognized in other comprehensive income during the current period	Accumulated gains recognized in other comprehensive income at period end	Accumulated losses recognized in other comprehensive income at period end	Dividend income recognized during the current period	Reason for designation as measured at fair value through other comprehensive income
Jiangxi Jiangnan New Materials Technology Co., Ltd.	168,365,713.43		143,365,718.79		143,365,718.79		877,608.92	
Jiangsu Aisen Semiconductor Materials Co., Ltd.	112,608,000.00	102,856,000.00	67,380,986.79		140,180,986.80			
Suzhou Xinguangyi Electronics Co., Ltd.	87,808,477.93		57,808,479.16		57,808,479.16			
Tianjin	70,417,722.90	28,954,895.01	41,462,827.89		54,531,924.26			

Sanying Precision Instruments Co., Ltd.								
Dezhong (Tianjin) Technology Development Co., Ltd.	14,880,950.00			10,119,046.00		10,119,046.00		
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	949,584,648.00	948,190,047.00	1,394,601.00		4,584,648.00			
Suzhou Xinrui Equity Investment Partnership (Limited Partnership)	131,830,280.00		71,830,280.00		71,830,280.00		997,297.34	
Dongguan Liuchun Co., Ltd.	64,373,857.00	35,448,463.00	28,925,394.00		34,373,857.00		315,376.00	
Kunshan Hongshida Intelligent Technology Co., Ltd.	57,163,739.00	10,049,892.00	47,113,847.00		37,163,739.00			
Wuxi Yingda Juli Technology Co., Ltd.	47,249,417.00	73,369,332.00		26,119,915.00	27,249,417.00			
Shanghai Gantu Network	38,857,818.00	26,750,241.00	12,107,577.00		23,795,751.91			

Technology Co., Ltd.								
Chengdu Keyi Polymer Technology Co., Ltd.	38,368,751.00							
Shenzhen Yunbao Intelligent Co., Ltd.	38,292,492.56	30,000,000.00	8,292,492.56		8,292,492.56			
Guangdong Deju Technology Co., Ltd.	37,724,968.00	24,028,329.00	13,696,639.00		12,724,968.00			
Dingqin Technology (Shenzhen) Co., Ltd.	21,983,039.00		1,983,039.00		1,983,039.00			
Sanying Precision Control (Tianjin) Instruments and Equipment Co., Ltd.	14,678,638.00	7,306,851.00	7,371,787.00		5,178,638.00			
Shenzhen Hangsheng Electronics Co., Ltd.	10,300,967.00	6,349,464.00	3,951,503.00			3,029,033.00		
Hubei Aoma Electronics Technology Co., Ltd.	8,365,081.00	8,595,344.00		230,263.00	454,081.00			
Total	1,912,854,559.82	1,301,898,858.01	506,685,172.19	36,469,224.00	623,518,020.48	13,148,079.00	2,190,282.26	

10. Long-term Equity Investments

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment provision	Movements during the current period								Closing balance (carrying amount)	Closing balance of impairment provision
			Additional investment	Reduction in investment	Investment income/loss recognized under the equity method	Adjustment to other comprehensive income	Other equity movements	Cash dividends or profits declared	Provision for impairment	Other		
I. Joint ventures												
II. Associates												
Guangdong Zhanyang Intelligent Equipment Co., Ltd.	5,588,808.50				-3,712,403.37						1,876,405.13	
Wuxi Yongyang Electronic Technology Co., Ltd.			16,894,296.61		9,642.86						16,903,939.47	
Subtotal	5,588,808.50		16,894,296.61		-3,702,760.51						18,780,344.60	
Total	5,588,808.50		16,894,296.61		-3,702,760.51						18,780,344.60	

Recoverable amount determined based on fair value less costs of disposal

□ Applicable ☑Not Applicable

Recoverable amount determined based on the present value of estimated future cash flows

□ Applicable ☑Not Applicable

11. Other Non-current Financial Assets

Unit: RMB

Item	Closing balance	Opening balance
Beijing Chenyi M&A Fund (Limited Partnership)	220,736,403.00	220,515,116.00
Chunhua Jingzhi (Beijing) Equity Investment Partnership (Limited Partnership)	139,987,920.00	68,482,830.00
Jingning Dingqing Electronic Technology Partnership (Limited Partnership)	121,077,000.00	57,720,000.00
CHINA RENEWABLE POWER INFRASTRUCTURE LPF	1,001,999.86	
Total	482,803,322.86	346,717,946.00

12. Investment Properties

(1) Investment properties measured under the cost model

☑Applicable □ Not Applicable

Unit: RMB

Item	Buildings and structures	Land use rights	Construction in progress	Total
I. Gross carrying amount	712,089,300.52			712,089,300.52
1. Opening balance	712,089,300.52			712,089,300.52
2.Increase during the current period				
(1) External purchases				
(2) Transfer from inventories/fixed assets/construction in progress				
(3) Increase from business combination				
3.Decrease during the current period	870,344.65			870,344.65
(1) Disposal				

(2) Other transfers out	870,344.65			870,344.65
4. Closing balance	711,218,955.87			711,218,955.87
II. Accumulated depreciation and amortization				
1. Opening balance	126,621,809.68			126,621,809.68
2.Increase during the current period	26,873,030.69			26,873,030.69
(1) provision or amortization	26,873,030.69			26,873,030.69
3.Decrease during the current period				
(1) Disposal				
(2) Other transfers out				
4. Closing balance	153,494,840.37			153,494,840.37
III. Impairment provision				
1. Opening balance				
2.Increase during the current period				
(1) provision				
3.Decrease during the current period				
(1) Disposal				
(2) Other transfers out				
4. Closing balance				
IV. carrying amount				
1.Closing carrying amount	557,724,115.50			557,724,115.50
2.Opening carrying amount	585,467,490.84			585,467,490.84

Recoverable amount determined based on fair value less costs of disposal

□ Applicable ☑Not Applicable

Recoverable amount determined based on present value of estimated future cash flows

□ Applicable ☑Not Applicable

(2) Investment properties measured under the fair value model

□ Applicable ☑Not Applicable

13. Fixed Assets

Unit: RMB

Item	Closing balance	Opening balance
fixed assets	17,494,384,350.63	15,738,449,342.88
Disposal of fixed assets		
Total	17,494,384,350.63	15,738,449,342.88

(1) Fixed assets

Unit: RMB

Item	land	Buildings and structures	Machinery and equipment	Transportation equipment	Computers and electronic equipment	Other equipment	Total
I. Gross carrying amount：							
1. Opening balance	200,172,722.92	9,660,719,647.46	17,735,497,823.10	8,405,032.88	407,058,252.22	6,182,648,544.17	34,194,502,022.75
2.Increase during the current period							
(1) Purchases	5,476,217.50	109,983.01	17,476,581.11	70,487.95	982.50	3,455,012.30	26,589,264.37
(2) Transfer from construction in progress		1,015,256,688.17	2,626,159,659.52	2,668,270.86	97,815,449.43	1,067,635,922.09	4,809,535,990.07
(3) Increase from business combination		22,396,373.11	83,985,908.34	3,956,190.24	4,687,690.29	2,531,998.13	117,558,160.11
3.Decrease during the current period							
(1) Disposal or retirement		-670,192.01	-460,311,776.81	-981,813.07	-5,503,397.51	-115,662,842.36	-583,130,021.76
Other decreases		-4,113,602.34					-4,113,602.34
Translation differences of foreign currency financial statements	4,792,288.65	41,331,509.30	-455,332.39	26,943.86	497,975.46	3,500,942.60	49,694,327.48
4. Closing balance	210,441,229.07	10,735,030,406.70	20,002,352,862.87	14,145,112.72	504,556,952.39	7,144,109,576.93	38,610,636,140.68
II. Accumulated							

depreciation							
1. Opening balance		-2,924,177,599.44	-10,793,512,439.80	-6,762,528.82	-279,720,068.69	-4,386,500,391.08	-18,390,673,027.83
2. Increase during the current period							
(1) provision		-555,961,852.78	-1,763,841,264.09	-1,025,490.00	-73,566,719.81	-820,163,378.84	-3,214,558,705.52
3. Decrease during the current period							
(1) Disposal or retirement		426,773.19	411,933,251.96	981,810.07	4,300,466.31	100,464,526.57	518,106,828.10
Translation differences of foreign currency financial statements		4,951,421.17	11,286,086.71	4,326.23	396,305.41	4,993,390.19	21,631,529.71
4. Closing balance		-3,474,761,257.86	-12,134,134,365.22	-6,801,882.52	-348,590,016.78	-5,101,205,853.16	-21,065,493,375.54
III. Impairment provision							
1. Opening balance			-49,516,192.58		-6,287.49	-15,857,171.97	-65,379,652.04
2. Increase during the current period							
(1) provision			-7,917,290.67			-716,953.75	-8,634,244.42
3. Decrease during the current period							
(1) Disposal or retirement			22,727,260.65		6,287.49	521,933.81	23,255,481.95
4. Closing balance			-34,706,222.60			-16,052,191.91	-50,758,414.51
IV. carrying amount							
1. Closing carrying	210,441,229.07	7,260,269,148.84	7,833,512,275.05	7,343,230.20	155,966,935.61	2,026,851,531.86	17,494,384,350.63

amount							
2. Opening carrying amount	200,172,722.92	6,736,542,048.02	6,892,469,190.72	1,642,504.06	127,331,896.04	1,780,290,981.12	15,738,449,342.88

14. Construction in Progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	2,946,557,139.98	1,382,440,351.02
Total	2,946,557,139.98	1,382,440,351.02

(1) Construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount
Uncompleted projects - equipment pending inspection	1,103,229,837.68		1,103,229,837.69	606,365,004.91		606,365,004.91
Pengding Technology Kaohsiung Park Project	895,830,833.71		895,830,833.71	298,465,270.10		298,465,270.10
Pengding Thailand - Phase II Project	244,116,902.76		244,116,902.75			
Pengding Thailand - Phase I Project	153,043,078.69		153,043,078.69	303,790,639.43		303,790,639.43
Huai'an First Park Project	134,601,974.10		134,601,974.10			
Huai'an Third Park Project	119,309,169.70		119,309,169.70			
Huai'an Zhending Jiayuan	104,755,775.99		104,755,775.99			
Qingding Huai'an Dormitory				153,405,887.71		153,405,887.71
Pengding Thailand PA06 Plant Project	83,726,071.52		83,726,071.52			
Huai'an Second Park Project	62,615,893.64		62,615,893.64			
Other	45,327,602.19		45,327,602.19	20,413,548.87		20,413,548.87

Total	2,946,557,139.98		2,946,557,139.98	1,382,440,351.02		1,382,440,351.02

(2) Movements in significant construction in progress during the year

Unit: RMB

Project name	Budget	Opening balance	Increase during the current period	Amount transferred to fixed assets during the current period	Other decrease during the current period	Closing balance	Cumulative construction input as a percentage of budget	Progress of construction	Source of funds
Uncompleted projects - equipment pending inspection		606,365,004.91	4,203,007,479.81	-3,710,524,903.09	4,382,256.05	1,103,229,837.68			other
Pengding Technology Kaohsiung Park Project	2,631,194,733.21	298,465,270.10	640,781,896.18	-32,912,380.88	-10,503,951.69	895,830,833.71	94.75%	94.75%	other
Pengding Thailand - Phase II Project	768,458,204.44		239,282,272.07		4,834,630.69	244,116,902.76	31.14%	31.14%	other
Pengding Thailand - Phase I Project	973,776,063.87	303,790,639.43	506,851,529.49	-668,448,768.95	10,849,678.72	153,043,078.69	83.25%	83.25%	other
Huai'an First Park Project	312,204,291.68		161,775,416.12	-27,173,442.02		134,601,974.10	51.82%	51.82%	other
Huai'an Third Park Project	1,708,687,414.52		175,217,034.22	-55,907,864.52		119,309,169.70	10.25%	10.25%	other
Huai'an Zhending Jiayuan	247,531,941.16		104,755,775.99			104,755,775.99	42.32%	42.32%	other
Pengding Thailand PA06 Plant Project	640,023,356.79		82,067,912.54		1,658,158.98	83,726,071.52	12.82%	12.82%	other
Huai'an Second Park Project	334,257,807.35		90,658,666.99	-28,042,773.35		62,615,893.64	27.12%	27.12%	other
Qingding Huai'an Dormitory	177,060,982.80	153,405,887.71	21,655,095.09	-175,060,982.80			100.00%	100.00%	other
Other		20,413,548.87	136,306,956.23	-111,464,874.46	71,971.55	45,327,602.19			other

Total	7,793,194,795.82	1,382,440,351.02	6,362,360,034.73	-4,809,535,990.07	11,292,744.30	2,946,557,139.98			

(3) Impairment testing of construction in progress

□ Applicable ☑Not Applicable

15. Right-of-use assets

(1) Right-of-use assets

Unit: RMB

Item	Buildings and structures	Land use rights	Machinery and equipment	Transportation equipment	Total
I. Gross carrying amount					
1.Opening balance	39,223,474.23	76,579,722.44	1,688,686.86	1,430,192.50	118,922,076.03
2.Increase during the current period					
New lease contracts	5,362,209.41				5,362,209.41
3.Decrease during the current period					
Lease modification	-5,387,646.57			-663,117.41	-6,050,763.98
Translation differences of foreign currency financial statements	-2,598,459.46	5,878,401.23		-3,315.66	3,276,626.11
4.Closing balance	36,599,577.61	82,458,123.67	1,688,686.86	763,759.43	121,510,147.57
II. Accumulated depreciation					
1.Opening balance	-17,486,087.52	-12,196,326.75	-738,715.16	-1,279,327.74	-31,700,457.17
2.Increase during the current period					
(1) Provision	-13,019,889.69	-4,879,136.76	-253,325.79	-128,150.80	-18,280,503.04
3.Decrease during the current period					
(1) Disposal					
Lease modification	1,402,758.18			663,117.41	2,065,875.59
Translation differences of foreign currency financial statements	1,702,683.52	-4,454,972.06		1,093.89	-2,751,194.65
4.Closing balance	-27,400,535.51	-21,530,435.57	-992,040.95	-743,267.24	-50,666,279.27
III. Carrying amount					
1.Closing carrying amount	9,199,042.10	60,927,688.10	696,645.91	20,492.19	70,843,868.30

2.Opening carrying amount	21,737,386.71	64,383,395.69	949,971.70	150,864.76	87,221,618.86

(2) Impairment testing of right-of-use assets

□ Applicable ☑Not Applicable

16. Intangible Assets

(1) Intangible assets

Unit: RMB

Item	Land use rights	Software	Customer relationships	Other	Total
I. Gross carrying amount					
1.Opening balance	1,424,108,334.17	461,040,810.82			1,885,149,144.99
2.Increase during the current period					
(1) Purchases	226,339,105.54	64,661,002.78		169,501.00	291,169,609.32
(2) Internal research and development					
(3) Increase from business combination	8,992,000.00	588,405.69	128,200,000.00	4,440,362.99	142,220,768.68
3.Decrease during the current period					
(1) Disposal		-433,999.44			-433,999.44
Translation differences of foreign currency financial statements		905,748.20			905,748.20
4.Closing balance	1,659,439,439.71	526,761,968.05	128,200,000.00	4,609,863.99	2,319,011,271.75
II. Accumulated amortization					
1.Opening balance	-317,634,026.52	-369,906,875.83			-687,540,902.35
2.Increase during the current period					
(1) Provision	-46,415,364.62	-68,140,428.95	-1,068,333.33	-38,437.99	-115,662,564.89
3.Decrease during the current period					
(1) Disposal		311,985.32			311,985.32

Translation differences of foreign currency financial statements		-453,801.05			-453,801.05
4.Closing balance	-364,049,391.14	-438,189,120.51	-1,068,333.33	-38,437.99	-803,345,282.97
III. Carrying amount					
1.Closing carrying amount	1,295,390,048.57	88,572,847.54	127,131,666.67	4,571,426.00	1,515,665,988.78
2.Opening carrying amount	1,106,474,307.65	91,133,934.99			1,197,608,242.64

At the end of the period, intangible assets generated from the Company's internal research and development represented 0.00% of the balance of intangible assets.

17. Goodwill

(1) Original carrying amount of goodwill

Unit: RMB

Name of investee or matter giving rise to goodwill	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
		Arising from business combination	Disposal	
Wuxi Huayang		58,157,105.78		58,157,105.78
Honghengsheng	20,406,065.22			20,406,065.22
Total	20,406,065.22	58,157,105.78		78,563,171.00

Other disclosures

The increase in goodwill during the year mainly arose from the acquisition of a 53.68% equity interest in Wuxi Huayang and its subsidiary Jiangsu Xuanggan. All goodwill of the Group has been allocated to the relevant asset groups or groups of asset groups at the acquisition date. In 2025, there was no change in the allocation of goodwill.

In performing impairment testing, the Group determined revenue growth rates and gross profit margins based on historical experience and forecasts of market development. Growth rates during the forecast period were based on the approved five-year budget, while the steady-state growth rate was the growth rate used after the forecast period, which was consistent with forecast data contained in authoritative industry reports and did not exceed the long-term average growth rates of the respective products. The discount rate was a pre-tax discount rate reflecting the specific risks of the relevant asset group or group of asset groups. After comparing the fair value less costs of disposal of the relevant asset groups with the present value of estimated future cash flows, the Group determined the recoverable amount based on the present value of estimated future cash flows. As the recoverable amount exceeded the carrying amount, no impairment provision was recognized.

18. Long-term Deferred Expenses

Unit: RMB

Item	Opening balance	Increase during the	Amortization	Other	Closing balance

		current period	amount for the current period	decreasesamount	
Leasehold improvements	1,949,340.94	1,718,205.27	695,548.28		2,971,997.93
Total	1,949,340.94	1,718,205.27	695,548.28		2,971,997.93

19. Deferred Tax Assets / Deferred Tax Liabilities

(1) Deferred tax assets before offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Asset impairment provision	175,914,101.93	31,443,327.77	228,435,202.22	38,646,254.24
Unrealized profit from internal transactions	334,565,710.61	53,999,298.59	234,520,621.31	38,297,009.67
deductible losses			25,473,205.32	6,368,301.33
Accrued expenses and unpaid salaries	558,923,986.98	93,709,128.09	508,844,441.67	83,563,628.10
Deferred income	390,483,172.88	59,714,142.53	359,277,511.49	55,744,293.33
Depreciation of fixed assets	285,808,639.07	43,236,233.08	91,813,203.93	13,771,980.59
Changes in fair value of financial assets	30,940,159.00	7,735,039.75	30,502,634.00	7,625,658.50
Lease liabilities	3,449,478.77	524,739.22	24,667,676.04	5,688,028.38
Unrealized exchange gains/losses	136,887.64	22,586.46	3,696,157.38	729,351.38
Total	1,780,222,136.88	290,384,495.49	1,507,230,653.36	250,434,505.52

(2) Deferred tax liabilities before offsetting

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Depreciation of fixed assets	2,588,372,324.40	388,255,848.66	1,986,033,401.47	297,905,010.22
Changes in fair value of financial assets	778,133,227.22	138,499,715.57	234,774,971.15	44,643,708.94
Accrued profit distribution	654,542,877.88	163,635,719.47	654,542,877.88	163,635,719.47
Right-of-use assets	3,335,677.11	507,506.07	23,386,871.41	5,369,416.27
Unrealized interest receivable			20,178,223.60	3,026,733.54

Business combination	184,488,775.13	28,321,653.67	6,127,709.36	1,531,927.34
Total	4,208,872,881.74	719,220,443.44	2,925,044,054.87	516,112,515.78

(3) Deferred tax assets or liabilities presented on a net basis after offsetting

Unit: RMB

Item	Closing offset amount of deferred tax assets and liabilities	Closing balance of deferred tax assets or liabilities after offset	Opening offset amount of deferred tax assets and liabilities	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	158,240,012.02	132,144,483.47	110,911,979.44	139,522,526.08
Deferred tax liabilities	158,240,012.02	560,980,431.42	110,911,979.44	405,200,536.34

(4) Details of unrecognized deferred tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	39,688,048.53	29,348,558.89
Deductible losses	1,473,927,875.60	660,430,781.97
Total	1,513,615,924.13	689,779,340.86

(5) Deductible losses for which deferred tax assets were not recognized will expire in the following years

Unit: RMB

Year	Closing amount	Opening amount	Remarks
2024		36,629,229.07	
2025	134,284,248.50	227,420,629.23	
2026	177,642,626.98	177,642,626.98	
2027	1,615,863.68	19,148,552.72	
2028	371,557,129.73	199,589,743.97	
2029	788,828,006.71		
Total	1,473,927,875.60	660,430,781.97	

20. Other Non-current Assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount
Prepayments for construction and equipment	354,010,580.02		354,010,580.02	73,612,075.46		73,612,075.46
Long-term deposits	148,938,476.71		148,938,476.71	26,917,106.26		26,917,106.26
Total	502,949,056.73		502,949,056.73	100,529,181.72		100,529,181.72

21. Short-term borrowings

(1) Short-term borrowings by category

Unit: RMB

Item	Closing balance	Opening balance
Credit borrowings	3,925,334,770.72	3,256,896,552.17
Total	3,925,334,770.72	3,256,896,552.17

Description of short-term borrowings by category:

As at 31 December 2025, the Group had no overdue short-term borrowings, and the interest rates ranged from 1.68% to 8.30% (31 December 2024: 1.98% to 8.50%).

22. Accounts Payable

(1) Accounts payable

Unit: RMB

Item	Closing balance	Opening balance
Payables for materials	5,342,766,196.19	4,735,694,399.53
Payables for maintenance services	209,948,321.18	231,601,231.63
Payables for processing services	61,553,713.52	58,553,870.93
Other	47,334,075.96	53,598,955.08
Total	5,661,602,306.85	5,079,448,457.17

(2) Significant accounts payable aged over one year or overdue

Unit: RMB

Item	Closing balance	Reason for non-payment or carry-forward
Payables for materials	14,023,601.11	The amount has not yet been finally settled
Total	14,023,601.11	

(3) Whether there are overdue unpaid amounts owed to small and medium-sized enterprises

Whether the Company is a large enterprise

☑Yes □ No

Whether there are overdue unpaid amounts owed to small and medium-sized enterprises

□ Yes ☑No

23. Other Payables

Unit: RMB

Item	Closing balance	Opening balance
Other payables	1,903,549,987.03	1,584,470,358.11

Total	1,903,549,987.03	1,584,470,358.11

(1) Other payables

1) Other payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Payables for equipment and construction	1,239,987,574.99	958,027,059.37
Accrued expenses	260,123,303.07	243,621,848.04
Equity repurchase payable	145,389,160.80	222,759,750.00
Deposits payable	102,985,897.81	87,130,220.55
Amounts payable to related parties	55,083,652.29	20,586,616.07
Other	99,980,398.07	52,344,864.08
Total	1,903,549,987.03	1,584,470,358.11

2) Significant other payables aged over one year or overdue

Unit: RMB

Item	Closing balance	Reason for non-payment or carry-forward
Equity repurchase payable	145,389,160.80	Repurchase payments for restricted shares
Total	145,389,160.80	

24. Contract Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Advances from customers	32,410,207.62	59,832,456.69
Total	32,410,207.62	59,832,456.69

25. Employee Benefits Payable

(1) Employee benefits payable

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
I. Short-term employee benefits	894,013,739.22	5,139,788,443.28	-5,166,999,285.17	866,802,897.33
II. Post-employment benefits - defined contribution plans	1,828,905.02	520,373,408.63	-519,975,416.27	2,226,897.38
Total	895,842,644.24	5,660,161,851.91	-5,686,974,701.44	869,029,794.71

(2) Short-term employee benefits

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
1、Wages, bonuses, allowances and subsidies	873,408,317.00	4,566,763,988.51	-4,599,958,479.13	840,213,826.38
2、Employee welfare expenses	9,632,403.85	68,386,464.85	-63,785,148.66	14,233,720.04
3、Social insurance premiums	3,568,029.46	244,633,698.22	-244,164,389.00	4,037,338.68
Including: medical insurance premiums	1,824,810.12	201,589,010.60	-201,747,686.07	1,666,134.65
Work injury insurance premiums	1,743,219.34	27,934,454.79	-27,306,470.10	2,371,204.03
Maternity insurance premiums		15,110,232.83	-15,110,232.83	
4、Housing provident fund	5,698,782.99	180,767,616.62	-179,998,640.11	6,467,759.50
5、Trade union funds and employee education funds	1,706,205.92	79,236,675.08	-79,092,628.27	1,850,252.73
Total	894,013,739.22	5,139,788,443.28	-5,166,999,285.17	866,802,897.33

(3) Defined contribution plans

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
1、Basic pension insurance	1,828,905.02	502,070,565.33	-501,672,572.97	2,226,897.38
2、Unemployment insurance premiums		18,302,843.30	-18,302,843.30	
3、Enterprise annuity contributions				
Total	1,828,905.02	520,373,408.63	-519,975,416.27	2,226,897.38

26. Taxes Payable

Unit: RMB

Item	Closing balance	Opening balance
VAT	3,946,534.74	2,314,494.46
Enterprise income tax	156,461,863.41	242,197,335.77
Individual income tax	6,737,646.41	6,654,587.50
Urban maintenance and construction tax	22,388,753.01	23,809,589.81
Education surcharge payable	15,991,966.46	17,006,849.93
Property tax payable	10,690,173.65	10,242,767.06

Urban land use tax payable	998,576.75	958,559.38
Other	8,123,650.31	6,873,258.74
Total	225,339,164.74	310,057,442.65

27. Non-current Liabilities Due Within One Year

Unit: RMB

Item	Closing balance	Opening balance
Lease liabilities due within one year	13,921,869.71	17,386,791.31
Total	13,921,869.71	17,386,791.31

28. Long-term Borrowings

(1) Long-term borrowings by category

Unit: RMB

Item	Closing balance	Opening balance
Credit borrowings	375,720,008.30	179,710,003.01
Total	375,720,008.30	179,710,003.01

Other disclosures, including the interest rate range:

As at 31 December 2025, the Group had no overdue long-term borrowings, and the interest rates ranged from 2.50% to 7.04% (31 December 2024: 7.04%).

29. Lease Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Lease liabilities	73,954,577.84	90,317,294.30
Less: non-current liabilities due within one year	-13,921,869.71	-17,386,791.31
Total	60,032,708.13	72,930,502.99

Other disclosures:

As at 31 December 2025 and 31 December 2024, matters not included in the Group's lease liabilities but that will give rise to potential future cash outflows included the following:

As at 31 December 2025, lease payments under lease contracts signed by the Group but not yet commenced amounted to RMB 8,185,479.95 (31 December 2024: RMB 2,153,400.00).

As at 31 December 2025, the future minimum rentals payable under the Group's short-term leases and leases of low-value assets accounted for under the simplified approach amounted to RMB 1,715,835.92 and RMB 3,323,120.59, respectively (31 December 2024: RMB 3,365,249.09 and RMB 1,372,741.57), of which RMB 3,358,390.68 was payable within one year and RMB 1,680,565.83 was payable after one year.

30. Deferred Income

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance	Cause of formation

Government grants	359,277,511.49	132,281,900.00	101,076,238.61	390,483,172.88	
Total	359,277,511.49	132,281,900.00	101,076,238.61	390,483,172.88	--

31. Other Non-current Liabilities

Unit: RMB

Item	Closing balance	Opening balance
Long-term income tax payable	80,831,200.00	
Total	80,831,200.00	

32. Share Capital

Unit: RMB

	Opening balance	Increase/decrease in the current change (+/-)					Closing balance
		Issuance of new shares	Bonus shares	Conversion of capital reserve into share capital	Other	Subtotal	
Total number of shares	2,318,560,816.00				-509,800.00	-509,800.00	2,318,051,016.00

Other disclosures:

According to the resolution on the repurchase and cancellation of certain restricted shares under the 2021 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan considered and approved at the 15th meeting of the third session of the Board and the 11th meeting of the third session of the Supervisory Committee of the Company held on April 8, 2025, the Company repurchased and cancelled 74,000 restricted shares held by six departed incentive recipients and one incentive recipient who failed to meet the assessment conditions under the 2021 Restricted Share Incentive Plan that had been granted but had not yet been released from lock-up, as well as restricted shares held by 242 current incentive recipients that could not be released from lock-up during the fourth release period because the Company's 2024 results did not meet the performance assessment targets. After completion of the repurchase, the total share capital of the Company changed accordingly.

According to the resolution on the repurchase and cancellation of certain restricted shares under the 2021 Restricted Share Incentive Plan considered and approved at the eighth meeting of the third session of the Board held on 29 March 2024 and the 2023 annual general meeting held on 24 April 2024, the Company repurchased and cancelled 156,000 restricted shares held by eight departed incentive recipients and one incentive recipient who failed to meet the assessment conditions that had been granted but had not yet been released from lock-up, as well as 1,721,000 restricted shares held by 249 current incentive recipients that could not be released from lock-up during the third release period because the Company's 2023 results did not meet the performance assessment targets. After completion of the repurchase, the total share capital of the Company changed accordingly.

33. Capital Reserve

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Capital premium (share premium)	11,904,803,393.57	6,926,827.19	8,348,436.36	11,903,381,784.40

Other capital reserve	800,346,741.92	78,821,964.00	9,169,303.69	869,999,402.23
Total	12,705,150,135.49	85,748,791.19	17,517,740.05	12,773,381,186.63

Other disclosures, including movements during the current period and reasons for changes:

(a) 2017 Restricted Share Incentive Plan

(i) Overview

Pursuant to the board resolution of the then Company dated 14 February 2017 and the Framework Agreement on the Employee Shareholding Plan of Fukui Precision Component (Shenzhen) Co., Ltd. signed on 27 February 2017 (the "Grant Date"), the Company applied to increase its registered capital by USD26,254,888 (representing 9.9065% of the Company's equity as at the date of capital increase). The newly increased registered capital was fully paid up before 28 February 2017 by Changyi Investment, Zhenji Investment, Hengxiang Investment, Yifu Investment, Xinqun Investment, Debang Investment, Yuefeng and Dele Investment (collectively, the "Employee Shareholding Platforms"), with the total capital contribution amounting to USD120.6456 million (equivalent to RMB829,438,463.00). Based on RMB1.00 per unit of capital contribution, the subscription price was equivalent to RMB4.60 per share (the "Employee Subscription Price"). The portion by which the Employee Subscription Price was lower than the fair value of the Company's equity units on the Grant Date constituted share-based payment.

In June 2017, the Company introduced external investors through a capital increase at an investment price of RMB 8.5 per share. After comprehensive consideration of factors including the income approach valuation without control and liquidity as of the Grant Date, the price-to-earnings ratios of comparable transactions in the same industry and the capital increase price paid by the external investors, the Group selected the external investors' investment price of RMB 8.5 as the fair value of the Company's equity units at the time the Employee Shareholding Platforms made capital contributions to the Company on the Grant Date (the "fair value of granted equity units").

Pursuant to the Framework Agreement and related supplemental agreements, shareholding employees were subject to strict service period restrictions. After 36 months of continuous service from the day following the Grant Date, 20% of their shareholding interests could be released from restrictions, and thereafter another 20% could be released for each additional 12 months of service until the service period was completed. Accordingly, the Group determined that the amortization periods for share-based payment expenses corresponding to each 20% portion were three, four, five, six and seven years, respectively. At each balance sheet date during the maximum seven-year service period commencing from 28 February 2017, the Group made the best estimate of the number of shares expected to vest based on the latest subsequent information such as employee turnover rates, and revised the number of shares expected to vest.

(ii) Movements in restricted shares during the year

	2025	2024
Restricted shares outstanding at the beginning of the year (shares)	—	36,654,411
Restricted shares unlocked during the year (shares)	—	-36,654,411
Restricted shares outstanding at year-end (shares)	—	-
Share-based payment expenses for the current year	—	3,134,844.00
Accumulated share-based payment expenses	—	704,004,666.92

In 2024, the amounts of share-based payment expenses included in operating costs, selling expenses, administrative expenses and research and development expenses were RMB1,286,154.09, RMB185,007.03, RMB759,989.77 and RMB903,693.11, respectively.

(iii) The Group determined the fair value of the restricted shares on the grant date based on the investment price paid by external investors. On the grant date, the fair value of each restricted share was RMB8.5, and the difference between such fair value and the capital increase price of RMB4.6 per share paid by the incentive recipients was recognized as share-based payment expenses.

(b) 2021 Restricted Share Incentive Plan

(i) Overview

Pursuant to the resolutions considered and approved at the 11th meeting of the second session of the Board of the Company held on 20 April 2021 and the 2020 annual general meeting held on 12 May 2021, the Company granted 10,085,000 restricted ordinary shares denominated in Renminbi to 287 restricted share incentive recipients, with 15 June 2021 as the grant date. During the grant registration process, one incentive recipient waived the subscription for 40,000 restricted shares for personal reasons, and such restricted shares were cancelled. Therefore, the number of restricted shares actually granted by the Company was adjusted accordingly.

According to the Restricted Share Incentive Plan (Draft) of Avary Holding (Shenzhen) Co., Limited approved by the resolution of the general meeting held on 12 May 2021, shareholding employees were subject to strict service period restrictions. For every 12 months of continuous service from the grant date, 20% of their shareholding interests could be released from restrictions until the service period was completed. Under the incentive plan, if an incentive recipient resigned before the end of the service period, the shares could not be unlocked, and the Company was required to repurchase and cancel the corresponding restricted shares at the grant price. On 23 June 2021, the Company received capital contributions totaling RMB 165,139,800.00 and recognized a liability for the repurchase obligation of the restricted shares.

(ii) Movements in restricted shares during the year

	2025	2024
Restricted shares outstanding at the beginning of the year (shares)	3,408,000	5,199,000
Restricted shares unlocked during the year (shares)	-1,336,800	-
Restricted shares cancelled during the year (shares)	-413,200	-1,791,000
Restricted shares outstanding at year-end (shares)	1,658,000	3,408,000
Share-based payment expenses for the current year	7,356,073.00	5,303,827.28
Accumulated share-based payment expenses	80,413,674.28	73,057,601.28

In 2025, share-based payment expenses included in operating costs, selling expenses, administrative expenses and research and development expenses amounted to RMB3,262,537.82, RMB430,103.59, RMB1,382,593.19 and RMB2,280,838.40, respectively (2024 provisions: RMB2,176,037.84, RMB313,012.48, RMB1,285,822.98 and RMB1,528,953.98, respectively).

(iii) As at 31 December 2025, the remaining term of the restricted share incentive plan was five and a half months, ending on 15 June 2026.

(iv) The weighted average share price of restricted shares cancelled during the year, calculated on the cancellation date, was RMB29.95; the weighted average share price of restricted shares unlocked during the year, calculated on the unlocking date, was RMB39.46.

(v) Method for determining the fair value of restricted shares on the grant date

The Group determined the fair value of the restricted shares on the grant date based on the closing price of the Company’s shares on the grant date. On the grant date, the fair value of each restricted share was RMB29.13, and the difference between such fair value and the capital increase price of RMB16.44 per share paid by the incentive recipients was recognized as share-based payment expenses.

(c) 2024 Restricted Share Incentive Plan

(i) Overview

Pursuant to the resolutions considered and approved at the first extraordinary general meeting of 2024 held on 9 September 2024 and the 11th meeting of the third session of the Board held on 13 September 2024, the Company granted 9,469,900 restricted ordinary shares denominated in Renminbi to 388 restricted share incentive recipients, with 13 September 2024 as the grant date. Since seven intended incentive recipients voluntarily waived the subscription for all restricted shares proposed to be granted to them for personal reasons, the Board allocated and adjusted the restricted shares waived by such employees among the remaining incentive recipients. After the adjustment, the number of restricted shares proposed to be granted under the incentive plan was adjusted accordingly.

According to the proposal on the 2024 Restricted Share Incentive Plan (Draft) and its summary of Avary Holding (Shenzhen) Co., Limited approved by the resolution of the first extraordinary general meeting of 2024 held on September 9, 2024, the restricted shares granted under the incentive plan will be released from lock-up in three tranches after 12 months from the grant registration date, with release ratios of 30%, 30% and 40%, respectively. Shareholding employees are subject to strict performance assessment restrictions. Under the incentive plan, the actual number of restricted shares to be released from lock-up each year is determined based on the Company's performance assessment and individual performance assessment results. Restricted shares that cannot be released from lock-up in a given assessment year may not be carried forward to subsequent years.

(c) 2024 Restricted Share Incentive Plan (continued)

(ii) Movements in restricted shares during the year

	2025	2024
Restricted shares outstanding at the beginning of the year (shares)	9,419,900	-
Restricted shares issued during the year (shares)	-	9,469,900
Restricted shares unlocked during the year (shares)	-2,611,412	-
Restricted shares cancelled during the year (shares)	-312,558	-50,000
Restricted shares outstanding at year-end (shares)	6,495,930	9,419,900
Share-based payment expenses for the current year	71,465,891.00	23,284,473.72
Accumulated share-based payment expenses	94,750,364.72	23,284,473.72

In 2025, share-based payment expenses included in operating costs, selling expenses, administrative expenses and research and development expenses amounted to RMB31,696,283.15, RMB4,178,552.38, RMB13,432,201.38 and RMB22,158,854.09, respectively (2024 provisions: RMB9,553,081.83, RMB1,374,164.46, RMB5,644,925.78 and RMB6,712,301.65, respectively).

(iii) As at 31 December 2025, the remaining term of the restricted share incentive plan was one year and eight and a half months, ending on 13 September 2027.

(iv) The weighted average share price of restricted shares cancelled during the year, calculated on the cancellation date, was RMB29.95; the weighted average share price of restricted shares unlocked during the year, calculated on the unlocking date, was RMB48.99.

(v) Method for determining the fair value of restricted shares on the grant date

The Group determined the fair value of the restricted shares on the grant date based on the closing price of the Company's shares on the grant date. On the grant date, the fair value of each restricted share was RMB33.75, and the difference between such fair value and the grant price of RMB17.70 per restricted share was recognized as share-based payment expenses.

34. Treasury Shares

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance
Treasury shares	257,454,835.82		86,226,524.45	171,228,311.37
Total	257,454,835.82		86,226,524.45	171,228,311.37

Other disclosures, including movements during the current period and reasons for changes:

According to the proposal on the 2024 Restricted Share Incentive Plan (Draft) and its summary of Avary Holding (Shenzhen) Co., Limited approved by the resolution of the first extraordinary general meeting of 2024 held on September 9, 2024, the restricted shares granted under the incentive plan will be released from lock-up in three tranches after 12 months from the grant registration date, with release ratios of 30%, 30% and 40%, respectively. Shareholding employees are subject to strict performance assessment restrictions. Under the incentive plan, the actual number of restricted shares to be released from lock-up each year is determined based on the Company's performance assessment and individual performance assessment results. Restricted shares that cannot be released from lock-up in a given assessment year may not be carried forward to subsequent years.

35. Other Comprehensive Income

Unit: RMB

Item	Opening balance	Current period amount						Closing balance
		Amount incurred before income tax during the current period	Less: amounts previously included in other comprehensive income transferred to profit or loss in the current period	Less: amounts previously included in other comprehensive income transferred to retained earnings in the current period	Less: income tax expense	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income that will not be reclassified to profit or loss	112,714,499.66	470,215,948.19		-46,068,986.79	-82,363,512.45	341,783,448.95		454,497,948.61
Changes in fair value of investments in other equity instruments	112,714,499.66	470,215,948.19		-46,068,986.79	-82,363,512.45	341,783,448.95		454,497,948.61
II. Other comprehensive income that may be reclassified to profit or loss	111,643,058.59	70,327,356.38				65,526,971.68	4,800,384.70	177,170,030.27
Translation differences of foreign currency financial statements	111,643,058.59	70,327,356.38				65,526,971.68	4,800,384.70	177,170,030.27
Total other comprehensive income	224,357,558.25	540,543,304.57		-46,068,986.79	-82,363,512.45	407,310,420.63	4,800,384.70	631,667,978.88

36. Surplus Reserve

Unit: RMB

Item	Opening balance	Increase during the current period	Decrease during the current period	Closing balance

Statutory surplus reserve	1,160,218,908.00			1,160,218,908.00
Total	1,160,218,908.00			1,160,218,908.00

Explanation of surplus reserve, including movements during the current period and reasons for changes:

Pursuant to the Company Law of the People's Republic of China and the Company's Articles of Association, the Company appropriates 10% of its annual net profit to the statutory surplus reserve. When the accumulated statutory surplus reserve reaches 50% or more of the registered capital, no further appropriation is required. Upon approval, the statutory surplus reserve may be used to make up losses or increase share capital. As resolved by the shareholders' meeting, the Company's surplus reserve has reached 50% of its registered capital, and no statutory surplus reserve was appropriated in 2025 (2024: nil).

37. Undistributed Profits

Unit: RMB

Item	Current period	Prior period
Adjusted opening undistributed profits	15,959,010,975.84	13,493,205,042.51
Add: net profit attributable to owners of the parent company for the current period	3,737,843,458.40	3,620,351,391.33
Transfer from other comprehensive income	46,068,986.79	
Distribution to shareholders	-2,318,051,016.00	-1,154,545,458.00
Closing undistributed profits	17,424,872,405.03	15,959,010,975.84

38. Operating Revenue and Operating Costs

Unit: RMB

Item	Current period amount		Prior period amount	
	Income	Cost	Income	Cost
Principal business	38,842,549,642.22	30,481,034,398.76	35,015,188,542.33	27,737,868,160.19
Other business	304,459,750.05	249,384,043.33	125,195,955.70	105,757,245.28
Total	39,147,009,392.27	30,730,418,442.09	35,140,384,498.03	27,843,625,405.47

Whether the lowest of the audited total profit, net profit and net profit after deducting non-recurring gains and losses for the reporting period was negative

□ Yes ☑ No

Breakdown of operating revenue and operating costs:

Unit: RMB

Contract category	Consolidated revenue		Total	
	Operating revenue	Operating costs	Operating revenue	Operating costs
Business type	39,147,009,392.27	30,730,418,442.09	39,147,009,392.27	30,730,418,442.09
Including:				
Boards for communications	25,436,736,536.74	20,596,717,935.39	25,436,736,536.74	20,596,717,935.39
Boards for consumer electronics and computers	11,286,967,768.28	8,222,062,160.93	11,286,967,768.28	8,222,062,160.93
Boards for automotive, servers and others	2,118,845,337.20	1,662,254,302.44	2,118,845,337.20	1,662,254,302.44
Other businessincome	304,459,750.05	249,384,043.33	304,459,750.05	249,384,043.33
Total	39,147,009,392.27	30,730,418,442.09	39,147,009,392.27	30,730,418,442.09

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

As at the end of the reporting period, the revenue corresponding to performance obligations under contracts that had been signed but not yet performed or not yet fully performed amounted to RMB 18,499,311,379.33, of which RMB 18,499,311,379.33 is expected to be recognized as revenue in 2026.

39. Taxes and Surcharges

Unit: RMB

Item	Current period amount	Prior period amount
Urban maintenance and construction tax	76,961,273.72	104,096,820.01
Education surcharge	55,356,981.30	74,648,978.72
Property tax	75,595,827.07	64,126,233.54
Land use tax	6,822,426.37	6,510,749.82
Stamp duty	24,698,708.34	22,115,540.62
Other	8,389,623.21	3,040,101.65
Total	247,824,840.01	274,538,424.36

40. Administrative Expenses

Unit: RMB

Item	Current period amount	Prior period amount
Employee benefit expenses	732,036,786.01	586,740,301.03
Depreciation and amortization expenses	363,850,573.94	305,458,645.01
Professional service fees	87,100,071.65	81,058,163.78
Utilities expenses	40,864,413.16	38,057,674.11
Repair expenses	30,734,513.00	24,440,551.97
Greening and environmental protection expenses	30,514,773.51	20,238,840.25
Security service fees	27,768,862.55	22,647,185.23
Property management fees	26,888,298.47	23,926,326.77
Material consumption	25,004,281.70	19,610,583.85
Lease expenses	24,367,195.36	7,663,511.31
Share-based payment expenses	14,814,794.57	7,690,738.53
Insurance expenses	11,580,810.38	4,010,982.75
Travel expenses	11,431,950.96	11,890,237.04
Amortization of low-value consumables	8,184,752.83	5,452,260.05
Depreciation of right-of-use assets	6,926,980.84	5,958,515.24
Postage and telecommunications expenses	6,119,397.02	6,111,777.95
Employee recruitment	5,309,428.74	4,068,410.30
Office expenses	4,335,254.41	3,945,591.57
Inspection fees	1,178,919.00	795,561.02
Other expenses	25,253,593.14	24,635,469.80

Total	1,484,265,651.24	1,204,401,327.56

41. Selling Expenses

Unit: RMB

Item	Current period amount	Prior period amount
Employee benefit expenses	140,420,257.97	109,633,867.58
Professional service fees	59,559,332.51	46,175,994.19
Import and export expenses	26,874,968.94	26,897,276.99
Storage fees	9,402,316.82	10,058,389.74
Depreciation and amortization expenses	2,079,142.39	1,670,395.81
Travel expenses	5,811,897.04	5,998,034.80
Mold expenses	7,670,012.53	1,747,862.40
Share-based payment expenses	4,608,655.97	1,872,183.97
Material consumption	883,236.70	2,136,961.54
Other	15,548,770.27	9,347,121.02
Total	272,858,591.14	215,538,088.04

42. Research and Development Expenses

Unit: RMB

Item	Current period amount	Prior period amount
Trial production and mold expenses	1,087,001,054.07	1,123,154,809.47
Employee benefit expenses	1,031,666,644.46	886,009,705.53
Depreciation and amortization expenses	109,566,949.39	100,431,183.92
Packaging and material consumption	75,372,249.55	77,322,578.75
Repair expenses	73,609,374.25	72,914,200.97
Share-based payment expenses	24,439,692.49	9,144,948.74
Other	57,335,742.58	55,497,327.11
Total	2,458,991,706.79	2,324,474,754.49

43. Finance Expenses

Unit: RMB

Item	Current period amount	Prior period amount
Interest expense on borrowings	125,974,061.27	117,125,507.99
Add: interest expense on lease liabilities	1,411,306.26	2,676,793.75
Less: fiscal interest subsidies (Note IV(31))	-2,350,000.00	-6,150,546.00
Less: interest income	-434,880,480.59	-445,274,282.35
Exchange (losses)/gains	170,489,568.23	-406,679,142.06
Handling charges	2,283,454.71	1,959,255.58

Total	-137,072,090.12	-736,342,413.09

44. Other Income

Unit: RMB

Sources of other income	Current period amount	Prior period amount
Technical renovation subsidies	71,192,163.83	49,801,695.63
Industrial investment subsidies	16,534,712.84	23,137,269.38
Industrial project subsidies	13,349,361.94	11,727,654.67
Enterprise support funds	25,946,136.02	21,503,123.00
Employment security subsidies	11,752,131.41	8,383,596.75
Maternity allowances	2,514,353.98	2,055,950.79
Refund of individual income tax withholding handling fees	1,457,980.88	2,017,055.97
Other	4,599,809.19	11,266,681.33

45. Gains from Changes in Fair Value

Unit: RMB

Source of gains from changes in fair value	Current period amount	Prior period amount
Other non-current financial assets	78,050,851.71	-39,277,221.73
Total	78,050,851.71	-39,277,221.73

46. Investment Income

Unit: RMB

Item	Current period amount	Prior period amount
Investment income from long-term equity investments accounted for under the equity method	-3,087,631.90	316,617.13
Investment income from disposal of held-for-trading financial assets	7,192,035.19	
Dividend income from investments in other equity instruments during the holding period	18,397,185.27	9,314,416.22
Losses from disposal of subsidiaries	-7,976,623.70	
Total	14,524,964.86	9,631,033.35

47. Credit Impairment Losses

Unit: RMB

Item	Current period amount	Prior period amount
Bad debt losses on notes receivable	-222,683.06	-170,355.26
Bad debt losses on accounts receivable	-1,129,241.91	2,307,139.10

Bad debt losses on other receivables	-214,547.76	8,879.89
Bad debt losses on receivables financing	-118,718.16	
Total	-1,685,190.89	2,145,663.73

48. Asset Impairment Losses

Unit: RMB

Item	Current period amount	Prior period amount
I. Losses from decline in value of inventories and impairment of contract fulfillment costs	-41,709,755.03	-79,459,642.39
IV. Impairment losses on fixed assets	-8,634,244.42	-267,614.00
Total	-50,343,999.45	-79,727,256.39

49. Gains from Disposal of Assets

Unit: RMB

Source of gains from disposal of assets	Current period amount	Prior period amount
Gains from disposal of assets	15,159,360.90	6,675,515.13

50. Non-operating income

Unit: RMB

Item	Current period amount	Prior period amount	Amount included in current non-recurring gains and losses
Penalty income	4,474,107.24	3,425,745.71	4,474,107.24
Compensation income	685,626.78	4,536,616.12	685,626.78
Other	319,410.48	340,362.54	319,410.48
Total	5,479,144.50	8,302,724.37	5,479,144.50

51. Non-operating Expenses

Unit: RMB

Item	Current period amount	Prior period amount	Amount included in current non-recurring gains and losses
External donations	3,482,449.35	4,409,000.00	3,482,449.35
Late payment charges	8,523,584.41	330,727.94	8,523,584.41
Losses on retirement of non-current assets	810,664.93	171,499.27	810,664.93
Liquidated damages		2,086,740.98	
Other	1,669,097.49	329,582.74	1,669,097.49
Total	14,485,796.18	7,327,550.93	14,485,796.18

52. Income Tax Expenses

(1) Income tax expenses

Unit: RMB

Item	Current period amount	Prior period amount
Current income tax expense	516,189,758.50	426,149,656.54
Deferred income tax expense	54,273,552.60	-732,552.01
Total	570,463,311.10	425,417,104.53

(2) Reconciliation of accounting profit to income tax expense

Unit: RMB

Item	Current period amount
Total profit	4,283,768,236.66
Income tax expense calculated at statutory/applicable tax rate	1,073,232,944.37
deductible temporary differences for which deferred tax assets were not recognized in prior years but recognized in the current year	-5,087,503.77
Effect of non-taxable income	-83,304,834.81
Effect of non-deductible costs, expenses and losses	30,992,456.54
Effect of deductible losses for which deferred tax assets were not recognized in prior periods but used in the current period	-27,667,265.42
Effect of deductible temporary differences or deductible losses for which deferred tax assets were not recognized in the current period	169,959,113.16
Effect of preferential tax rates	-362,429,320.85
Additional deductible expenses	-272,605,525.96
Differences arising from final settlement of income tax for prior years	47,373,247.84
Income tax expense	570,463,311.10

Other disclosures

The Group falls within the scope of the Global Anti-Base Erosion Rules ("GloBE") under Pillar Two issued by the Organisation for Economic Co-operation and Development ("OECD"). The Pillar Two rules have been enacted in certain jurisdictions where subsidiaries are registered and became effective in Hong Kong, Thailand, and Singapore in 2025. Under these regulations, if the Group's effective tax rate in a tax jurisdiction is below the minimum tax rate of 15%, the Group is required to pay top-up tax on the difference. In 2025, the Group recognized income tax expense related to Pillar Two in accordance with these regulations. The Group will continue to assess the impact of these regulations.

53. Other Comprehensive Income

Please refer to Note VII (35).

54. Items in the Cash Flow Statement

(1) Cash related to operating activities

Other cash received relating to operating activities

Unit: RMB

Item	Current period amount	Prior period amount
Interest income received	439,072,927.08	426,109,136.67
Government grant income received	180,902,311.48	249,746,102.34
other	12,795,901.27	11,943,037.18
Total	632,771,139.83	687,798,276.19

Other cash paid relating to operating activities

Unit: RMB

Item	Current period amount	Prior period amount
R&D expenditures	962,093,718.12	1,149,640,037.81
Transportation expenses	271,488,768.47	228,595,194.89
Production capacity deposits	223,837,957.65	0.00
Lease payments	126,604,414.84	154,305,489.05
Greening and environmental protection expenditures	121,635,150.53	105,047,752.17
Import and export expenses	87,151,000.65	74,764,026.55
Property management fees	25,048,149.62	10,628,595.22
Office expenditures	19,205,270.58	11,580,223.10
Labor protection expenditures	16,463,880.83	19,916,160.63
Other	13,265,966.77	12,999,297.67
Total	1,866,794,278.06	1,767,476,777.09

(2) Cash related to financing activities

Other cash received relating to financing activities

Unit: RMB

Item	Current period amount	Prior period amount
Proceeds received from subscription of shares under equity incentives	0.00	167,617,230.00
Total	0.00	167,617,230.00

Other cash paid relating to financing activities

Unit: RMB

Item	Current period amount	Prior period amount
Payments for repayment of lease liabilities	19,576,901.61	18,810,601.22
Returned equity repurchase payments	9,171,604.80	30,329,040.00
Total	28,748,506.41	49,139,641.22

Changes in liabilities arising from financing activities

☑Applicable □ Not Applicable

Unit: RMB

Item	Opening balance	Increase during the current period		Decrease during the current period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	

Bank borrowings (including those due within one year)	3,436,606,555.18	23,191,024,205.20	160,874,061.27	-22,487,450,042.63		4,301,054,779.02
lease liabilities (including those due within one year)	90,317,294.30		3,214,185.15	-19,576,901.61		73,954,577.84
Equity repurchase payable (including those due within one year)	222,759,750.00			-9,171,604.80	-68,198,984.40	145,389,160.80
Total	3,749,683,599.48	23,191,024,205.20	164,088,246.42	-22,516,198,549.04	-68,198,984.40	4,520,398,517.66

55. Supplementary Information to the Cash Flow Statement

(1) Supplementary information to the cash flow statement

Unit: RMB

Supplementary information	Current periodamount	Prior periodamount
1．Reconciliation of net profit to cash flows from operating activities		
Net profit	3,713,304,925.56	3,619,047,741.72
Add: provision for asset impairment	50,343,999.45	79,727,256.39
Depreciation of fixed assets, depletion of oil and gas assets and depreciation of productive biological assets	3,214,558,705.52	2,955,656,729.67
Depreciation of right-of-use assets	18,280,503.04	16,878,043.81
Amortization of intangible assets	113,208,147.10	110,154,233.32
Amortization of long-term deferred expenses	695,548.28	533,120.02
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are presented with a minus sign)	-14,348,695.97	-6,504,015.86
Losses on retirement of fixed assets (gains are presented with a minus sign)		
Losses from changes in fair value (gains are presented with a minus sign)	-78,050,851.71	39,277,221.73
Finance expenses (income is presented with a minus sign)	349,341,539.10	-24,868,943.97
Investment losses (income is presented with a minus sign)	-14,524,964.86	-9,631,033.35
Decrease in deferred tax assets (increase is presented with a minus sign)	5,775,891.44	26,328,689.16
Increase in deferred tax liabilities (decrease is presented with a minus sign)	47,964,397.86	-25,788,524.44
Decrease in inventories (increase is presented with a minus sign)	-428,086,203.23	-380,947,268.46
Decrease in operating receivables (increase is presented with a minus sign)	-623,018,746.80	200,612,002.99

Increase in operating payables (decrease is presented with a minus sign)	822,962,904.69	423,208,752.99
Other	107,380,185.58	58,739,660.80
Net cash flows from operating activities	7,285,787,285.05	7,082,423,666.52
2．Significant investing and financing activities not involving cash receipts and payments		
Land contribution by minority shareholders	161,753,722.00	
Derecognition of receivables financing	-12,240,567.10	
Right-of-use assets added during the year	5,362,209.41	12,548,105.14
Final account adjustment decrease for headquarters building	-2,869,870.03	-252,852,969.28
Unlocking of restricted shares	-68,198,984.40	
3．Net changes in cash and cash equivalents：		
Closing balance of cash	11,865,580,295.94	13,393,976,259.24
Less: opening balance of cash	13,393,976,259.24	10,889,042,063.55
Add: closing balance of cash equivalents		
Less: opening balance of cash equivalents		
Net increase in cash and cash equivalents	-1,528,395,963.30	2,504,934,195.69

(2) Net cash paid for acquisitions of subsidiaries during the year

Unit: RMB

	Amount
Cash or cash equivalents paid during the current period for business combinations occurring during the current period	-262,200,000.00
Including:	
Wuxi Huayang	-262,200,000.00
Less: cash and cash equivalents held by the subsidiary on the acquisition date	-32,966,071.68
Including:	
Wuxi Huayang	-32,966,071.68
Including:	
Net cash paid to acquire the subsidiary	-229,233,928.32

(3) Net cash received from disposal of subsidiaries during the year

Unit: RMB

	Amount
Cash or cash equivalents received during the current period from disposal of subsidiaries	0.00
Including:	
Yaoding Shenzhen	0.00
Less: cash and cash equivalents held by the subsidiary on the	87,267,881.65

date of loss of control	
Including:	
Yaoding Shenzhen	87,267,881.65
Including:	
Net cash received from disposal of the subsidiary	-87,267,881.65

(4) Composition of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	11,865,580,295.94	13,393,976,259.24
Including:Cash on hand	39,300.81	52,982.81
Cash at banks readily available for payment	11,856,876,291.53	13,393,669,142.47
Other monetary funds readily available for payment	8,664,703.60	254,133.96
III. closing balance of cash and cash equivalents	11,865,580,295.94	13,393,976,259.24

56. Foreign Currency Monetary Items

(1) Foreign currency monetary items

Unit: RMB

item	Closing foreign currency balance	Translation exchange rate	Closing translated RMB balance
Cash and cash equivalents			
Including: USD	1,361,682,901.83	7.0288	9,570,996,780.49
Euro	424,052.90	8.2355	3,492,287.65
HK dollar	5,394,733.20	0.9032	4,872,628.71
New Taiwan dollar	76,743,901.00	0.2236	17,162,504.98
Japanese yen	1,172,277,771.00	0.0448	52,516,658.65
Thai baht	188,407,209.48	0.2225	41,924,167.66
Rupee	622,718,655.00	0.078	48,550,571.30
Singapore dollar	76,522.90	5.4586	417,706.66
Vietnamese dong	251,960,391.00	0.0003	66,207.43
Accounts receivable			
Including: USD	768,541,131.19	7.0288	5,401,921,902.91
Euro			
HK dollar			
Rupee	263,476,137.56	0.078	20,551,138.73
Japanese yen	1,142,004.24	0.0448	51,161.79
New Taiwan dollar	90,543,813.19	0.2236	20,245,596.63

Long-term borrowings			
Including: USD	25,000,000.00	7.0288	175,720,000.00
Euro			
HK dollar			
lease liabilities—			
Including: NTD	260,510,220.53	0.2236	58,250,085.31
Thai baht	803,091.42	0.2225	178,687.84
HK dollar	195,262.82	0.9032	176,361.38
Short-term borrowings—			
Including: NTD	10,170,218,724.91	0.2236	2,274,060,906.89
Rupee	5,258,238,751.15	0.078	410,142,622.59
Thai baht	2,353,074,747.10	0.2225	523,559,131.23
Payables—			
Including: USD	327,014,648.64	7.0288	2,298,520,562.36
Japanese yen	6,023,538,206.03	0.0448	269,854,511.63
Thai baht	1,325,392,787.51	0.2225	294,899,895.22
New Taiwan dollar	768,784,023.35	0.2236	171,900,107.62
HK dollar	8,588,277.57	0.9032	7,756,932.30
Euro	801,859.04	8.2355	6,603,710.12
Rupee	67,548,573.33	0.078	5,268,788.72
Vietnamese dong	51,839,433.33	0.0003	15,551.83

(2) Description of overseas operations, including, for significant overseas operations, the principal place of business, functional currency and the basis for selection; if the functional currency changes, the reasons should also be disclosed.

☑Applicable □ Not Applicable

The Company's subsidiary, Pengding International Limited, has its principal place of business in Hong Kong and uses the US dollar as its functional currency based on its operations;

The subsidiary of the Company's subsidiary Pengding International Limited, Pengding Technology Co., Ltd., has its principal place of business in Taiwan and uses New Taiwan dollars as its functional currency, based on the currency of the primary economic environment in which it operates.

57. Leases

(1) The Company as lessee

☑Applicable □ Not Applicable

Variable lease payments not included in the measurement of lease liabilities

□ Applicable ☑Not Applicable

Lease expenses for short-term leases or leases of low-value assets accounted for under the simplified approach

☑Applicable □ Not Applicable

1. As at 31 December 2025, the future minimum rentals payable under the Group's short-term leases and leases of low-value assets accounted for under the simplified approach amounted to RMB 1,715,835.92 and RMB 3,323,120.59, respectively (31 December 2024: RMB 3,365,249.09 and RMB 1,372,741.57), of which RMB 3,358,390.68 was payable within one year and RMB 1,680,565.83 was payable after one year.
2. The Group directly recognized rental expenses for short-term leases and low-value leases in current profit or loss, amounting to RMB 123,119,097.33 in 2025 (2024: RMB 141,214,943.44).

(2) The Company as lessor

Operating leases as lessor

☑Applicable □ Not Applicable

Unit: RMB

Item	Lease income	Including: income relating to variable lease payments not included in lease receipts
Related-party leases	22,521,380.91	
Third-party leases	53,072,422.91	
Total	75,593,803.82	

Finance leases as lessor

□ Applicable ☑Not Applicable

Undiscounted lease receipts for each of the next five years

☑Applicable □ Not Applicable

Unit: RMB

Item	Annual undiscounted lease receipts	
	Closing amount	Opening amount
Year 1	55,412,039.75	46,998,721.41
Year 2	49,827,028.56	47,012,979.22
Year 3	33,641,370.42	46,901,283.49
Year 4	22,117,335.87	30,213,060.48
Year 5	4,366,269.00	7,866,970.87
Total undiscounted lease receipts after five years	985,695.00	0.00

VIII. Changes in the Scope of Consolidation

1. Business Combinations Not Under Common Control

(1) Business combinations not under common control during the year

Unit: RMB

Name of acquiree	Cost of equity acquisition	Percentage of equity acquired	Method of equity acquisition	Acquisition date	Basis for determining the acquisition date	Revenue of the acquiree from the acquisition date to	Net profit of the acquiree from the acquisition	Cash flows of the acquiree from the acquisition date to closing

						closing	date to closing	
Wuxi Huayang	356,724,164.00	53.68%	Cash purchase	30 October 2025	Equity Transfer and Capital Increase Agreement	48,987,810.43	9,149,090.72	115,656,502.59

(2) Combination cost and goodwill

Unit: RMB

Combination cost	Wuxi Huayang
--Cash	356,724,164.00
--Fair value of non-cash assets	
--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value at acquisition date of equity held before the acquisition date	
--Other	
Total combination cost	
Less: share of fair value of identifiable net assets acquired	298,567,058.22
Goodwill / amount by which combination cost is less than the share of fair value of identifiable net assets acquired	58,157,105.78

(3) Identifiable assets and liabilities of the acquiree at the acquisition date

Unit: RMB

	Wuxi Huayang	
	Fair value at acquisition date	Carrying amount at acquisition date
Assets:		
Cash and cash equivalents	32,966,071.68	32,966,071.68
Receivables	318,406,809.11	318,406,809.11
Inventories	68,019,500.47	60,580,427.30
fixed assets	117,558,160.11	89,731,689.59
Intangible assets	142,220,768.68	6,198,090.14
Other current assets	10,206,874.12	10,206,874.12
Long-term equity investments	16,894,296.61	7,594,190.91
Other non-current assets	7,758,504.97	7,597,713.05
Liabilities:		
Borrowings	-34,900,000.00	-34,900,000.00
Payables	-86,301,525.78	-86,301,525.78
Deferred tax liabilities		
Contract liabilities	-16,950.00	-16,950.00

Employee benefits payable	-3,276,304.68	-3,276,304.68
Other liabilities	-28,497,294.46	-1,308,463.44
Net assets	561,038,910.83	407,478,622.00
Less: minority interests	4,852,801.84	5,041,219.31
Net assets acquired	556,186,108.99	402,437,402.69

(4) Gains or losses arising from remeasurement of previously held equity interests at fair value at the acquisition date

Whether there were business combinations achieved in stages through multiple transactions and control was obtained during the reporting period

□ Yes ☑No

2. Disposal of Subsidiaries

Whether there were transactions or events resulting in loss of control over subsidiaries during the year

☑Yes □ No

Unit: RMB

Name of subsidiary	Consideration for disposal at the time of loss of control	Disposal percentage at the time of loss of control	Disposal method at the time of loss of control	Time of loss of control	Basis for determining the time of loss of control	Difference between the disposal consideration and the share of net assets of the subsidiary corresponding to the disposed investment at the consolidated financial statement level
Yaoding Shenzhen	0.00	100.00%	Disposal	29 December 2025	Transfer agreement	-7,976,623.70

Other disclosures:

On 29 December 2025, the Company disposed of all equity interests it held in Yaoding Shenzhen and its subsidiaries Yaoding Huai'an and Yaoding Environmental Energy Technology (Qinhuangdao) Limited ("Yaoding Qinhuangdao"), with a disposal loss of RMB 7,976,623.70.

Whether there were disposals of investments in subsidiaries in stages through multiple transactions resulting in loss of control during the year

□ Yes ☑No

IX. Interests in Other Entities

1. Interests in Subsidiaries

(1) Composition of the Group

Unit: RMB

Name of subsidiary	Registered capital	Principal place of business	Place of registration	Nature of business	Shareholding percentage		Method of acquisition
					Direct	Indirect	
Fubai Industrial (Shenzhen) Co., Ltd. ("Fubai")	110,069,974.00	Guangdong	Guangdong	Leasing of self-owned properties	100.00%		Business combination under common control
Hongqisheng	2,338,456,231.36	Hebei	Hebei	R&D, production and sale of electronic computers and components	100.00%		Business combination under common control
Honghengsheng	1,926,487,130.00	Jiangsu	Jiangsu	R&D, production and sale of electronic components and parts	100.00%		Business combination under common control
Qingding	3,401,522,135.86	Jiangsu	Jiangsu	R&D, production and sale of electronic computers and components	100.00%		Business combination under common control
Hong Kong Pengding	Hong Kong PengDing Limited	Hong Kong, China	Hong Kong, China	Sale of electronic components and parts	100.00%		Capital contribution and establishment
Taiwan Pengding	4,525,000,000.00	Taiwan, China	Taiwan, China	Sale of electronic components and parts		100.00%	Capital contribution and establishment
Kuisheng Technology (Shenzhen) Co., Ltd. ("Kuisheng")	20,000,000.00	Guangdong	Guangdong	Sale of electronic components and parts	100.00%		Capital contribution and establishment
Avary Singapore	270,989,537.39	Singapore	Singapore	Sale of electronic	100.00%		Capital contribution

Private Limited				components and parts			and establishment
Avary Technology (India) Private Limited	4,576,465,100.00	India	India	Production and sale of electronic components and parts		100.00%	Capital contribution and establishment
Peng Shen Technology (Thailand) Co., Ltd.	8,000,000,000.00	Thailand	Thailand	Production and sale of electronic components and parts		87.50%	Capital contribution and establishment
Pengding Investment	700,000,000.00	Guangdong	Guangdong	Investment in industry, enterprise management consulting and economic information consulting	100.00%		Capital contribution and establishment
Pengding Property	5,000,000.00	Guangdong	Guangdong	Property management services	100.00%		Capital contribution and establishment
Pengding Zhuhai	16,417,200.00	Guangdong	Guangdong	Investment activities with own funds and information consulting services	0.61%	99.39%	Business combination not under common control
Huaian ChengXin Park Management Co., Ltd.	340,000,000.00	Jiangsu	Jiangsu	Real estate development and operation, and park management services		53.00%	Capital contribution and establishment
Wuxi Huayang	69,949,912.00	Jiangsu	Jiangsu	R&D, production and sale of automotive parts and integrated circuits	53.68%		Business combination not under common control
Jiangsu Xuanggan	16,000,000.00	Jiangsu	Jiangsu	Production and sale of electronic components		27.38%	Business combination not under common control

2. Interests in Joint Ventures or Associates

(1) Aggregated financial information of individually immaterial joint ventures and associates

Unit: RMB

	Closing balance/Current period amount	Opening balance/Prior period amount
Associates：		
Total carrying amount of investment	18,780,344.60	5,588,808.50
Total amounts of the following items calculated based on shareholding percentage		
--Net profit	-3,702,760.51	661,549.72
--Other comprehensive income	-3,702,760.51	661,549.72
--Total comprehensive income		

Other disclosures:

Net (Loss)/income has taken into account the effects of fair value adjustments to identifiable assets and liabilities at the time of investment acquisition and the alignment of accounting policies.

X. Government Grants

1. Government grants recognized as receivables at the end of the reporting period

□ Applicable ☑Not Applicable

Reasons for failure to receive the expected amount of government grants at the expected time

□ Applicable ☑Not Applicable

2. Liability items involving government grants

☑Applicable □ Not Applicable

Unit: RMB

Accounting item	Opening balance	New grant amount for the current period	Amount transferred to other income in the current period	Closing balance
Deferred income	359,277,511.49	132,281,900.00	-101,076,238.61	390,483,172.88

3. Government grants recognized in current profit or loss

☑Applicable □ Not Applicable

Unit: RMB

Accounting item	Current period amount	Prior period amount
Other income	147,346,650.09	129,893,027.52

XI. Risks Related to Financial Instruments

1. Various risks arising from financial instruments

The Group's operating activities expose it to various financial risks, mainly including market risk (primarily foreign exchange risk and other price risk), credit risk and liquidity risk. These financial risks and the Group's risk management policies adopted to mitigate such risks are described below:

The Board is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks it faces. These policies specify particular risks and cover various aspects including market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and its operating activities to determine whether to update its risk management policies and systems. The Group conducts risk management in accordance with policies approved by the Board and identifies, evaluates and avoids relevant risks through close cooperation with other business departments of the Group.

(1) Market risk

(a) Foreign exchange risk

The Group's principal operations are located in Mainland China and Hong Kong, China. Operations in Mainland China are mainly settled in Renminbi and US dollars, while operations in Hong Kong, China are mainly settled in US dollars. The Group is exposed to foreign exchange risk arising from recognized assets and liabilities denominated in currencies other than the functional currency and future transactions. The finance department at the Group headquarters is responsible for monitoring the scale of the Group's transactions, assets and liabilities denominated in currencies other than the functional currency to minimize foreign exchange risk. As at 31 December 2025, the Group's major foreign exchange risk arose from entities operating in Mainland China.

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose functional currency is RMB, translated into RMB, are presented as follows:

31 December 2025				
	USD items	JPY items	Other foreign currency items	Total
Foreign currency financial assets —				
Cash and cash equivalents	6,943,991,399.72	31,820,250.61	5,011,497.84	6,980,823,148.17
receivables	10,161,777,703.65	-	-	10,161,777,703.65
other receivables	363,684.56	-	-	363,684.56
	17,106,132,787.93	31,820,250.61	5,011,497.84	17,142,964,536.38
Foreign currency financial liabilities —				
Accounts payable	3,167,943,173.62	9,748,381.44	298,638.17	3,177,990,193.23

Other payables	135,810,404.71	210,548,038.40	3,563,464.10	349,921,907.21
	3,303,753,578.33	220,296,419.84	3,862,102.27	3,527,912,100.44

31 December 2024				
	USD items	JPY items	Other foreign currency items	Total
Foreign currency financial assets —				
Cash and cash equivalents	5,153,766,463.62	10,643,862.91	2,816,186.22	5,167,226,512.75
Receivables	12,048,079,337.83			12,048,079,337.83
Other receivables	443,973.12			443,973.12
	17,202,289,774.57	10,643,862.91	2,816,186.22	17,215,749,823.70
Foreign currency financial liabilities —				
Short-term borrowings	69,506,411.14			69,506,411.14
Accounts payable	4,607,108,757.78	4,747,671.69	496,376.66	4,612,352,806.13
Other payables	91,029,943.84	124,864,177.89	3,578,202.87	219,472,324.60
	4,767,645,112.76	129,611,849.58	4,074,579.53	4,901,331,541.87

As at 31 December 2025, for the USD financial assets and USD financial liabilities of companies whose functional currency is RMB, if the RMB appreciated or depreciated against the USD by 4%, with all other factors remaining unchanged, the Group's total profit would decrease or increase by approximately RMB552,095,000.00 (31 December 2024: decrease or increase by approximately RMB497,386,000.00). For JPY financial assets and JPY financial liabilities, if the RMB appreciated or depreciated against the JPY by 10%, with all other factors remaining unchanged, the Group's total profit would increase or decrease by approximately RMB18,848,000.00 (31 December 2024: increase or decrease by approximately RMB11,897,000.00).

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose functional currency is USD, translated into RMB, are presented as follows:

31 December 2025					
	RMB	HKD items	NTD items	Other foreign currency items	Total
Foreign currency financial assets —					
Cash and cash equivalents	427,729,938.77	3,312,036.21	-	20,186,489.71	451,228,464.69
Accounts receivable	10,591,738.53	-	-	51,161.79	10,642,900.32

	438,321,677.30	3,312,036.21	-	20,237,651.50	461,871,365.01
Foreign currency financial liabilities —					
Accounts payable	-	5,266,637.22	0.00	430.09	5,267,067.31
Other payables	0.00	1,792,683.69	8,749,447.57	27,617.89	10,569,749.15
Lease liabilities	-	176,361.38	-	-	176,361.38
	0.00	7,235,682.29	8,749,447.57	28,047.98	16,013,177.84

31 December 2024					
	RMB	HKD items	NTD items	Other foreign currency items	Total
Foreign currency financial assets —					
Cash and cash equivalents	416,245,837.38	4,639,409.82	6,384,774.57	20,556,722.69	447,826,744.46
Accounts receivable	630,384.50	-	-	809,471.64	1,439,856.14
	416,876,221.88	4,639,409.82	6,384,774.57	21,366,194.33	449,266,600.60
Foreign currency financial liabilities —					
Accounts payable	-	4,523,627.62	-	3,853.70	4,527,481.32
Other payables	-	1,956,332.30	-	266,423.15	2,222,755.45
lease liabilities	-	161,361.18	-	-	161,361.18
		6,641,321.10	-	270,276.85	6,911,597.95

As at 31 December 2025, for the RMB financial assets and RMB financial liabilities of companies whose functional currency is USD, if the USD appreciated or depreciated against the RMB by 10%, with all other factors remaining unchanged, the Group's total profit would decrease or increase by approximately RMB43,832,000.00 (31 December 2024: decrease or increase by approximately RMB41,688,000.00). For HKD financial assets and HKD financial liabilities of companies whose functional currency is USD, if the USD appreciated or depreciated against the HKD by 10%, with all other factors remaining unchanged, the Group's total profit would increase or decrease by approximately RMB392,000.00 (31 December 2024: increase or decrease by approximately RMB200,000.00). For NTD financial assets and NTD financial liabilities, if the USD appreciated or depreciated against the NTD by 10%, with all other factors remaining unchanged, the Group's total profit would increase or decrease by approximately RMB875,000.00 (31 December 2024: decrease or increase by approximately RMB638,000.00).

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose functional currency is NTD, translated into RMB, are presented as follows:

31 December 2025			
	USD items	Other foreign currency items	Total

Foreign currency financial assets —			
Accounts receivable	615,174,402.33	-	615,174,402.33
Cash and cash equivalents	143,035,687.51	1,035,214.73	144,070,902.24
	758,210,089.84	1,035,214.73	759,245,304.57
Foreign currency financial liabilities —			
Accounts payable	553,806,566.05	-	553,806,566.05
Other payables	150,904,703.42	-	150,904,703.42
	704,711,269.47	-	704,711,269.47

31 December 2024

	USD items	Other foreign currency items	Total
Foreign currency financial assets —			
Accounts receivable	531,580,559.09		531,580,559.09
Cash and cash equivalents	435,256,125.31	1,091,123.04	436,347,248.35
Other receivables	20,744,590.79	-	20,744,590.79
	987,581,275.19	1,091,123.04	988,672,398.23
Foreign currency financial liabilities —			
Accounts payable	493,767,625.08	-	493,767,625.08
Other payables	384,439,498.86	1,354,209.40	385,793,708.26
	878,207,123.94	1,354,209.40	879,561,333.34

As at 31 December 2025, for the USD financial assets and USD financial liabilities of companies whose functional currency is NTD, if the NTD appreciated or depreciated against the USD by 10%, with all other factors remaining unchanged, the Group's total profit would decrease or increase by approximately RMB5,350,000.00 (31 December 2024: decrease or increase by approximately RMB10,937,000.00).

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose functional currency is Indian rupee, translated into RMB, are presented as follows:

	31 December 2025	31 December 2024
	USD items	USD items
Foreign currency financial assets —		
Cash and cash equivalents	6,672.09	1,247,778.43
Receivables	38,746,215.79	27,088,466.37
Other receivables	-	2,182,967.49

	38,752,887.88	30,519,212.29
Foreign currency financial liabilities —		
Long-term borrowings	175,720,008.30	179,710,003.01
Accounts payable	49,850,219.52	56,880,026.62
Other payables	35,195,966.14	143,568.09
	260,766,193.96	236,733,597.72

As at 31 December 2025, for the USD financial assets and USD financial liabilities of companies whose functional currency is Indian rupee, if the Indian rupee appreciated or depreciated against the USD by 10%, with all other factors remaining unchanged, the Group's total profit would increase or decrease by approximately RMB22,201,000.00 (31 December 2024: increase or decrease by approximately RMB20,621,000.00).

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose functional currency is Thai baht, translated into RMB, are presented as follows:

31 December 2025

	USD items	JPY items	Other foreign currency items	Total
Foreign currency financial assets —				
Cash and cash equivalents	1,379,291.91	-	-	1,379,291.91
Receivables	6,093,072.34	-	-	6,093,072.34
	7,472,364.25	-	-	7,472,364.25
Foreign currency financial liabilities —				
Payables	22,776,704.56		17,903.98	22,794,608.54
Other payables	44,455,780.99	49,545,595.64	3,421,315.22	97,422,691.85
	67,232,485.55	49,545,595.64	3,439,219.20	120,217,300.39

31 December 2024

	USD items	JPY items	Other foreign currency items	Total
Foreign currency financial assets —				
Cash and cash equivalents	580,216.09	-	-	580,216.09
Foreign currency financial liabilities —				
Other payables	7,330,823.81	11,927,340.00	-	19,258,163.81

As at 31 December 2025, for the USD financial assets and USD financial liabilities of companies whose functional currency is Thai baht, if the Thai baht appreciated or depreciated against the USD by 10%, with all other factors remaining unchanged, the Group's total profit would increase or decrease by approximately RMB5,976,000.00 (31 December 2024: RMB675,000.00). If the Thai baht appreciated or depreciated against the JPY by 10%, with all other factors remaining unchanged, the Group’s total profit would increase or decrease by approximately RMB4,955,000.00 (31 December 2024: RMB1,193,000.00).

(b) Other price risk

The Group's other price risk mainly arises from various investments in equity instruments and other non-current financial assets, which are exposed to the risk of changes in the prices of equity instruments and other non-current financial assets.

As at 31 December 2025, if the expected prices of the Group’s various equity instrument investments and other non-current financial assets increased or decreased by 10%, with all other factors remaining unchanged, the Group’s total profit would increase or decrease by approximately RMB48,280,000.00, and other comprehensive income would increase or decrease by approximately RMB191,146,000.00 (31 December 2024: total profit would increase or decrease by approximately RMB34,672,000.00, and other comprehensive income would increase or decrease by approximately RMB130,190,000.00).

(2) Credit risk

The Group's credit risk mainly arises from cash and cash equivalents, notes receivable, accounts receivable and other receivables. At the balance sheet date, the carrying amount of the Group's financial assets represented its maximum exposure to credit risk.

The Group's monetary funds are mainly deposited with state-owned banks, internationally renowned banks and other large and medium-sized listed banks with good reputations and high credit ratings. The Group considers that there is no significant credit risk and that significant losses due to bank default are highly unlikely.

For notes receivable, accounts receivable and other receivables, the Group has established relevant policies to control credit risk exposure. The Group evaluates customers' credit qualifications and sets corresponding credit periods based on customers' financial condition, the possibility of obtaining guarantees from third parties, credit records and other factors such as current market conditions. The Group regularly monitors customer credit records. For customers with poor credit records, the Group adopts measures such as written collection notices, shortening credit periods or cancelling credit periods to ensure that the Group's overall credit risk remains within a controllable range.

As at 31 December 2025 and 31 December 2024, the Group did not hold significant collateral or other credit enhancements arising from pledges by debtors.

(3) Liquidity risk

Each subsidiary within the Group is responsible for its own cash flow forecasts. Based on consolidated cash flow forecasts from subsidiaries, the Group continuously monitors short-term and long-term funding needs at the Group level to ensure sufficient cash reserves and readily realizable marketable securities. At the same time, it continuously monitors compliance with borrowing agreements and, taking into account financing conditions such as interest rate levels, borrowing terms and credit enhancement measures, selects different financial institutions to obtain commitments for sufficient standby funds, while considering different types of supplier financing arrangements to meet short-term and long-term funding needs.

At the balance sheet date, the Group's financial liabilities are presented below by maturity based on undiscounted contractual cash flows.

2025/12/31					
	Within one year	One to two years	Two to five years	Over five years	Total
Accounts payable	5,661,602,306.85	-	-	-	5,661,602,306.85
Short-term borrowings	3,943,060,566.02	-	-	-	3,943,060,566.02

Other payables	1,903,549,987.03	-	-	-	1,903,549,987.03
Lease liabilities	17,378,727.58	6,841,416.79	4,900,070.61	45,037,682.52	74,157,897.50
Long-term borrowings	17,875,195.12	42,484,743.72	360,587,544.70	-	420,947,483.54
	11,543,466,782.60	49,326,160.51	365,487,615.31	45,037,682.52	12,003,318,240.94
					2024/12/31
	Within one year	One to two years	Two to five years	Over five years	Total
Accounts payable	5,079,448,457.17	-	-	-	5,079,448,457.17
Short-term borrowings	3,273,065,833.79	-	-	-	3,273,065,833.79
Other payables	1,584,470,358.11	-	-	-	1,584,470,358.11
Lease liabilities	18,736,757.32	14,485,768.02	15,165,792.98	48,343,936.36	96,732,254.68
Long-term borrowings	12,651,584.21	12,651,584.21	193,193,472.21	-	218,496,640.63
	9,968,372,990.60	27,137,352.23	208,359,265.19	48,343,936.36	10,252,213,544.38

(i) At the balance sheet date, cash flows under lease contracts signed by the Group but not yet commenced are presented below by maturity:

2025/12/31					
	Within one year	One to two years	Two to five years	Over five years	Total
Future contractual cash flows not included in lease liabilities	4,950,499.97	3,234,979.97	-	-	8,185,479.94
2024/12/31					
Future contractual cash flows not included in lease liabilities	2,153,400.00	-	-	-	2,153,400.00

XII. Fair Value Disclosures

1. Fair value of assets and liabilities measured at fair value at period end

Unit: RMB

Item	Closing fair value			
	Level 1 fair value	Level 2 fair value	Level 3 fair value	Total

	measurement	measurement	measurement	
I. Recurring fair value measurement	--	--	--	--
Investments in other equity instruments	454,080,864.26	-	1,458,773,695.56	1,912,854,559.82
Other non-current financial assets	0.00	-	482,803,322.86	482,803,322.86
II. Non-recurring fair value measurement	--	--	--	--

2. Basis for determining quoted prices for recurring and non-recurring Level 1 fair value measurements

Unadjusted quoted prices in active markets for identical assets or liabilities.

3. Valuation techniques and significant qualitative and quantitative inputs used for recurring and non-recurring Level 2 fair value measurements

Inputs other than Level 1 inputs that are directly or indirectly observable for the relevant assets or liabilities.

4. Valuation techniques and significant qualitative and quantitative inputs used for recurring and non-recurring Level 3 fair value measurements

Unobservable inputs for the relevant assets or liabilities.

5. Reconciliation between opening and closing carrying amounts for recurring Level 3 fair value measurements and sensitivity analysis of unobservable inputs

Financial assets	31 December 2024	Purchase	Disposal	Transfer into Level 1	Business combination not under common control	Total current gains or losses		31 December 2025	Changes in unrealized gains or losses for assets held as at 31 December 2025 included in profit or loss for 2025 - gains/losses from changes in fair value
						Gains or losses recognized in profit or loss(a)	Gains or losses included in other comprehensive income		
Investments in other equity instruments -									
Liding Shenzhen	948,190,047.00						1,394,601.00	949,584,648.00	
Wuxi Yingda	73,369,332.00						-26,119,915.00	47,249,417.00	
Suzhou Xinrui		60,000,000.00					71,830,280.00	131,830,280.00	
Kunshan Hongshida	10,049,892.00						47,113,847.00	57,163,739.00	
Shenzhen Yunbao	30,000,000.00						8,292,492.56	38,292,492.56	
Shanghai Gantu	26,750,241.00						12,107,577.00	38,857,818.00	
Dongguan Liuchun	35,448,463.00						28,925,394.00	64,373,857.00	
Guangdong Deju	24,028,329.00						13,696,639.00	37,724,968.00	
Dingqin Technology		20,000,000.00					1,983,039.00	21,983,039.00	
Sanying Precision Control	7,306,851.00						7,371,787.00	14,678,638.00	
Hangsheng Electronics	6,349,464.00						3,951,503.00	10,300,967.00	
Aoma Electronics	8,595,344.00						-230,263.00	8,365,081.00	
Chengdu Keyi		38,368,751.00					-	38,368,751.00	
Other non-current financial assets -									
Chenyu Fund	220,515,116.00		-13,920,474.71			14,141,761.71		220,736,403.00	14,141,761.71
Chunhua Jingzhi	68,482,830.00	78,890,000.00				-7,384,910.00		139,987,920.00	-7,384,910.00

Jingning Dingqing	57,720,000.00		-7,937,000.00			71,294,000.00		121,077,000.00	71,294,000.00
Green Energy Fund		1,001,999.86						1,001,999.86	
Total	1,516,805,909.00	198,260,750.86	-21,857,474.71	0.00	0.00	78,050,851.71	170,316,981.56	1,941,577,018.42	78,050,851.71

6. For recurring fair value measurements, reasons for transfers between levels during the period and the policy for determining the timing of transfers

The Group recognizes transfers between fair value hierarchy levels at the date when the event causing the transfer occurs. During the period, there were no transfers between Level 1 and Level 2. For financial instruments traded in active markets, the Group determines fair value based on quoted prices in active markets. For financial instruments not traded in active markets, the Group uses valuation techniques to determine fair value. The valuation models used mainly include discounted cash flow models and market comparable company models. Inputs to valuation techniques mainly include risk-free interest rates, underlying equity values, remaining term of options, expected volatility of equity values, expected dividend rates, exercise prices, EBITDA multiples and equity value multiples.

7. Fair values of financial assets and financial liabilities not measured at fair value

The Group's financial assets and financial liabilities measured at amortized cost mainly include notes receivable, accounts receivable, other receivables, short-term borrowings, payables, long-term borrowings and lease liabilities.

As at 31 December 2025 and 31 December 2024, the carrying amounts of the above financial assets and financial liabilities not measured at fair value were not significantly different from their fair values.

The fair values of long-term borrowings and lease liabilities are determined based on the present value of future contractual cash flows discounted at interest rates that would be available in the market for substantially the same cash flows under the same conditions and with comparable credit ratings, and are classified as Level 3.

XIII. Related Parties and Related-Party Transactions

1. Parent company of the Company

Name of parent company	Place of registration	Nature of business	Registered capital	Parent company's shareholding percentage in the Company	Parent company's voting rights percentage in the Company
Mayco Industrial Limited	Hong Kong, China	Equity investment	HKD9,321,841,932	66.19%	66.19%

2. Subsidiaries of the Company

Details of the Company's subsidiaries are set out in Note VIII.

3. Joint ventures and associates of the Company

Details of the Company's significant joint ventures or associates are set out in Note IX.

Other joint ventures or associates that had related-party transactions with the Company during the period or had balances arising from related-party transactions with the Company in prior periods are as follows:

Name of joint venture or associate	Relationship with the Company
Guangdong Zhanyang	Associates
Wuxi Yongyang	Associates

4. Other related parties

Otherrelated partyName	Relationship between other related parties and the Company
Xianfeng Communications Co., Ltd.	Under common control with the Group by the same ultimate controlling party
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Under common control with the Group by the same ultimate controlling party
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Under common control with the Group by the same ultimate controlling party
Zhen Ding Technology Holding Limited	Under common control with the Group by the same ultimate controlling party
Yaoding Environmental Energy Technology (Shenzhen) Limited	Under common control with the Group by the same ultimate controlling party as at 29 December 2025
Yaoding Environmental Energy Technology (Qinhuangdao) Limited	Under common control with the Group by the same ultimate controlling party as at 29 December 2025
Yaoding Environmental Energy Technology (Shenzhen) Co., Ltd.	Under common control with the Group by the same ultimate controlling party as at 29 December 2025
Baidin Technology Co., Ltd.	Under common control with the Group by the same ultimate controlling party
Hon Hai Precision Industry Co., Ltd.	Company that exercises significant influence over the ultimate controlling party of the Group
Yehong Technology Co., Ltd.	Investee companies of companies that exercise significant influence over the ultimate controlling party of the Group
Yehong Technology (Chengdu) Co., Ltd.	Investee companies of companies that exercise significant influence over the ultimate controlling party of the Group
Ye Cheng Technology (Chengdu) Co., Ltd.	Investee companies of companies that exercise significant influence over the ultimate controlling party of the Group
CyberTAN Technology Inc.	Investee companies of companies that exercise significant influence over the ultimate controlling party of the Group
Yingsheng Technology Co., Ltd.	Investee companies of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn EMS Inc.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Futaijie Technology Development (Shenzhen) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Youer Materials Industrial (Shenzhen) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Futaitong International Logistics Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Jinjihu Precision Machinery (Qinhuangdao) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Zhengzhou Zhunxuntong Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Jusda International Supply Chain Management Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Jusda International Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group

Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Futaihua industrial (Shenzhen) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Fujun Materials Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongbai Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Nanning Fulian Fugui Precision Industry Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Cloud Network Technology Singapore Pte.Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Sanying Technology (Shenzhen) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fulian Precision Electronics (Tianjin) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfucheng Precision Electronics (Chengdu) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Futaihong Precision Industry Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fulian Precision Electronics (Guiyang) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fuyu Electronic Technology (Huai'an) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Mexus Solutions Inc.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn Interconnect Technology Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
FIH (HongKong) Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Zhunxuntong Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn (Kunshan) Computer Connector Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongwan Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence

	over the ultimate controlling party of the Group
Shenzhen Funeng New Energy Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn Japan Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fujian Precision Mould (Huai'an) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Henan Fuchi Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Taiyuan Fuchi Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Jusda Supply Chain Management (Huai'an) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Cybertan Far East Technology Consulting Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Xinyi Precision Technology (BeiJing) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Hongfujin Precision Industrial (Jincheng) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn HonHai Technology India Mega Development Private Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Langfang Futaitong Freight Services Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
INGRASYS (SINGAPORE) PTE.LTD	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fuzhikang Precision Electronics (Langfang) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn Technology Group Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Jusda NL,B.V.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Cloud Intelligence (Chongqing) High-tech Services Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Foxconn Korea Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Peibo Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Xinyang Technology (Foshan) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fortunebay Technology Pte.Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Best Ever Industries Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Futaijing Precision Electronics (Beijing) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Cloud Network Technology Kft.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group

Hong Yi Interconnect Technology (India) Private Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Chang Yi Interconnect Technology (India) Private Limited	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Xinwei Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Nengchuang Semiconductor Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Honghua Advanced Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Qunmai Communications Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Fukang Technology Co., Ltd.	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
NEW WING INTERCONNECT TECHNOLOGY (BAC GIANG) CO.,LTD	Subsidiaries of companies that exercise significant influence over the ultimate controlling party of the Group
Shenzhen Pengding Public Welfare Foundation	Social organization for which a supervisor of the Company serves as chairperson
Saha Pathana Inter-holding Public Company Limited	Minority shareholders of subsidiaries of the Company
Huai'an Jiawei industrial Development Co., Ltd.	Minority shareholders of subsidiaries of the Company

5. Related-party transactions

(1) Related-party transactions involving purchase and sale of goods, provision and receipt of services

Purchases of goods / receipt of services

Unit: RMB

Related party	Content of related-party transaction	Current period amount	Approved transaction quota	Whether the transaction quota was exceeded	Prior period amount
Foxconn Interconnect Technology Limited	Purchase of goods	694,801,160.19			688,349,967.78
Yehong Technology Co., Ltd.	Purchase of goods	216,549,785.28			472,274,631.81
Shenzhen Fujun Materials Technology Co., Ltd.	Purchase of goods	116,309,596.00			19,844,980.00
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Purchase of goods	63,683,610.08			0.00

Mexus Solutions Inc.	Receipt of services	53,730,028.64			39,709,911.82
Hongwan Technology Co., Ltd.	Purchase of goods	24,769,112.64			31,171,607.90
Fortunebay Technology Pte.Ltd.	Purchase of goods	15,668,217.37			0.00
Xianfeng Communications Co., Ltd.	Purchase of goods	13,061,222.35			0.00
Zhengzhou Zhunxuntong Technology Co., Ltd.	Receipt of services	8,323,335.11			8,828,541.89
Jusda International Limited	Receipt of services	7,773,513.49			8,343,170.58
Hon Hai Precision Industry Co., Ltd.	Purchase of goods	3,645,405.54			1,289,931.13
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Purchase of goods	2,823,099.00			0.00
Shenzhen Zhunxuntong Technology Co., Ltd.	Receipt of services	1,892,426.00			1,539,148.00
Best Ever Industries Limited	Purchase of goods	1,871,999.90			0.00
Foxconn Japan Co., Ltd.	Receipt of services	1,501,641.63			1,959,270.73
Futaihua industrial (Shenzhen) Co., Ltd.	Purchase of goods	1,327,880.00			4,241,159.92
Jusda NL,B.V.	Receipt of services	1,326,333.82			1,097,997.33
Fuzhikang Precision Electronics (Langfang) Co., Ltd.	Receipt of services	1,181,340.24			5,213,800.40
Guangdong Zhanyang	Receipt of services/Purchase of goods	1,174,276.00			3,356,069.00
Cybertan Far East Technology Consulting Co., Ltd.	Receipt of services	364,462.98			486,812.19
Wuxi Yongyang	Purchase of goods	294,038.14			0.00
Shenzhen Funeng	Receipt of services	252,466.57			429,316.19

New Energy Technology Co., Ltd.					
Foxconn Technology Group Co., Ltd.	Receipt of services	202,136.00			0.00
Jusda International Supply Chain Management Co., Ltd.	Receipt of services	179,539.92			956,228.01
Foxconn Interconnect Technology Limited	Receipt of services	0.00			4,576,696.22
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Receipt of services	0.00			758,269.51
Futaijie Technology Development (Shenzhen) Co., Ltd.	Purchase of goods	0.00			10,000.00
Futaihua industrial (Shenzhen) Co., Ltd.	Receipt of services	0.00			4,791.22
Foxconn EMS Inc.	Receipt of services	0.00			6,324.25
other	Purchase of goods/Receipt of services	2,698,903.41			1,614,183.92

Sales of goods / provision of services

Unit: RMB

Related party	Content of related-party transaction	Current period amount	Prior period amount
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Sale of goods	587,568,518.28	168,275,696.75
INGRASYS (SINGAPORE) PTE. LTD	Sale of goods	397,406,595.67	92,358,411.99
Shenzhen Futaihong Precision Industry Co., Ltd.	Sale of goods	296,264,772.66	314,112,233.69
Yehong Technology (Chengdu) Co., Ltd.	Sale of goods	276,730,331.27	711,422,656.87
FIH (HongKong) Limited	Sale of goods	232,350,750.39	106,828,233.38
Xianfeng Communications Co., Ltd.	Sale of goods	225,485,150.64	323,375,532.84
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Sale of goods	191,224,934.74	0.00
Foxconn Precision Electronics	Sale of goods	176,781,414.50	6,361,861.88

(Taiyuan) Co., Ltd.			
Hongbai Technology Co., Ltd.	Sale of goods	150,387,100.59	188,068,911.62
Cloud Network Technology Singapore Pte.Ltd.	Sale of goods	126,311,151.48	186,429,166.05
Foxconn Hon Hai Technology India Mega Development Private Limited	Sale of goods	54,462,949.37	160,412,238.43
Fulian Precision Electronics (Tianjin) Co., Ltd.	Sale of goods	41,895,529.21	56,922,186.61
Fukang Technology Co., Ltd.	Sale of goods	32,731,160.22	654,534.36
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Sale of goods	31,780,145.15	22,198,971.77
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Sale of goods	28,409,261.61	38,861,108.40
Futaihua Industrial (Shenzhen) Co., Ltd.	Sale of goods	26,871,100.90	19,762,490.63
Foxconn (Kunshan) Computer Connector Co., Ltd.	Sale of goods	25,683,025.91	40,216,336.68
Sanying Technology (Shenzhen) Co., Ltd.	Sale of goods	24,417,546.40	40,277,363.56
Qunmai Communications Co., Ltd.	Sale of goods	23,583,917.61	927,399.07
Hongfucheng Precision Electronics (Chengdu) Co., Ltd.	Sale of goods	21,353,652.18	38,786,056.03
Taiyuan Fuchi Technology Co., Ltd.	Sale of goods	20,829,982.62	6,655,276.77
Nanning Fulian Fugui Precision Industry Co., Ltd.	Sale of goods	10,281,246.38	5,124,074.76
Xinyang Technology (Foshan) Co., Ltd.	Sale of goods	5,796,237.46	1,326,834.30
Hon Hai Precision Industry Co., Ltd.	Sale of goods	5,313,017.16	2,585,848.52
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Sale of goods	5,011,538.15	585,500.92
NEW WING INTERCONNECT TECHNOLOGY (BAC GIANG) CO., LTD	Sale of goods	4,563,092.62	0.00
Cloud Network Technology Kft.	Sale of goods	3,933,129.20	0.00
Chang Yi Interconnect Technology (India) Private Limited	Sale of goods	1,853,504.44	0.00
Henan Fuchi Technology Co., Ltd.	Sale of goods	901,237.89	686,736.13

Ye Cheng Technology (Chengdu) Co., Ltd.	Sale of goods	693,618.82	37,195,246.08
CyberTAN Technology Inc.	Sale of goods	417,050.36	1,453,400.12
Shenzhen Fulian Fugui Precision Industry Co., Ltd.	Sale of goods	0.00	43,417,550.50
Yehong Technology Co., Ltd.	Sale of goods	105,359.21	27,975,516.01
Xinyi Precision Technology (BeiJing) Co., Ltd.	Sale of goods	0.00	9,653,452.32
Fulian Precision Electronics (Guiyang) Co., Ltd.	Sale of goods	0.00	3,639,088.71
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Sale of goods	0.00	1,704,450.14
other	Sale of goods	1,129,260.18	1,036,997.53

Explanation of related-party transactions involving purchase and sale of goods and provision and receipt of services

In 2025, the transaction amounts of the Group's purchases of goods and receipt of services did not exceed the transaction caps. The specific transaction caps were: RMB 1,080 million for related-party transactions with Hon Hai Group and its controlled subsidiaries; RMB 580 million for related-party transactions with GIS Holding and its controlled subsidiaries; and RMB 140 million for related-party transactions with Zhen Ding Technology Holding and its other controlled subsidiaries other than the Group.

(2) Related-party leases

The Company as lessor:

Unit: RMB

Lessee name	Type of leased asset	Lease income recognized during the current period	Lease income recognized during the prior period
Baidin Technology Co., Ltd.	Buildings	10,056,346.67	0.00
Xianfeng Communications Co., Ltd.	Buildings	7,367,555.88	0.00
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Buildings	2,150,362.15	2,435,002.33
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Buildings	2,316,871.90	2,817,247.67
Jusda Supply Chain Management (Huai'an) Co., Ltd.	Buildings	266,892.00	266,892.00
Futaihua Industrial (Shenzhen) Co., Ltd.	Buildings	174,005.62	215,110.51
Shenzhen Futaitong International Logistics Co., Ltd.	Buildings	188,988.91	313,052.91
Zhengzhou Zhunxuntong Technology Co., Ltd.	Buildings	357.78	0.00

The Company as lessee:

Unit: RMB

Lessor name	Type of leased asset	Rental expenses for short-term leases and leases of low-value assets accounted for under the simplified approach (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rentals paid		Interest expense on lease liabilities		Additions to right-of-use assets	
		Current period amount	Prior period amount	Current period amount	Prior period amount	Current period amount	Prior period amount	Current period amount	Prior period amount	Current period amount	Prior period amount
Saha Pathana Inter-holding Public Company Limited	land					702,474.26	489,925.36	37,520.91	39,043.63		1,870,646.59
Fuyu Electronic Technology (Huai'an) Co., Ltd.	Buildings	8,515,096.00	9,686,045.39			11,633,176.00	12,804,125.39	60,576.64	169,632.66		3,002,975.35
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Buildings	1,356,090.96	332,625.00								
Jusda International Supply Chain Management Co., Ltd.	Buildings		178,589.59								

(3) Asset transfers and debt restructuring with related parties

Unit: RMB

related party	Content of related-party transaction	Current period amount	Prior period amount
Xianfeng Communications Co., Ltd.	Purchase of equipment	53,619,134.83	0.00
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Purchase of equipment	13,578,138.65	0.00
Liding Semiconductor Technology	Purchase of equipment	2,200,000.00	10,120,000.00

Qinhuangdao Co., Ltd.			
Wuxi Yongyang	Purchase of equipment	660,601.99	0.00
Xianfeng Communications Co., Ltd.	Sale of equipment	326,695.12	0.00
Guangdong Zhanyang	Purchase of equipment	179,100.00	5,007,300.00
Futaihua Industrial (Shenzhen) Co., Ltd.	Purchase of equipment	21,917.54	0.00
Cloud Intelligence (Chongqing) High-tech Services Co., Ltd.	Purchase of equipment	4,800.00	0.00
Zhen Ding Technology Holding Limited	Purchase of equipment	0.00	664,683.49

(4) Remuneration of key management personnel

Unit: RMB

item	Current period amount	Prior period amount
Remuneration of key management personnel	33,926,239.73	30,459,496.36

(5) Other related-party transactions

(a) Environmental protection, communications and other services

related party	Content of related-party transaction	Pricing policy for related-party transactions	2025	2024
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	Environmental protection and other services	cost plus	90,425,437.22	87,349,385.97
Liding Semiconductor Technology (Shenzhen) Co., Ltd.	Environmental protection and other services	cost plus	2,946,429.59	
Shenzhen Futaitong International Logistics Co., Ltd.	Environmental protection and other services	cost plus	230,437.16	
Futaihua industrial (Shenzhen) Co., Ltd.	Environmental protection and other services	cost plus	128,921.12	
Foxconn Technology Group Co., Ltd.	Environmental protection and other services	cost plus	2,000.00	
Shenzhen Funeng New Energy Technology Co., Ltd.	Environmental protection and other services	cost plus	885.58	

(b) Donation expenses

	2025	2024
Shenzhen Pengding Public Welfare Foundation	3,000,000.00	3,000,000.00

(c) Land contribution

	2025	2024
Huai'an Jiawei Industrial Development Co., Ltd.		160,000,000.00

6. Receivables and payables due from/to related parties

(1) Receivables

Unit: RMB

Project name	Related party	Closing balance	Opening balance

		Gross carrying amount	Allowance for doubtful accounts	Gross carrying amount	Allowance for doubtful accounts
Accounts receivable	Hongfujin Precision Electronics (Yantai) Co., Ltd.	215,215,471.05	-647,231.58	116,578,079.71	-349,734.24
Accounts receivable	Yehong Technology (Chengdu) Co., Ltd.	141,121,485.06	-424,403.88	148,212,551.12	-444,637.65
Accounts receivable	Fuxiang Precision Industry (Kunshan) Co., Ltd.	129,160,763.91	-388,433.62	0.00	0.00
Accounts receivable	INGRASYS (SINGAPORE) PTE.LTD	116,012,135.52	-348,890.89	58,200,424.71	-174,601.27
Accounts receivable	FIH (HongKong) Limited	77,754,203.72	-233,835.31	49,144,875.19	-147,434.63
Accounts receivable	Xianfeng Communications Co., Ltd.	75,318,069.88	-226,508.96	103,698,868.34	-311,096.61
Accounts receivable	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	46,066,196.42	-138,537.89	1,273,574.29	-3,820.72
Accounts receivable	Shenzhen Futaihong Precision Industry Co., Ltd.	30,031,957.46	-90,317.07	86,835,082.24	-260,505.25
Accounts receivable	Hongbai Technology Co., Ltd.	22,725,507.11	-68,343.91	57,125,485.18	-171,376.46
Accounts receivable	Cloud Network Technology Singapore Pte.Ltd.	22,128,168.17	-66,547.49	46,881,698.67	-140,645.10
Accounts receivable	Foxconn Hon Hai Technology India Mega Development Private Limited	12,957,587.33	-38,968.20	35,987,703.23	-107,963.11
Accounts receivable	Sanying Technology (Shenzhen) Co., Ltd.	10,242,602.77	-30,803.25	3,233,755.01	-9,701.27
Accounts receivable	Fulian Precision Electronics (Tianjin) Co., Ltd.	9,520,250.01	-28,630.87	22,753,916.31	-68,261.75
Accounts receivable	Fukang Technology Co., Ltd.	8,973,077.47	-26,985.32	300,299.51	-900.90
Accounts	Taiyuan Fuchi	8,422,722.47	-25,330.20	1,302,920.93	-3,908.76

receivable	Technology Co., Ltd.				
Accounts receivable	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	8,081,021.79	-24,302.59	7,513,639.01	-22,540.92
Accounts receivable	Hongfujin Precision Industry (Wuhan) Co., Ltd.	7,463,442.53	-22,445.30	11,908,690.68	-35,726.07
Accounts receivable	Qunmai Communications Co., Ltd.	7,152,273.55	-21,509.50	134,474.48	-403.42
Accounts receivable	Foxconn (Kunshan) Computer Connector Co., Ltd.	5,261,914.80	-15,824.50	5,410,466.50	-16,231.40
Accounts receivable	Futaihua Industrial (Shenzhen) Co., Ltd.	4,235,496.82	-12,737.69	3,743,789.74	-11,231.37
Accounts receivable	Cloud Network Technology Kft.	3,869,705.84	-11,637.62	0.00	0.00
Accounts receivable	Xinyang Technology (Foshan) Co., Ltd.	3,404,222.08	-10,237.74	826,942.47	-2,480.83
Accounts receivable	Hongfucheng Precision Electronics (Chengdu) Co., Ltd.	2,670,946.94	-8,032.51	14,796,324.30	-44,388.97
Accounts receivable	Hon Hai Precision Industry Co., Ltd.	2,139,068.19	-6,432.96	168,576.61	-505.73
Accounts receivable	Xinyi Precision Technology (BeiJing) Co., Ltd.	950,698.83	-2,859.10	1,422,037.47	-4,266.11
Accounts receivable	Shenzhen Fulian Fugui Precision Industry Co., Ltd.	442,672.71	-1,331.28	7,229,522.03	-21,688.57
Accounts receivable	Nanning Fulian Fugui Precision Industry Co., Ltd.	269,842.29	-811.51	1,550,294.12	-4,650.88
Accounts receivable	Ye Cheng Technology (Chengdu) Co., Ltd.	134,657.05	-404.96	167,171.78	-501.52
Accounts receivable	Yehong Technology Co., Ltd.	0.00	0.00	161,112.39	-483.34
Accounts receivable	other	1,697,244.30	-5,104.26	422,595.25	-1,267.70

Other receivables	Yaoding Environmental Energy Technology (Shenzhen) Limited	38,403,132.00	-115,209.38	0.00	0.00
Other receivables	Yaoding Environmental Energy Technology (Shenzhen) Co., Ltd.	13,452,691.84	-40,358.07	0.00	0.00
Other receivables	Baidin Technology Co., Ltd.	3,764,359.16	-11,293.08	0.00	0.00
Other receivables	Yaoding Environmental Energy Technology (Qinhuangdao) Limited	3,710,582.38	-11,131.75	0.00	0.00
Other receivables	Liding Semiconductor Technology (Shenzhen) Co., Ltd.	1,067,924.54	-3,203.77	1,173,313.81	-3,519.94
Other receivables	Xianfeng Communications Co., Ltd.	949,609.20	-2,848.83	0.00	0.00
Other receivables	Liding Semiconductor Technology Qinhuangdao Co., Ltd.	308,571.00	-925.71	402,996.00	-1,208.99
Other receivables	Jusda Supply Chain Management (Huai'an) Co., Ltd.	90,405.00	-271.21	145,456.14	-436.37
Other receivables	Huai'an Jiawei industrial Development Co., Ltd.	0.00	0.00	160,000,000.00	0.00
Other receivables	Other	130.13	-0.39	0.00	0.00

(2) Payables

Unit: RMB

Project name	related party	Closing gross carrying amount	Opening gross carrying amount
Accounts payable	Foxconn Interconnect Technology Limited	188,314,810.13	218,760,095.41
Accounts payable	Yehong Technology Co., Ltd.	77,334,625.04	7,945,654.82

Accounts payable	Wuxi Yongyang	14,317,639.25	0.00
Accounts payable	Hongwan Technology Co., Ltd.	4,556,282.54	3,925,303.55
Accounts payable	Xianfeng Communications Co., Ltd.	1,932,460.59	0.00
Accounts payable	Shenzhen Fujun Materials Technology Co., Ltd.	1,775,173.50	1,695,316.40
Accounts payable	Fortunebay Technology Pte.Ltd.	1,209,440.07	0.00
Accounts payable	Best Ever Industries Limited	1,103,661.33	0.00
Accounts payable	Liding Semiconductor Technology (Shenzhen) Co., Ltd.	589,654.89	242,456.16
Accounts payable	Futaihua Industrial (Shenzhen) Co., Ltd.	318,338.20	587,833.08
Accounts payable	Guangdong Zhanyang	263,984.50	329,510.92
Accounts payable	Jusda International Limited	219,302.85	189,042.97
Accounts payable	Hon Hai Precision Industry Co., Ltd.	211,333.63	0.00
Accounts payable	Shenzhen Futaitong International Logistics Co., Ltd.	53,762.88	143,468.37
Accounts payable	Fuyu Electronic Technology (Huai'an) Co., Ltd.	0.00	135,080.00
Accounts payable	other	79,405.92	89,000.24
Other payables	Xianfeng Communications Co., Ltd.	39,099,914.06	0.00
Other payables	Mexus Solutions Inc.	4,211,814.83	2,504,599.58
Other payables	Zhengzhou Zhunxuntong Technology Co., Ltd.	2,872,465.85	1,691,023.65
Other payables	Wuxi Yongyang	2,599,801.99	0.00
Other payables	Fuyu Electronic Technology (Huai'an) Co., Ltd.	1,912,610.50	2,052,104.02
Other payables	Jusda International Limited	1,206,761.95	1,187,597.36
Other payables	Fuzhikang Precision Electronics (Langfang) Co., Ltd.	399,608.99	131,491.96
Other payables	Yaoding Environmental Energy Technology (Qinhuangdao) Co., Ltd.	379,399.19	0.00
Other payables	Yaoding Environmental Energy Technology (Shenzhen) Co., Ltd.	356,235.36	0.00
Other payables	Shenzhen Zhunxuntong Technology Co., Ltd.	355,339.56	252,540.88
Other payables	Liding Semiconductor Technology Qinhuangdao Co.,	343,350.00	11,778,950.00

	Ltd.		
Other payables	Yaoding Environmental Energy Technology (Shenzhen) Limited	275,685.84	0.00
Other payables	Jusda NL,B.V.	98,908.71	0.00
Other payables	Shenzhen Funeng New Energy Technology Co., Ltd.	64,866.58	93,394.19
Other payables	Baidin Technology Co., Ltd.	27,671.51	0.00
Other payables	Shenzhen Futaitong International Logistics Co., Ltd.	25,334.63	14,532.64
Other payables	Foxconn Korea Limited	22,923.38	22,717.86
Other payables	Jusda International Supply Chain Management Co., Ltd.	21,637.16	53,578.55
Other payables	Foxconn Technology Group Co., Ltd.	3,649.58	0.00
Other payables	Futaihua Industrial (Shenzhen) Co., Ltd.	759.25	12,727.28
Other payables	Guangdong Zhanyang	0.00	500,025.00
Other payables	Foxconn Japan Co., Ltd.	0.00	219,323.43
Other payables	other	804,913.37	72,009.67

7. Related-party commitments

The following are related-party commitments contracted by the Group as at the balance sheet date but not required to be presented on the balance sheet:

Lease-in	31 December 2025	31 December 2024
Fuyu Electronic Technology (Huai'an) Co., Ltd.	0.00	3,118,080.00

8. Others

Contract liabilities	31 December 2025	31 December 2024
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	450,855.96	2,192,402.21

Prepayments	31 December 2025	31 December 2024
Liding Semiconductor Technology Qinhuangdao Co., Ltd.	2,016,701.39	0.00

XIV. Share-based Payments

1. General information on share-based payments

☑Applicable □ Not Applicable

Unit: RMB

Category of grantees	Granted during the current period		Exercised during the current period		Unlocked during the current period		Lapsed during the current period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Employees					3,948,212.00		725,758	
Total					3,948,212.00		725,758	

Share options or other equity instruments outstanding at period end

□ Applicable ☑Not Applicable

2. Equity-settled share-based payments

☑Applicable □ Not Applicable

Unit: RMB

Method for determining the fair value of equity instruments on grant date	(1) Pursuant to the board resolution of the then Company dated 14 February 2017 and the Framework Agreement on the Employee Shareholding Plan of Fukui Precision Component (Shenzhen) Co., Ltd. signed on 27 February 2017 (the "Grant Date"), the Company applied to increase its registered capital by USD26,254,888 (representing 9.9065% of the Company's equity as at the date of capital increase). The newly increased registered capital was fully paid up before 28 February 2017 by Changyi Investment, Zhenji Investment, Hengxiang Investment, Yifu Investment, Xinqun Investment, Debang Investment, Yuefeng and Dele Investment (collectively, the "Employee Shareholding Platforms"), with the total capital contribution amounting to USD120.6456 million, equivalent to RMB829,438,463.00. Based on RMB1.00 per unit of capital contribution, the subscription price was equivalent to RMB4.60 per share (the "Employee Subscription Price"). The portion by which the Employee Subscription Price was lower than the fair value of the Company's equity units on the Grant Date constituted share-based payment. (2) Pursuant to the resolutions approved at the 11th meeting of the Company's 2nd Board of Directors held on April 20, 2021, and the 2020 Annual General Meeting of Shareholders held on May 12, 2021, the Company designated June 15, 2021 as the grant date and granted 10,085,000 RMB-denominated restricted ordinary shares to 287 grantees under the restricted share incentive plan. During the registration process following the Board's determination of the grant date, one grantee voluntarily waived the subscription of 40,000 restricted shares originally allocated to him/her for personal reasons, and such waived shares were treated as cancelled. Consequently, the actual number of restricted shares granted was adjusted from 10,085,000 to 10,045,000, and the actual number of grantees was reduced from 287 to 286. The Company applied for an increase in registered capital of RMB10,045,000.00, which was fully paid up by the 286 grantees before June 23, 2021, with total proceeds of RMB165,139,800.00. Based on RMB1.00 per unit of capital contribution, the subscription price was equivalent to RMB16.44 per share. The portion by which the employee subscription price was lower than the closing price of the Company's shares on the grant date (RMB29.13 per share) constituted share-based payment. (3) Pursuant to the resolutions approved at the Company's First Extraordinary General Meeting of Shareholders held on September 9, 2024, and the 11th meeting of the 3rd Board of Directors held on September 13, 2024, the Company designated September 13, 2024 as the grant date and granted 9,469,900 RMB-denominated restricted ordinary shares to 388 grantees under the incentive plan. During the process, 7 of the originally designated grantees voluntarily waived their subscription to all restricted shares allocated to them for personal reasons. The Board of Directors then reallocated

	and adjusted the waived shares among the remaining grantees. After such adjustment, the total number of grantees under the plan was changed from 388 to 381, while the total number of restricted shares to be granted remained at 9,469,900. The shares granted were A-share ordinary shares repurchased by the Company from the secondary market. Based on RMB1.00 per share of par value, the repurchase price was equivalent to RMB21.21 per share. The grant price for the restricted shares under this incentive plan was set at RMB17.70 per share, and the portion by which this price was lower than the closing price on the grant date (RMB33.75 per share) constituted share-based payment
Key parameters for fair value of equity instruments on grant date	(1) In June 2017, the Company introduced external investors through a capital increase at an investment price of RMB8.5 per share. After comprehensive consideration of factors including the income approach valuation without control and liquidity as of the grant date, the price-to-earnings ratios of comparable transactions in the same industry and the capital increase price paid by the external investors, the Group selected the external investors' investment price of RMB8.5 as the fair value of the Company's equity units at the time the Employee Shareholding Platforms made capital contributions to the Company on the grant date (the "fair value of granted equity units"). (2) The Group determined the fair value of the restricted shares on the grant date based on the closing price of the Company's shares on the grant date. On the grant date, the fair value of each restricted share was RMB29.13, and the difference between such fair value and the subscription price of RMB16.44 per share paid by the incentive recipients was recognized as share-based payment expense. (3) The Company's A-share ordinary shares granted under this incentive plan were repurchased from the secondary market. Based on RMB1.00 per share of par value, the repurchase price was equivalent to RMB21.21 per share. The grant price for the restricted shares under this incentive plan was set at RMB17.70 per share, and the portion by which this price was lower than the closing price on the grant date (RMB33.75 per share) constituted share-based payment.
Basis for determining the number of exercisable equity instruments	(1) Pursuant to the Framework Agreement and related supplemental agreements, the shareholding employees are subject to strict service period restrictions. After 36 months of continuous service from the day following the grant date, 20% of their shareholding interests may be released from restrictions, and thereafter an additional 20% may be released for each additional 12 months of service until the service period is completed. Accordingly, the Group determined that the amortization periods for the share-based payment expenses corresponding to each 20% tranche are three, four, five, six and seven years, respectively. At each balance sheet date during the maximum seven-year service period commencing from 28 February 2017, the Group makes its best estimate of the number of equity instruments expected to vest based on the latest available subsequent information, such as employee turnover rates, and revises the estimated number of equity instruments expected to vest. The employee services received in the current period are recognized in the relevant costs or expenses at the fair value on the grant date, with a corresponding adjustment to capital reserves. (2) Pursuant to the Draft 2021 Restricted Share Incentive Plan of Avary Holding (Shenzhen) Co., Limited approved by the shareholders' resolution at the Annual General Meeting held on 12 May 2021, the employee participants are subject to strict service period restrictions. For every full 12-month period of continuous service from the grant date, 20% of their restricted shares become eligible for release, until the full service period is completed. Under the incentive plan, if an incentive recipient leaves the Company before the end of the service period, the shares shall not be unlocked, and the Company is required to repurchase and cancel the corresponding restricted shares at the grant price. On 23 June 2021, the Company received total capital contributions of RMB165,139,800.00 and concurrently recognized a liability of RMB165,139,800.00 for the repurchase obligation, with a corresponding increase in treasury stock of RMB165,139,800.00. Accordingly, the Group determined that the amortization periods for the share-based payment expenses corresponding to each 20% tranche are one, two, three, four and five years, respectively. At each balance sheet date during the maximum five-year service period commencing from 15 June 2021, the Group makes its best estimate of the number of shares expected to vest based on the latest available subsequent information including employee turnover rates, and revises the estimated number of equity instruments expected to vest. The employee services received in the current period are recognized in the relevant costs or expenses at the fair value on the grant date, with a corresponding adjustment to capital reserves.

	(3) Pursuant to the Proposal on the Draft 2024 Restricted Share Incentive Plan of Avary Holding (Shenzhen) Co., Limited and its Summary approved by the shareholders' resolution at the First Extraordinary General Meeting held on 9 September 2024, the restricted shares granted under this incentive plan become vested in three tranches after 12 months from the date of registration of the grant, with the vesting percentages being 30%, 30% and 40% for each tranche, respectively. The employee participants are subject to strict performance-based vesting conditions. Under the incentive plan, the actual number of restricted shares that become vested for a grantee in a given year is determined based on the Company's performance assessment results and the individual's performance assessment results. Any restricted shares that fail to vest in the assessment year shall not be deferred to the next period and shall be repurchased and cancelled by the Company at the grant price. On 27 September 2024, the Company received total capital contributions of RMB167,617,230.00 and concurrently recognized a liability of RMB167,617,230.00 for the repurchase obligation. Accordingly, the Group determined that the amortization periods for the share-based payment expenses corresponding to the 30%, 30% and 40% tranches are one, two and three years, respectively. At each balance sheet date during the maximum three-year service period commencing from 13 September 2024, the Group makes its best estimate of the number of equity instruments expected to vest based on the latest available subsequent information including employee turnover rates and performance assessment results, and revises the estimated number of equity instruments expected to vest. The employee services received in the current period are recognized in the relevant costs or expenses at the fair value on the grant date, with a corresponding adjustment to capital reserves.
Reason for significant difference between current-period estimates and prior-period estimates	Nil
Accumulated amount of equity-settled share-based payments included in capital reserve	869,999,402.23
Total expenses recognized for equity-settled share-based payments during the current period	78,821,964.00

3. Cash-settled share-based payments

□ Applicable ☑Not Applicable

4. Share-based payment expenses during the year

□ Applicable ☑Not Applicable

XV. Commitments and Contingencies

1. Significant commitments

Significant commitments existing as at the balance sheet date

The following are capital expenditure commitments contracted by the Group as at the balance sheet date but not required to be presented on the balance sheet:

	31 December 2025	31 December 2024
Equipment and construction payments	10,720,976,485.67	2,872,046,510.28

XVI. Events After the Balance Sheet Date

Profit distribution

Proposed dividend per 10 shares (RMB)	10.00
Profit distribution plan	Pursuant to the Board resolution dated 30 March 2026, based on the distributable profits of the parent company, the Board proposed to use the total share capital of 2,318,051,016 shares as at 31 December 2025, less the 2,317,536,658 shares after deducting certain restricted shares proposed to be repurchased and cancelled under the 2021 Restricted Share Incentive Plan and the 2024 Restricted Share Incentive Plan, as the base, and distribute a cash dividend of RMB10.00 (tax inclusive) for every 10 shares to all shareholders.

2. Other events after the balance sheet date

As lessor, the Group's undiscounted lease receipts receivable after the balance sheet date are summarized as follows:

	31 December 2025
Within one year	55,412,039.75
One to two years	49,827,028.56
Two to three years	33,641,370.42
Three to four years	22,117,335.87
Four to five years	4,366,269.00
Over five years	985,695.00
Total	166,349,738.60

XVII. Other Significant Matters

1. Segment Information

(1) Basis for determining reportable segments and accounting policies

The Group determines operating segments based on its internal organizational structure, management requirements and internal reporting system, and determines and discloses reportable segments on the basis of operating segments.

An operating segment refers to a component within the Group that satisfies all of the following conditions: (1) it can generate revenue and incur expenses in its ordinary activities; (2) the Group's management can regularly evaluate its operating results to decide on resource allocation and assess performance; and (3) the Group can obtain relevant accounting information on its financial position, operating results and cash flows. Two or more operating segments with similar economic characteristics may be combined into one operating segment if certain conditions are met.

(2) If the Company has no reportable segments or cannot disclose total assets and liabilities by reportable segment, the reasons should be explained

The Group is principally engaged in the research, production, development and sale of various printed circuit boards. The Group does not distinguish the above business in terms of its internal organizational structure and management requirements. When reviewing internal reports, deciding on resource allocation and evaluating performance, management also considers it unnecessary to distinguish the operating results of the above business. The Group has not distinguished different operating segments and therefore no segment report is presented.

XVIII. Notes to Major Items in the Parent Company Financial Statements

1. Accounts Receivable

(1) Aging analysis

Unit: RMB

Aging	Closing gross carrying amount	Opening gross carrying amount
Within one year (inclusive)	4,516,330,722.60	4,679,476,781.57
Total	4,516,330,722.60	4,679,476,781.57

(2) Disclosure by method of provision for bad debts

Unit: RMB

Category	Closing balance					Opening balance				
	Gross carrying amount		Allowance for doubtful accounts		Carrying amount	Gross carrying amount		Allowance for doubtful accounts		Carrying amount
	Amount	Percentage	Amount	Provision ratio		Amount	Percentage	Amount	Provision ratio	
Including:										
Accounts receivable for which allowance for doubtful accounts is provided on a collective basis	4,516,330,722.60	100.00%	13,548,992.17	0.30%	4,502,781,730.43	4,679,476,781.57	100.00%	14,038,430.34	0.30%	4,665,438,351.23
Including:										
Total	4,516,330,722.60	100.00%	13,548,992.17		4,502,781,730.43	4,679,476,781.57	100.00%	14,038,430.34		4,665,438,351.23

If the allowance for doubtful accounts receivable is provided under the general expected credit loss model:

☑Applicable □ Not Applicable

Unit: RMB

Allowance for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2025		14,038,430.34		14,038,430.34
Balance at 1 January 2025 during the period				

Provision during the current period		13,548,992.17		13,548,992.17
Reversal during the current period		14,038,430.34		14,038,430.34
Balance at 31 December 2025		13,548,992.17		13,548,992.17

(3) Movements in allowance for doubtful accounts during the year

Provision for bad debts during the year:

Unit: RMB

Category	Opening balance	Movements during the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Sales customers	14,038,430.34	13,548,992.17	14,038,430.34			13,548,992.17
Total	14,038,430.34	13,548,992.17	14,038,430.34			13,548,992.17

(4) Top five accounts receivable and contract assets by debtor at period end

Unit: RMB

Name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Percentage of the total closing balance of accounts receivable and contract assets	Closing balance of allowance for doubtful accounts receivable and impairment provision for contract assets
Total accounts receivable from the top five debtors	4,402,314,742.75		4,402,314,742.75	97.48%	13,206,944.23
Total	4,402,314,742.75		4,402,314,742.75	97.48%	13,206,944.23

2. Other Receivables

Unit: RMB

Item	Closing balance	Opening balance
Other receivables	748,858,189.35	1,501,375,896.77
Total	748,858,189.35	1,501,375,896.77

(1) Other receivables

1) Other receivables by nature

Unit: RMB

Nature of amount	Closing gross carrying amount	Opening gross carrying amount
Production capacity deposits receivable	100,000,000.00	0.00
Current accounts receivable from group companies	585,164,166.67	1,448,678,223.61
Receivables from disposal of fixed assets within the Group	29,528,731.54	9,178,994.97
Receivables for scrap sales	18,804,103.31	1,407,209.60
Intra-group equipment rentals receivable	12,839,639.46	14,989,314.94
Utilities receivable	3,645,100.17	2,293,244.06
Tax refunds receivable	0.00	29,050,442.09

other	828,880.17	208,734.67
Total	750,810,621.32	1,505,806,163.94

2) Aging analysis

Unit: RMB

Aging	Closing gross carrying amount	Opening gross carrying amount
Within one year (inclusive)	750,810,621.32	1,505,806,163.94
Total	750,810,621.32	1,505,806,163.94

3) Disclosure by method of provision for bad debts

Unit: RMB

Category	closing balance					opening balance				
	Gross carrying amount		Allowance for doubtful accounts		Carrying amount	Gross carrying amount		Allowance for doubtful accounts		Carrying amount
	Amount	Percentage	Amount	Provision ratio		Amount	Percentage	Amount	Provision ratio	
Allowance for doubtful accounts provided on an individual basis	100,000,000.00	13.32%			100,000,000.00	29,050,442.09	1.93%			29,050,442.09
Including:										
Allowance for doubtful accounts provided on a collective basis	650,810,621.32	86.68%	1,952,431.97	0.30%	648,858,189.35	1,476,755,721.85	98.07%	4,430,267.17	0.30%	1,472,325,454.68
Including:										
Total	750,810,621.32	100.00%	1,952,431.97		748,858,189.35	1,505,806,163.94	100.00%	4,430,267.17		1,501,375,896.77

Provision for bad debts under the general expected credit loss model:

Unit: RMB

Allowance for doubtful accounts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Balance at 1 January 2025	4,430,267.17			4,430,267.17
Balance at 1 January 2025 during the period				

Provision during the current period	1,952,431.97			1,952,431.97
Reversal during the current period	4,430,267.17			4,430,267.17
Balance at 31 December 2025	1,952,431.97			1,952,431.97

Significant changes in the carrying amount corresponding to movements in loss allowances during the year

□ Applicable ☑Not Applicable

4) Movements in allowance for doubtful accounts during the year

Provision for bad debts during the year:

Unit: RMB

Category	Opening balance	Movements during the current period				Closing balance
		provision	Recovery or reversal	Write-off or cancellation	Other	
Portfolio of receivables from subsidiaries	4,421,567.28	1,891,319.58	4,421,567.28			1,891,319.58
Other receivables portfolio	8,699.89	61,112.39	8,699.89			61,112.39
Total	4,430,267.17	1,952,431.97	4,430,267.17			1,952,431.97

5) Top five other receivables by debtor at period end

Unit: RMB

Name	Nature of amount	Closing balance	Aging	Percentage of total closing balance of other receivables	Closing balance of allowance for doubtful accounts
Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd.	Borrowings and interest receivable	585,220,666.67	Within one year	77.95%	-1,755,662.00
Honghe Electronic Materials Technology Co., Ltd.	Production capacity deposits receivable	100,000,000.00	Within one year	13.32%	0.00
Qingding Precision Electronics (Huai'an) Co., Ltd.	Equipment receivables	22,010,093.48	Within one year	2.93%	-66,030.28
Kuisheng Technology (Shenzhen) Co., Ltd.	Equipment rentals and utilities receivable	14,754,968.85	Within one year	1.97%	-40,358.07
Yaoding Environmental Energy Technology (Shenzhen) Co., Ltd.	Receivables for scrap sales	13,452,691.84	Within one year	1.79%	-44,264.90
Total		735,438,420.84		97.96%	-1,906,315.25

3. Long-term Equity Investments

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount

Investments in subsidiaries	10,281,909,302.54		10,281,909,302.54	8,709,471,186.54		8,709,471,186.54
Total	10,281,909,302.54		10,281,909,302.54	8,709,471,186.54		8,709,471,186.54

(1) Investments in subsidiaries

Unit: RMB

Investee	Opening balance (carrying amount)	Opening balance of impairment provision	Movements during the current period				Closing balance (carrying amount)	Closing balance of impairment provision
			Additional investment	Reduction in investment	Provision for impairment	Other		
Qingding	3,558,139,857.77					28,028,039.51	3,586,167,897.28	
Hongqisheng	2,813,996,993.93					22,280,727.00	2,836,277,720.93	
Taiwan Pengding	465,085,151.56					2,093,743.49	467,178,895.05	
Honghengsheng	428,006,217.89		1,000,000,000.00			785,039.00	1,428,791,256.89	
Avary Singapore Private Limited	423,707,266.20						423,707,266.20	
Hong Kong Pengding	413,629,200.00						413,629,200.00	
Pengding Investment	460,500,000.00		161,556,000.00				622,056,000.00	
Fubai	120,518,406.15						120,518,406.15	
Kuisheng	20,713,583.04					741,708.00	21,455,291.04	
Pengding Property	5,074,510.00					228,695.00	5,303,205.00	
Pengding Zhuhai	100,000.00						100,000.00	
Wuxi Huayang	0.00		356,724,164.00				356,724,164.00	
Total	8,709,471,186.54		1,518,280,164.00			54,157,952.00	10,281,909,302.54	

4. Operating Revenue and Operating Costs

Unit: RMB

Item	Current period amount		Prior period amount	
	Income	Cost	Income	Cost

Principal business	17,150,933,592.65	14,724,365,636.05	15,217,172,075.31	12,771,274,236.30
Other business	94,362,763.12	73,235,106.60	81,019,624.96	64,369,628.23
Total	17,245,296,355.77	14,797,600,742.65	15,298,191,700.27	12,835,643,864.53

Breakdown of operating revenue and operating costs:

Unit: RMB

Contract category	The company	
	Operating revenue	Operating costs
Business type	17,245,296,355.77	14,797,600,742.65
Including:		
Boards for communications	13,268,201,451.68	11,756,854,872.75
Boards for consumer electronics and computers	3,673,705,592.05	2,787,584,435.48
Boards for automotive, servers and others	209,026,548.92	179,926,327.82
Other business	94,362,763.12	73,235,106.60
Total	17,245,296,355.77	14,797,600,742.65

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

As at the end of the reporting period, the revenue corresponding to performance obligations under contracts that had been signed but not yet performed or not yet fully performed amounted to RMB 189,616,344.27, of which RMB 189,616,344.27 is expected to be recognized as revenue in 2026.

5. Investment Income

Unit: RMB

Item	Current period amount	Prior period amount
Investment income from held-for-trading financial assets during the holding period	370,000.00	0.00
Dividend income from investments in other equity instruments during the holding period	1,874,906.26	1,307,000.00
Investment income from disposal of held-for-trading financial assets	7,192,035.19	0.00
Dividend income distributed by subsidiaries	1,500,000,000.00	2,000,000,000.00
Total	1,509,436,941.45	2,001,307,000.00

XIX. Supplementary Information

1. Details of Current Non-recurring Gains and Losses

☑Applicable □ Not Applicable

Unit: RMB

Item	Amount	Description
Gains or losses from disposal of non-current assets	14,348,695.97	
Government grants recognized in current profit or loss (excluding government grants closely related to the Company's ordinary business operations, in compliance with national policies,	149,696,650.09	

enjoyed according to established standards, and having a continuing impact on the Company's profit or loss)		
Gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and gains or losses from disposal of financial assets and financial liabilities, except for effective hedging activities related to the Company's ordinary business operations	85,242,886.90	
Other non-operating income and expenses other than the above items	-8,195,986.75	
Less: income tax effect	37,608,106.68	
Total	203,484,139.53	--

Details of other gains and losses that meet the definition of non-recurring gains and losses:

□ Applicable ☑Not Applicable

The Company had no other gains or losses that meet the definition of non-recurring gains and losses.

Explanation of items listed as non-recurring gains and losses in Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Gains and Losses that are classified as recurring gains and losses

□ Applicable ☑Not Applicable

2. Return on Net Assets and Earnings per Share

Profit for the reporting period	Weighted average return on net assets	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to ordinary shareholders of the Company	11.42%	1.61	1.61
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	10.80%	1.52	1.52

3. Differences in Accounting Data under Domestic and Overseas Accounting Standards

(1) Differences in net profit and net assets in financial statements disclosed under both International Accounting Standards and Chinese Accounting Standards

□ Applicable ☑ Not Applicable

(2) Differences in net profit and net assets in financial statements disclosed under both overseas accounting standards and Chinese Accounting Standards

□ Applicable ☑ Not Applicable

(3) Explanation of reasons for differences in accounting data under domestic and overseas accounting standards; if adjustments are made to data audited by an overseas audit institution, the name of such overseas institution should be stated

□ Applicable ☑ Not Applicable