LUXSHARE ICT

Luxshare Precision Industry Co., Ltd.
立訊精密工業股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2475

2026 INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. Wang Laichun (王來春)
Mr. Wang Laisheng (王來胜)
Mr. Qian Jiwen (錢繼文)
Mr. Hao Jie (郝杰)
Mr. Chen Weihang (陳蔚航)

Independent non-executive Directors

Dr. Hou Lingling (侯玲玲)
Mr. Liu Zhonghua (劉中華)
Ms. Song Yuhong (宋宇紅)

JOINT COMPANY SECRETARIES

Ms. Xiao Yunxi (肖雲兮)
Ms. Leung Wai Yan (梁慧欣)

AUTHORIZED REPRESENTATIVES

Ms. Wang Laichun (王來春)
Ms. Leung Wai Yan (梁慧欣)

LEGAL ADVISER AS TO HONG KONG LAW

DLA Piper Hong Kong

LEGAL ADVISER AS TO PRC LAW

Han Kun Law Offices

DOMESTIC AUDITOR

BDO China Shu Lun Pan Certified Public Accountants LLP

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

SPECIAL COMMITTEES UNDER THE BOARD

Audit Committee

Mr. Liu Zhonghua (劉中華) *(Chairman)*
Dr. Hou Lingling (侯玲玲)
Ms. Song Yuhong (宋宇紅)

Remuneration and Appraisal Committee

Ms. Song Yuhong (宋宇紅) *(Chairlady)*
Mr. Liu Zhonghua (劉中華)
Dr. Hou Lingling (侯玲玲)

Nomination Committee

Dr. Hou Lingling (侯玲玲) *(Chairlady)*
Ms. Wang Laichun (王來春)
Mr. Liu Zhonghua (劉中華)

Strategic Committee

Dr. Hou Lingling (侯玲玲) *(Chairlady)*
Ms. Wang Laichun (王來春)
Mr. Liu Zhonghua (劉中華)

REGISTERED OFFICE IN THE PRC

2/F, Building A
SanYang New Industrial Park
Haoyi West Zone
Shajing Subdistrict
Bao'an District, Shenzhen
Guangdong Province
PRC

COMPLIANCE ADVISER

Frontpage Capital Limited

STOCK CODE

SZSE: 002475.SZ
HKEX: 02475.HK

HEADQUARTERS IN THE PRC

No. 313, North Ring Road
Qingxi Town
Dongguan
Guangdong Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

COMPANY WEBSITE

www.luxshare-ict.com

Chapter 1 — Definitions

In this report, unless the context otherwise requires, the following terms or phrases shall have the following meanings:

Item	Definition
"2026 Interim Dividend"	the interim profit distribution for the six months ended 30 June 2026
"Anhui Lide"	Anhui Teleray Intelligent Manufacture Technology Limited (安徽泰睿智造科技有限公司) (formerly known as Anhui Lide Automotive Parts Co., Ltd.), a company established in the PRC with limited liability, and an associate of the Company
"Anhui Ruijing"	Ruijing (Anhui) Supply Chain Technology Co., Ltd., a company established in the PRC with limited liability, and a related party of the Company under the Shenzhen Listing Rules
"A Shareholder(s)"	holder(s) of the A Share(s)
"A Shares"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in Renminbi
"Articles of Association" or "Articles"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Audit Committee"	the audit committee of the Board
"BCS USA"	BCS Automotive Interface Solutions US, LLC (USA), a company incorporated in the United States of America with limited liability, and an associate of the Company
"Board" or "Board of Directors"	the board of Directors
"CASBE"	the China Accounting Standards for Business Enterprises
"Chery New Energy"	Chery New Energy Automobile Co., Ltd., a company established in the PRC with limited liability, and a related party of the Company under the Shenzhen Listing Rules
"China" or "the PRC"	the People's Republic of China
"Company" or "our Company" or "Luxshare Precision"	Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司), a company established in the PRC on 24 May 2004, the A Shares of which have been listed on the Shenzhen Stock Exchange (stock code: 002475) and the H Shares of which have been listed on the Hong Kong Stock Exchange (stock code: 02475)
"Company Law" or "PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"connected person(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules

Item	Definition
"connected transaction(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules and unless the context otherwise requires, refers to Ms. Wang, Mr. Wang and Luxshare Limited, and a Controlling Shareholder shall mean each or any of them
"Convertible Bonds"	the convertible bonds of face value of RMB100 each in an aggregate principal amount of RMB3.0 billion convertible into fully paid A Shares
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"Dongguan Cowell"	Dongguan Cowell Optic Electronics Co., Ltd., a company established in the PRC with limited liability, and an associate of the Company
"Dongguan Dubo"	Dongguan Dubo Leather Products Co., Ltd., a company established in the PRC with limited liability, and an associate of the Company
"EGM"	the extraordinary general meeting of the Company to be held at Conference Room, 4th Floor, Company Complex Building, No. 313 Beihuan Road, Qingxi Town, Dongguan City, Guangdong Province, the PRC on Wednesday, 16 September 2026 at 3:00 p.m.
"FVTOCI"	fair value through other comprehensive income
"FVTPL"	fair value through profit or loss
"Group"	the Company and its subsidiaries
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Cowell"	Cowell Optic Electronics Limited, a company incorporated in Hong Kong with limited liability, and an associate of the Company
"Hong Kong dollar(s)" or "HKD" or "HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited

Item	Definition
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited
"H Shareholder(s)"	holder(s) of the H Share(s)
"IFRS"	the International Financial Reporting Standards
"Leoni Business"	the Group's acquisitions of a 50.1% equity interest in Leoni AG and a 100% equity interest in Leoni Kabel GmbH, as disclosed in the Prospectus
"Listing"	the listing of the H Shares on the Main Board
"Listing Date"	9 July 2026, the date on which dealings in the H Shares first commenced on the Main Board of the Hong Kong Stock Exchange
"Lizhen Equipment"	Lizhen Intelligent Equipment (Kunshan) Co., Ltd., a company established in the PRC with limited liability, and an associate of the Company
"Luxsan"	Luxsan Technology Limited, a company incorporated in Hong Kong with limited liability, and an associate of the Company
"Luxsan Trading"	Luxsan (Hong Kong) Trading Co., Limited, a company incorporated in Hong Kong with limited liability, and an associate of the Company
"Luxshare Limited"	Luxshare Limited, a company incorporated in Hong Kong with limited liability and one of the Controlling Shareholders
"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM (formerly known as the Growth Enterprise Market) of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"Mr. Wang"	Mr. Wang Laisheng (王來胜), the founder of the Company, vice chairman of the Board, executive Director and one of the Company's Controlling Shareholders
"Ms. Wang"	Ms. Wang Laichun (王來春), the founder of the Company, chairlady of the Board, executive Director, general manager and one of the Company's Controlling Shareholders
"Net Proceeds"	the net proceeds raised from the Listing
"Previous Period"	1 January 2025 to 30 June 2025

Item	Definition
"Prospectus"	the prospectus of the Company dated 30 June 2026
"R&D"	research and development
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	1 January 2026 to 30 June 2026
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Share Option Incentive Plans"	the 2021 Share Option Incentive Plan, the 2022 Share Option Incentive Plan and the 2025 Share Option Incentive Plan
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Listing Rules"	the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, as amended from time to time
"substantial shareholder(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Suzhou Lisheng"	Lisheng Automotive Technology (Suzhou) Co., Ltd., a company established in the PRC with limited liability, and an associate of the Company
"Teleray Hong Kong"	Teleray (Hong Kong) International Company Limited, a company incorporated in Hong Kong with limited liability, and an associate of the Company
"treasury shares"	has the meaning ascribed to it under the Hong Kong Listing Rules
"U.S. dollars," "US$" or "USD"	United States dollars, the lawful currency of the United States
"Wingtech ODM Business"	the ODM business for consumer electronic products acquired from Wingtech Communications Co., Ltd. in January 2025 as disclosed in the Prospectus
"year-on-year"	compared with the same period last year
"%"	percent

Chapter 2 — Company Profile and Key Financial Indicators

I. Company Profile

Stock Short Name	A Share: Luxshare Precision; H Share: Luxshare Precision	**Stock Code**	A share: 002475; H share: 02475
Stock exchanges on which the shares are listed	Shenzhen Stock Exchange; The Stock Exchange of Hong Kong Limited		
Company Name (Chinese)	立訊精密工業股份有限公司		
Company's Chinese Abbreviation (if any)	A Share: 立訊精密 H Share: 立訊精密		
Company's Foreign Name (if any)	Luxshare Precision Industry Co., Ltd.		
Company's Foreign name abbreviation (if any)	LUXSHARE ICT		
Legal Representative of the Company	Wang Laichun		

II. Contact Persons and Contact Methods

	Secretary to the Board	Securities Affairs Representative
Name	Xiao Yunxi	Chen Weihang
Correspondence Address	No. 313, Beihuan Road, Qingxi Town, Dongguan City, Guangdong Province	No. 313, Beihuan Road, Qingxi Town, Dongguan City, Guangdong Province
Telephone	0769–87892475	0769–87892475
Facsimile	0769–87732475	0769–87732475
Email	Yui.Hsiao@luxshare-ict.com	Weihang.Chen@luxshare-ict.com

III. Other Information

1. Contact methods of the Company

Whether the registered address, office address, postal code, website, email and others of the Company changed during the Reporting Period

☐ Applicable ☑ Not applicable

There was no change in the registered address, office address, postal code, website, email and others of the Company during the Reporting Period. Please refer to the 2025 annual report for details.

2. Information disclosure and places for inspection

Whether the information disclosure and places for inspection changed during the Reporting Period

☐ Applicable ☑ Not applicable

There was no change in the websites of the stock exchanges and the names and websites of the media where the Company discloses its interim report, and places for inspection of the Company's interim report during the Reporting Period. Please refer to the 2025 annual report for details.

3. Other Relevant Information

Whether other relevant information changed during the Reporting Period

☐ Applicable ☑ Not applicable

IV. Major Accounting Data and Financial Indicators

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

☐ Yes ☑ No

Unit: RMB

	The Reporting Period	The corresponding period of the prior year	Increase/decrease for the Reporting Period as compared to the corresponding period of the prior year
Operating revenue (RMB)	174,504,335,921.25	124,503,174,115.60	40.16%
Net profit attributable to shareholders of the Company (RMB)	7,842,698,288.86	6,644,272,049.46	18.04%
Net profit after extraordinary gains or losses attributable to shareholders of the Company (RMB)	5,961,877,867.17	5,599,433,499.57	6.47%
Net cash flows from operating activities (RMB)	–2,445,863,006.32	–1,657,810,282.39	–47.54%
Basic earnings per share (RMB per share)	1.0774	0.9175	17.43%
Diluted earnings per share (RMB per share)	1.0526	0.9130	15.29%
Rate of return on weighted average net assets	8.76%	9.13%	Decreased by 0.37 percentage point

	As at the end of the Reporting Period	As at the end of the prior year	Increase/decrease as at the end of the Reporting Period as compared to the end of the prior year
Total assets (RMB)	349,889,629,015.27	306,537,675,786.42	14.14%
Net assets attributable to shareholders of the Company (RMB)	93,607,124,197.25	84,921,103,420.87	10.23%

V. Differences in Accounting Data Under Domestic and Overseas Accounting Standards

1. Differences between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report

☐ Applicable ☑ Not applicable

There was no difference between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report during the Reporting Period.

2. Differences between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report

☐ Applicable ☑ Not applicable

There was no difference between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report during the Reporting Period.

VI. Items and amounts of extraordinary gains or losses

☑ Applicable ☐ Not applicable

Unit: RMB

Item	Amount	Description
Profit or loss from disposal of non-current assets (including reversal of provision for asset impairment)	22,604,678.79	
Government grants (except for the government grants closely related to the normal operation of the Company, granted in accordance with an established standard and having an ongoing effect on the Company's profit or loss in compliance with national policies and regulations) accounted for in profit or loss for the current period	585,318,449.67	
Except for effective hedging business conducted in the ordinary course of business of the Company, profit or loss arising from the change in fair value of financial assets and financial liabilities held by a non-financial company, as well as profit or loss arising from disposal of its financial assets and financial liabilities	1,301,667,912.66	
Profit or loss from entrusted investments or assets under management	821,215,180.58	
Other non-operating revenue and expenses other than the above items	–16,256,260.60	
Other profit or loss items that fall within the definition of extraordinary profit or loss	–115,780,759.28	
Less: Effect of income tax	380,401,003.07	
Effect of minority interests (after tax)	337,547,777.06	
Total	1,880,820,421.69	

Details of other profit or loss items that fall within the definition of extraordinary profit or loss:

☐ Applicable ☑ Not applicable

The Company did not have any other profit or loss items falling within the definition of extraordinary profit or loss.

Explanation on the extraordinary profit or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 — Extraordinary Gains or Losses defined as its recurring profit or loss items

☐ Applicable ☑ Not applicable

The Company has not defined the non-recurring profit or loss items listed in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 — Extraordinary Gains or Losses as recurring profit or loss items.

I. Principal Business of the Company During the Reporting Period

There were no significant changes in the Company's principal business during the Reporting Period. Please refer to the 2025 annual report for details.

(I) Overall Operating Conditions of the Company

During the Reporting Period, amid an external environment characterised by accelerating technological advancements in the industry and complex market shifts, the Company remained committed to a long-term perspective, continuing to deepen its footprint across its three core business segments: consumer electronics, communication and data centers, and automotive electronics. By fully leveraging its globally deployed production capacity, vertically integrated capabilities, and precision intelligent manufacturing platform, the Company achieved steady improvements in both operating scale and business quality.

During the Reporting Period, the Company recorded operating revenue of RMB174,504 million, representing a year-on-year increase of 40.16%, and a net profit attributable to shareholders of the Company of RMB7,843 million, representing a year-on-year increase of 18.04%. Due to exchange rate fluctuations, the Company's exposure arising from its foreign currency-denominated assets and liabilities resulted in an exchange loss of approximately RMB1,986 million during the Reporting Period.

In response to exchange rate fluctuations, the Company actively adopted measures such as foreign currency procurement and foreign exchange risk management instruments. Gains of approximately RMB1.297 billion arising from foreign exchange risk management were included in non-recurring profit or loss. However, exchange gains or losses arising from the Company's foreign-currency monetary assets and liabilities are recognised under financial expenses and are therefore reflected in both net profit before and after deducting non-recurring profit or loss, whereas gains or losses arising from the foreign exchange hedging activities undertaken to hedge such exchange rate risks are classified as non-recurring profit or loss and are therefore excluded from net profit after deducting non-recurring profit or loss. As a result, net profit after deducting non-recurring profit or loss did not fully reflect the effect of the Company's foreign exchange hedging activities. During the Reporting Period, the Company's net profit attributable to shareholders of the Company after deducting non-recurring profit or loss amounted to RMB5,962 million, representing a year-on-year increase of 6.47%.

In the meantime, the Company's gross profit margin for the Reporting Period stood at 11.78%, representing an increase of 0.17 percentage points compared with the same period in 2025, primarily attributable to the continued rapid growth of businesses, such as communication and data centers and automotive electronics, whose gross profit margins were higher than the Company's overall average, driving the continued optimisation of the business structure and further enhancing its profitability.

Overall, the operating performance of the Company's principal businesses remained on a positive trajectory, demonstrating strong operational resilience despite factors such as sharp exchange rate fluctuations, changes in raw material prices, and sustained investment in emerging businesses. This resilience fully reflects the comprehensive competitive advantages derived from its diversified business portfolio, global delivery system, and refined operational management capabilities.

Looking ahead to the full year of 2026, with the continued ramp-up of new products from core consumer electronics customers and ODM/JDM projects, the accelerated mass production of key projects in high-speed electrical connectivity, optical connectivity, thermal management and power management within the communication and data center sector, the synergies from the Leoni Business, and new businesses generated by the global customer expansion in automotive electronics, the Company expects its earlier strategic investments to gradually translate into incremental growth momentum in the second half of 2026. The Company will continue to strengthen its global resource allocation, supply chain coordination, cost control and risk management capabilities, promote the synergistic development of its three business segments and continued optimisation of its business structure, and strive to achieve steady growth in operating scale, sustained improvement in earnings quality, further enhancement of core competitiveness, and operating performance above the industry average.

(II) Consumer Electronics Business

During the Reporting Period, AI is accelerating its penetration into end devices, ushering in a new AI-driven innovation cycle for the consumer electronics industry. Emerging terminal products such as AI smartphones, AI PCs, AI glasses, and smart wearables are continuously expanding application boundaries, driving the evolution of consumer electronics from conventional functional devices to intelligent terminals with perception, interaction, and proactive service capabilities. The competitive focus of the industry is progressively shifting from standalone manufacturing capabilities to product definition, technology integration, and large-scale delivery capabilities.

During the Reporting Period, the Company continued to deepen its strategic deployment in the consumer electronics sector. Through the integration of its ODM business and R&D teams, it further strengthened its capabilities in product definition, system development, and end-to-end manufacturing, extending its capabilities from product conceptualization, design and development to mass production. Building upon its existing advantages in precision manufacturing, the Company continued to refine its foundational technology portfolio across acoustics, optics, electronics, thermals, magnetics, and other areas, establishing a comprehensive capability system covering precision components, functional modules, and system integration. In response to the opportunities in the development of AI terminals, the Company leveraged its cross-sector technology integration capabilities, intelligent manufacturing systems, and global large-scale delivery capabilities to actively engage with leading global customers in the development of more innovative and complex products, including smart wearables, AI-enabled end-device hardware, and robotics. This has enabled the consumer electronics business to extend into higher-value areas such as product definition and system integration.

During the Reporting Period, the Company's consumer electronics business recorded revenue of RMB122,476 million, representing an increase of 19.27% year-on-year.

(III) Communication and Data Center Business

During the Reporting Period, the AI industry continued its rapid development, with global computing power infrastructure entering a phase of large-scale construction and technological architecture upgrades. With the accelerated deployment of large model training, inference, and agent applications, AI data centers are evolving towards higher computing power, higher-speed interconnectivity, and greater energy efficiency. Infrastructure segments such as high-speed interconnectivity (copper cable connectivity solutions and optical interconnect solutions), liquid cooling thermal management, and power management are therefore presented with new industry opportunities.

In terms of high-speed interconnection, the Company adheres to a development strategy of advancing optical and copper interconnection in parallel. In the field of copper interconnection, the Company continued to advance its technological deployment in relation to 224G, 448G and next-generation technologies with higher transmission rates, enhanced its system-level interconnection capabilities around core areas such as CPC, NPC, Cable Cartridge and high-speed backplane connectors, and focused on promoting the commercial deployment of CPC-related products in the second half of 2027. In the field of optical interconnection, the Company continued to promote the large-scale application of 800G and made forward-looking deployments in relation to 1.6T, 2.4T, 3.2T and 6.4T high-speed optical modules, as well as next-generation technologies such as LRO, LPO, XPO and CPO.

It is worth noting that, in addition to the North American market, the evolution of AI technologies has also created enormous market opportunities in the Chinese market. In particular, the domestic market has demonstrated a trend of high-quality development in the fields of high-speed copper cables and connectors, which are characterised by high technological barriers and domestic substitution. Based on its technological leadership, the Company has already gained significant advantages in this market and will achieve rapid growth over the next three years.

In the field of optical interconnection, the Company continued to promote the large-scale application of 800G, achieved mass-production shipments during the Reporting Period, and completed the development and validation of industry-leading automated production processes and the implementation of mass production in the second half of 2026. At the same time, the Company made forward-looking deployments in relation to next-generation technologies such as 1.6T, 2.4T and 3.2T, LRO and LPO, as well as XPO, NPO and CPO, and is expected to progressively complete the development of automated production processes and the implementation of mass production in the second half of 2026 and over the following two years.

In terms of thermal management, in response to the development trends of high power consumption and high density in AI servers, the Company continued to promote liquid-cooling thermal management. Building on its liquid-cooling products that have already entered mass production, the Company accelerated the introduction of such products to its core customers in North America. The Company expects to achieve progress at different stages, including obtaining supplier qualifications, small-batch deliveries and large-scale mass production, during the second half of 2026 and next year.

At the same time, the Company continued to advance its deployment of advanced thermal management products, including diamond-copper, microchannel technologies and CDUs, thereby improving its thermal management solutions for next-generation computing infrastructure, and plans to progressively commence mass production during the following two years.

In terms of power management, in response to the trend of upgrades to AI server power supply architectures, the Company continued to advance its DC-to-DC low-voltage server power module business. At the same time, the Company actively seized the industry opportunities arising from the evolution and upgrade of AIDC power supply architectures from 12V to rack-level 48V, 50V and 54V solutions and 800V high-voltage direct current.

The Company's DC-to-DC low-voltage server power module business has achieved large-scale mass-production shipments from tertiary power supplies to primary power supplies. The Company is currently actively developing high-voltage and ultra-high-voltage power product solutions for high-power computing scenarios over the next two years.

During the Reporting Period, the Company's communication and data center business recorded revenue of RMB16,609 million, representing an increase of 49.66% year-on-year.

(IV) Automotive Electronics Business

During the Reporting Period, the global automotive industry continued its evolution towards electrification, intelligence, and connectivity. The automobile is being transformed from a traditional means of transport into an intelligent mobile terminal, with electronic and electrical architectures, high-performance computing platforms, intelligent cockpits, and intelligent driving emerging as key areas of industry development.

During the Reporting Period, the Company continued to advance the strategic upgrading of its automotive electronics business. With the goal of becoming a leading global Tier 1 automotive parts supplier, it continued to refine its product portfolio across connectors, wiring harnesses, intelligent control, intelligent chassis, and powertrain systems.

Meanwhile, the Company continued to deepen the integration of Leoni Business, with operational improvements progressing steadily and overall performance exceeding expectations. Through the synergies realised in global manufacturing networks, customer resources, supply chain systems, and operational management capabilities, the Company further strengthened its global service capabilities in the automotive business.

In addition, the Company continued to deepen collaboration with global automotive customers, driving the introduction of more products and business opportunities through product portfolio expansion, platform expansion, and deeper cooperation. The Company has now established partnerships with a broad range of mainstream global automotive brands. Going forward, the Company will leverage its comprehensive strengths in precision manufacturing, intelligent manufacturing, and global delivery, together with the global resources of the Leoni Business, to provide localised and intelligent support services for global automakers and Chinese automotive brands expanding overseas, thereby continuously enhancing the global competitiveness of its automotive electronics business.

During the Reporting Period, the Company's automotive electronics business recorded revenue of RMB32,391 million, representing an increase of 274.10% year-on-year.

II. Analysis of Core Competitiveness

There were no significant changes in the Company's core competitiveness during the Reporting Period. Please refer to the Company's 2025 annual report for details.

III. Analysis of Principal Operations

Overview

Please see "I. Principal Business of the Company During the Reporting Period" for relevant information.

Year-on-year changes in major financial information

Unit: RMB

	The Reporting Period	The corresponding period of the prior year	Increase/decrease year on year	Reason for the change
Operating revenue	174,504,335,921.25	124,503,174,115.60	40.16%	Increase in business combinations and product shipments
Cost of Sales	153,950,279,740.21	110,047,863,704.95	39.89%	Increase in business combinations and product shipments
Selling Expenses	866,181,940.26	563,980,503.79	53.58%	Increase in personnel compensation and benefits and business expansion investment
General and Administrative Expenses	5,538,017,658.31	3,155,670,978.40	75.49%	Increase in personnel and compensation benefits, office expenses, and material consumption
Financial Expenses, Net	2,239,999,178.71	–160,284,969.21	1,497.51%	Exchange rate fluctuations led to an increase in exchange losses, partially offset by an increase in interest income
Income Tax Expense	937,145,786.69	841,924,446.73	11.31%	Increase in total profit and recognized deferred income tax expense
R&D Expenses	6,572,800,944.57	4,593,537,528.74	43.09%	Increase in personnel and compensation benefits, molds, material costs, and certification fees
Net Cash Flow from Operating Activities	–2,445,863,006.32	–1,657,810,282.39	–47.54%	Mainly due to payments made to suppliers for matured trade payables
Net Cash Flows from Investing Activities	–29,393,362,934.65	–15,832,056,511.79	–85.66%	Mainly due to investment and wealth management
Net Cash Flows from Financing Activities	44,938,572,381.66	26,161,616,069.88	71.77%	Mainly due to increased financing
Net increase in cash and cash equivalents	11,699,983,520.02	9,218,027,626.05	26.93%	Mainly due to an increase in financing activities, partially offset by investment and operating expenditures

Significant change in structure or source of profit of the Company during the Reporting Period

☐ Applicable ☑ Not applicable

There were no significant changes in the structure or source of profit of the Company during the Reporting Period.

Components of operating revenue

The Group derived revenue from four business lines, including (i) sales of consumer electronics products and solutions; (ii) automotive electronics products and solutions; (iii) communication and data center products and solutions; and (iv) others, mainly consisting of components and modules for medical devices and industrial equipment.

Unit: RMB

	The Reporting Period		The corresponding period of the prior year		
	Amount	% of operating revenue	Amount	% of operating revenue	Increase/ Decrease year on year
Total Operating Revenue	174,504,335,921.25	100%	124,503,174,115.60	100%	40.16%
By Industry					
Consumer electronics	122,476,018,731.13	70.18%	102,688,182,063.35	82.48%	19.27%
Automotive electronics	32,391,368,668.49	18.56%	8,658,405,441.06	6.96%	274.10%
Communication and data centers	16,608,856,283.14	9.52%	11,097,738,351.52	8.91%	49.66%
Other(1)	3,028,092,238.49	1.74%	2,058,848,259.67	1.65%	47.08%
By Product					
Consumer electronics	122,476,018,731.13	70.18%	102,688,182,063.35	82.48%	19.27%
Automotive electronics	32,391,368,668.49	18.56%	8,658,405,441.06	6.96%	274.10%
Communication and data centers	16,608,856,283.14	9.52%	11,097,738,351.52	8.91%	49.66%
Other	3,028,092,238.49	1.74%	2,058,848,259.67	1.65%	47.08%
By Region					
Domestic Sales	28,445,182,429.61	16.30%	18,777,291,600.56	15.08%	51.49%
Exports	146,059,153,491.64	83.70%	105,725,882,515.04	84.92%	38.15%

(1): Consisting of components and modules for medical devices, industrial equipment, outdoor power equipment, robotics, new energy storage and other markets.

Industries, products or regions accounting for over 10% of operating revenue or operating profit of the Company

☑ Applicable ☐ Not applicable

Consumer electronics: Consumer electronics products and solutions of the Group primarily consisted of a range of components, modules and system solutions for end products used in multiple scenarios, including office, home and outdoor spaces. Revenue from the Group's sales of consumer electronics products and solutions increased by 19.3% from RMB102.7 billion during the Previous Period to RMB122.5 billion during the Reporting Period, primarily due to the Group's vertically integrated, full-stack intelligent manufacturing platform capabilities, which enabled it to deepen its cooperation with leading brands and continue to expand its diversified customer base, the continued enrichment of its comprehensive product portfolio across components, modules and finished products, and the additional revenue from finished-product manufacturing following the acquisition of the Wingtech ODM Business.

Automotive electronics: Automotive electronics products and solutions of the Group primarily consisted of automotive nervous and vascular system, intelligent cockpit and advanced driver-assistance system (ADAS), intelligent chassis system, vehicle entry system and powertrain system. Revenue from the Group's sales of automotive electronics products and solutions increased by 274.1% from RMB8.7 billion during the Previous Period to RMB32.4 billion during the Reporting Period, primarily due to the continued expansion of the global market for automotive electronic components driven by the global trend towards vehicle electrification and intelligentisation, the Group's completion of its comprehensive product portfolio covering wiring harnesses, automotive electronic control systems and intelligent cockpits by leveraging its vertically integrated precision manufacturing platform, the continued mass production and delivery of projects awarded by domestic and overseas automakers, and the accumulation of technological capabilities and customer resources through previous industry acquisitions, coupled with the completion of the acquisition of the Leoni Business in July 2025, which further expanded the Group's global automotive customer base and production capacity.

Communication and data centers: Communication and data center products and solutions of the Group primarily consisted of communication equipment such as base station antenna, wireless access, digital room distribution and point-to-point microwave transmission system, and data center products and solutions such as copper connectivity, optical connectivity, thermal management and power solutions. Revenue from the Group's sales of communication and data center products and solutions increased by 49.7% from RMB11.1 billion during the Previous Period to RMB16.6 billion during the Reporting Period, primarily due to the continued expansion in market demand for high-speed copper interconnects, optical modules, thermal management, power solutions and other precision components and modules, driven by the rapid growth in global demand for artificial intelligence (AI) computing power, 5G/5.5G and data center infrastructure, and the Group's replication of its cross-sector precision manufacturing capabilities in the communication and computing power sector by leveraging its full-stack precision intelligent manufacturing platform, thereby establishing a vertically integrated value chain covering copper connectivity, optical connectivity, thermal management and power management, as well as a comprehensive product portfolio covering base stations and AI servers.

Others: During the Reporting Period, the Group generated revenue from other products and solutions, mainly consisting of sales of components and modules for medical devices and industrial equipment. Revenue from the Group's sales of other products and solutions increased by 47.1% from RMB2.1 billion during the Previous Period to RMB3.0 billion during the Reporting Period, primarily due to the Group's continued expansion of its customer base comprising leading global companies in the medical devices, industrial equipment, smart home, outdoor sports and embodied-intelligence robotics sectors by leveraging its cross-sector precision intelligent manufacturing capabilities, and the gradual commencement of mass production and delivery of the relevant awarded projects for precision components and modules.

Sales Volume and Average Selling Price (ASP)

The following table sets forth a breakdown of the Group's sales volume and ASP for different business lines for the periods indicated:

		For the six months ended 30 June			
		2026		2025	
	Unit	**Sales Volume '000**	**ASP RMB per piece/set**	Sales Volume '000	ASP RMB per piece/set
Consumer electronics	piece/set	**3,742,404**	**32.7**	3,631,699	28.3
Automotive electronics	piece/set	**465,635**	**69.6**	178,461	48.5
Communication and data centers	piece/set	**318,987**	**52.1**	231,821	47.9
Others	piece/set	**225,030**	**13.5**	197,311	10.4
Total/Overall[(1)]		**4,752,056**	**36.7**	4,239,292	29.4

(1): The overall ASP is calculated by dividing the total revenue by the total sales volume as stated in the table above.

The Group's sales volume increased by 12.1% from 4.2 billion pieces/sets during the Previous Period to 4.8 billion pieces/sets during the Reporting Period, primarily due to the growth of the Group's existing businesses, together with the contribution from the acquisitions of the Leoni Business and the Wingtech ODM Business in 2025. The Group's overall ASP increased from RMB29.4 per piece/set during the Previous Period to RMB36.7 per piece/set during the Reporting Period, which was mainly attributable to the increased proportion of sales of high-value modules, complete systems and high-end new products within the Group's product portfolio, coupled with a decrease in the proportion of low-priced basic components, the addition of higher-priced product lines through cross-sector acquisitions, the continued increase in the revenue contribution from higher-priced products in the automotive and communication segments, and the Group's transition from the supply of individual components to the one-stop delivery of modules and systems, which increased the level of product integration and the content value per vehicle or device.

Unit: RMB

	Operating Revenue	Cost of Sales	Gross Profit Margin	Increase/ decrease of operating revenue as compared to the corresponding period of the prior year	Increase/ decrease of cost of sales as compared to the corresponding period of the prior year	Increase/ decrease of gross profit margin as compared to the corresponding period of the prior year
By Industry						
Consumer electronics	122,476,018,731.13	109,920,572,532.42	10.25%	19.27%	19.44%	–0.13%
Automotive electronics	32,391,368,668.49	27,811,092,348.50	14.14%	274.10%	274.38%	–0.06%
Communication and data centers	16,608,856,283.14	13,736,372,457.78	17.29%	49.66%	54.27%	–2.48%
Other	3,028,092,238.49	2,482,242,401.51	18.03%	47.08%	47.48%	–0.22%
By Product						
Consumer electronics	122,476,018,731.13	109,920,572,532.42	10.25%	19.27%	19.44%	–0.13%
Automotive electronics	32,391,368,668.49	27,811,092,348.50	14.14%	274.10%	274.38%	–0.06%
Communication and data centers	16,608,856,283.14	13,736,372,457.78	17.29%	49.66%	54.27%	–2.48%
Other	3,028,092,238.49	2,482,242,401.51	18.03%	47.08%	47.48%	–0.22%
By Region						
Domestic sales	28,445,182,429.61	23,859,043,204.04	16.12%	51.49%	52.52%	–0.57%
Exports	146,059,153,491.64	130,091,236,536.17	10.93%	38.15%	37.80%	0.22%

Under the circumstances that the statistics specification for the Company's principal operations data experienced adjustment in the Reporting Period, the principal activity data upon adjustment of the statistics specification as at the end of the Reporting Period in the latest year

☐ Applicable ☑ Not applicable

Cost of Sales

The Group's cost of sales primarily consists of (i) costs of materials; (ii) manufacturing overhead, which primarily include costs related to the Group's factories, utilities and consumables; and (iii) staff costs relating to the production personnel. The following table sets forth a breakdown of the Group's cost of sales by nature and their corresponding percentages of the Group's total cost of sales for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	% of total	RMB'000	% of total
Costs of materials	**128,532,058**	**83.5**	92,665,438	84.2
Manufacturing overhead	**14,782,152**	**9.6**	10,131,017	9.2
Staff costs	**9,264,440**	**6.0**	5,934,227	5.4
Others	**1,371,630**	**0.9**	1,317,182	1.2
Total	**153,950,280**	**100**	110,047,864	100

Gross Profit and Gross Profit Margin

Gross profit represents the difference between revenue and cost of sales. During the Reporting Period, the Group's gross profit amounted to RMB20.6 billion and it recorded an overall gross profit margin of 11.8%.

Gross Profit and Gross Profit Margin by Business Line

The following table sets forth the Group's gross profit and gross profit margin by business line for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Consumer electronics	**12,555,446**	**10.3**	10,656,038	10.4
Automotive electronics	**4,580,276**	**14.1**	1,229,785	14.2
Communication and data centers	**2,872,484**	**17.3**	2,193,744	19.8
Others	**545,850**	**18.0**	375,743	18.3
Total/Overall	**20,554,056**	**11.8**	14,455,310	11.6

The Group's gross profit margin from sales of consumer electronics products and solutions remained relatively stable at 10.4% and 10.3% during the Previous Period and the Reporting Period, respectively.

The Group's gross profit margin from sales of automotive electronics products and solutions remained relatively stable at 14.2% and 14.1% during the Previous Period and the Reporting Period, respectively.

The Group's gross profit margin from sales of communication and data center products decreased from 19.8% during the Previous Period to 17.3% during the Reporting Period, primarily due to changes in the product mix, as the increased sales volume of lower-margin finished-product assembly products reduced the segment's overall gross profit margin, and the adverse impact of the appreciation of Renminbi on the gross profit margin of export products.

The Group's gross profit margin from sales of other products and solutions remained relatively stable at 18.3% and 18.0% during the Previous Period and the Reporting Period, respectively.

Selling Expenses

The Group's selling expenses primarily consisted of (i) employee-related expenses mainly including salary and benefits for the sales staff; (ii) office expenses; (iii) promotion expenses; (iv) consumables and miscellaneous purchases; and (v) warehousing and rental expenses.

The Group's selling expenses increased by 53.6% from RMB564.0 million during the Previous Period to RMB866.2 million during the Reporting Period, primarily due to the increase in overseas sales-related expenses resulting from the expansion of the Group's business scale and global customer base, the consolidation of the existing sales teams and customer service systems of the acquired businesses, including the Leoni Business and the Wingtech ODM Business, and the increased investment in market development for new businesses amid the diversification of the Group's customer base.

General and Administrative Expenses

The Group's general and administrative expenses primarily consisted of (i) employee-related expenses mainly including salary and benefits for the administrative staff; (ii) depreciation and amortization; (iii) tax and surcharge; (iv) office expenses; (v) consumables; (vi) rental, repairs and miscellaneous purchases; and (vii) consultancy fees.

The Group's general and administrative expenses increased by 75.5% from RMB3,155.7 million during the Previous Period to RMB5,538.0 million during the Reporting Period, primarily due to the expansion of the Group's overall business scale, which led to an increase in management personnel and related remuneration and benefits, higher management costs arising from the Group's overseas expansion, and additional expenses incurred in connection with the integration of major acquisitions.

R&D Expenses

The Group's R&D expenses primarily consisted of (i) employee-related expenses, mainly including salaries and benefits for the R&D staff; (ii) molds, materials and consumables; (iii) depreciation and amortization; (iv) rental, repair and inspection expenses; (v) technology service fees; and (vi) office expenses. The following table sets forth the breakdown of the Group's R&D expenses by nature and their corresponding percentages of the Group's total R&D expenses for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**% of total**	RMB'000	% of total
Employee-related expenses	**3,793,586**	**57.7**	2,499,787	54.4
Molds, materials and consumables	**1,226,618**	**18.7**	967,154	21.1
Depreciation and amortization	**646,979**	**9.8**	509,037	11.0
Rental, repairs and inspection	**282,858**	**4.3**	246,100	5.4
Technology service fee	**183,752**	**2.8**	97,255	2.1
Office expenses	**123,275**	**1.9**	67,502	1.5
Others	**315,733**	**4.8**	206,703	4.5
Total	**6,572,801**	**100.0**	4,593,538	100.0

The Group's R&D expenses increased by 43.1% from RMB4,593.5 million during the Previous Period to RMB6,572.8 million during the Reporting Period, primarily due to higher employee-related expenses and other R&D costs associated with the consolidation of certain businesses of Wingtech Technology Co., Ltd., Leoni AG and Leoni Kabel GmbH following the Group's acquisitions completed in 2025.

Financial Expenses, Net

The Group's financial expenses, net represent the result of (i) finance income, being bank interest income from bank balances and term deposits which could be withdrawn or transferred on demand, net of (ii) financial expenses, mainly arising from interest expenses on bank borrowings, lease liabilities, short term financing bills, and convertible bonds, and (iii) adjusted for exchange rate fluctuations. The Group recorded net finance income of RMB160.3 million in the Previous Period and net financial expenses of RMB2,240.0 million during the Reporting Period, mainly due to the increased exchange losses resulting from exchange rate fluctuations.

IV. Analysis of Non-Principal Operations

☑ Applicable ☐ Not applicable

Unit: RMB

	Amount	As a percentage of total profit	Reason	Is it sustainable?
Investment income	4,288,651,403.73	45.32%	Investment income from financial assets at fair value through profit or loss and income from wealth management products, share of profits of associates and joint ventures, and gains on derecognition of financial assets	No
Profit or loss from change in fair value	357,582,555.29	3.78%	Unrealized profit or loss from financial assets at fair value through profit or loss	No
Assets impairment	-595,373,112.50	-6.29%	Inventory write-downs and impairment of fixed assets	No
Non-operating revenue	43,931,798.51	0.46%	Mainly due to penalty income	No
Non-operating expenses	72,662,531.51	0.77%	Loss on disposal of fixed assets, external donations and compensation expenses	No
Gain on disposal of assets	35,079,151.19	0.37%	Gains on disposal of equipment	No
Other income	612,367,507.56	6.47%	Government grants	No
Credit impairment losses	-94,881,319.34	-1.00%	Provision for impairment loss on trade receivable and other receivables	No

Investment Income

The Group's investment income primarily consisted of (i) share of profits of associates and joint ventures, mainly relating to investments in associates engaged in the manufacture and sale of flexible printed circuits, board-to-board connectors, smartphone system integration and intelligent in-vehicle devices, among others; (ii) investment income from financial assets at FVTPL and wealth management products; and (iii) gains on derecognition of financial assets.

The Group's investment income increased by 42.1% from RMB3,018.0 million during the Previous Period to RMB4,288.7 million during the Reporting Period, primarily due to an increase in the Group's share of profits of associates and joint ventures accounted for using the equity method, as certain associates completed their production capacity expansion and expanded their customer base to include leading companies, while economies of scale also improved their profit margins.

Profit or Loss from Change in Fair Value

The Group's profit or loss from change in fair value primarily represented changes in the fair value of financial assets and liabilities at FVTPL, including fluctuations in the fair value of trading financial assets, such as wealth management products.

The Group recorded a profit from change in fair value of RMB357.6 million during the Reporting Period, as compared with a loss of RMB641.5 million during the Previous Period, primarily due to an increase in the fair value of foreign exchange derivatives, including forward foreign exchange contracts entered into by the Group to hedge its foreign currency exposure arising from its significant overseas revenue and foreign currency liabilities, as a result of movements in foreign exchange rates, as well as an increase in the market prices of certain financial products held for trading and non-current financial assets as at the end of the Reporting Period.

Assets Impairment

The Group's assets impairment primarily consisted of (i) write-downs on inventories; and (ii) impairment losses on property, plant and equipment.

The Group's assets impairment remained relatively stable at RMB548.5 million and RMB595.4 million during the Previous Period and the Reporting Period, respectively.

Other Income

The Group's other income primarily consisted of (i) government grants, mainly arising from incentives provided by local government authorities in the PRC; (ii) super-deduction of value-added tax; and (iii) other income, mainly comprising handling fees for withholding individual income tax.

The Group's other income increased from RMB420.7 million during the Previous Period to RMB612.4 million during the Reporting Period, primarily due to an increase in government grants.

Credit Impairment Losses

The Group's credit impairment losses primarily consisted of on (i) trade receivables; (ii) notes receivables; and (iii) other receivables.

The Group's credit impairment losses increased from RMB13.0 million during the Previous Period to RMB94.9 million during the Reporting Period, primarily due to the increase in impairment provisions made for trade receivables and other receivables.

V. Analysis of Assets and Liabilities

1. Material Changes in Asset Items

Unit: RMB

	As at the end of the Reporting Period		As at the end of the prior year			
	Amount	As a percentage of total assets	Amount	As a percentage of total assets	Percentage Change	Description of Significant Changes
Monetary Funds	71,812,397,443.48	20.52%	61,159,176,580.35	19.95%	0.57%	Normal payment needs arising from the improvement in operating performance
Trade Receivables	47,666,294,604.50	13.62%	48,438,796,114.12	15.80%	–2.18%	Seasonal fluctuations and collection of receivables
Contract Assets	1,160,206,060.81	0.33%	1,138,331,189.32	0.37%	–0.04%	Revenue recognised based on the progress towards completion but not yet billed
Inventories	50,367,311,994.53	14.40%	42,332,782,449.47	13.81%	0.59%	Business growth and strategic stocking of materials
Investment Properties	93,154,968.58	0.03%	98,487,570.14	0.03%	0.00%	Properties leased to external parties
Long-term equity investments	14,896,150,446.63	4.26%	12,009,696,666.85	3.92%	0.34%	Mainly due to an increase in investment income recognized under the equity method
Fixed assets	64,566,699,326.98	18.45%	65,901,073,710.76	21.50%	–3.05%	Additions to plants, dormitories and equipment, offset by depreciation
Construction in Progress	5,206,085,858.83	1.49%	4,290,260,998.33	1.40%	0.09%	Uncompleted construction and renovation works for plants, dormitories and workshops, and equipment pending acceptance
Right-of-Use Assets	2,773,858,525.57	0.79%	2,761,973,867.39	0.90%	–0.11%	Additions to long-term leased assets, offset by depreciation and amortisation
Short-term Borrowings	93,569,419,706.38	26.74%	60,137,739,468.49	19.62%	7.12%	Replenishment of working capital
Contract Liabilities	1,004,201,352.40	0.29%	931,291,965.17	0.30%	–0.01%	Advances from customers
Long-term Borrowings	24,543,001,875.50	7.01%	16,441,982,591.33	5.36%	1.65%	Funding needs for new projects and an increase in borrowings
Lease Liabilities	2,276,281,001.45	0.65%	2,352,692,973.58	0.77%	–0.12%	Additions to leases, offset by lease payments and partial disposals
Financial Assets Held for Trading	3,541,721,335.72	1.01%	2,842,065,117.62	0.93%	0.08%	Investments in forward foreign exchange contracts and wealth management products
Trade Receivable Financing	1,853,162,842.54	0.53%	1,263,239,984.56	0.41%	0.12%	Bank acceptance bills not yet discounted
Prepayments	3,351,182,013.16	0.96%	1,440,690,783.69	0.47%	0.49%	Prepayments for materials, electricity charges and customs deposits

	As at the end of the Reporting Period		As at the end of the prior year			
	Amount	As a percentage of total assets	Amount	As a percentage of total assets	Percentage Change	Description of Significant Changes
Other Receivables	1,254,518,271.14	0.36%	1,909,308,880.73	0.62%	–0.26%	Export tax refunds and deposits receivable
Non-current Assets Due Within One Year	9,767,361,357.05	2.79%	9,638,642,106.65	3.14%	–0.35%	Increase in term deposits due within one year
Other Current Assets	32,928,928,305.68	9.41%	25,229,093,285.58	8.23%	1.18%	Short-term large-denomination certificates of deposit, deductible input value-added tax and prepaid income tax recoverable
Long-term Prepaid Expenses	1,061,783,213.97	0.30%	1,015,219,090.59	0.33%	–0.03%	Renovation and improvement costs for plants and workshops
Deferred Tax Assets	2,907,122,965.75	0.83%	2,533,431,115.92	0.83%	0.00%	Mainly arising from share-based payments, unrealised profits from intra-group asset transactions, government grants, tax losses available for utilisation and other temporary differences
Other Non-current Assets	26,214,593,931.42	7.49%	15,474,762,814.10	5.05%	2.44%	Prepayments for equipment, construction projects and land, as well as deposits for equity acquisitions
Bills Payable	2,101,946,839.83	0.60%	3,102,096,141.20	1.01%	–0.41%	Settlement of bills payable
Trade Payables	74,533,334,608.19	21.30%	80,910,608,802.62	26.39%	–5.09%	Seasonal fluctuations in business and settlement of amounts due to suppliers for purchases
Employee Benefits Payable	3,852,158,213.69	1.10%	4,951,859,420.41	1.62%	–0.52%	Payment of year-end bonuses accrued for 2025, partially offset by increases in employee headcount and remuneration
Other Payables	2,108,855,127.52	0.60%	2,320,728,981.71	0.76%	–0.16%	Fees and deposits payable, and dividends payable
Non-current Liabilities Due Within One Year	10,277,541,767.23	2.94%	13,700,930,087.24	4.47%	–1.53%	Long-term borrowings and lease liabilities due within one year
Other Current Liabilities	8,660,946,396.98	2.48%	7,150,917,176.07	2.33%	0.15%	Mainly comprising short-term bonds payable and output value-added tax pending transfer

	As at the end of the Reporting Period		As at the end of the prior year			
	Amount	As a percentage of total assets	Amount	As a percentage of total assets	Percentage Change	Description of Significant Changes
Bonds Payable	6,426,076,926.92	1.84%	3,491,837,425.22	1.14%	0.70%	Mainly due to an increase in science and technology innovation bonds issued
Long-term Payables	0.00	0.00%	2,999,320.76	0.00%	0.00%	Instalment payments for the acquisition of real estate, which were reclassified as non-current liabilities due within one year during the Reporting Period
Deferred Income	1,235,362,086.85	0.35%	1,138,420,510.47	0.37%	–0.02%	Government grants related to long-term assets
Deferred Tax Liabilities	1,111,419,536.26	0.32%	1,144,144,006.84	0.37%	–0.05%	Mainly due to temporary differences arising from the accelerated depreciation of fixed assets and increases in the appraised value of assets arising from business combinations not under common control

2. Fixed Assets

The following table sets forth a breakdown of the net carrying amount of the Group's property, plant and equipment as at the dates indicated:

	30 June 2026 RMB	31 December 2025 RMB
Machinery and equipment	**31,564,304,312.51**	32,097,094,140.74
Office equipment	**1,045,563,551.97**	1,073,651,299.61
Computer equipment	**222,788,410.65**	209,208,384.98
Production support equipment	**2,171,719,923.64**	2,061,966,152.68
Buildings	**20,436,426,007.18**	21,134,813,757.10
Other equipment	**6,215,384,812.61**	6,277,574,586.16
Molds and tooling	**2,807,438,672.23**	2,951,187,591.53
Transportation	**103,073,636.19**	95,577,797.96
Total	**64,566,699,326.98**	65,901,073,710.76

The Group's property, plant and equipment remained relatively stable at RMB65.9 billion as of 31 December 2025 and RMB64.6 billion as at 30 June 2026.

3. Long-term Equity Investments

The Group's long-term investments represent its equity investments in associates and joint ventures.

	30 June 2026 RMB	31 December 2025 RMB
Investment in associates	**14,763,819,239.64**	11,875,669,084.17
Investment in joint ventures	**132,331,206.99**	134,027,582.68
Total	**14,896,150,446.63**	12,009,696,666.85

The increase from RMB12.0 billion as at 31 December 2025 to RMB14.9 billion as at 30 June 2026 was primarily due to initial investment costs of RMB129.0 million recognised in respect of investments made during the Reporting Period, and an upward adjustment of RMB2,747.1 million to the carrying amount of long-term equity investments based on the Group's share of changes in the net assets of the relevant investees.

4. Cash and Bank Deposits

As at 30 June 2026, the Group's cash and bank deposits amounted to RMB71,812.4 million (31 December 2025: RMB61,159.2 million), comprising cash and cash equivalents of RMB71,040.6 million (31 December 2025: RMB59,340.6 million) and restricted bank deposits of RMB771.8 million (31 December 2025: RMB1,818.6 million). The Group also had term deposits of RMB39,163.7 million as at 30 June 2026 (31 December 2025: RMB31,068.4 million). The restricted bank deposits were mainly denominated in RMB and held in separate designated bank accounts as security for note payable and letters of credit.

The Group's cash and cash equivalents were primarily denominated in RMB as at 30 June 2026.

5. Major Overseas Assets

☐ Applicable ☑ Not applicable

6. Assets and Liabilities Measured at Fair Value

☑ Applicable ☐ Not applicable

Unit: RMB

Item	Opening Balance	Profit or loss from changes in fair value during the Reporting Period	Cumulative changes in fair value recognised in equity	Impairment provided during the Reporting Period	Amount acquired during the Reporting Period	Amount disposed of during the Reporting Period	Other changes	Closing balance
Financial Assets								
1. Financial Assets Held for Trading (excluding derivative financial assets)	2,770,200,051.30	110,840,850.50			79,983,163,485.77	79,322,483,051.85		3,541,721,335.72
2. Derivative Financial Assets	174,828,632.49						-108,293,411.68	66,535,220.81
4. Other Equity Instrument Investments	219,461,635.20		305,315,653.00		317,980,536.16	804,625.10	245,305,657.69	781,943,203.95
5. Other Non-Current Financial Assets	37,637,104.39		-121,423.47		31,544,961.56		-90,351.05	69,091,714.90
Subtotal of Financial Assets	3,202,127,423.38	110,840,850.50	305,194,229.53		80,332,688,983.49	79,323,287,676.95	136,921,894.96	4,459,291,475.38
Trade Receivables Financing	1,263,239,984.56						589,922,857.98	1,853,162,842.54
Total	4,465,367,407.94	110,840,850.50	305,194,229.53		80,332,688,983.49	79,323,287,676.95	726,844,752.94	6,312,454,317.92
Financial Liabilities	462,340,908.58	246,741,704.79	-15,925,618.28				-15,925,618.28	199,673,585.51

Other Changes

Other changes in derivative financial assets represented changes in fair value arising from hedge accounting that were recognised in other comprehensive income.

Other changes in other equity instrument investments and other non-current financial assets represented changes in fair value that were recognised in other comprehensive income.

Whether there were any material changes in the measurement attributes of major assets of the Company during the Reporting Period
☐ Yes ☑ No

7. Restriction on Asset Rights as at the End of the Reporting Period

Please refer to "Chapter 8 — Financial Report — VII. Notes to Items in Consolidated Financial Statements — 25. Assets with Restricted Ownership or Rights of Use"

VI. Analysis of Investment Status

1. Overall Situation

☑ Applicable ☐ Not applicable

Investments during the Reporting Period (RMB)	Investments during the corresponding period of prior year (RMB)	Percentage Change
332,231,300.00	1,612,226,801.50	–79.39%

2. Material Equity Investments Acquired During the Reporting Period

☐ Applicable ☑ Not applicable

3. Material Non-equity Investments During the Reporting Period

☐ Applicable ☑ Not applicable

4. Financial Asset Investment

(1) Securities Investments

☑ Applicable ☐ Not applicable

Unit: RMB

Type of security	Stock Code	Abbreviation of stock name	Initial investment cost	Accounting measurement model	Book value at the beginning of the Reporting Period	Profit or loss from changes in fair value in Reporting Period	Accumulated changes in fair value included in equity	Acquisition amount during the Reporting Period	Disposal amount during the Reporting Period	Profit or loss during the Reporting Period	Book value as at the end of the Reporting Period	Classification in account	Source of fund
Domestic and foreign shares	00901.HK	Huaxida	50,000,000.00	Measured at fair value	23,680,000.00	255,771,590.78	202,478,841.26	49,871,536.16	0.00	255,771,590.78	329,323,126.94	Investments in other equity instruments	Self-owned funds
Domestic and foreign shares	688775	Yingshi Innovation	21,920,138.94	Measured at fair value	108,928,297.80	-44,633,242.50	36,018,678.91	0.00	0.00	-44,633,242.50	64,295,055.30	Investments in other equity instruments	Self-owned funds
Domestic and foreign shares	02670.HK	Yunji	17,995,070.05	Measured at fair value	20,330,127.34	33,658,587.04	35,993,644.33	0.00	0.00	33,658,587.04	53,988,714.38	Investments in Other Equity Instruments	Self-owned funds
Total			89,915,208.99	–	152,938,425.14	244,796,935.32	274,491,164.50	49,871,536.16	0.00	244,796,935.32	447,606,896.62	–	–

(2) Derivatives Investments

☑ Applicable ☐ Not applicable

1) Derivative investments held for hedging purposes during the Reporting Period

☑ Applicable ☐ Not applicable

Unit: RMB'0,000

Type of Derivative Investment	Initial Investment Amount	Opening Balance	Profit or loss from changes in fair value in the Reporting Period	Accumulated changes in fair value included in equity	Acquisition amount during the Reporting Period	Disposal amount during the Reporting Period	Closing Amount	Percentage of the Company's Net Assets Represented by the Investment at the End of the Reporting Period
Forward	0	0	30,890.57	8,515.09	671,833.61	671,833.61	0	0.00%
Option	799,526	799,526	98,831.22	27,243.16	2,746,018.66	1,484,157.67	2,061,386.99	22.02%
Total	799,526	799,526	129,721.79	35,758.26	3,417,852.28	2,155,991.28	2,061,386.99	22.02%

The accounting policies, specific principles of accounting for hedging business during the Reporting Period, and explanations of whether there are significant changes compared with the previous Reporting Period	No significant change
Explanation on actual profit or loss during the Reporting Period	Explanation on actual profit or loss during the Reporting Period: During the Reporting Period (1 January to 30 June), the Company engaged in foreign exchange derivative transactions, with an amount of approximately RMB1,297,217,900 recognized in current profit or loss.

Description of hedging effect	Explanation of hedging effectiveness: The Company engaged in foreign exchange derivative transactions in accordance with the principles of legality, prudence, safety, and effectiveness. It does not engage in speculative or arbitrage-based trading; all transactions are based on normal production and business operations, aimed at locking in target exchange rates and mitigating the adverse effects of significant exchange rate fluctuations on the Company. The Company strictly conducts hedging activities in accordance with its foreign currency holdings, and overall risk remains manageable.
Source of funds for investment in derivatives	Self-owned funds
Risk analysis and control measures for derivative holdings during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	1. The foreign exchange derivative transactions conducted by the Company are for the purpose of locking in costs, hedging and preventing exchange rate and interest rate risks. Any risk speculation is prohibited. 2. The Company has formulated a strict management system for financial derivative trading business, which sets out clear provisions for matters such as operating principles, approval authority, internal operating procedures, information segregation measures, internal risk control and handling procedures, and information disclosure, to control transaction risks. 3. The Company will prudently review the terms of contracts signed with banks and strictly implement the risk management system to prevent legal risks.

	4. The Company's finance department will continuously track changes in the public market prices or fair values of foreign exchange derivatives, promptly assess changes in the risk exposure of foreign exchange derivative transactions, and report to the Company's management on a regular basis. In case of any abnormalities, it will report them in a timely manner, alert risks, and implement emergency measures. 5. To prevent delayed settlement of forward foreign exchange contracts, the Company attaches great importance to the management of trade receivable and has formulated safety management measures to avoid overdue trade receivable. 6. The Company's internal audit department supervises and inspects the compliance of decision-making, management, and execution related to foreign exchange derivative transactions.
Changes in market prices or fair value of invested derivatives during the Reporting Period (an analysis of the fair value of derivatives shall disclose the specific methods used, as well as the relevant assumptions and parameters established)	Changes in the fair value of foreign exchange derivatives are calculated as the difference between the fair market price for the month of the settlement date determined by the Company and the contract price.
Litigation involvement (if applicable)	N/A

2) *Derivative investment for speculative purposes during the Reporting Period*

☐ Applicable ☑ Not applicable

The Company did not engage in any derivative investments for speculative purposes during the Reporting Period.

5. Use of Proceeds

☐ Applicable ☑ Not applicable

The Company did not receive or use any Net Proceeds during the Reporting Period.

The Net Proceeds, after deducting the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the Listing, were approximately HK$24,039.1 million before the partial exercise of the over-allotment option.

On 5 August 2026, the over-allotment option described in the Prospectus was partially exercised in respect of an aggregate of 12,541,900 H Shares, representing approximately 3.27% of the total number of H Shares initially available under the global offering before any exercise of the over-allotment option. The Company received additional net proceeds of approximately HK$788.8 million from the issue and allotment of such H Shares, after deducting the estimated underwriting fees and commissions and expenses payable by the Company in connection with the global offering.

Accordingly, the aggregate Net Proceeds, including the additional net proceeds from the partial exercise of the over-allotment option, were approximately HK$24,827.9 million. The Net Proceeds will be utilised for the purposes set out in the Prospectus. The additional net proceeds from the partial exercise of the over-allotment option will be allocated to such purposes on a pro rata basis.

The Company has deposited the Net Proceeds not immediately used for the aforementioned purposes into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions).

6. Liquidity and Capital Resources

The Group's business operations and expansion plans require a significant amount of capital, including cash and cash equivalents and other working capital requirements. Historically, the Group financed its capital expenditure and working capital requirements mainly through cash generated from operations and bank borrowings. As at 30 June 2025 and 30 June 2026, the Group had cash and cash equivalents of RMB56.5 billion and RMB71.0 billion, respectively.

	30 June 2026	30 June 2025
	RMB'000	*RMB'000*
Net cash used in operating activities	**(2,445,863)**	(1,657,810)
Net cash used in investing activities	**(29,393,363)**	(15,832,056)
Net cash generated from financing activities	**44,938,572**	26,161,616
Cash and cash equivalents at the beginning of the period	**59,340,613**	47,267,103
Effect of foreign exchange rate changes	**(1,399,363)**	546,278
Cash and cash equivalents at the end of the period	**71,040,596**	56,485,131

Operating Activities

The Group's net cash used in operating activities was RMB2,445.9 million during the Reporting Period, compared with RMB1,657.8 million during the Previous Period. The Group recorded net cash outflows from operating activities for both the Reporting Period and the Previous Period, mainly due to cash payments for operating expenses, purchases of goods and services, and other operating cash outflows, partially offset by cash receipts generated from the Group's business operations.

Investing Activities

The Group's cash used in investing activities mainly consisted of the cash used for the purchase of property, plant and equipment, intangible assets, and other non-current assets, and net purchase of financial assets. The Group's cash generated from investing activities mainly consisted of proceeds from net disposal of financial assets and proceeds from disposal of property, plant and equipment, intangible assets and other non-current assets.

The Group's net cash used in investing activities was RMB29,393.4 million during the Reporting Period. This net cash outflow was primarily due to (i) the purchase of investments of RMB57,185.1 million; and (ii) the purchase of fixed assets, intangible assets and other long-term assets of RMB10,269.6 million, partially offset by cash receipts from the disposal of investments of RMB37,841.1 million.

The Group's net cash used in investing activities was RMB15,832.1 million for the Previous Period. This net cash outflow was primarily due to (i) the purchase of investments of RMB55,849.9 million; and (ii) the purchase of fixed assets, intangible assets and other long-term assets of RMB9,527.6 million, partially offset by cash receipts from the disposal of investments of RMB50,712.2 million.

Financing Activities

The Group's cash generated from financing activities mainly consisted of proceeds from bank borrowings and short-term financing bills. Cash used in financing activities mainly consisted of repayments of borrowings.

The Group's net cash generated from financing activities was RMB44,938.6 million during the Reporting Period. This net cash inflow was primarily due to proceeds from borrowings of RMB100,337.0 million, partially offset by the repayment of borrowings of RMB62,313.8 million.

The Group's net cash generated from financing activities was RMB26,161.6 million during the Previous Period. This net cash inflow was primarily due to proceeds from borrowings of RMB62,171.8 million, partially offset by the repayment of borrowings of RMB34,997.3 million.

VII. INDEBTEDNESS AND CONTINGENT LIABILITIES

The Group's indebtedness consisted of (i) borrowings; (ii) short-term financing bills; (iii) lease liabilities; (iv) Convertible Bonds; and (v) bonds payable. The following table sets forth a breakdown of the Group's indebtedness as at the dates indicated:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Included in current liabilities		
Borrowings, including short-term borrowings and the current portion of long-term borrowings included in non-current liabilities due within one year	**99,738,343**	70,264,324
Short-term financing bills (included as part of other current liabilities)	**8,081,993**	6,024,479
Lease liabilities (included as part of non-current liabilities due within one year)	**643,102**	587,396
Convertible Bonds	**3,425,265**	2,950,609
Sub-total	**111,888,703**	79,826,808
Included in non-current liabilities		
Borrowings	**24,543,002**	16,441,983
Convertible Bonds	**—**	436,185
Lease liabilities	**2,276,281**	2,352,693
Bonds payable	**6,426,077**	3,055,652
Sub-total	**33,245,360**	22,286,513
Total	**145,134,063**	102,113,321

1. Borrowings

The following table sets forth the Group's borrowings as at the dates indicated:

	30 June 2026 RMB'000	31 December 2025 RMB'000
Unsecured and unguaranteed bank borrowings[1]	**88,619,749**	65,343,453
Secured and unguaranteed bank borrowings[2]	**35,606,195**	21,181,463
Unsecured and guaranteed bank borrowings[3]	**55,401**	181,391
Total	**124,281,345**	86,706,307

(1) The range of interest rates applicable to unsecured and unguaranteed bank borrowings were 1.98% to 6.15% and 1.95% to 6.18%, as at 30 June 2026, and 31 December 2025, respectively.

(2) The range of interest rates applicable to secured and unguaranteed bank borrowings were 2.05% to 7.70% and 2.03% to 3.85%, as at 30 June 2026, and 31 December 2025, respectively.

(3) The range of interest rates applicable to unsecured and guaranteed bank borrowings were 2.03% to 3.00% and 2.05% to 6.40%, as at 30 June 2026, and 31 December 2025, respectively.

The Group's borrowings increased by 43.3% from RMB86.7 billion as at 31 December 2025 to RMB124.3 billion as at 30 June 2026, primarily due to the increased funding requirements for capital expenditure relating to the Group's domestic and overseas production capacity expansion and external business expansion, the replenishment of working capital of the Group and its subsidiaries, the refinancing of maturing indebtedness, and the appropriate increase in medium- and long-term borrowings to optimise its debt maturity profile. The Group's borrowings were primarily denominated in RMB and bore interest at fixed rates.

2. Contingent liabilities

As at 30 June 2026, the Group did not have any material contingent liabilities incurred by or having an impact on the Company or the Group.

3. Pledge of assets

As at 30 June 2026, certain assets of the Group with an aggregate carrying amount of RMB38.1 billion were pledged to secure borrowings and banking facilities granted to the Group. The pledged assets comprised (i) other current assets of RMB26,672.6 million, (ii) long-term equity investments of RMB4,238.8 million, (iii) property, plant and equipment of RMB3,715.1 million, (iv) other non-current assets of RMB1,253.0 million, (v) cash of RMB771.8 million; (vi) intangible assets of RMB721.7 million; (vii) non-current assets due within one year of RMB709.6 million and (viii) trade receivables and notes receivables of RMB56.7 million.

4. Capital Commitment

As at 30 June 2026, the Group did not have any significant capital commitment.

5. Gearing ratio

The gearing ratio is calculated by the Group's net debt (borrowings, financing bills, lease liabilities, bonds payable and Convertible Bonds, net of cash and cash equivalents) divided by total equity. The gearing ratio as at 30 June 2026 was 0.65 as compared with 0.41 as at 31 December 2025.

VIII. FINANCIAL RISK

The Group is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk, as set out below. The Group manages and monitors these exposures to ensure that appropriate measures are implemented in a timely and effective manner.

1. Market Risk

Foreign Exchange Risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency other than the functional currency of the relevant Group entity. The Group's businesses are principally conducted in RMB, USD and other foreign currencies. The Group's foreign exchange risks mainly arise from financial assets and financial liabilities denominated in U.S. dollars. If the RMB appreciates against the U.S. dollar and other factors remain unchanged, the profit before taxation would decrease, and vice versa.

The Group regularly monitors its foreign exchange risk to ensure that it is not unduly exposed to significant foreign exchange risk. The Group continuously monitors the scale of its foreign currency transactions and foreign currency assets and liabilities to minimise its foreign exchange risk. The Group may enter into forward foreign exchange contracts or currency swap contracts to hedge against exchange rate risk.

2. Interest Rate Risk

The Group's interest rate risk primarily arises from borrowings, the Convertible Bonds, financial assets at FVTPL, cash and cash equivalents, term deposits and restricted bank deposits. The Group's exposure to interest rate risk arises from its floating-rate borrowings and various interest-bearing financial assets. Changes in market interest rates may affect the interest expense on its borrowings and the interest income generated from its financial assets. As the repricing periods of the Group's interest-bearing assets and liabilities are not fully matched, the resulting fluctuations in profit or loss cannot be fully offset naturally. In addition, fluctuations in interest rates may adversely affect global consumer demand and the capital expenditure of downstream customers, which may in turn have an indirect adverse impact on orders for the Group's products and services. The Group manages its exposure to interest rate risk by optimising the mix of fixed-rate and floating-rate borrowings and managing the maturity profile of its cash deposits. The Group also intends to apply part of the Net Proceeds towards the repayment of interest-bearing bank borrowings in accordance with its plans, thereby reducing its exposure to interest rate risk. As at 30 June 2026, the Group was not exposed to significant interest rate risk, as its financial instruments were mainly fixed-rate instruments and its exposure to floating-rate instruments was not material.

3. Other Price Risk

The Group is exposed to equity price risk mainly arising from investments held by the Group that are classified as FVTOCI. To manage the price risk arising from these investments, the Group diversifies its investment portfolio. The investments are made either for strategic purposes, or for the purpose of achieving investment yield and balancing the Group's liquidity level simultaneously. Each investment is managed by management on a case by case basis. Sensitivity analysis is performed by management to assess the exposure of the Group's financial results to equity price risk of FVTOCI at the end of each Reporting Period.

4. Credit Risk

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted bank deposits, trade receivables and other receivables. The carrying amount of each class of the above assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of assets.

5. Liquidity Risk

Prudent liquidity risk management involves maintaining sufficient cash and cash equivalents and the ability to raise funds through debt and equity financing. Liquidity risk is centrally managed by the Group's finance department. The finance department ensures that the Group maintains sufficient funding to meet its debt obligations under reasonably foreseeable scenarios by monitoring cash balances, marketable securities and rolling 12-month cash flow forecasts.

IX. Sales of Material Assets and Equity Interests

1. Sales of Material Assets

☐ Applicable ☑ Not applicable

The Company had no material assets sales during the Reporting Period.

2. Sales of Material Equity Interests

☐ Applicable ☑ Not applicable

X. Future Plans for Material Investments or Capital Assets

Save as disclosed in this Chapter, the Group had no other future plans for material investments and capital assets as of 30 June 2026.

XI. Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this Chapter, during the Reporting Period, the Group had no significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures.

XII. Analysis on Major Subsidiaries and Associates

☑ Applicable ☐ Not applicable

Major subsidiaries and associates contributing over 10% of 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
Luxshare Precision Limited	Subsidiary	Note 1	USD5 million	186,500,598,361.42	28,559,546,852.31	160,806,945,351.94	5,007,283,858.84	4,121,919,646.21
ICT-LANTO LIMITED	Subsidiary	Note 2	USD153,290,323	85,511,703,000.55	9,431,640,417.32	40,956,112,989.02	650,428,715.54	568,603,756.43
Lanto Electronic Limited	Subsidiary	Note 3	RMB2,320 million	34,819,362,471.12	7,120,669,090.97	11,652,741,071.34	139,873,708.70	156,466,196.80
Luxcase Precision Technology (Yancheng) Co., Ltd.	Subsidiary	Note 4	RMB6,264,312,296	73,869,290,347.92	18,965,478,479.61	36,759,385,551.24	491,551,704.66	414,027,521.53
Dongguan Luxshare Technology Co., Ltd	Subsidiary	Note 5	RMB628,687,968	18,235,285,772.52	6,890,589,711.89	7,353,225,899.37	777,533,994.90	736,834,038.65

Acquisition and disposal of subsidiaries during the Reporting Period

☑ Applicable ☐ Not applicable

Company name	Method of acquiring and disposing of subsidiaries during the Reporting Period	Impact on overall operations and performance
Aijie Technology (Kunshan) Co., Ltd.	Establishment	No significant impact on overall operations and performance
Aijie Electronics (Jiashan) Co., Ltd.	Establishment	No significant impact on overall operations and performance
ICT DE, INC	Establishment	No significant impact on overall operations and performance
ICT NV, INC	Establishment	No significant impact on overall operations and performance
Luxshare Precision Industry (Shandong) Co., Ltd.	Establishment	No significant impact on overall operations and performance
Nanjing Xunrui New Materials Co., Ltd.	Establishment	No significant impact on overall operations and performance
Kunshan Dezhenchang New Materials Co., Ltd.	Establishment	No significant impact on overall operations and performance
Dongguan Xunpu Polymer Co., Ltd.	Establishment	No significant impact on overall operations and performance
Luxshare Tech Singapore Pte. Ltd.	Establishment	No significant impact on overall operations and performance
Huiju Medical Devices (Huizhou) Co., Ltd.	Establishment	No significant impact on overall operations and performance
LK Global Investment Limited	Establishment	No significant impact on overall operations and performance
Shanghai Luxshare Precision Technology Co., Ltd.	Establishment	No significant impact on overall operations and performance
LEONI Bulgaria EOOD	Cancellation	No significant impact on overall operations and performance
Luxshare Smart Life Co., Ltd.	Cancellation	No significant impact on overall operations and performance

Explanation on major subsidiaries and associates

Note 1: Purchase and sale of electronic products, data cables, connection cables, connectors, computers and peripherals, and plastic and metal products.

Note 2: Sales and services related to various internal and external cable assemblies and precision connectors for the information technology, telecommunications, and consumer electronics industries.

Note 3: Computer peripherals, cables, and connectors; new types of electronic components (electronic devices); instruments and accessories for the telecommunications and information technology industries; plastic and metal products; research and development, production, and sales of specialized electronic equipment, testing instruments, tools and dies, remote-controlled power models, and related supplies and parts; production and sales of power supplies and wireless transmission products; software development; and import and export of goods and technologies. Licensed business activities: Manufacture of Class II medical devices. General business activities: Manufacturing of automotive parts and components; research and development of automotive parts; wholesale of automotive parts and components; retail of automotive parts and components; sales of mechanical parts and components; manufacturing of optoelectronic devices; sales of optoelectronic devices; research and development of specialty electronic materials; research and development of household appliances; research and development of motorcycle parts; manufacturing of motorcycle parts and components; manufacturing of lighting fixtures; manufacturing of transformers, rectifiers, and inductors; manufacturing of computer software, hardware, and peripherals; manufacturing of power transmission, distribution, and control equipment.

Note 4: Engaged in technical development, technical consulting, and technical services in the field of computer components technology; design, research and development, and production of precision stamping dies with an accuracy of 0.02 millimeters or higher (including 0.02 millimeters), precision cavity molds with an accuracy of 0.05 millimeters or higher (including 0.05 millimeters), molds for metal and non-metal products, and standard mold components; Manufacturing of molded parts made of high-temperature-resistant insulating materials for 3C electronic products, metal stamping parts, rivets, shafts, mechanical components, and other parts; industrial design and product design (including appearance design, structural design, circuit design, and graphic design); leasing of the Company's own idle equipment; wholesale, commission-based agency (excluding auctions), and import/export of the above products and their related components, as well as the provision of related supporting services. General business activities: Manufacturing of mobile terminal devices; manufacturing of telecommunications equipment; manufacturing of electronic components; manufacturing of forgings and powder metallurgy products; manufacturing of computer software, hardware, and peripherals; retail sales of computer software, hardware, and auxiliary equipment; manufacturing of automotive parts and accessories.

Note 5: General business activities: Manufacturing of telecommunications equipment; sale of telecommunications equipment; manufacturing of optical communications equipment; sale of optical communications equipment; technical services, technical development, technical consulting, technical exchange, technology transfer, and technology promotion; leasing of non-residential real estate; import and export of goods; import and export of technology; manufacturing of transformers, rectifiers, and inductors; manufacturing of power distribution switchgear and control equipment; sale of power distribution switchgear and control equipment; research and development of power distribution switchgear and control equipment; manufacturing of electronic components.

XIII. Structured Entities Under the Control of the Company

☐ Applicable ☑ Not applicable

XIV. Risks Faced by the Company and Countermeasures

There were no significant changes in the risks faced by the Company or the measures taken to address them during the Reporting Period. For details, please refer to the Company's "2025 Annual Report".

XV. Development and Implementation of Market Value Management System and Valuation Enhancement Plan

Whether the Company has a market value management system in place

☑ Yes ☐ No

Whether the Company has disclosed plans for valuation enhancement

☐ Yes ☑ No

To shore up market value management at the Company, further standardize the Company's market value management practices, effectively safeguard the legitimate rights and interests of the Company, investors, and other stakeholders, establish the Company's image of integrity, sharpen the Company's core competitive edges, and actively respond to the call in "Guideline No. 10 on the Supervision of Listed Companies–Market Value Management" to encourage listed companies to establish market value management systems, the Company has formulated the "Market Value Management System" in accordance with the *Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 1 for Listed Companies — Standardized Operations of Main Board Listed Companies* and other relevant laws and regulations. The "Market Value Management System" has been reviewed and approved by the Company's sixth session of the Board at its seventh meeting. For details on the "Market Value Management System", please refer to the Company's designated information disclosure website, CNINFO (http://www.cninfo.com.cn).

XVI. Implementation of the "Corporate Value and Return Enhancement" Initiative

Whether the Company has disclosed the "Corporate Value and Return Enhancement" Initiative

☑ Yes ☐ No

On 18 February 2024, the Company published the Announcement on the Action Plan for "Enhancing Both Quality and Returns". For details, please refer to the Company's announcement. The progress of the specific measures taken by the Company to implement the action plan during the Reporting Period is set out below:

I. Intensively Developing The Principal Business and Focusing on Digital and Intelligent Empowerment

During the Reporting Period, amid an external environment characterised by accelerating technological advancements in the industry and complex market shifts, the Company remained committed to a long-term perspective, continuing to deepen its footprint across its three core business segments: consumer electronics, communication and data centers, and automotive electronics. By fully leveraging its globally deployed production capacity, vertically integrated capabilities, and precision intelligent manufacturing platform, the Company achieved steady improvements in both operating scale and business quality.

During the Reporting Period, the Company recorded operating revenue of RMB174.504 billion, representing a year-on-year increase of 40.16%, and net profit attributable to shareholders of the listed company of RMB7.843 billion, representing a year-on-year increase of 18.04%. Due to exchange rate fluctuations, the Company incurred exchange losses of approximately RMB1.986 billion on its foreign currency-denominated asset and liability exposures during the Reporting Period. In response to exchange rate fluctuations, the Company actively adopted measures such as foreign currency procurement and the use of foreign exchange risk management instruments. Among them, gains of RMB1.297 billion relating to foreign exchange risk management were included in non-recurring gains and losses, and therefore the net profit excluding non-recurring gains and losses did not fully reflect the effects of foreign exchange risk hedging. During the Reporting Period, the Company recorded net profit excluding non-recurring gains and losses of RMB5.962 billion, representing a year-on-year increase of 6.47%.

Meanwhile, the Company's gross profit margin during the Reporting Period was 11.78%, representing an increase of 0.17 percentage points as compared with the corresponding period of 2025. This was mainly attributable to the relatively rapid growth of businesses with gross profit margins higher than the Company's overall average, including communications and data centers and automotive electronics, which drove the continuous optimization of the business structure and further enhanced profitability. Overall, the operating performance of the Company's principal businesses continued to improve. Despite the impact of factors such as significant exchange rate fluctuations, changes in raw material prices and continued investment in emerging businesses, the Company maintained strong operational resilience, fully demonstrating the comprehensive competitive advantages arising from its diversified business layout, global delivery system and refined operational management capabilities.

Looking ahead to the full year of 2026, with the continued ramp-up of new products from core consumer electronics customers and ODM/JDM projects, the accelerated mass production of key projects in high-speed electrical connectivity, optical connectivity, thermal management and power management within the communication and data center sector, the synergies from the Leoni integration, and new businesses generated by the global customer expansion in automotive electronics, the Company expects its earlier strategic investments to gradually translate into incremental growth momentum in the second half of 2026. The Company will continue to strengthen its global resource allocation, supply chain coordination, cost control and risk management capabilities, promote the synergistic development of its three business segments and continued optimisation of its business structure, and strive to achieve steady growth in operating scale, sustained improvement in earnings quality, further enhancement of core competitiveness, and operating performance above the industry average.

II. Upholding Innovation-Driven Development and Accelerating the Development of New-Quality Productive Forces

During the Reporting Period, the Company deeply implemented its innovation-driven development strategy, continuously improving its end-to-end precision intelligent manufacturing system to enhance the overall effectiveness of its innovation and development efforts. The Company has consistently prioritized research, development, and innovation as key drivers of its growth. It has maintained substantial investment in R&D, made best efforts to revolutionize traditional manufacturing processes, continuously improved the level of automation in production, and standardized precision manufacturing processes across all stages. In addition, the Company places great emphasis on long-term investment in base materials and innovative production technologies. The R&D team continues to push the boundaries of technology, studying and exploring advanced precision manufacturing processes and product applications, and has established advanced technology development laboratories in collaboration with key clients to jointly develop cutting-edge technologies.

The Company's R&D expenditures are primarily divided into investments in cutting-edge technology and investments in product iteration. Investments in cutting-edge technology are primarily aligned with the Company's medium-and long-term product and business plans. Approximately 30% of total R&D expenditures are allocated to innovation and research in cutting-edge technology areas such as base materials, processes, and manufacturing techniques, with the goal of enabling the Company to position 30% of its products in uncharted territory within the global industry over the next 20 years. Product iteration investment refers to R&D spending associated with the process of taking new solutions and products from concept to NPI (new product introduction). Over the years, the Company's R&D investment and achievements have both shown a steady upward trend. During the Reporting Period, the Company's R&D investment amounted to RMB6.573 billion, representing a year-on-year increase of 43.09%. As of the end of 2025, the Company's cumulative R&D investment over the preceding three years amounted to RMB28.173 billion, and the Company held 9,367 patents.

III. Strengthening Compliance Governance and Building a Solid Foundation for High-Quality Development

The Company has always regarded standardised operations as the fundamental safeguard for its steady development. In strict compliance with the requirements of laws and regulations such as the Company Law, the Securities Law and the Governance Guidelines of Listed Company, the Company will continue to beef up the foundation of corporate governance, improve internal control systems, and promote the proper functioning and fulfillment of responsibilities by the "the Board of Directors, the Board of Supervisors, and senior management". The Group will clearly define the rights and obligations of the Company and shareholders, and prevent the abuse of shareholder rights and the exploitation of the management's dominant position to the detriment of the interests of small and medium-sized investors. The Group will foster investor relations management, broaden channels for institutional investors to participate in corporate governance, encourage small and medium-sized investors to actively participate in general meetings, facilitate the participation of all types of investors in decision-making on major matters, and enhance investors' right to voice their opinions and sense of gain.

In the future, in light of the latest regulatory requirements, the Company will continue to heighten and improve its corporate governance structure, internal control and risk prevention and control systems. It will give full play to the functions of the special committees under the Board of Directors, ensure that the independent Directors perform their duties independently in accordance with the law, and continue to strengthen compliance training and accountability, so as to comprehensively enhance the effectiveness of corporate governance, and provide a strong safeguard for the protection of the legitimate rights and interests of the Shareholders. The Company's management will further enhance the Company's operational and management standards, continuously improve its core competitiveness, profitability, and comprehensive risk management capabilities, and drive the Company towards high-quality and sustainable development, rewarding the Company's investors with long-term value growth.

IV. Promoting Information Disclosure to Effectively Communicate Value

The Group will emphasize the importance and relevance of information disclosure, proactively disclose information that is useful to investors in making investment decisions, strengthen the disclosure of key information such as industry competition, company operations, and risk factors, and reduce redundant disclosures. The Group will ensure that disclosures are truthful, accurate, complete, timely, and fair, as well as concise, clear, and easy to understand. The Group will hold earnings briefings on a regular basis. The Group will put an end to the practice of hyping concepts and chasing trending topics, and guard against the risks of stock speculation.

The Company will actively establish open, fair, transparent, and multifaceted channels for investor communication. The Group will continue to engage with investors through various channels, including the "SZSE IR Interactive Platform", investor email, dedicated investor hotlines, and earnings briefings, to help investors gain deeper understanding of the Company's operations and production, better convey the Company's investment value, strengthen investors' sense of identification with the Company, and build market confidence.

V. Sharing Results and Actively Rewarding Investors

The Company adheres to a people-centered value proposition and an investor-first approach. It remains mindful of the contributions made by hundreds of millions of small and medium-sized investors to the development of China's capital markets over the past three decades, and firmly upholds the principle of rewarding shareholders, ensuring that investors receive returns and a sense of gain. The Group will strengthen corporate culture development by fostering a distinctive vision for growth, positive values, a business philosophy rooted in honesty and integrity, a commitment to social responsibility, and an innovative corporate spirit. The Group will operate in full compliance with laws and regulations, uphold the principle that a public company serves the public interest, actively reward investors, stabilize the market, and boost market sentiment.

To improve and refine the Company's shareholder return mechanism, enhance the transparency and practicality of profit distribution policy decisions, and actively reward investors, in accordance with the Company Law of the People's Republic of China, Guideline No. 3 on the Supervision of Listed Companies — Cash Dividends of Listed Companies, and other relevant laws, regulations, and normative documents, as well as the provisions of the Articles of Association, the Company has formulated the "Three-Year Shareholder Return Plan" on multiple occasions since its listing. The Company has distributed a cumulative total of RMB5.787 billion in dividends over the past three years, and a cumulative total of RMB9.834 billion since its listing.

To actively reward the shareholders for their long-standing trust in and support for the Company, share the fruits of the Company's development with all Shareholders, and at the same time take into account the funding needs of the Company's future business expansion and daily production and operations, the Board, based on the Company's sound financial position and strong profitability, proposed to distribute the profit for the Reporting Period, with a view to effectively enhancing investors' sense of gain. On 24 August 2026, the Company convened the 28th meeting of the sixth session of the Board, at which the proposal on the profit distribution for the Reporting Period was considered and approved. The Company's profit distribution plan for the Reporting Period is as follows: based on the Company's total share capital of 7,720,156,915 shares as at 24 August 2026, after deducting 17,665,380 A Shares held in the designated securities account for share repurchases, a cash dividend of RMB1.1 for every 10 shares will be distributed to all Shareholders, amounting to a total cash dividend of RMB849,217,260.65, in each case inclusive of tax.

In addition, based on the confidence in the Company's future prospects, recognition of its long-term intrinsic value, and a sense of social responsibility to jointly promote the stable and healthy development of the capital markets, Mr. Wang Laisheng, one of the Company's actual controllers and Vice Chairman, increased his holdings of the Company's shares via centralized auction trading on the Shenzhen Stock Exchange on three separate occasions (in May 2022, January 2024, and September 2025) between May 2022 and September 2025. During this period, Mr. Wang Laisheng cumulatively increased his holdings in the Company by 14,626,447 shares, with the total value of the additional shares amounting to RMB501.3719 million (excluding transaction fees).

Based on the confidence in the future sustainable development of the Company and the recognition of the Company's value, for the purposes of safeguarding the interests of the general investors, enhancing investors' confidence in the Company and facilitating the long-term development of the Company, and with overall consideration of the financial position and future profitability of the Company and pursuant to the relevant provisions, the Company planned to use its own funds or self-raised funds (including special loan funds for share repurchase, etc.) to repurchase part of the public shares of the Company's RMB ordinary shares (A Shares) issued and listed in the PRC via centralized auction trading on the Shenzhen Stock Exchange for implementing equity incentives or employee stock ownership plan. As of 30 June 2026, the Company had repurchased 17,665,380 A Shares via its special account for share repurchase through centralized bidding, representing 0.24% of the Company's total share capital. The maximum transaction price was RMB65.00 per share, while the minimum transaction price was RMB50.14 per share, with a total transaction amount of RMB999,915,944.13 (excluding transaction fees).

Going forward, the Company will uphold the "investor-first" philosophy and continue to refine the "Corporate Value and Return Enhancement" Initiative by focusing on innovation in its principal businesses, optimising operational quality and efficiency as well as capital allocation, and consolidating the foundation for long-term shareholder returns with solid results; strictly fulfilling its responsibilities as a listed company, improving the governance system and shareholder return mechanism, and promoting effective enhancement in quality and reasonable growth in quantity. The management and all employees of the Company will spare no effort to pursue high-quality development, share the development results with investors, and jointly promote the healthy and stable development of the capital market.

XVII. Audit Committee

The Group has established the Audit Committee with written terms of reference in compliance with code provision D.3 of Part 2 of the Corporate Governance Code. The Audit Committee consists of three members, namely Mr. Liu Zhonghua, Dr. Hou Lingling and Ms. Song Yuhong. The chairman of the Audit Committee is Mr. Liu Zhonghua, who is an independent non-executive Director and has the appropriate professional qualifications or related financial management expertise as required under Rule 3.10(2) of the Hong Kong Listing Rules.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters, including the review of the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026.

XVIII. Important Events After the Reporting Period

In connection with the Listing, the Company issued 383,472,800 new H Shares at HK$63.28 per H Share and received Net Proceeds of approximately HK$24,039.1 million. Dealings in the H Shares on the Hong Kong Stock Exchange commenced on 9 July 2026.

On 5 August 2026, the over-allotment option described in the Prospectus was partially exercised in respect of an aggregate of 12,541,900 H Shares, which were issued and allotted by the Company at HK$63.28 per H Share. The Company received additional net proceeds of approximately HK$788.8 million from the issue and allotment of such H Shares after deducting the estimated underwriting fees and commissions and expenses payable by the Company in connection with the global offering. Accordingly, the aggregate Net Proceeds were approximately HK$24,827.9 million.

As disclosed in the announcement of the Company dated 28 July 2026, given the substantial convergence between CASBE and IFRS, the Company has adopted CASBE as its sole accounting standards for the preparation of its financial statements and related financial disclosures commencing from this report for both A-share and H-share reporting purposes. As the Group's principal operations, assets and management functions are primarily located in the PRC, and its statutory financial statements have consistently been prepared in accordance with CASBE for PRC reporting purposes, the Board considered that the unified adoption of CASBE will enhance the consistency and comparability of the Company's financial reporting and disclosures, improve operational efficiency, and reduce compliance and audit costs. The Board believes that such change is in the interests of the Company and its shareholders as a whole. Given the continuing convergence between CASBE and IFRS, the Company expected that the adoption of CASBE in place of IFRS will not have any material impact on the Group's financial position, results of operations or cash flows, nor any material effect on its total assets, total liabilities, net assets or total equity. The Audit Committee has reviewed this matter and was of the opinion that the Company's adoption of the CASBE on a uniform basis for the preparation of financial statements is conducive to improving the efficiency of information disclosure and will not have any material adverse impact on the authenticity and accuracy of the financial reports or on investors' decision-making. The members of the Audit Committee have unanimously agreed that the Company shall adopt the CASBE on a uniform basis to prepare its financial statements and will no longer separately appoint an overseas financial report auditing firm.

Save as disclosed, there are no important events affecting the Group which have occurred since 30 June 2026 and up to the date of this report.

I. Change in Directors and Senior Management

☐ Applicable ☑ Not applicable

There were no changes in the Directors and senior management of the Company during the Reporting Period. Please refer to the 2025 Annual Report for details.

There were also no changes in the information of the Directors since the publication of the Prospectus and up to the date of this report which is required to be disclosed pursuant to paragraphs (a) to (e) and paragraph (g) of Rule 13.51(2) of the Hong Kong Listing Rules.

II. Compliance With Corporate Governance Code

The H Shares were not listed on the Hong Kong Stock Exchange during the Reporting Period. Therefore, the Corporate Governance Code did not apply to the Company during the Reporting Period.

The Company aims to achieve high standards of corporate governance which are crucial to its development and the protection of Shareholders' interests. Since the Listing and up to the date of this report, the Company has complied with all code provisions of the Corporate Governance Code, except for the deviation from code provision C.2.1 set out in the Corporate Governance Code.

According to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Wang is currently the chairlady of the Board and general manager of the Company. In view of the fact that Ms. Wang has been assuming the responsibilities in the overall strategic planning, business direction and operational management of the Group since its establishment, the Board believes that it is in the best interest of the Group to have Ms. Wang taking up both roles for effective management and operations. Therefore, the Directors consider that the deviation from such code provision is appropriate. Notwithstanding such deviation, the Directors are of the view that the Board is able to work efficiently and perform its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions will be made in consultation with members of the Board and the relevant Board committees, and there are three independent non-executive Directors on the Board providing independent views, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board shall nevertheless review the structure and composition of the Board and senior management from time to time in light of prevailing circumstances to maintain a high standard of corporate governance practices of the Company.

As Ms. Wang, the chairlady of the Board, is not an independent non-executive Director, pursuant to paragraph C.1.8 of Part 2 of the Corporate Governance Code, the Company has designated Dr. Hou Lingling as the lead independent non-executive Director. The role is not an executive position in the Company and does not have any management role in the Group. As a lead independent nonexecutive Director, Dr. Hou will (a) serve as an intermediary for the other Directors and Shareholders; and (b) be available to other Directors and Shareholders where normal communication channels with the chairlady or management are inadequate.

III. Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as the guidelines for the Directors' dealings in the securities of the Company since the Listing. As the H Shares were not listed on the Hong Kong Stock Exchange as of 30 June 2026, the Model Code did not apply to the Company during the Reporting Period.

IV. Employee and Remuneration Policies

The Group believes its long-term growth depends on the expertise, experience, and development of its employees. The Group has established a salary management system for wages, performance, and year-end bonuses, providing competitive compensation in a scientific and reasonable manner. The Group ensures timely payment of wages to its employees. The Group employs a dual-track approach that integrates both organizational and individual performance. The Group's overall appraisal is primarily based on key performance indicators (KPIs), supplemented by special incentives, and encompasses performance evaluations for its employees. The Group differentiates incentive models and appraisal metrics based on varying performance levels, emphasizing effective and accurate incentives. The Group provides compensation to outstanding achievers, including year-end bonuses, project awards, equity incentives for key personnel, and outstanding employee awards. This approach helps to attract and retain top talent required for the Group's continuous growth.

As of 30 June 2026, the Group had 425,902 full-time employees, 246,662 of whom were based in Mainland China. During the Reporting Period, the staff cost recognized as employee benefit expenses by the Group amounted to approximately RMB19,551.7 million (30 June 2025: approximately RMB12,863.3 million).

V. Profit Distribution and Conversion of Capital Reserve into Share Capital during the Reporting Period

☑ Applicable ☐ Not applicable

Number of bonus Shares for every 10 Shares	0
Cash dividend per 10 Shares (RMB, tax inclusive)	1.1
Number of Shares on which the distribution is based	7,720,156,915
Amount of cash dividend (RMB, tax inclusive)	849,217,260.65
Amount of cash distribution through other means, including share repurchases (RMB)	0.00
Total amount of cash distribution, including cash distribution through other means (RMB)	849,217,260.65
Profit available for distribution (RMB)	11,876,852,056.59
Total cash distribution as a percentage of the total profit distribution	100%

Form of cash dividend distribution

Other

Cash dividend for this distribution

Others

At the 2025 annual general meeting of the Company held on 22 May 2026, the Shareholders considered and approved the proposal to authorise the Board to formulate and implement the Company's profit distribution plan for the first half of 2026. Pursuant to such authorisation, on 24 August 2026, the Board resolved to approve the Company's profit distribution plan for the first half of 2026. Accordingly, the profit distribution plan is not subject to further approval by the Shareholders.

Details of scheme for profit distribution or conversion of capital reserve into share capital
According to the Company's interim financial statements for 2026 (unaudited), the net profit attributable to the Shareholders during the Reporting Period was RMB7,842,698,288.86. As of 30 June 2026, the retained earning in the consolidated financial statements was RMB73,445,155,283.20, and the retained earning in the parent company's financial statements was RMB11,876,852,056.59. On the basis that profit distribution shall be made based on the distributable profit in the latest audited financial statements of the parent company, and based on the principle of taking the lower of the distributable profit as presented in the Company's consolidated financial statements and that in the parent company's financial statements, the Company's profit available for distribution to the Shareholders for the Reporting Period was RMB11,876,852,056.59.

In accordance with the relevant provisions of the "Guideline No. 3 on the Supervision of Listed Companies — Cash Dividends of Listed Companies) (《上市公司監管指引第3號 — 上市公司現金分紅》) of the CSRC, the Articles of Association, and the "Company's Shareholder Return Plan for the Next Three Years (2026-2028)", and after taking into comprehensive consideration the current macroeconomic environment, industry development trends, the Company's strategic planning, as well as the demand for shareholder returns, the Company's profit distribution plan for the Reporting Period is as follows: based on the Company's total share capital of 7,720,156,915 A Shares (after deducting 17,665,380 A Shares in the dedicated repurchase securities account for A Shares) as of 24 August 2026, a cash dividend of RMB1.1 (tax inclusive) per 10 A Shares will be distributed to all Shareholders, for a cash dividend to be distributed of RMB849,217,260.65 (tax inclusive) in aggregate. Since the cash dividend shall be denominated and declared in RMB, dividends for A Shares will be paid in RMB and dividends for H Shares will be paid in HKD. The exchange rate is based on the average central parity rate of RMB against HKD published by the People's Bank of China on the trading day immediately preceding the date on which the Board considered the profit distribution plan, being HK$1 to RMB0.86466. Accordingly, a cash dividend of HK$1.27, inclusive of tax, will be distributed per 10 H Shares, rounded to two decimal places. As of the date of this report, the Company's total issued H-share capital is 396,014,700 shares, and the total cash dividend distributed for H Shares is HK$50,293,866.90 (tax inclusive).

The profit distribution plan will be implemented within two months from the date of its approval by the Board. If, prior to the record date for the implementation of the profit distribution, the Company's total share capital changes due to factors such as share repurchase, conversion of convertible corporate bonds into shares, exercise of options by participants of the equity incentive plan, material asset restructuring, or cancellation of shares, the Company will adjust the distribution ratio of each share accordingly in accordance with the principle of keeping the total distribution amount unchanged.

Record Date and Closure of Register of Members

The Company expects to pay the 2026 Interim Dividend on Thursday, 22 October 2026 to H Shareholders whose names appear on the Company's H Share register of members at the close of business on Tuesday, 22 September 2026, being the record date for determining Shareholders' entitlement to the 2026 Interim Dividend.

For the purpose of determining the entitlement of H Shareholders to the 2026 Interim Dividend, the H Share register of members of the Company will be closed from Friday, 18 September 2026 to Tuesday, 22 September 2026, both days inclusive, during which period no transfer of H Shares will be registered. In order for H Shareholders to qualify for the 2026 Interim Dividend, all properly completed share transfer forms together with the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Thursday, 17 September 2026.

Taxation on Dividends

Individual Income Tax

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on 10 September 1980 and last amended on 31 August 2018, and the Implementation Provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》) promulgated by the SCNPC on 28 January 1994 and last amended on 18 December 2018, dividends distributed by PRC enterprises are subject to individual income tax levied at a uniform rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaty.

Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC on 7 September 2015, where an individual holds shares of a listed company acquired through the public offering and transfer market for more than one year, the dividend and bonus income derived therefrom shall be temporarily exempt from individual income tax. Where an individual holds shares of a listed company acquired through the public offering and transfer market, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

According to the regulation promulgated by the State Taxation Administration of the People's Republic of China (Guo Shui Han [2011] No.348), the Company is required to withhold and pay the individual income tax of dividend for its individual H Shareholders and the individual H Shareholders are entitled to the relevant tax preferential treatments according to the tax agreements between those countries where the individual H Shareholders are residents and China and the provisions in respect of tax arrangements between the mainland China and Hong Kong (Macau). The Company would withhold and pay the individual income tax at the tax rate of 10% on behalf of the individual H Shareholders who are Hong Kong residents, Macau residents or other residents of those countries having agreements with China for individual income tax rates in respect of dividends of 10%. For individual H Shareholders who are residents of those countries having agreements with China for individual income tax rates in respect of dividends of lower than 10%, the Company would make applications on behalf of such Shareholders to seek entitlement of the relevant preferential treatments under Tax Treaties in accordance with Administrative Measures on Entitlement of Non residents to Treatment under Tax Treaties (Announcement No.35 of the State Taxation Administration (2019)) (《非居民納税人享受税收協議待遇管理辦法》(國家税務總局公告2019年第35號)) if such Shareholders claim refund of the amount in excess of the individual income tax payable under the tax agreements, provided that the relevant Shareholders shall submit the relevant documents and data in accordance with the requirements of the relevant tax agreements in a timely manner, and provide supplemental information on their entitlements of treatments under the relevant agreements. The Company would assist with the tax refund subject to approval of the competent tax authority. For individual H Shareholders who are residents of those countries having agreements with China for individual income tax rates in respect of dividends of higher than 10% but lower than 20%, the Company would withhold the individual income tax at the agreed effective tax rate. For individual H Shareholders who are residents of those countries without any tax agreement with China or having agreements with China for individual income tax rates in respect of dividends of 20% or in other situations, the Company would withhold the individual income tax at a tax rate of 20%.

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) and the Regulations for the Implementation of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) since 1 January 2008, an enterprise income tax rate of 10% shall normally be applicable to dividends declared to non-PRC resident investors which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC, unless the jurisdiction in which such non-PRC resident investors are incorporated has a tax treaty with the PRC that provides for a preferential withholding arrangement.

According to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by the PRC Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) issued by the State Administration of Taxation on 6 November 2008 and implemented on the same date, a PRC resident enterprise is required to withhold enterprise income tax at a uniform rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares since 2008. In addition, the Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares (《關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》), which was issued by the State Administration of Taxation on 24 July 2009, further provides that any PRC-resident enterprise whose shares are listed on overseas stock exchanges must withhold and remit enterprise income tax at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has entered into with a relevant country or area, where applicable.

Tax Arrangement between Mainland China and Hong Kong

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) (the "**Arrangement**"), which was signed on 21 August 2006, the Chinese Government may levy taxes on the dividends paid by a PRC-resident enterprise to Hong Kong residents (including resident individuals and resident entities) in an amount not exceeding 10% of the total dividends payable by the PRC-resident enterprise unless a Hong Kong resident directly holds 25% or more of the equity interest in a PRC-resident enterprise, then such tax shall not exceed 5% of the total dividends payable by the PRC-resident enterprise.

The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《〈內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排〉第五議定書》), which came into effect on 6 December 2019, introduces a criterion for eligibility to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where relevant gains, after taking into account all relevant facts and conditions, are reasonably considered to be one of the principal purposes of any arrangement or transaction that would result, directly or indirectly, in any benefit under the Arrangement, except when the grant of benefits under such circumstance is consistent with relevant objective and goal under the Arrangement.

The application of the dividend clause of tax agreements is subject to the requirements of PRC tax law and regulation, such as the Notice of the State Administration of Taxation on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家税務總局關於執行税收協定股息條款有關問題的通知》).

The Company will withhold payment of the relevant income tax strictly in accordance with the relevant laws or requirements of the relevant government departments and strictly based on the Company's register of members on the relevant record date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding arrangement. The Company will not be liable for any claim arising from any delay in, or inaccurate determination of the status of the Shareholders or any disputes over the withholding mechanism.

Shenzhen-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) who invest in the Company's H Shares through the Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited Shenzhen Branch, as the nominee of H Share investors through Shenzhen-Hong Kong Stock Connect, will receive the cash dividend distributed by the Company and distribute the cash dividend to the relevant H Share investors through Shenzhen-Hong Kong Stock Connect via its depositary and clearing system. The cash dividend for H Share investors through Shenzhen-Hong Kong Stock Connect will be paid in Renminbi. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2016]127號)) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC: (1) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share company shall withhold individual income tax at the rate of 20% on their behalf; (2) for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied by reference to the tax treatment for individual investors; (3) for dividends received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share company will not withhold any tax on dividend income and the enterprise investors shall file and pay the taxes by themselves. Among them, dividend income derived by mainland resident enterprises which have held H shares continuously for no less than 12 months shall be exempt from enterprise income tax in accordance with the law.

The record date, the date of distribution of cash dividend and other arrangements for the investors through Shenzhen-Hong Kong Stock Connect will be the same as those for the H Shareholders of the Company.

Shanghai-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) who invest in the Company's H Shares through the Shanghai Stock Exchange, China Securities Depository and Clearing Corporation Limited Shanghai Branch, as the nominee of H Share investors through Shanghai-Hong Kong Stock Connect, will receive the cash dividend distributed by the Company and distribute the cash dividend to the relevant H Share investors through Shanghai-Hong Kong Stock Connect via its depositary and clearing system. The cash dividend for H Share investors through Shanghai-Hong Kong Stock Connect will be paid in Renminbi. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC: (1) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H share company shall withhold individual income tax at the rate of 20% on their behalf; (2) for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax shall be levied by reference to the tax treatment for individual investors; (3) for dividends received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H share company will not withhold any tax on dividend income and the enterprise investors shall file and pay the taxes by themselves. Among them, dividend income derived by mainland resident enterprises which have held H shares continuously for no less than 12 months shall be exempt from enterprise income tax in accordance with the law.

The record date, the date of distribution of cash dividend and other arrangements for the investors through Shanghai-Hong Kong Stock Connect will be the same as those for the H Shareholders.

All investors are requested to read this report carefully. Shareholders should seek advice from their tax advisors regarding the PRC, Hong Kong and other tax implications for their holding and disposal of the H Shares.

VI. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan (ESOP), or Other Employee Incentive Measures

☑ Applicable ☐ Not applicable

The Group adopted the Share Option Incentive Plans for the primary purpose of attracting, retaining and motivating the Directors and employees of the Company. Details are set out below:

1. Equity incentives

(1) 2021 Share Option Incentive Scheme

On 5 February 2026, the Company held the 22nd meeting of the sixth session of the Board, at which the "Proposal on Adjusting the Exercise Quantity of the Initial Grant under the 2021 Share Option Incentive Scheme and Canceling Certain Share Options", the "Proposal on the Fulfillment of Exercise Conditions for the Fourth Exercise Period of the Initial Grant under the 2021 Share Option Incentive Scheme" and the "Proposal on the Cancellation of Unlocked but Expired and Unexercised Share Options Under the Company's Share Option Incentive Plan" were reviewed and approved. In accordance with the "Measures for the Administration of Equity Incentive Plans for Listed Companies", the Company's "2021 Share Option Incentive Scheme (Draft)", the "Measures for the Implementation and Performance Evaluation of the 2021 Share Option Incentive Scheme" and other relevant provisions, and as authorized by the Company's first extraordinary general meeting in 2021, the Company has approved the cancellation of a portion of the options granted in the initial grant under the 2021 Share Option Incentive Scheme due to reasons such as the resignation of incentive recipients or failure to meet performance targets. Following this cancellation, the number of participants in the initial grant under the 2021 Share Option Incentive Scheme has been adjusted from 849 to 809, and the number of options exercisable during this period has been adjusted from 8,422,300 to 7,834,420. Taking into account the Company's actual performance for 2024 and the results of the individual performance evaluations for each incentive recipient in 2024, the Board of Directors determined that the exercise conditions for the fourth exercise period of the initial grant under the Company's 2021 Share Option Incentive Scheme have been met, and approved the 806 incentive recipients of the initial grant under the Company's 2021 Share Option Incentive Scheme to exercise their options on a voluntary basis during the fourth exercise period.

(2) 2022 Share Option Incentive Scheme

On 28 April 2026, the Company held the 24th meeting of the sixth session of the Board, at which the "Proposal on Adjusting the Exercise Prices of the 2021, 2022, and 2025 Share Option Incentive Schemes", the "Proposal on Adjusting the Exercise Quantity of the 2022 Share Option Incentive Scheme and to Cancel a Portion of the Share Options" and the "Proposal on the Fulfillment of Exercise Conditions for the Third Exercise Period of the 2022 Share Option Incentive Scheme" were reviewed and approved. In accordance with the "Measures for the Administration of Equity Incentive Plans for Listed Companies", the Company's "2022 Share Option Incentive Scheme (Draft)", the "Measures for the Implementation and Performance Evaluation of the 2022 Share Option Incentive Scheme" and other relevant provisions, and as authorized by the Company's third extraordinary general meeting in 2022, the Company approved the adjustment of the exercise price under the 2022 Share Option Incentive Scheme and the cancellation of a portion of the options due to reasons such as the implementation of the Company's equity distribution plan for the first three quarters of 2025, the resignation of incentive recipients, and failure to meet performance targets. Following the adjustment, the number of incentive recipients was adjusted from 3,080 to 2,944; the number of share options to be unlocked in the third tranche was revised from 30,452,000 to 29,257,520; and the exercise price of the granted share options was adjusted from RMB29.72 per share to RMB29.56 per share. Taking into account the Company's actual performance for 2025 and the results of the individual performance evaluations for each incentive recipient in 2025, the Board of Directors determined that the exercise conditions for the third exercise period of the Company's 2022 Share Option Incentive Scheme have been met, and approved the 2,941 incentive recipients who satisfy the exercise conditions of the Company's 2022 Share Option Incentive Scheme to exercise their options on a voluntary basis during the third exercise period.

(3) 2025 Share Option Incentive Scheme

On 22 June 2026, the Company held the 25th meeting of the sixth session of the Board, at which the "Proposal on Adjusting the Exercise Quantity of the 2025 Share Option Incentive Scheme and Canceling a Portion of the Share Options" and the "Proposal on the Fulfillment of the Exercise Conditions for the First Exercise Period of the Initial Grant under the 2025 Share Option Incentive Scheme" were reviewed and approved. In accordance with the "Measures for the Administration of Equity Incentive Plans for Listed Companies", the Company's "2025 Share Option Incentive Scheme (Draft)", the "Measures for the Implementation and Performance Evaluation of the 2025 Share Option Incentive Scheme" and other relevant provisions, and as authorized by the Company's Second Extraordinary General Meeting in 2025, the Company approved the adjustment to the number of options exercisable under the 2025 Share Option Incentive Scheme and the cancellation of certain share options due to the resignation of incentive recipients or their failure to meet performance targets. 5,322,100 share options were cancelled due to the resignation of incentive recipients, and 38,300 share options were cancelled because the recipients failed to meet performance targets.

Following this cancellation, the number of participants in the initial grant under this incentive plan has been adjusted from 3,106 to 2,959, and the number of share options granted but not yet exercised during the first exercise period of the initial grant under this incentive plan has been adjusted from 35,326,348 to 34,261,928. Taking into account the Company's actual performance for 2025 and the results of the individual performance evaluations for each incentive recipient in 2025, the Board of Directors determined that the exercise conditions for the first exercise period of the initial grant under the Company's 2025 Share Option Incentive Scheme have been met, and approved the 2,958 incentive recipients who satisfy the exercise conditions to exercise their options on a voluntary basis during the first exercise period.

2. Implementation of the Employee Stock Ownership Plan (ESOP)

☐ Applicable ☑ Not applicable

3. Other employee incentive measures

☐ Applicable ☑ Not applicable

VII. Movements in Share Options Granted under the Share Option Incentive Plans

As at 30 June 2026, the total number of A Shares underlying all outstanding options granted under the Share Option Incentive Plans amounted to 290,982,031 A Shares, representing approximately 3.98% of the total number of Shares in issue as at 30 June 2026. No further share options will be granted under the Share Option Incentive Plans after the Listing.

The table below sets forth the details of the options granted under the Share Option Incentive Plans as at 30 June 2026:

Name/ category of grantee	Position	Date of grant	Exercise price (RMB) *(Note 1)*	Exercise period *(Note 2)*	Number of A Shares underlying outstanding options as at 1 January 2026	Number of options exercised during the Reporting Period *(Note 3)*	Number of options cancelled during the Reporting Period	Number of A Shares underlying outstanding options as at 30 June 2026
Directors								
Qian Jiwen	Executive Director and vice general manager	5 December 2022	29.56	5 December 2023 to 5 December 2028	774,000	—	—	774,000
		23 May 2025	24.99	23 May 2026 to 23 May 2031	1,500,000	—	—	1,500,000
		21 November 2025	24.99	22 November 2026 to 21 November 2031	1,000,000	—	—	1,000,000
Hao Jie	Executive Director and vice general manager	5 December 2022	29.56	5 December 2023 to 5 December 2028	600,000	—	—	600,000
		23 May 2025	24.99	23 May 2026 to 23 May 2031	1,500,000	—	—	1,500,000
		21 November 2025	24.99	22 November 2026 to 21 November 2031	1,185,000	—	—	1,185,000
Chen Weihang	Executive Director (Employee Director) and the securities affairs representative	5 December 2022	29.56	5 December 2023 to 5 December 2028	12,000	4,000	—	8,000
		23 May 2025	24.99	23 May 2026 to 23 May 2031	80,000	—	—	80,000
Subtotal					***6,651,000***	***4,000***	**–**	***6,647,000***

Name/ category of grantee	Position	Date of grant	Exercise price (RMB) *(Note 1)*	Exercise period *(Note 2)*	Number of A Shares underlying outstanding options as at 1 January 2026	Number of options exercised during the Reporting Period *(Note 3)*	Number of options cancelled during the Reporting Period	Number of A Shares underlying outstanding options as at 30 June 2026
Senior management								
Senior management of the Company	Board secretary, financial director	5 December 2022	29.56	5 December 2023 to 5 December 2028	300,000	20,000	—	280,000
		23 May 2025	24.99	23 May 2026 to 23 May 2031	550,000	—	—	550,000
		21 November 2025	24.99	22 November 2026 to 21 November 2031	100,000	—	—	100,000
Subtotal					***950,000***	***20,000***	**–**	***930,000***
Other connected persons (Note 4)								
Senior management of subsidiaries	Directors, supervisors, general managers of subsidiaries	3 December 2021	34.97	3 December 2022 to 3 December 2027	204,000	80,000	44,000	80,000
		5 December 2022	29.56	5 December 2023 to 5 December 2028	6,156,000	1,786,000	—	4,370,000
		23 May 2025	24.99	23 May 2026 to 23 May 2031	23,032,700	—	414,000	22,618,700
		21 November 2025	24.99	22 November 2026 to 21 November 2031	17,400,000	—	—	17,400,000
Subtotal					***46,792,700***	***1,866,000***	***458,000***	***44,468,700***

Name/ category of grantee	Position	Date of grant	Exercise price (RMB) *(Note 1)*	Exercise period *(Note 2)*	Number of A Shares underlying outstanding options as at 1 January 2026	Number of options exercised during the Reporting Period *(Note 3)*	Number of options cancelled during the Reporting Period	Number of A Shares underlying outstanding options as at 30 June 2026
Remaining grantees								
Employees of the Group		3 December 2021	34.97	3 December 2022 to 3 December 2027	16,698,000	6,999,343	1,010,080	8,688,577
		15 September 2022	34.97	15 September 2023 to 15 September 2028	4,450,554	565,831	—	3,884,723
		5 December 2022	29.56	5 December 2023 to 5 December 2028	83,938,960	23,582,769	3,834,800	56,521,391
		23 May 2025	24.99	23 May 2026 to 23 May 2031	150,119,040	—	4,946,400	145,172,640
		21 November 2025	24.99	22 November 2026 to 21 November 2031	24,597,000	—	—	24,597,000
Subtotal					***279,803,554***	***31,147,943***	***9,791,280***	***238,864,331***
Total					**334,197,254**	**33,037,943**	**10,249,280**	**290,910,031**

Notes:

(1) In accordance with the relevant provisions of the Share Option Incentive Plans and the Administrative Measures for Equity Incentives of Listed Companies, the Board and the Remuneration and Appraisal Committee held meetings on 27 July 2026 and approved the following adjustments: (a) the exercise price of the options granted under the 2021 Share Option Incentive Plan was adjusted from RMB34.97 to RMB34.83; (b) the exercise price of the options granted under the 2022 Share Option Incentive Plan was adjusted from RMB29.56 to RMB29.42; and (c) the exercise price of the options granted under the 2025 Share Option Incentive Plan was adjusted from RMB24.99 to RMB24.85.

(2) The options shall vest in five equal tranches, with 20% vesting in each tranche. Each tranche shall vest during the period commencing on the first trading day after the expiry of 12 months from the grant date of the relevant options and ending on the last trading day within 24 months from such grant date.

(3) The weighted average closing price of the Shares immediately before the dates on which the options were exercised was approximately HK$72.64.

(4) The other connected persons set out in the table above are connected persons at the subsidiary level who are also employees of the Group.

(5) No grantee has been granted share options to subscribe for Shares representing more than 1% of the total number of Shares in issue on an individual basis.

For the purpose of Rule 17.07(3) of the Hong Kong Listing Rules, as no option or award was granted under any of the share schemes of the Company during the Reporting Period, the number of Shares that may be issued in respect of options and awards granted during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding any treasury shares) for the Reporting Period is therefore not applicable.

VIII. Environmental Information Disclosure

Whether the listed company and its major subsidiaries are included in the list of companies required to disclose environmental information in accordance with the law

☑ Yes ☐ No

Number of enterprises included in the list of enterprises subject to mandatory environmental information disclosure (entity(ies))	10

No.	Company Name	Index for Querying Reports on the Disclosure of Environmental Information in Accordance with the Law
1	Dongguan Xuntao Electronics Co., Ltd.	2025 Annual Report on the Disclosure of Corporate Environmental Information in Accordance with the Law: https://www-app.gdeei.cn/gdeepub/front/dal/ent/list/detail?entId=54d5520d-b611–45ce-a45a-9a1f0ac2358b
2	Jiaxing Yongrui Electron Technology Co., Ltd.	2025 Annual Report on the Disclosure of Corporate Environmental Information in Accordance with the Law: https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=9133040230744188X3&uniqueCode=9e46a127bce475ed&date=2025&type=true&isSearch=true
3	Qorvo (Beijing) Co., Ltd.	Interim Report on the Disclosure of Corporate Environmental Information for 2026 in Accordance with the Law: https://hjxxpl.bevoice.com.cn:8002/home
4	Rida Intelligent Manufacturing Technology (Rugao) Co., Ltd. (日達智造科技(如皋)有限公司)	Annual or Interim Reports on the Disclosure of Corporate Environmental Information for 2025 in Accordance with the Law: http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
5	RI MING Computer Accessory (Shanghai) Co., Ltd.	2025 Annual Report on the Disclosure of Corporate Environmental Information in Accordance with the Law: https://e2.sthj.sh.gov.cn/jsp/view/hjpl/index.jsp
6	Lanto Electronic Limited	Annual or Interim Reports on the Disclosure of Corporate Environmental Information for 2025 in Accordance with the Law: http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
7	Luxshare iTech (Zhejiang) Co., Ltd.	2025 Annual Report on the Disclosure of Corporate Environmental Information in Accordance with the Law: https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330421MA2CUFE3XE&uniqueCode=c0f78d9109725d57&date=2025&type=true&isSearch=true
8	Luxshare Electronics Technology (Kunshan) Co., Ltd.	Annual or Interim Reports on the Disclosure of Corporate Environmental Information for 2025 in Accordance with the Law: http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
9	Luxcase Precision Technology (Yancheng) Co., Ltd.	Annual or Interim Reports on the Disclosure of Corporate Environmental Information for 2025 in Accordance with the Law: http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
10	Huangshi Zhitong Electronics Co., Ltd.	2025 Annual Report on the Disclosure of Corporate Environmental Information in Accordance with the Law: http://219.140.164.18:8007/hbyfpl/frontal/index.html#/home/enterpriseInfo?XTXH=4f24f438-aace-46fc-b430–0d99d3669411&XH=1715412936675036462592&year=2025

IX. Social Responsibility

The full text of the Company's 2025 Sustainability Report was published on the Company's designated information disclosure website, CNINFO (http://www.cninfo.com.cn), on 15 April 2026, and is available for review.

I. Commitments Performed During the Reporting Period and not Fulfilled as at the end of the Reporting Period by the Company's Actual Controllers, Shareholders, Related Parties, Acquirer, the Company, and other Related Parties

☑ Applicable ☐ Not applicable

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Huang Dawei; Li Wei; Liu Zhonghua; Song Yuhong; Wang Laichun; Wang Laisheng; Wang Tao; Wu Tiansong; Zhang Ying	Other commitments	To effectively safeguard the legitimate rights and interests of the Company and all its shareholders, all directors and senior management of the Company have made the following commitment: 1. I pledge not to provide benefits to other entities or individuals without compensation or under unfair conditions, or to damage the Company's interests in other ways; 2. I pledge to regulate the position-related consumption of directors and senior management; 3. I pledge not to use the issuer's assets for investment and consumption activities not related to execution of my duties; 4. I pledge to link the compensation system formulated by the Board of Directors or the Remuneration and Appraisal Committee with the implementation of the issuer's return shortfall compensation measures; 5. I pledge to link the vesting conditions to be announced with the implementation of the issuer's return shortfall compensation measures;	21 February 2022	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
			6. I pledge to strictly perform the above commitments, in order to ensure the proper implementation of the issuer's return shortfall compensation measures. If I violate the commitments I have made or refuse to fulfill them, I will fulfill my corresponding obligations, such as providing an explanation and offering an apology, in accordance with relevant regulations, and I agree that securities regulatory authorities, such as the CSRC and the Shenzhen Stock Exchange, may impose relevant penalties or take corresponding regulatory measures against me in accordance with the law, pursuant to the relevant regulations and rules they have designated or issued; if such actions cause losses to the issuer or its shareholders, I am willing to bear the corresponding liability for compensation in accordance with the law; and 7. From the date of this commitment until the completion of the issuer's current private placement of shares, if the CSRC issues any new regulatory provisions regarding the return shortfall compensation measures and related undertakings, and if the aforementioned commitment fails to satisfy such provisions of the CSRC, I hereby undertake to issue a supplemental commitment in accordance with the latest provisions of the CSRC at that time.			

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Luxshare Limited; Wang Laichun; Wang Laisheng	Other commitments	To effectively safeguard the legitimate rights and interests of the Company and all its shareholders, the controlling shareholders and actual controllers of the Company have made the following commitment: 1. I pledge not to interfere with the operation and management activities of the Company beyond the authority, and not to encroach on the interests of the Company; 2. OUR COMPANY/I pledge(s) to strictly perform the above commitments, in order to ensure the proper implementation of the issuer's return shortfall compensation measures. If OUR COMPANY/I violate(s) the commitments OUR COMPANY/I has/have made or refuse(s) to fulfill them, OUR COMPANY/I will fulfill its/my corresponding obligations, such as providing an explanation and offering an apology, in accordance with relevant regulations, and OUR COMPANY/I agree(s) that securities regulatory authorities, such as the CSRC and the Shenzhen Stock Exchange, may impose relevant penalties or take corresponding regulatory measures against OUR COMPANY/me in accordance with the law, pursuant to the relevant regulations and rules they have designated or issued; if such actions cause losses to the issuer or its shareholders, OUR COMPANY/I is/am willing to bear the corresponding liability for compensation in accordance with the law; and 3. From the date of this commitment until the completion of the Company's current private placement of shares, if the CSRC issues any new regulatory provisions regarding the return shortfall compensation measures and related undertakings, and if the aforementioned commitment fails to satisfy such provisions of the CSRC, OUR COMPANY/I hereby undertake(s) to issue a supplemental commitment in accordance with the latest provisions of the CSRC at that time.	21 February 2022	Long term	In the process of normal performance
Commitment made at the time of IPO or refinancing	Luxshare Limited	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	Upon completion of the transactions described in the announcement regarding external investments and related-party transactions disclosed by Luxshare Precision on 13 November 2020, the Company and its related parties shall not, in any form, directly or indirectly engage in any business that is identical to or constitutes substantial competition with Luxshare Precision and the enterprises it controls.	13 November 2022	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Huang Dawei; Li Bin; Lin Yifei; Wang Laichun; Wang Laisheng; Wu Tiansong; Xiong Tengfang; Xu Huaibin; Xue Haigao; Ye Yiling; Zhang Ying	Other commitments	In accordance with the relevant regulations of the CSRC, the Company's directors and senior management have made the following commitment to ensure that the Company's return shortfall compensation measures are effectively implemented: 1. I pledge not to provide benefits to other entities or individuals without compensation or under unfair conditions, or to damage the Company's interests in other ways. 2. I pledge to restrict my position-related consumption activities. 3. I pledge not to use the assets of the Company to engage in investment or consumption activities unrelated to my duties. 4. I pledge to ensure, within the scope of my lawful authority, that the compensation system established by the Board of Directors or the Remuneration and Appraisal Committee is linked to the implementation of the Company's return shortfall compensation measures. 5. I pledge to ensure, within the scope of my lawful authority, that the vesting conditions for the Company's equity incentive plan are linked to the implementation of the Company's return shortfall compensation measures. 6. I pledge to strictly perform the above commitments, in order to ensure the proper implementation of the Company's return shortfall compensation measures. If I violate the commitments I have made or refuse to fulfill them, I will fulfill my corresponding obligations, such as providing an explanation and offering an apology, in accordance with relevant regulations, and I agree that securities regulatory authorities, such as the CSRC and the Shenzhen Stock Exchange, may impose relevant penalties or take corresponding regulatory measures against me in accordance with the law, pursuant to the relevant regulations and rules they have designated or issued; if such actions cause losses to the Company or its shareholders, I am willing to bear the corresponding liability for compensation in accordance with the law.	11 July 2019	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Luxshare Limited; Wang Laichun; Wang Laisheng	Other commitments	To effectively safeguard the legitimate rights and interests of the Company and all its shareholders, the controlling shareholders and actual controllers of the Company have made the following commitment: 1. I pledge not to interfere with the operation and management activities of the Company beyond the authority, and not to encroach on the interests of the Company; 2. OUR COMPANY/I pledge(s) to faithfully implement the measures established by the Company to make up for returns, as well as any commitments made by OUR COMPANY/me regarding such measures. If OUR COMPANY/I violate(s) the commitments OUR COMPANY/I has/have made or refuse(s) to fulfill them, OUR COMPANY/I agree(s) that securities regulatory authorities, such as the CSRC and the Shenzhen Stock Exchange, may impose relevant penalties or take corresponding regulatory measures against OUR COMPANY/me in accordance with the law, pursuant to the relevant regulations and rules they have designated or issued. If the violation of or failure to fulfill the above commitments by OUR COMPANY/me causes losses to the Company or its investors, OUR COMPANY/I is/am willing to bear the corresponding liability for compensation in accordance with the law; and 3. From the date of this commitment until the completion of this offering, if the CSRC issues any new regulatory provisions regarding the return shortfall compensation measures and related undertakings, and if the aforementioned commitment fails to satisfy such provisions, I hereby undertake to issue a supplemental commitment in accordance with the relevant provisions.	11 July 2019	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Bai Rujing; Chen Chaofei; Dong Jianhai; Li Bin; Li Jing; Li Xiongwei; Lin Yifei; Wang Ji; Wang Laichun; Wang Laisheng; Xu Huaibin; Ye Yiling; Zhang Lihua	Other commitments	All directors and senior executives of the Company have made the following commitment: (1) I pledge not to provide benefits to other entities or individuals without compensation or under unfair conditions, or to damage the Company's interests in other ways; (2) I pledge to restrict my position-related consumption activities; (3) I pledge not to use the assets of the Company to engage in investment or consumption activities unrelated to my duties; (4) I pledge to link the compensation system formulated by the Board of Directors or the Remuneration and Appraisal Committee with the implementation of the Company's return shortfall compensation measures; and (5) For any subsequent equity incentive plan of the Company, I pledge that the vesting conditions of the equity incentives to be announced will be linked to the implementation of the Company's return shortfall compensation measures.	11 March 2016	Long term	In the process of normal performance
Commitment made at the time of IPO or refinancing	Luxshare Limited; Wang Laichun; Wang Laisheng	Other commitments	The controlling shareholder, Luxshare Limited, and the actual controllers, Wang Laichun and Wang Laisheng, have made the following commitment: 1. Luxshare Limited will not interfere with the operation and management activities of the Company beyond the authority, and will not encroach on the interests of the Company. 2. As the Company's actual controller, chairman, and general manager, Wang Laichun shall exercise her relevant functions in accordance with the applicable laws, regulations, and the Articles of Association; she shall not interfere with the operation and management activities of the Company beyond the authority, nor shall she infringe upon the Company's interests. 3. As the Company's actual controller and vice chairman, Wang Laisheng shall exercise his relevant functions in accordance with the applicable laws, regulations, and the Articles of Association; he shall not interfere with the operation and management activities of the Company beyond the authority, nor shall he infringe upon the Company's interests.	11 March 2016	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Luxshare Limited	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	The commitments regarding horizontal competition, related-party transactions, and the misappropriation of funds are as follows: 1. The Company and its affiliated entities will, both now and in the future, make every effort to minimize related-party transactions with Luxshare Precision. 2. With regard to related-party transactions that cannot be avoided or that exist for legitimate reasons, the related-party transactions between the Company, its affiliated entities, and Luxshare Precision will be conducted in accordance with fair market principles and normal commercial terms, ensuring the fairness of the transaction prices. The Company will also comply with the decision-making procedures for related-party transactions as required by law to ensure that such transactions do not harm the legitimate rights and interests of Luxshare Precision and its other shareholders. 3. The Company and its affiliated entities will not request or accept any terms from Luxshare Precision that are more favorable than those that a third party would offer in a fair market transaction. 4. During the period in which the Company serves as the controlling shareholder of Luxshare Precision, the aforementioned commitments are unconditional and irrevocable. Should the Company breach the aforementioned commitment, we will provide full, timely, and adequate joint and several compensation for any losses incurred by Luxshare Precision as a result.	15 October 2014	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Luxshare Limited	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	The commitments regarding horizontal competition, related-party transactions, and the misappropriation of funds are as follows: 1. Neither the Company nor any entity currently or in the future controlled by the Company will, directly or indirectly, engage in any business or activities that constitute or may constitute competition or potential competition with Luxshare Precision's principal business. 2. If, due to amendments to national laws or changes in policy, the Company and the enterprises under its control inevitably come into or may come into direct competition with Luxshare Precision, Luxshare Precision shall have the right of first refusal, under equal terms, with respect to the entrusted management (or contracting, or leasing) or acquisition of the businesses that constitute horizontal competition. 3. During the period in which the Company serves as the controlling shareholder of Luxshare Precision, the aforementioned commitments are unconditional and irrevocable. Should the Company breach the aforementioned commitment, we will provide full, timely, and adequate joint and several compensation for any losses incurred by Luxshare Precision as a result.	15 October 2014	Long term	In the process of normal performance
Commitment made at the time of IPO or refinancing	Luxshare Limited; Shenzhen Zixin Investment Co., Ltd.; Wang Laichun; Wang Laisheng	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	The commitments regarding horizontal competition, related-party transactions, and the misappropriation of funds are as follows: I will not use my status as a controlling shareholder, actual controller, or shareholder, or my related-party relationship with the issuer, to harm the interests of the issuer or those of other shareholders. When engaging in related-party transactions with the issuer, such transactions will be conducted on fair, reasonable, and normal commercial terms, and I will not request or accept terms from the issuer that are more favorable than those offered to a third party in any fair market transaction. I will strictly and in good faith comply with all related-party transaction agreements entered into with the issuer and will not seek any benefits or gains from the issuer beyond those specified above. In the event of a breach of the above commitment, I shall compensate the issuer and other minority shareholders for any losses incurred as a result.	30 July 2010	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Luxshare Limited; Shenzhen Zixin Investment Co., Ltd.	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	The commitments regarding horizontal competition, related-party transactions, and the misappropriation of funds are as follows: The Company is not currently engaged in any business that is the same as or similar to that of the issuer or the enterprises it controls. During the period in which the Company exercises direct or indirect control over the issuer, it will strictly comply with the relevant national laws, regulations, and normative legal documents, and will not, either within or outside China, directly or indirectly engage in businesses that are the same as, similar to, or constitute substantial competition with those of the issuer and the enterprises it controls, nor will it, directly or indirectly, hold absolute or relative control over any other enterprises, organizations, or economic entities that engage in businesses that are the same as, similar to, or constitute substantial competition with those of the issuer and the enterprises it controls. The Company will use its control over other enterprises it controls to ensure that such enterprises comply with the above commitments in accordance with the same standards. If the Company breaches the above commitments, it shall bear the corresponding legal liability, including but not limited to all losses incurred by the issuer and other minority shareholders as a result.	30 July 2010	Long term	In the process of normal performance

Commitment	Committing Party	Type of Commitment	Details of Commitment	Date of Commitment	Term of Commitment	Fulfillment Status
Commitment made at the time of IPO or refinancing	Wang Laichun; Wang Laisheng	Commitments regarding horizontal competition, related-party transactions, and misappropriation of funds	The commitments regarding horizontal competition, related-party transactions, and the misappropriation of funds are as follows: Neither I nor any other entity under my control is currently engaged in business activities that are the same as or similar to those of the issuer or the enterprises it controls. During the period in which I exercise direct or indirect control over the issuer, I will strictly comply with the relevant national laws, regulations, and normative legal documents. I will not, either within or outside China, directly or indirectly engage in any business that is the same as, similar to, or constitutes substantial competition with the business of the issuer or the enterprises it controls, nor will I, directly or indirectly, hold absolute or relative control over any other enterprise, organization, or economic entity that engages in business that is the same as, similar to, or constitutes substantial competition with the business of the issuer or the enterprises it controls. I will use my control over other enterprises under my control to ensure that such enterprises comply with the aforementioned commitments in accordance with the same standards. If I violate the above commitment, I will bear the corresponding legal liability, including but not limited to all losses incurred by the issuer and other minority shareholders as a result.	30 July 2010	Long term	In the process of normal performance
Other commitments	Wang Laisheng	Commitment on shareholding increase	(1) This shareholding increase plan and the subsequent management of the shares will be carried out in strict accordance with the relevant provisions of applicable laws, regulations, and normative documents. I will not engage in any insider trading, trading of shares during sensitive periods, short-term trading, or similar activities. (2) I will not sell any of the Company's shares during the shareholding increase period or within the statutory timeframe, and I will complete this shareholding increase plan within the aforementioned implementation period.	9 April 2025	17 March 2026	Fulfillment completed
Whether the commitment is performed on time	Yes					
If the commitments are overdue and have not been fulfilled, the specific reason for the failure and further work plan shall be explained in detail	During the Reporting Period, there were no commitments that had not been fulfilled by the due date by the Company's actual controllers, shareholders, related parties, acquirers, or other relevant parties.					

II. Appropriation of Funds of the Company by the Controlling Shareholder and Other Related Parties for Non-operating Purposes

☐ Applicable ☑ Not applicable

There was no appropriation of funds of the Company by the controlling shareholder and other related parties for non-operating purposes during the Reporting Period.

III. External Guarantees Against the Rules and Regulations

☐ Applicable ☑ Not applicable

The Company did not provide external guarantee which was against the rules and regulations during the Reporting Period.

IV. Engagement or Dismissal of Accounting Firms

Has the interim financial report been audited

☐ Yes ☑ No

The interim report of the Company is unaudited.

V. Explanation of the Board of Directors on the "Non-standard Audit Report" for the Reporting Period Issued by the Accounting Firm

☐ Applicable ☑ Not applicable

VI. Explanation of the Board of Directors on the "Non-standard Audit Report" for the Prior Year

☐ Applicable ☑ Not applicable

VII. Matters Related to Bankruptcy and Reorganization

☐ Applicable ☑ Not applicable

There was no matter related to bankruptcy and reorganization during the Reporting Period.

VIII. Litigation

Material litigation and arbitration

☐ Applicable ☑ Not applicable

The Company had no material litigation or arbitration during the Reporting Period.

Other litigations

☑ Applicable ☐ Not applicable

General information on the litigation (arbitration)	Amount involved (RMB'0,000)	Whether provisions are made	Progress	Trial results and impact	Enforcement of judgment	Disclosure date	Disclosure index
Other litigation (arbitration) during the Reporting Period	527.5	No	Concluded	Concluded by settlement, mediation or judgment, and had no material impact on the Company	Fulfilled		Not applicable
Other litigation (arbitration) during the Reporting Period	1,238.18	No	Not concluded	In the trial or pending judgment stage, and will not have a material impact on the Company	Trial stage		Not applicable

IX. Punishment and Rectification

☐ Applicable ☑ Not applicable

There was no punishment and rectification against the Company during the Reporting Period.

X. Credibility of the Company, Its Controlling Shareholders and Actual Controllers

☑ Applicable ☐ Not applicable

The Company, its controlling shareholders, and its actual controller maintained a good record of integrity, with no circumstances such as failure to comply with effective court judgments or failure to repay relatively large debts when due.

XI. Significant Related Party Transactions

1. Related Transactions Associated with Daily Operations

☑ Applicable ☐ Not applicable

Related party	Relationship with the Company	Types of the related party transactions	Subject matter of the related party transactions	Pricing basis of the related party transaction	Related party transaction price	Amount of related Party transactions (RMB'0,000)	Percentage as the amount of similar transactions	Amount of transactions approved (RMB'0,000)	Whether exceeding approved cap	Settlement of related party transactions	Market price of available similar transaction	Disclosure date	Disclosure index
Luxsan (香港立臻)	Associated legal entity	Purchase of goods from related parties	Purchase of goods, services, etc.	Market pricing	Fair market price	24,506.75	0.18%	130,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Dongguan Dubo (東莞杜博)	Associated legal entity	Purchase of goods from related parties	Purchase of goods, services, etc.	Market pricing	Fair market price	19,152.12	0.14%	100,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Teleray Hong Kong (香港泰睿)	Associated legal entity	Purchase of goods from related parties	Purchase of goods, services, etc.	Market pricing	Fair market price	1,541.57	0.01%	50,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Anhui Lide (安徽立德)	Associated legal entity	Purchase of goods from related parties	Purchase of goods, services, etc.	Market pricing	Fair market price	2,180.04	0.02%	7,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
BCS USA (BCS美國)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	2,917.06	0.02%	5,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Suzhou Lisheng (蘇州立勝)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	17,800.88	0.13%	90,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Lizhen Equipment (立臻裝備)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	4,155.76	0.02%	15,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Luxsan (香港立臻)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	39,088.31	0.22%	150,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Luxsan Trading (立臻貿易)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	24,547.06	0.14%	75,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146

Related party	Relationship with the Company	Types of the related party transactions	Subject matter of the related party transactions	Pricing basis of the related party transaction	Related party transaction price	Amount of related Party transactions (RMB'0,000)	Percentage as the amount of similar transactions	Amount of transactions approved (RMB'0,000)	Whether exceeding approved cap	Settlement of related party transactions	Market price of available similar transaction	Disclosure date	Disclosure index
Hong Kong Cowell (香港高偉)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	87,530.14	0.50%	330,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Dongguan Cowell (東莞高偉)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	634.72	0.00%	15,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Chery New Energy (奇瑞新能源)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	27,578.32	0.16%	55,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Anhui Ruijing (安徽瑞靜)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	101,117.26	0.58%	360,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Anhui Lide (安徽立德)	Associated legal entity	Sales of products or goods to associated legal entities	Sale of goods, services, etc.	Market pricing	Fair market price	2,542.3	0.01%	5,000	No	Bank transfer	Fair market price	02 December 2025	Announcements no.: 2025-146
Total				–	–	355,292.29	–	1,387,000	–	–	–	–	–

Details of large-amount refunds for goods sold: Not applicable

Actual performance (if any) during the Reporting Period if the aggregate amount is estimated by category in relation to the routine related party transactions expected to occur during the Reporting Period: When making estimates on annual routine related party transactions, the Company primarily conducted adequate assessment and calculation based on market conditions and potential related-party transactions. However, the actual amount incurred is determined based on market conditions, the business development of both parties, actual demands, and the specific progress of execution, which results in certain differences between the actual amount incurred and the estimated amount. The above falls within normal business operations and will not have a material impact on the Company's daily operations and performance.

Reasons for comparatively significant differences between the transaction price and the reference market price (if applicable): Not applicable

2. Related Party Transaction in Connection with Purchase or Sale of Assets or Equity Interest

☐ Applicable ☑ Not applicable

There was no related party transaction of the Company in connection with purchase or sale of assets or equity interest during the Reporting Period.

3. Related Party Transaction Connected to Joint External Investment

☐ Applicable ☑ Not applicable

There was no related party transaction of the Company connected to joint external investment during the Reporting Period.

4. Related Creditors' Rights and Debts Transactions

☐ Applicable ☑ Not applicable

There was no related creditors' rights and debts transactions of the Company during the Reporting Period.

5. Deals with Related Financial Companies

☐ Applicable ☑ Not applicable

There were no deposits, loans, credits, or other financial services between the Company, its related financial companies and the related parties.

6. Deals between Financial Companies Controlled by the Company and Related Parties

☐ Applicable ☑ Not applicable

There were no deposits, loans, credits, or other financial services between the financial companies controlled by the Company and the related parties.

7. Other Material Related Party Transactions

☐ Applicable ☑ Not applicable

There was no other material related party transaction of the Company during the Reporting Period.

XII. Material Contracts and Its Implementation

1. Custody, Contracting and Leasing

(1) Custody

☐ Applicable ☑ Not applicable

There was no custody of the Company during the Reporting Period.

(2) Contracting

☐ Applicable ☑ Not applicable

There was no contracting arrangement of the Company during the Reporting Period.

(3) Leasing

☐ Applicable ☑ Not applicable

There was no leasing arrangement of the Company during the Reporting Period.

2. Significant Guarantees

☑ Applicable ☐ Not applicable

Unit: RMB'0,000

External guarantees of the Company and its subsidiaries (excluding guarantees to subsidiaries)

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party

Guarantees to subsidiaries by the Company

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party
LUXSHARE PRECISION LIMITED	20 April 2021	67,427.91	28 July 2021	0	Joint and several guarantee	Nil	Nil	Five years	No	No
Subsidiaries within the scope of consolidated financial statements	2 December 2025	800,000		0	General guarantee, pledge, mortgage and joint and several guarantee	Nil	Nil	One year	No	No
Total approved guarantee limit for subsidiaries during the Reporting Period (B1)			Actual total guarantee amounts for subsidiaries during the Reporting Period (B2)							0
Total approved guarantee limit for subsidiaries at the end of the Reporting Period (B3)		867,427.91	Total outstanding guarantee balance for subsidiaries at the end of the Reporting Period (B4)							0

Guarantees provided between subsidiaries

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party
Dachuang Precision Manufacturing (Kunshan) Co., Ltd. (達創精密智造(昆山)有限公司)		149.86	19 December 2022	149.86	Joint and several guarantee			6 months from the maturity date of the principal debt	No	No
Dachuang Precision Manufacturing (Kunshan) Co., Ltd. (達創精密智造(昆山)有限公司)		20,000	15 January 2025	0	Joint and several guarantee			2029/12/31	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		5,000	23 April 2025	2,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		5,200	23 June 2025	4,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		5,500	6 December 2024	1,400	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		4,500	1 August 2020	2,362	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		5,000	28 August 2025	4,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Huasheng Electronic Wire Co., Ltd. (惠州市華晟電子線材有限公司)		5,000	2 June 2021	1,575	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang New Materials Co., Ltd. (惠州德晉昌新材料有限公司)		18,000	5 July 2021	11,773.54	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Nantong Dejinchang Optoelectronic Technology Co., Ltd. (南通德晉昌光電科技有限公司)		5,000	18 September 2019	4,250	Joint and several guarantee			24 months from the maturity date of the principal debt	No	No
Nantong Zhenhongchang Technology Co., Ltd. (南通臻弘錩科技有限公司)		1,000	4 August 2025	1,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Nantong Zhenhongchang Technology Co., Ltd. (南通臻弘錩科技有限公司)		1,000	21 November 2025	1,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		4,300	4 December 2020	0	Joint and several guarantee			60 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		7,500	28 August 2025	3,962	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No

Guarantees provided between subsidiaries

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		12,000	19 April 2021	2,550	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		5,000	23 April 2025	4,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		5,000	2 June 2021	2,174.94	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		5,500	6 December 2024	3,600	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		10,000	10 October 2024	2,000	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Huizhou Dejinchang Optoelectronic Technology Co., Ltd. (惠州德晉昌光電科技有限公司)		5,500	1 August 2020	2,423.4	Joint and several guarantee			36 months from the maturity date of the principal debt	No	No
Dezhenchang Optoelectronic Technology (Vietnam) Co., Ltd. (德臻昌光電科技(越南)有限公司)		4,358.98	23 November 2022	1,244.73	Joint and several guarantee			No term	No	No
Dezhenchang Optoelectronic Technology (Vietnam) Co., Ltd. (德臻昌光電科技(越南)有限公司)		10,216.35	22 November 2023	3,453.01	Joint and several guarantee			No term	No	No
Dezhenchang Optoelectronic Technology (Vietnam) Co., Ltd. (德臻昌光電科技(越南)有限公司)		3,078.53	12 January 2023	0	Joint and several guarantee			No term	No	No
LEONI Wir. Sys. Berrechid		13,044.07	8 October 2019	0	Joint and several guarantee			2032/8/25	No	No
LEONI Bordnetz-Systeme		64.86	4 October 2019	0	Joint and several guarantee			2034/2/19	No	No
LEONI Italy S.r.l.		3,584.7	9 December 2025	0	Joint and several guarantee			2027/12/31	No	No

Guarantees provided between subsidiaries

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party
LEONI Italy S.r.l.		2,201.68	28 October 2024	0	Joint and several guarantee			2027/12/31	No	No
LEONI Wiring Systems UK		18,033.65	17 July 2019	0	Joint and several guarantee			2099/12/31	No	No
LEONI Wiring Systems UK		9,016.83	19 December 2013	0	Joint and several guarantee			Continuing guarantee	No	No
LEONI Wiring Systems UK		9,016.83	28 September 2015	0	Joint and several guarantee			Continuing guarantee	No	No
LEONI Wiring Systems UK		4,508.41	27 March 2013	0	Joint and several guarantee			Continuing guarantee	No	No
LEONI Wiring Systems UK		4,508.41	17 July 2007	0	Joint and several guarantee			Continuing guarantee	No	No
LEONI Wiring Systems BRas		2,367.29	31 December 2021	0	Joint and several guarantee			Continuing guarantee	No	No
LEONI Wiring Systems UK		155.61	26 April 2004	0	Joint and several guarantee			2099/12/31	No	No
LEONI Wiring Systems SSR		3,057.57	25 April 2019	0	Joint and several guarantee			2026/4/15	No	No
LEONI Bordnetz-Systeme		4,270.25	19 November 2019	0	Joint and several guarantee			2029/12/31	No	No
LEONI Bordnetz-Systeme		380.14	1 January 2023	0	Joint and several guarantee			2030/6/30	No	No
LEONI Wiring System Egypt		1,553.42	5 March 2024	0	Joint and several guarantee			2026/12/31	No	No
Leonische Portugal Lda.		2,115.72	14 January 2021	0	Joint and several guarantee			2028/1/14	No	No
LEONI Bordnetz-Systeme		155.34	17 November 2022	0	Joint and several guarantee			2027/11/17	No	No
LEONI Wiring Agadir		38.84	30 September 2024	0	Joint and several guarantee			2026/12/31	No	No
LEONI Industry Holding GmbH		113.4	6 February 2014	0	Joint and several guarantee			2099/12/31	No	No

Guarantees provided between subsidiaries

Name of obligee	Disclosure date for the announcement related to the guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Guarantee period	Whether the guarantee has been fulfilled	Whether the guarantee is provided for a related party
LEONI Italy S.r.l.		3,079.91	6 May 2025	0	Joint and several guarantee			2028/12/31	No	No
LEONI Italy S.r.l.		1,089.16	25 September 2024	0	Joint and several guarantee			2027/12/31	No	No
LEONI Kabel GmbH		118.48	21 December 2017	0	Joint and several guarantee			2027/7/31	No	No
LEONI WSD De Durango		655.76	7 March 2008	0	Joint and several guarantee			2099/12/31	No	No

Total approved guarantee limit for subsidiaries during the Reporting Period (C1)	0	Actual total guarantee amount for subsidiaries during the Reporting Period (C2)	0
Total approved guarantee limit for subsidiaries at the end of the Reporting Period (C3)	0	Total outstanding guarantee balance for subsidiaries at the end of the Reporting Period (C4)	58,918.48
Total amount of guarantee provided (i.e. sum of the above three guarantee amounts)			
Total approved guarantee limit during the Reporting Period (A1+B1+C1)	0	Actual total guarantee amount during the Reporting Period (A2+B2+C2)	0
Total approved guarantee limit at the end of the Reporting Period (A3+B3+C3)	867,427.91	Total outstanding guarantee balance at the end of the Reporting Period (A4+B4+C4)	58,918.48
Total outstanding guarantee balance (i.e. A4+B4+C4) as a percentage of the Company's net assets			0.63%
Of which:			
Outstanding balance of guarantees for shareholders, actual controllers, and their related parties (D)			0
Outstanding balance of debt guarantees directly or indirectly for guaranteed parties with an asset-liability ratio exceeding 70% (E)			0
Total guarantee amount exceeding 50% of net assets (F)			0
Total amount of the above three guarantees (D+E+F)			0

Description of the details of the adoption of composite guarantee methods

3. Entrusted Wealth Management

☑ Applicable ☐ Not applicable

Unit: RMB'0,000

Product category	Risk characteristics	Balance of entrusted wealth management during the Reporting Period	Unrecovered overdue amount
Bank wealth management products	Self-owned funds	290,190.37	0

Circumstances where the Company acts as the sole entrustor and entrusts financial institutions to manage assets, or where investments are made in high-risk entrusted wealth management products with low security and poor liquidity.

☐ Applicable ☑ Not applicable

4. Other Material Contracts

☐ Applicable ☑ Not applicable

The Company had no other material contracts during the Reporting Period.

XIII. Registration form for Activities such as Investigation and Research, Communications and Interviews Received During the Reporting Period

☑ Applicable ☐ Not applicable

Date of reception	Place of reception	Mode of reception	Types of visitors received	Visitors received	Major topics discussed and information provided	Index for basic information of investor visits
16 April 2026 - 20 April 2026	No. 313, North Ring Road, Qingxi Town, Dongguan City, Guangdong Province	Telephone communication	Institutions	Institutional investors	The Company provided an update on its business performance in 2025 and the developments of its consumer electronics, data centers, and automotive electronics businesses	See the "Record form for investor relations activities from 16 April 2026 to 20 April 2026" published on cninfo.com.cn on 20 April 2026
6 May 2026	No. 313, North Ring Road, Qingxi Town, Dongguan City, Guangdong Province	Online communication via Internet platform	Others	Investors	The Company provided updates on the developments of its AI computing power (connectors/optical modules) and automotive electronics businesses and the progress of acquisition integration.	See the "Investor relations activity record form for 6 May 2026" published on cninfo.com.cn on 7 May 2026
22 May 2026	No. 313, North Ring Road, Qingxi Town, Dongguan City, Guangdong Province	On-site visits	Others	Investors	Exchanges and communication at the Company's annual Shareholders' meetings	See the "Investor relations activity record form for 22 May 2026" published on cninfo.com.cn on 25 May 2026

XIV. Other Significant Events

☑ Applicable ☐ Not applicable

1. The Company held the 15th meeting of the sixth session of the Board and the 14th meeting of the sixth session of the board of supervisors on 23 July 2025, at which the "Proposal on the Issuance of H Shares by the Company and the Listing of Such Shares on the Main Board of The Stock Exchange of Hong Kong Limited", the "Proposal on the Plan for the Issuance of H Shares by the Company and the Listing of Such Shares on the Main Board of The Stock Exchange of Hong Kong Limited", and other related proposals were considered and approved. In order to expand the Company's global strategic footprint, enhance its overseas financing capabilities, and further improve the transparency and standardization of corporate governance, the Company, after thorough research and deliberation, proposes to issue overseas listed foreign shares (H Shares) and apply for listing of such shares (hereinafter referred to as the "**Issuance and Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as "**Hong Kong Stock Exchange**").

2. The Company published the "Announcement on Submitting an Application for the Issuance and Listing of Overseas listed Foreign Shares (H shares) to the Hong Kong Stock Exchange and Publishing the Application Materials" on 19 August 2025. The Company submitted the application for the issuance of overseas listed Shares (H shares) and listing on the Main Board of the Hong Kong Stock Exchange to the Hong Kong Stock Exchange on 18 August 2025, and published the application materials for such issuance on the website of the Hong Kong Stock Exchange on the same date.

3. Upon approval by the Hong Kong Stock Exchange, 383,472,800 H Shares of the Company (prior to the exercise of the over-allotment option) were listed and traded on the Main Board of the Hong Kong Stock Exchange on 9 July 2026. The Chinese short name of the Company's H Share certificate is "立訊精密", while the English short name is "LUXSHAREICT", and the stock code is "2475".

4. On 5 August 2026, the over-allotment option described in the Company's prospectus was partially exercised by the overall coordinators (for themselves and on behalf of the international underwriters) on 5 August 2026 (Wednesday), involving an aggregate of 12,541,900 H Shares, representing approximately 3.27% of the total number of offer shares available under the global offering (before any exercise of the over-allotment option). For details, see the "Announcement on the Partial Exercise of the Over-allotment Option, Stabilizing Actions, and the End of Stabilization Period" published by the Company on 7 August 2026.

5. At the 27th meeting of the sixth session of the Board held on 27 July 2026, the Company considered and approved the Proposal on Uniformly Adopting the CASBE for the Preparation of Financial Reports. The Company proposes to uniformly adopt the CASBE for the preparation of financial reports and the disclosure of relevant financial information commencing from the 2026 interim financial report.

XV. Significant Events of Subsidiaries

☐ Applicable ☑ Not applicable

I. Changes in Shares

1. Changes in shares

Unit: share

		Opening balance		Change during the Reporting Period (+/-)					Closing balance	
		Amount	Percentage	New issue	Bonus issue	Shares converted from reserves	Others	Subtotal	Amount	Percentage
I.	Restricted Shares	16,711,805	0.23%				17,999	17,999	16,729,804	0.23%
	1. State-owned shares									
	2. Shares held by state-owned legal entities									
	3. Shares held by other domestic investors	759,892	0.01%				18,000	18,000	777,892	0.01%
	Including: Shares held by domestic legal entities									
	Shares held by domestic natural persons	759,892	0.01%				18,000	18,000	777,892	0.01%
	4. Shares held by foreign investors	15,951,913	0.22%				-1	-1	15,951,912	0.22%
	Including: Shares held by foreign legal entities									
	Shares held by foreign natural persons	15,951,913	0.22%				-1	-1	15,951,912	0.22%
II.	Non-restricted Shares	7,269,111,079	99.77%				33,247,767	33,247,767	7,302,358,846	99.77%
	1. RMB ordinary shares	7,269,111,079	99.77%				33,247,767	33,247,767	7,302,358,846	99.77%
	2. Domestic listed foreign-invested shares									
	3. Overseas listed foreign-invested shares									
	4. Others									
III.	Total number of Shares	7,285,822,884	100.00%				33,265,766	33,265,766	7,319,088,650	100.00%

Reasons for changes in shares

☑ Applicable ☐ Not applicable

1. During the Reporting Period, the Company increased its shares by 33,023,543 shares as a result of the independent exercise of share options by the incentive recipients under the Share Option Incentive Plans;

2. On 3 November 2020, the Company publicly offered 30 million convertible corporate bonds (bond abbreviation: Luxshare Convertible Bond; bond code: 128136). The conversion period for the convertible corporate bonds is from 10 May 2021 to 2 November 2026. During the Reporting Period, the accumulative number of shares converted was 242,223.

3. The discrepancy in the trailing figures of Shares held by foreign natural persons was mainly due to rounding when calculating the proportion of restricted shares in the securities registration and clearing system.

Approval for changes in shares

☑ Applicable ☐ Not applicable

1. Considered and approved at the 22th meeting of the sixth session of the Board on 5 February 2026

2. Considered and approved at the 24th meeting of the sixth session of the Board on 28 April 2026

3. Considered and approved at the 25th meeting of the sixth session of the Board on 22 June 2026

Transfer of shares arising from the changes

☐ Applicable ☑ Not applicable

Progress of share repurchase

☑ Applicable ☐ Not applicable

During the Reporting Period, the Company repurchased 17,665,380 A Shares via its special account for share repurchase through centralized bidding, representing 0.24% of the Company's total share capital. The maximum transaction price was RMB65.00 per A Share, while the minimum transaction price was RMB50.14 per A Share, with a total transaction amount of RMB999,915,944.13 (excluding transaction fees).

Save as disclosed, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including any sale or transfer of treasury shares) during the Reporting Period.

Save for the 17,665,380 A Shares, as of 30 June 2026, the Group did not hold any other treasury shares.

Progress of decrease in the holding of repurchased shares by way of centralized bidding

☐ Applicable ☑ Not applicable

The effects of changes in shares on financial indicators such as basic earnings per share, diluted earnings per share and net assets per share attributable to ordinary Shareholders of the Company for the latest year and the latest period

☐ Applicable ☑ Not applicable

Other information considered necessary by the Company or required by the securities regulatory bodies to be disclosed

☐ Applicable ☑ Not applicable

2. Changes in restricted shares

☑ Applicable ☐ Not applicable

Unit: share

Name of shareholder	Restricted shares at the beginning of the period	Restricted shares released during the current period	Restricted shares increased during the current period	Restricted shares at the end of the period	Reason for restriction	Date of release from restriction
Wang Laisheng	14,890,610.00	0	0	14,890,610.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Hao Jie	101,398.00	0	0	101,398.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Qian Jiwen	640,494.00	0	0	640,494.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Chen Weihang	3,000.00	0	3,000.00	6,000.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Wu Tien-sung	1,061,303.00	0	0	1,061,302.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Xiao Yunxi	15,000.00	0	15,000.00	30,000.00	Locked-up shares of Directors and senior management	Subject to the release conditions for locked-up shares of senior management
Total	16,711,805.00	0	18,000.00	16,729,804	—	—

II. Issuance and listing of securities

☐ Applicable ☑ Not applicable

III. Total Number of Shareholders and Shareholdings

Unit: share

Total number of ordinary shareholders as at the end of the Reporting Period	513,997	**Total number of holders of preference shares with restored voting right as at the end of the Reporting Period (if any) (see Note 8)**	0

Shareholdings of shareholders interested in more than 5% of the shares of the Company or Top 10 shareholders (excluding the shares lent under refinancing business)

Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held as at the end of the Reporting Period	Changes (increase or decrease) during the Reporting Period	Number of restricted shares held	Number of non-restricted shares held	Share pledged, marked or frozen	
							Status of shares	Number
Luxshare Limited	Overseas legal person	37.32%	2,731,537,636	0	0	2,731,537,636	Pledged	1,033,292,000
Hong Kong Securities Clearing Company Limited	Overseas legal person	7.90%	578,377,455	50,410,536	0	578,377,455	Not applicable	0
Abu Dhabi Investment Authority — Self-owned funds	Overseas legal person	0.64%	46,742,361	25,153,836	0	46,742,361	Not applicable	0
China Life Insurance Company Limited — Traditional — Ordinary Insurance Product — 005L — CT001 Hu (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001滬)	Others	0.60%	43,723,492	15,897,563	0	43,723,492	Not applicable	0
Taibai Investments Pte. Ltd.-Self-owned funds (R)	Others	0.42%	30,405,073	12,122,241	0	30,405,073	Not applicable	0
China Merchants Bank Co., Ltd.-AIFMC Herun Hybrid Securities Investment Fund (招商銀行股份有限公司－興全合潤混合型證券投資基金)	Others	0.38%	27,716,919	5,055,152	0	27,716,919	Not applicable	0
China Merchants Bank Co., Ltd.-Foresight Growth Value Hybrid Securities Investment Fund (招商銀行股份有限公司－睿遠成長價值混合型證券投資基金)	Others	0.37%	27,022,126	-148,474	0	27,022,126	Not applicable	0
China Everbright Bank Co., Ltd. — AIFMC Business Model Select Hybrid Securities Investment Fund (LOF) (中國光大銀行股份有限公司 — 興全商業模式優選混合型證券投資基金(LOF))	Others	0.36%	26,549,938	9,165,095	0	26,549,938	Not applicable	0

Shareholdings of shareholders interested in more than 5% of the shares of the Company or Top 10 shareholders (excluding the shares lent under refinancing business)

Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held as at the end of the Reporting Period	Changes (increase or decrease) during the Reporting Period	Number of restricted shares held	Number of non-restricted shares held	Share pledged, marked or frozen	
							Status of shares	Number
China Life Insurance Company Limited-Dividends-Individual Dividends — 005L — FH002 Hu (中國人壽保險股份有限公司－分紅－個人分紅－005L－FH002滬)	Others	0.32%	23,672,686	5,922,383	0	23,672,686	Not applicable	0
Bank of China Limited — ChinaAMC CSI 5G Communication Exchanged Open Index Securities Investment Fund (中國銀行股份有限公司－華夏中證5G通信主題交易型開放式指數證券投資基金)	Others	0.32%	23,240,114	10,808,100	0	23,240,114	Not applicable	0
Strategic investors or general legal persons who become the top ten shareholders due to the placement of new shares (if any) (see Note 3)	Not applicable							
Related party relationship or acting in concert among the above shareholders	1. Luxshare Limited is the controlling shareholder of the Company; 2. The Company is not aware of whether the aforementioned shareholders as "Others" herein are related to each other or the aforementioned shareholders are persons acting in concert.							
Explanation on entrusted/authorized voting rights or waiver of voting rights of the aforementioned shareholders	Not applicable							
Special explanation on special account for share repurchases among the top ten shareholders (if any) (see Note 11)	Not applicable							

Shareholdings of the top ten non-restricted shareholders (excluding the shares lent under refinancing business and the locked-up shares of the Senior Management)

Name of shareholder	Number of non-restricted shares held as at the end of the Reporting Period	Class of shares	
		Class of shares	Number
Luxshare Limited	2,731,537,636	RMB ordinary shares	2,731,537,636
Hong Kong Securities Clearing Company Limited	578,377,455	RMB ordinary shares	578,377,455
Abu Dhabi Investment Authority — Self-owned funds	46,742,361	RMB ordinary shares	46,742,361
China Life Insurance Company Limited — Traditional — Ordinary Insurance Product — 005L — CT001 Hu (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001滬)	43,723,492	RMB ordinary shares	43,723,492
Taibai Investments Pte. Ltd.-Self-owned funds (R)	30,405,073	RMB ordinary shares	30,405,073
China Merchants Bank Co., Ltd.-AIFMC Herun Hybrid Securities Investment Fund (招商銀行股份有限公司－興全合潤混合型證券投資基金)	27,716,919	RMB ordinary shares	27,716,919
China Merchants Bank Co., Ltd. -Foresight Growth Value Hybrid Securities Investment Fund (招商銀行股份有限公司－睿遠成長價值混合型證券投資基金)	27,022,126	RMB ordinary shares	27,022,126
China Everbright Bank Co., Ltd.-AIFMC Business Model Select Hybrid Securities Investment Fund (LOF) (中國光大銀行股份有限公司－興全商業模式優選混合型證券投資基金(LOF))	26,549,938	RMB ordinary shares	26,549,938
China Life Insurance Company Limited–Dividends-Individual Dividends — 005L — FH002 Hu (中國人壽保險股份有限公司－分紅－個人分紅－005L－FH002滬)	23,672,686	RMB ordinary shares	23,672,686
Bank of China Limited — ChinaAMC CSI 5G Communication Exchanged Open Index Securities Investment Fund (中國銀行股份有限公司－華夏中證5G通信主題交易型開放式指數證券投資基金)	23,240,114	RMB ordinary shares	23,240,114
Related party relationship or acting in concert among the top ten shareholders of non-restricted shares, and between the top ten shareholders of non-restricted shares and the top ten shareholders	Not applicable		
Securities margin trading of top ten ordinary shareholders (if any) (see Note 4)	Not applicable		

Share lending by shareholders holding 5% or more shares, top 10 shareholders and top 10 shareholders of non-restricted shares under refinancing business

☐ Applicable ☑ Not applicable

Changes of top 10 shareholders and top 10 shareholders of non-restricted shares due to lending/returning of shares under refinancing business as compared to prior period

☐ Applicable ☑ Not applicable

Whether an agreed repurchase transaction was entered into during the Reporting Period by the top 10 ordinary shareholders and top 10 non-restricted ordinary shareholders of the Company

☐ Yes ☑ No

The top 10 ordinary shareholders and top 10 non-restricted ordinary shareholders of the Company did not enter into any agreed repurchase transaction during the Reporting Period.

IV. Changes in Shareholding of Directors and Senior Management

☑ Applicable ☐ Not applicable

Name	Position	Employment status	Number of shares held at the beginning of the period (shares)	Number of shares purchased during the current period (shares)	Number of shares sold during the current period (shares)	Number of shares held at the end of the period (shares)	Number of restricted shares granted at the beginning of the period (shares)	Number of restricted shares granted during the current period (shares)	Number of restricted shares granted at the end of the period (shares)
Xiao Yunxi	Board secretary	Incumbent	20,000	20,000	0	40,000	0	0	0
Chen Weihang	Employee representative Director, securities affairs representative	Incumbent	4,000	4,000	0	8,000	0	0	0
Total	–	–	24,000	24,000	0	48,000	0	0	0

V. Change of controlling shareholders or actual controllers

If the Company has previously disclosed a planned change of control involving its actual controller that has not yet been completed, please state the progress of such change of control

☐ Applicable ☑ Not applicable

Change of controlling shareholders during the Reporting Period

☐ Applicable ☑ Not applicable

There was no change of controlling shareholders of the Company during the Reporting Period.

Change of actual controllers during the Reporting Period

☐ Applicable ☑ Not applicable

There was no change of actual controllers of the Company during the Reporting Period.

VI. Preferred shares

☐ Applicable ☑ Not applicable

The Company had no preferred shares during the Reporting Period.

VII. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As the H Shares were not listed on the Hong Kong Stock Exchange as of 30 June 2026, Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), section 352 of the SFO and the Model Code were not applicable to the Directors or the chief executives of the Company as of the same date. The Company will disclose the interests or short positions of the Directors and the chief executives in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) in the forthcoming annual report of the Company.

VIII. Substantial Shareholders' and Other Persons' Interests

As the H Shares were not listed on the Hong Kong Stock Exchange as of 30 June 2026, Divisions 2 and 3 of Part XV of the SFO and Section 336 of the SFO were not applicable to the Company as of the same date. The Company will disclose the interests or short positions of the persons (not being Directors and chief executives of the Company) in the Shares and underlying Shares in the forthcoming annual report of the Company.

☑ Applicable ☐ Not applicable

I. Enterprise Bonds

☐ Applicable ☑ Not applicable

The Company had no enterprise bonds during the Reporting Period.

II. Corporate Bonds

☐ Applicable ☑ Not applicable

The Company had no corporate bonds during the Reporting Period.

III. Debt Financing Instruments of Non-financial Enterprises

☑ Applicable ☐ Not applicable

1. Basic information on debt financing instruments of non-financial enterprises

Unit: RMB'0,000

Bond name	Abbreviation	Bond code	Date of issue	Interest Commencement Date	Due date	Bond balance	Interest rate	Principal and interest repayment	Trading venue
Luxshare Precision Industry Co., Ltd. 2025 First Tranche Medium-term Note	25 Luxshare ICT MTN001	102580164	9 January 2025	13 January 2025	13 January 2028	150,000	0.0209	Interests payable per annum, and principal and interest payable upon maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Second Tranche Medium-term Note	25 Luxshare ICT MTN002	102580624	17 February 2025	19 February 2025	19 February 2028	150,000	0.022	Interests payable per annum, and principal and interest payable upon maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 First Tranche Technology Innovation Bond	25 Luxshare ICT SCP001 (Sci-Tech Innovation Bond)	012581124	9 May 2025	12 May 2025	6 February 2026	0	0.0171	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Third Tranche Technology Innovation Bond	25 Luxshare ICT SCP003 (Sci-Tech Innovation Bond)	012581613	8 July 2025	9 July 2025	3 April 2026	0	0.0156	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Fourth Tranche Technology Innovation Bond	25 Luxshare ICT SCP004 (Sci-Tech Innovation Bond)	012582590	24 October 2025	27 October 2025	24 July 2026	100,000	0.0174	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Fifth Tranche Technology Innovation Bond	25 Luxshare ICT SCP005 (Sci-Tech Innovation Bond)	012582798	18 November 2025	19 November 2025	14 August 2026	80,000	0.017	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Sixth Tranche Technology Innovation Bond	25 Luxshare ICT SCP006 (Sci-Tech Innovation Bond)	012583042	11 December 2025	12 December 2025	8 September 2026	120,000	0.0173	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2025 Seventh Tranche Technology Innovation Bond	25 Luxshare ICT SCP007 (Sci-Tech Innovation Bond)	012583145	23 December 2025	24 December 2025	18 September 2026	100,000	0.0177	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House

Bond name	Abbreviation	Bond code	Date of issue	Interest Commencement Date	Due date	Bond balance	Interest rate	Principal and interest repayment	Trading venue
Luxshare Precision Industry Co., Ltd. 2026 First Tranche Technology Innovation Bond	26 Luxshare ICT SCP001 (Sci-Tech Innovation Bond)	012680283	27 January 2026	28 January 2026	23 October 2026	100,000	0.0166	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Second Tranche Technology Innovation Bond	26 Luxshare ICT SCP002 (Sci-Tech Innovation Bond)	012680406	5 February 2026	6 February 2026	3 November 2026	100,000	0.0165	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Third Tranche Super Short-term Commercial Paper	26 Luxshare ICT SCP003	012680723	19 March 2026	20 March 2026	15 December 2026	100,000	0.0156	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Third Tranche Technology Innovation Bond	26 Luxshare ICT MTN003 (Sci-Tech Innovation Bond)	102681485	17 April 2026	21 April 2026	21 April 2028	100,000	0.0175	Interests payable per annum, and principal payable upon maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Fourth Tranche Technology Innovation Bond	26 Luxshare ICT MTN004 (Sci-Tech Innovation Bond)	102681892	22 May 2026	25 May 2026	25 May 2029	100,000	0.0184	Interests payable per annum, and principal payable upon maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Fifth Tranche Technology Innovation Bond (M&A)	26 Luxshare ICT MTN005 (Sci-Tech Innovation Bond/M&A)	102682235	16 June 2026	17 June 2026	17 June 2029	140,000	0.0181	Interests payable per annum, and principal payable upon maturity	Interbank Market Clearing House
Luxshare Precision Industry Co., Ltd. 2026 Fourth Tranche Super Short-term Commercial Paper	26 Luxshare ICT SCP004	012681590	24 June 2026	25 June 2026	19 March 2027	100,000	0.0147	Lump-sum repayment of principal and interest at maturity	Interbank Market Clearing House
Investor suitability arrangements (if any)			Institutional investors in the National Interbank Bond Market (other than those prohibited from purchasing under national laws and regulations)						
Applicable trading mechanism			Open trading						
Risks of termination of listing and trading (if any) and countermeasures			No						

Bonds overdue and unpaid

☐ Applicable ☑ Not applicable

2. Triggering and implementation of issuer or investor option clauses and investor protection clauses

☐ Applicable ☑ Not applicable

3. Adjustments to credit rating results during the Reporting Period

☐ Applicable ☑ Not applicable

4. The implementation of and changes to the guarantees, debt repayment plans and debt repayment guarantee measures during the Reporting Period and the impact on the interests of bond investors

☐ Applicable ☑ Not applicable

IV. Convertible Corporate Bonds

☑ Applicable ☐ Not applicable

1. Issuance of convertible bonds

(1) Issuance of convertible corporate bonds

Upon the approval for *Rely on Approval of Luxshare Precision Industry Co., Ltd.'s Public Offering of Convertible Corporate Bonds (Zheng Jian Xu Ke [2020] No. 247)* by CSRC, the Company publicly issued 30,000,000 convertible corporate bonds on 3 November 2020 with the face value of RMB100.00 each, in an aggregate principal amount of RMB3,000,000,000.00.

(2) Listing of convertible corporate bonds

With the approval of the Shenzhen Stock Exchange under the document "Shen Zheng Shang [2020] No. 1170", the Company's convertible corporate bonds with an aggregate principal amount of RMB3,000,000,000.00 were officially listed and traded on the Shenzhen Stock Exchange starting from 2 December 2020, with the bond abbreviation of "Luxshare Convertible Bonds" and the bond code of "128136".

(3) Adjustments on conversion price of convertible corporate bonds

In accordance with relevant laws and regulations and the provisions of the Prospectus, the initial conversion price of the "Luxshare Convertible Bonds" was set at RMB58.62 per share.

As of 30 June 2026, the conversion price of the Company's convertible bonds was RMB55.97 per share. The conversion price of the "Luxshare Convertible Bonds" was adjusted to RMB55.97 per share (effective from 12 February 2026) due to changes in the total share capital resulting from the Company's equity distribution for the first three quarters of the year. For details of the Company's historical conversion, please refer to the announcements published by the Company on cninfo.com (http://www.cninfo.com.cn).

(4) Conversion period of convertible corporate bonds

The conversion period for the convertible corporate bonds under the Issuance shall commence on the first trading day (10 May 2021, deferred to 10 May 2021 as 9 May 2021 was a non-trading day) immediately following the expiry of the six-month period after the completion date of the issuance of convertible corporate bonds (9 November 2020), and end on the maturity date of the convertible bonds (2 November 2026) (if such day falls on a statutory holiday or rest day, it shall be postponed to the first business day thereafter; no additional interest shall accrue for the deferred period).

2. Bond guarantors and top ten holders during the Reporting Period

Name of convertible corporate bond	Luxshare Convertible Bonds
Number of bond holders at the end of the period	9,707
Guarantor of the Company's convertible bonds	Not applicable
Material changes in the profitability, asset status and credit standing of the guarantor	Not applicable

Details of the top ten holders of convertible bonds are set out below:

No.	Name of bond holders	Holder type	Number of convertible bonds held at the end of the Reporting Period (bonds)	Amount of convertible bonds held as at the end of the Reporting Period (RMB)	Proportion of convertible bonds held as at the end of the Reporting Period
1	China Merchants Bank Co., Ltd.-Bosera CSI Convertible Bonds and Exchangeable Bond Trading Open-ended Index Securities Investment Fund (招商銀行股份有限公司－博時中證可轉債及可交換債券交易型開放式指數證券投資基金)	Other	2,915,591	291,559,100.00	9.77%
2	Industrial and Commercial Bank of China Limited－China Southern Guang Li Return Bond Securities Investment Fund (中國工商銀行股份有限公司－南方廣利回報債券型證券投資基金)	Other	1,871,372	187,137,200.00	6.27%
3	China Construction Bank Corporation-Huashang Enhanced Credit Bond Securities Investment Fund (中國建設銀行股份有限公司－華商信用增強債券型證券投資基金)	Other	1,030,627	103,062,700.00	3.45%
4	Industrial and Commercial Bank of China Limited-Hwabao WP Enhanced Income Bond Securities Investment Fund (中國工商銀行股份有限公司－華寶增強收益債券型證券投資基金)	Other	1,011,632	101,163,200.00	3.39%
5	China Merchants Bank Co., Ltd. –CIB Income Enhancement Bond Securities Investment Fund (招商銀行股份有限公司－興業收益增強債券型證券投資基金)	Other	912,650	91,265,000.00	3.06%
6	Industrial and Commercial Bank of China — Lion Balanced Securities Investment Fund (中國工商銀行－諾安平衡證券投資基金)	Other	809,750	80,975,000.00	2.71%
7	Bank of China Limited — China Southern Changyuan Convertible Bond Securities Investment Fund (中國銀行股份有限公司－南方昌元可轉債債券型證券投資基金)	Other	718,320	71,832,000.00	2.41%
8	Agricultural Bank of China Limited-China Post Ruixin Enhanced Bond Securities Investment Fund (中國農業銀行股份有限公司－中郵睿信增強債券型證券投資基金)	Other	600,000	60,000,000.00	2.01%
9	Agricultural Bank of China Limited-China Post Pure Bond Hengli Bond Securities Investment Fund (中國農業銀行股份有限公司－中郵純債恒利債券型證券投資基金)	Other	600,000	60,000,000.00	2.01%
10	Bank of China Limited — GF Jijia Bond Securities Investment Fund (中國銀行股份有限公司－廣發集嘉債券型證券投資基金)	Other	427,860	42,786,000.00	1.43%

3. Changes in convertible bonds during the Reporting Period

☑ Applicable ☐ Not applicable

Unit: RMB

Name of convertible corporate bonds	Before change	Change increase/decrease			After change
		Conversion	Redemption	Repurchase	
Luxshare Convertible Bonds	2,998,416,900.00	13,558,900.00			2,984,858,000.00

4. Cumulative conversion of convertible bonds

☑ Applicable ☐ Not applicable

Name of convertible corporate bonds	Conversion period	Total number of bonds issued (bonds)	Total amount issued (RMB)	Cumulative converted amount (RMB)	Cumulative number of shares converted (shares)	Percentage of the number of shares converted to the total number of shares in issue prior to the conversion	Amount of unconverted bonds (RMB)	Proportion of unconverted amount to total issued amount
Luxshare Convertible Bonds	From 10 May 2021 to 2 November 2026	30,000,000	3,000,000,000.00	15,142,000.00	252,296	0.84%	2,984,858,000.00	99.50%

5. Historical adjustments and revisions of conversion price

Name of convertible corporate bonds	Date of the adjustment of conversion price	Adjusted conversion price (RMB)	Disclosure time	Description of the adjustment of conversion price	Latest conversion price as of the end of the Reporting Period (RMB)
Luxshare Convertible Bonds	14 December 2020	58.60	14 December 2020	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	30 December 2020	58.48	30 December 2020	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	13 January 2021	58.44	13 January 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	24 February 2021	58.38	24 February 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	11 March 2021	58.36	11 March 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	8 July 2021	58.25	30 June 2021	Implementation of the Company's equity distribution for 2020	55.97
Luxshare Convertible Bonds	22 July 2021	58.20	22 July 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	6 September 2021	58.18	4 September 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	10 November 2021	58.16	10 November 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	29 December 2021	58.05	29 December 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	31 December 2021	58.01	31 December 2021	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	13 January 2022	57.98	13 January 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	25 January 2022	57.97	25 January 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	8 March 2022	57.93	8 March 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	22 March 2022	57.92	22 March 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	25 May 2022	57.91	25 May 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	13 July 2022	57.80	7 July 2022	Implementation of the Company's equity distribution for 2021	55.97
Luxshare Convertible Bonds	27 July 2022	57.75	27 July 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	7 September 2022	57.73	7 September 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	22 November 2022	57.71	22 November 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	20 December 2022	57.63	20 December 2022	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	4 January 2023	57.60	4 January 2023	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97

Name of convertible corporate bonds	Date of the adjustment of conversion price	Adjusted conversion price (RMB)	Disclosure time	Description of the adjustment of conversion price	Latest conversion price as of the end of the Reporting Period (RMB)
Luxshare Convertible Bonds	24 March 2023	57.50	24 March 2023	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	15 June 2023	57.37	9 June 2023	Implementation of the Company's equity distribution for 2022	55.97
Luxshare Convertible Bonds	26 July 2023	57.31	26 July 2023	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	3 January 2024	57.19	3 January 2024	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	3 April 2024	57.08	3 April 2024	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	2 July 2024	56.98	2 July 2024	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	11 July 2024	56.68	5 July 2024	Implementation of the Company's equity distribution for 2023	55.97
Luxshare Convertible Bonds	9 October 2024	56.56	9 October 2024	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	3 January 2025	56.52	3 January 2025	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	2 April 2025	56.47	2 April 2025	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	2 July 2025	56.45	2 July 2025	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	8 July 2025	56.25	14 July 2025	Implementation of the Company's equity distribution for 2024	55.97
Luxshare Convertible Bonds	10 October 2025	56.14	10 October 2025	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	6 January 2026	56.13	6 January 2026	Increase in the share capital due to voluntary exercise of options by grantees under the equity incentive plan	55.97
Luxshare Convertible Bonds	12 February 2026	55.97	6 February 2026	Implementation of the Company's equity distribution for Q1–Q3 2025	55.97

6. Changes in the Company's liabilities, credit standing as at the end of the Reporting Period and cash arrangements for debt repayment in future years

According to the *2026 Follow-up Rating Report on the Publicly Issued Convertible Corporate Bonds of Luxshare Precision Industry Co., Ltd. (Lian He [2026] No. 2635)* issued by China Lianhe Credit Rating Co., Ltd. on 6 June 2026, the Company's long-term issuer credit rating is AA+, and the credit rating of the Company's convertible bonds is AA+, with a stable rating outlook. There have been no material changes in the Company's liabilities, credit status, etc. For key accounting data and financial indicators, please refer to "VI. Key accounting data and financial indicators of the Company for the latest two years as of the end of the Reporting Period" in Section VII of this Report.

V. Losses in Scope of the Consolidated Financial Statements During the Reporting Period in Excess of 10% of Net Assets at the End of the Previous Year

☐ Applicable ☑ Not applicable

VI. Key Accounting Data and Financial Indicators of the Company for the Latest Two Years as of the End of the Reporting Period

Unit: RMB'0,000

Item	As of the end of the Reporting Period	As of the end of the previous year	Increase/ Decrease compared with the end of the previous year
Current ratio	1.1313	1.1107	1.85%
Asset-Liabilities ratio	67.44%	66.07%	1.37%
Quick ratio	0.8783	0.8708	0.86%

	For the Reporting Period	For the same period of the previous year	Increase/ Decrease compared with the same period of the previous year
Net profit after deducting non-recurring gains and losses	596,187.79	559,943.35	6.47%
Ratio of total debt to EBITDA	12.21%	15.92%	–3.71%
Interest coverage ratio	9.61	10.57	–9.08%
Cash interest coverage ratio	1.16	1.20	–3.33%
EBITDA interest coverage ratio	16.44	17.80	–7.64%
Loan repayment rate	100.00%	100.00%	0.00%
Interest payment rate	100.00%	100.00%	0.00%

I. Auditors' Report

Is the interim report audited

☐ Yes ☑ No

The Company's interim financial report is unaudited.

II. Financial Statements

The unit in the notes to the financial statements is: RMB

1. Consolidated balance sheet

Prepared by: Luxshare Precision Industry Co., Ltd.

30 June 2026

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	**71,812,397,443.48**	61,159,176,580.35
Settlement deposits		
Placements with banks and other financial institutions		
Financial assets held for trading	**3,541,721,335.72**	2,842,065,117.62
Derivative financial assets	**66,535,220.81**	102,963,566.17
Notes receivable	**1,488,082,074.70**	521,886,908.06
Trade receivables	**47,666,294,604.50**	48,438,796,114.12
Trade receivables financing	**1,853,162,842.54**	1,263,239,984.56
Prepayments	**3,351,182,013.16**	1,440,690,783.69
Premium receivables		
Receivables from reinsurers		
Reinsurance deposits receivables		
Other receivables	**1,254,518,271.14**	1,909,308,880.73
Including: Interest receivable		
Dividend receivable	**0.00**	148,345,542.83
Financial assets held under resale agreements		
Inventories	**50,367,311,994.53**	42,332,782,449.47
Including: Data resources		
Contract assets	**1,160,206,060.81**	1,138,331,189.32
Assets held for sale		
Non-current assets due within one year	**9,767,361,357.05**	9,638,642,106.65
Other current assets	**32,928,928,305.68**	25,229,093,285.58
Total current assets	**225,257,701,524.12**	196,016,976,966.32

Item	Closing balance	Opening balance
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	**14,896,150,446.63**	12,009,696,666.85
Other equity instruments investments	**781,943,203.95**	219,461,635.20
Other non-current financial assets	**69,091,714.90**	37,637,104.39
Investment properties	**93,154,968.58**	98,487,570.14
Fixed assets	**64,566,699,326.98**	65,901,073,710.76
Construction in progress	**5,206,085,858.83**	4,290,260,998.33
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**2,773,858,525.57**	2,761,973,867.39
Intangible assets	**3,672,633,197.01**	3,820,742,996.47
Including: Data resources		
Development expenditures	**149,636,982.04**	118,778,094.44
Including: Data resources		
Goodwill	**2,239,173,155.52**	2,239,173,155.52
Long-term deferred expenses	**1,061,783,213.97**	1,015,219,090.59
Deferred tax assets	**2,907,122,965.75**	2,533,431,115.92
Other non-current assets	**26,214,593,931.42**	15,474,762,814.10
Total non-current assets	**124,631,927,491.15**	110,520,698,820.10
Total assets	**349,889,629,015.27**	306,537,675,786.42

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	**93,569,419,706.38**	60,137,739,468.49
Borrowings from central bank		
Loans from other banks and financial institutions		
Financial liabilities held for trading	**177,477,638.83**	424,219,343.62
Derivative financial liabilities	**22,195,946.68**	38,121,564.96
Notes payable	**2,101,946,839.83**	3,102,096,141.20
Trade payables	**74,533,334,608.19**	80,910,608,802.62
Advances from customers		
Contract liabilities	**1,004,201,352.40**	931,291,965.17
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Client fund held for securities trading		
Funds held on behalf of issuers for securities underwriting		
Employee benefits payable	**3,852,158,213.69**	4,951,859,420.41
Tax payable	**2,804,528,938.89**	2,819,622,235.52
Other payables	**2,108,855,127.52**	2,320,728,981.71
Including: Interest payable		
Dividend payable	**1,079,404,826.24**	1,173,208,755.74
Fees and commissions payable		
Payables to reinsurers		
Liabilities held for sale		
Non-current liabilities due within one year	**10,277,541,767.23**	13,700,930,087.24
Other current liabilities	**8,660,946,396.98**	7,150,917,176.07
Total current liabilities	**199,112,606,536.62**	176,488,135,187.01

Item	Closing balance	Opening balance
Non-current liabilities:		
Provisions for insurance contracts		
Long-term borrowings	**24,543,001,875.50**	16,441,982,591.33
Bonds payable	**6,426,076,926.92**	3,491,837,425.22
Including: Preference shares		
Perpetual bonds		
Lease liabilities	**2,276,281,001.45**	2,352,692,973.58
Long-term payables	**0.00**	2,999,320.76
Long-term employee benefits payable	**714,386,659.58**	796,046,633.61
Provisions	**508,788,963.21**	607,657,462.11
Deferred income	**1,235,362,086.85**	1,138,420,510.47
Deferred tax liabilities	**1,111,419,536.26**	1,144,144,006.84
Other non-current liabilities	**35,838,604.93**	53,526,895.87
Total non-current liabilities	**36,851,155,654.70**	26,029,307,819.79
Total liabilities	**235,963,762,191.32**	202,517,443,006.80

Item	Closing balance	Opening balance
Owners' equity:		
Share capital	**7,315,290,139.00**	7,284,442,534.00
Other equity instruments	**524,785,458.53**	527,170,634.84
Including: Preference shares		
Perpetual bonds		
Capital reserves	**13,366,389,484.98**	9,944,782,586.60
Less: Treasury shares	**1,000,010,030.59**	0.00
Other comprehensive income	**–2,189,837,740.09**	–1,592,945,544.41
Special reserves	**20,118,904.65**	11,780,213.61
Surplus reserves	**2,125,232,697.57**	2,125,232,697.57
General risk reserves		
Retained earnings	**73,445,155,283.20**	66,620,640,298.66
Total equity attributable to owners of the parent company	**93,607,124,197.25**	84,921,103,420.87
Non-controlling interests	**20,318,742,626.70**	19,099,129,358.75
Total owners' equity	**113,925,866,823.95**	104,020,232,779.62
Total liabilities and owners' equity	**349,889,629,015.27**	306,537,675,786.42

Legal representative: Wang Laichun

Financial controller: Wu Tien-sung

Head of the financial department: Chen Huiyong

2. Balance sheet of the parent company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	**5,341,087,114.25**	3,534,194,570.19
Financial assets held for trading	**2,303,816,258.73**	746,119,656.92
Derivative financial assets		
Notes receivable	**6,646,250.52**	830,939,524.63
Trade receivables	**5,313,841,643.82**	5,620,343,695.37
Trade receivable financing	**8,678,519.94**	22,285,217.67
Prepayments	**12,508,159.65**	11,418,310.46
Other receivables	**13,813,782,997.21**	929,631,196.10
Including: Interest receivable		
Dividend receivable	**622,000,000.00**	922,000,000.00
Inventories	**623,401,948.82**	471,458,648.69
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year	**4,476,625,037.20**	3,373,711,210.78
Other current assets	**26,019,019,456.72**	31,887,832,312.67
Total current assets	**57,919,407,386.86**	47,427,934,343.48

Item	Closing balance	Opening balance
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	**30,634,448,369.82**	30,080,415,934.19
Other equity instruments investments	**535,309,939.80**	173,804,852.30
Other non-current financial assets	**570,000,000.00**	570,000,000.00
Investment properties		
Fixed assets	**173,809,606.45**	177,808,488.92
Construction in progress	**209,814,367.67**	61,955,888.54
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**16,190,996.12**	21,937,365.59
Intangible assets	**348,253,044.64**	316,837,576.47
Including: Data resources		
Development expenditures		
Including: Data resources		
Goodwill	**53,174,339.31**	53,174,339.31
Long-term deferred expenses	**8,131,395.24**	9,875,511.61
Deferred tax assets	**0.00**	7,325,475.03
Other non-current assets	**20,881,881,943.51**	15,075,201,413.03
Total non-current assets	**53,431,014,002.56**	46,548,336,844.99
Total assets	**111,350,421,389.42**	93,976,271,188.47

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	**3,801,430,111.11**	5,714,148,139.62
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	**23,613,045,025.86**	16,018,561,258.35
Trade payables	**2,627,542,144.00**	2,305,744,357.73
Advances from customers		
Contract liabilities	**6,802,821.78**	7,709,497.29
Employee benefits payable	**38,373,460.08**	91,670,833.92
Tax payable	**110,202,238.43**	94,107,844.38
Other payables	**7,067,565,348.90**	5,772,103,720.91
Including: Interest payable		
Dividend payable	**1,018,651,796.96**	1,165,133,463.48
Liabilities held for sale		
Non-current liabilities due within one year	**7,809,146,238.02**	11,989,413,876.21
Other current liabilities	**8,060,034,196.61**	6,028,639,881.56
Total current liabilities	**53,134,141,584.79**	48,022,099,409.97

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	**19,928,248,533.79**	13,159,316,666.99
Bonds payable	**6,426,076,926.92**	3,055,651,981.52
Including: Preference shares		
Perpetual bonds		
Lease liabilities	**8,434,067.01**	10,267,237.68
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	**235,842.88**	518,854.42
Deferred tax liabilities	**32,836,825.16**	0.00
Other non-current liabilities		
Total non-current liabilities	**26,395,832,195.76**	16,225,754,740.61
Total liabilities	**79,529,973,780.55**	64,247,854,150.58
Owners' equity:		
Share capital	**7,315,290,139.00**	7,284,442,534.00
Other equity instruments	**524,785,458.53**	527,170,634.84
Including: Preference shares		
Perpetual bonds		
Capital reserves	**10,792,665,957.04**	9,316,568,261.02
Less: Treasury shares	**1,000,010,030.59**	0.00
Other comprehensive income	**185,631,330.73**	48,352,006.35
Special reserves		
Surplus reserves	**2,125,232,697.57**	2,125,232,697.57
Retained earnings	**11,876,852,056.59**	10,426,650,904.11
Total owners' equity	**31,820,447,608.87**	29,728,417,037.89
Total liabilities and owners' equity	**111,350,421,389.42**	93,976,271,188.47

3. Consolidated income statement

Unit: RMB

Item		First half of 2026	First half of 2025
I.	Total operating revenue	**174,504,335,921.25**	124,503,174,115.60
	Including: Operating revenue	**174,504,335,921.25**	124,503,174,115.60
	Interest income		
	Premiums earned		
	Fee and commission income		
II.	Total cost of sales	**169,616,211,922.11**	118,584,089,879.63
	Including: cost of sales	**153,950,279,740.21**	110,047,863,704.95
	Interest expense		
	Fee and commission expense		
	Surrender payment		
	Net claim expense		
	Net provisions for insurance contracts reserve		
	Insurance policy dividend payment		
	Reinsurance cost		
	Taxes and surcharges	**448,932,460.05**	383,322,132.96
	Selling expenses	**866,181,940.26**	563,980,503.79
	General and administrative expenses	**5,538,017,658.31**	3,155,670,978.40
	Research and development expenses	**6,572,800,944.57**	4,593,537,528.74
	Financial expenses	**2,239,999,178.71**	–160,284,969.21
	Including: Interest expense	**1,099,580,844.79**	850,279,197.52
	Interest income	**876,073,198.70**	522,005,067.06
	Add: Other income	**612,367,507.56**	420,689,958.43
	Investment income ("–" for losses)	**4,288,651,403.73**	3,017,958,132.60
	Including: Income from investment in associates and joint ventures ("–" for losses)	**2,747,085,247.26**	1,352,286,342.26
	Gain on derecognition of financial assets measured at amortized cost ("–" for losses)	**–223,734,381.47**	–279,811,377.26
	Foreign exchange gains ("–" for losses)		
	Net exposure hedging gains ("–" for losses)		
	Gain on changes in fair value ("–" for losses)	**357,582,555.29**	–641,461,754.44
	Credit impairment losses ("–" for losses)	**–94,881,319.34**	–13,022,054.20
	Assets impairment losses ("–" for losses)	**–595,373,112.50**	–548,539,056.07
	Gain on disposal of assets ("–" for losses)	**35,079,151.19**	27,705,105.68

Item	First half of 2026	First half of 2025
III. Operating profit ("–" for losses)	**9,491,550,185.07**	8,182,414,567.97
Add: Non-operating revenue	**43,931,798.51**	14,998,839.74
Less: Non-operating expenses	**72,662,531.51**	57,794,555.20
IV. Total profit ("–" for total losses)	**9,462,819,452.07**	8,139,618,852.51
Less: Income tax expenses	**937,145,786.69**	841,924,446.73
V. Net profit ("–" for net losses)	**8,525,673,665.38**	7,297,694,405.78
(I) Classified by operation continuity		
1. Net profit from continuing operations ("–" for net losses)	**8,525,673,665.38**	7,297,694,405.78
2. Net profit from discontinued operations ("–" for net losses)		
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company ("–" for net losses)	**7,842,698,288.86**	6,644,272,049.46
2. Profit or loss attributable to minority shareholders ("–" for net losses)	**682,975,376.52**	653,422,356.32
VI. Other comprehensive income, net of tax	**–703,261,124.90**	–488,291,145.22
Other comprehensive income attributable to owners of the parent company, net of tax	**–596,423,703.04**	–470,116,686.15
(I) Other comprehensive income that will not be reclassified to profit or loss	**220,852,096.25**	62,542,722.08
1. Changes from remeasurement of defined benefit plans		
2. Other comprehensive income under the equity method that will not be transferred to profit or loss		
3. Changes in fair value of other equity instrument investments	**220,852,096.25**	62,542,722.08
4. Changes in fair value of the enterprise's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss	**–817,275,799.29**	–532,659,408.23
1. Other comprehensive income under the equity method that will be transferred to profit or loss	**5,774,908.38**	
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves	**–20,146,452.54**	
6. Differences arising from translation of financial statements in foreign currencies	**–802,904,255.13**	–532,659,408.23
7. Others		
Other comprehensive income attributable to minority shareholders, net of tax	**–106,837,421.86**	–18,174,459.07

Item	First half of 2026	First half of 2025
VII. Total comprehensive income	**7,822,412,540.48**	6,809,403,260.56
Total comprehensive income attributable to owners of the parent company	**7,246,274,585.82**	6,174,155,363.31
Total comprehensive income attributable to minority shareholders	**576,137,954.66**	635,247,897.25
VIII. Earnings per share:		
(I) Basic earnings per share	**1.0774**	0.9175
(II) Diluted earnings per share	**1.0526**	0.9130

In case of business combination involving enterprises under common control in the current period, the net profit realized by the acquiree before the combination is RMB0.00, and the net profit realized by the acquiree in the previous period is RMB0.00.

Legal representative:	Financial controller:	Head of the financial department:
Wang Laichun	Wu Tien-sung	Chen Huiyong

4. Income statement of the parent company

Unit: RMB

Item		First half of 2026	First half of 2025
I.	Operating revenue	**8,212,328,316.03**	6,535,838,971.92
	Less: cost of sales	**7,465,387,381.04**	6,249,245,459.61
	Taxes and surcharges	**11,995,914.50**	10,618,049.51
	Selling expenses	**28,552,585.70**	16,256,045.33
	General and administrative expenses	**303,247,544.03**	91,426,634.56
	Research and development expenses	**511,132,076.77**	175,917,112.63
	Financial expenses	**156,078,592.86**	292,507,532.62
	Including: Interest expense	**516,479,987.42**	464,808,806.24
	Interest income	**347,023,544.51**	175,253,390.98
	Add: Other income	**9,061,783.65**	5,311,137.25
	Investment income ("–" for losses)	**2,636,518,526.16**	206,688,308.46
	Including: Income from investment in associates and joint ventures ("–" for losses)	**–43,244,313.59**	–12,610,164.22
	Gain on derecognition of financial assets measured at amortized cost ("–" for losses)		
	Net exposure hedging gains ("–" for losses)		
	Gain on changes in fair value ("–" for losses)	**101,871,727.22**	–7,998,385.59
	Credit impairment losses ("–" for losses)	**–876,087.62**	3,348,453.37
	Assets impairment losses ("–" for losses)	**3,523,876.43**	5,455,373.87
	Gain on disposal of assets ("–" for losses)		114,878.81
II.	Operating profit ("–" for losses)	**2,486,034,046.97**	–87,212,096.17
	Add: Non-operating revenue	**0**	485,202.59
	Less: Non-operating expenses	**1,237,165.72**	414,217.36

Item		First half of 2026	First half of 2025
III.	Total profit ("–" for total losses)	**2,484,796,881.25**	–87,141,110.94
	Less: Income tax expenses	**15,943,931.81**	2,407,065.64
IV.	Net profit ("–" for net losses)	**2,468,852,949.44**	–89,548,176.58
	(I) Net profit from continuing operations ("–" for net losses)	**2,468,852,949.44**	–89,548,176.58
	(II) Net profit from discontinued operations ("–" for net losses)		
V.	Other comprehensive income, net of tax	**137,279,324.38**	62,573,075.49
	(I) Other comprehensive income that will not be reclassified to profit or loss	**137,279,324.38**	62,573,075.49
	1. Changes from remeasurement of defined benefit plans		
	2. Other comprehensive income under the equity method that will not be transferred to profit or loss		
	3. Changes in fair value of other equity instrument investments	**137,279,324.38**	62,573,075.49
	4. Changes in fair value of the enterprise's own credit risk		
	5. Others		
	(II) Other comprehensive income that will be reclassified to profit or loss		
	1. Other comprehensive income under the equity method that will be transferred to profit or loss		
	2. Changes in fair value of other debt investments		
	3. Amount of financial assets reclassified into other comprehensive income		
	4. Provision for credit impairment of other debt investments		
	5. Cash flow hedging reserves		
	6. Differences arising from translation of financial statements in foreign currencies		
	7. Others		
VI.	Total comprehensive income	**2,606,132,273.82**	–26,975,101.09
VII.	Earnings per share:		
	(I) Basic earnings per share		
	(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: RMB

Item		First half of 2026	First half of 2025
I.	Cash flows from operating activities:		
	Cash received from sales of goods and rendering of services	**174,668,550,740.76**	126,649,305,641.53
	Net increase in customer deposits and deposits from banks and other financial institutions		
	Net increase in borrowings from the central bank		
	Net increase in loans from other financial institutions		
	Cash received from premiums under original insurance contracts		
	Net cash received from reinsurance business		
	Net increase in deposits of policy holders and investment		
	Cash received from interest, fees and commissions		
	Net increase in loans from other banks and financial institutions		
	Net increase in proceeds from repurchase business		
	Net cash received from securities brokerage activities		
	Refund of taxes	**3,519,384,421.90**	5,219,467,130.41
	Other cash received from operating activities	**3,031,295,284.36**	1,343,867,977.67
Sub-total of cash inflows from operating activities		**181,219,230,447.02**	133,212,640,749.61
	Cash paid for goods and services	**158,037,240,620.62**	117,966,746,971.80
	Net increase in customer loans and advances		
	Net increase in deposits with the central bank and other financial institutions		
	Cash paid for compensation payments under original insurance contracts		
	Net increase in placements with banks and other financial institutions		
	Cash paid for interest, fees and commissions		
	Cash paid for insurance policy dividend		
	Cash paid to and on behalf of employees	**20,877,195,744.00**	13,664,410,970.00
	Payments of various taxes	**2,626,919,559.72**	1,824,084,091.12
	Other cash paid for operating activities	**2,123,737,529.00**	1,415,208,999.08
Sub-total of cash outflows from operating activities		**183,665,093,453.34**	134,870,451,032.00
Net cash flows from operating activities		**–2,445,863,006.32**	–1,657,810,282.39

Item	First half of 2026	First half of 2025
II. Cash flows from investing activities:		
Cash received from disposal of investments	**37,841,110,603.00**	50,712,233,404.86
Cash received from returns on investments	**1,577,143,016.03**	1,736,293,307.53
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**44,134,191.02**	88,041,110.62
Net cash received from disposal of subsidiaries and other business units		
Other cash received from investing activities	**264,616,250.00**	97,739,018.08
Sub-total of cash inflows from investing activities	**39,727,004,060.05**	52,634,306,841.09
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**10,269,608,442.96**	9,527,627,040.03
Cash paid for investments	**57,185,085,148.80**	55,849,907,587.13
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		652,250,976.94
Other cash paid for investing activities	**1,665,673,402.94**	2,436,577,748.78
Sub-total of cash outflows from investing activities	**69,120,366,994.70**	68,466,363,352.88
Net cash flows from investing activities	**–29,393,362,934.65**	–15,832,056,511.79
III. Cash flows from financing activities:		
Cash received from investors	**5,116,362,017.57**	723,779,793.62
Including: Cash received by subsidiaries from investment from minority shareholders	**4,167,413,684.10**	444,852,697.64
Cash received from borrowings	**100,336,990,180.67**	62,171,845,328.69
Other cash received from financing activities	**7,400,000,000.00**	5,200,000,000.00
Sub-total of cash inflows from financing activities	**112,853,352,198.24**	68,095,625,122.31
Cash paid for repayment of borrowings	**62,313,837,430.63**	34,997,282,422.18
Cash paid for distribution of dividends, profits or interest payments	**2,250,813,154.01**	923,838,731.31
Including: Dividends and profits paid to minority shareholders by subsidiaries	**1,256,196.28**	55,714,887.83
Other cash paid for financing activities	**3,350,129,231.94**	6,012,887,898.94
Sub-total of cash outflows from financing activities	**67,914,779,816.58**	41,934,009,052.43
Net cash flows from financing activities	**44,938,572,381.66**	26,161,616,069.88
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**–1,399,362,920.67**	546,278,350.35
V. Net increase in cash and cash equivalents	**11,699,983,520.02**	9,218,027,626.05
Add: Cash and cash equivalents at the beginning of the period	**59,340,612,950.83**	47,267,103,006.38
VI. Cash and cash equivalents at the end of the period	**71,040,596,470.85**	56,485,130,632.43

6. Cash flow statement of the parent company

Unit: RMB

Item	First half of 2026	First half of 2025
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	**9,230,248,028.42**	7,105,290,705.15
Refund of taxes	**48,961,089.97**	17,436,546.41
Other cash received from operating activities	**70,073,503,559.71**	65,349,705,749.45
Sub-total of cash inflows from operating activities	**79,352,712,678.10**	72,472,433,001.01
Cash paid for goods and services	**6,845,382,276.02**	11,916,217,487.73
Cash paid to and on behalf of employees	**346,653,785.22**	264,606,765.25
Payments of various taxes	**44,484,795.11**	26,699,171.84
Other cash paid for operating activities	**72,802,004,207.03**	68,861,727,006.35
Sub-total of cash outflows from operating activities	**80,038,525,063.38**	81,069,250,431.17
Net cash flows from operating activities	**–685,812,385.28**	–8,596,817,430.16
II. Cash flows from investing activities:		
Cash received from disposal of investments	**12,159,665,330.36**	10,375,702,533.24
Cash received from returns on investments	**3,079,167,533.88**	864,380,803.04
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		41,855.92
Net cash received from disposal of subsidiaries and other business units		
Other cash received from investing activities	**20,000,564,107.93**	23,906,815,800.00
Sub-total of cash inflows from investing activities	**35,239,396,972.17**	35,146,940,992.20
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**183,827,974.28**	76,080,588.72
Cash paid for investments	**12,924,330,749.21**	11,691,071,907.19
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid for investing activities	**21,798,039,882.94**	22,408,360,083.86
Sub-total of cash outflows from investing activities	**34,906,198,606.43**	34,175,512,579.77
Net cash flows from investing activities	**333,198,365.74**	971,428,412.43

Item	First half of 2026	First half of 2025
III. Cash flows from financing activities:		
Cash received from investors	**948,948,333.47**	278,927,095.98
Cash received from borrowings	**12,957,227,700.00**	13,489,943,108.30
Other cash received from financing activities	**7,714,000,000.00**	8,320,797,905.20
Sub-total of cash inflows from financing activities	**21,620,176,033.47**	22,089,668,109.48
Cash paid for repayment of borrowings	**11,495,252,699.84**	3,381,345,888.96
Cash paid for distribution of dividends, profits or interest payments	**1,625,309,163.13**	404,319,716.26
Other cash paid for financing activities	**6,282,950,700.09**	11,349,638,346.77
Sub-total of cash outflows from financing activities	**19,403,512,563.06**	15,135,303,951.99
Net cash flows from financing activities	**2,216,663,470.41**	6,954,364,157.49
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**–57,146,906.81**	–6,309,005.47
V. Net increase in cash and cash equivalents	**1,806,902,544.06**	–677,333,865.71
Add: Cash and cash equivalents at the beginning of the period	**3,498,584,570.19**	5,038,281,861.44
VI. Cash and cash equivalents at the end of the period	**5,305,487,114.25**	4,360,947,995.73

7. Consolidated statement of changes in owners' equity

Amount for the period

Unit: RMB

Item	First half of 2026														
	Equity attributable to owners of the parent company														
		Other equity instruments													
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal	Minority interest	Total owners' equity
I. Balance at the end of the prior year	7,284,442,534.00			527,170,634.84	9,944,782,586.60		-1,592,945,544.41	11,780,213.61	2,125,232,697.57		66,620,640,298.66		84,921,103,420.87	19,099,129,358.75	104,020,232,779.62
Add: Changes in accounting policies															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	7,284,442,534.00			527,170,634.84	9,944,782,586.60		-1,592,945,544.41	11,780,213.61	2,125,232,697.57		66,620,640,298.66		84,921,103,420.87	19,099,129,358.75	104,020,232,779.62
III. Changes during the period ("-" for decrease)	30,847,605.00			-2,385,176.31	3,421,606,898.38	1,000,010,030.59	-596,892,195.68	8,338,691.04			6,824,514,984.54		8,686,020,776.38	1,219,613,267.95	9,905,634,044.33
(I) Total comprehensive income							-596,423,703.04				7,842,698,288.86		7,246,274,585.82	576,137,954.66	7,822,412,540.48
(II) Owners' contributions and capital decrease	30,847,605.00			-2,385,176.31	3,421,606,898.38	1,000,010,030.59							2,450,059,296.48	717,229,929.99	3,167,289,226.47
1. Ordinary shares contributed by owners	30,605,382.00				918,342,951.47								948,948,333.47	4,167,413,684.10	5,116,362,017.57
2. Capital contribution by holders of other equity instruments	242,223.00			-2,385,176.31	13,247,685.29								11,104,731.98		11,104,731.98
3. Amount of share-based payments recognized in owners' equity					499,249,557.66								499,249,557.66	45,257,501.60	544,507,059.26
4. Others					1,990,766,703.96	1,000,010,030.59							990,756,673.37	-3,495,441,255.71	-2,504,684,582.34
(III) Profit distribution											-1,018,651,796.96		-1,018,651,796.96	-82,079,968.16	-1,100,731,765.12
1. Appropriation of surplus reserves															
2. Appropriation of general risk reserves															
3. Distributions to owners (or shareholders)											-1,018,651,796.96		-1,018,651,796.96	-82,079,968.16	-1,100,731,765.12
4. Others															
(IV) Transfers within owners' equity							-468,492.64				468,492.64				
1. Capital (or share capital) increased by capital reserves transfer															
2. Capital (or share capital) increased by surplus reserves transfer															
3. Transfer of surplus reserves to offset losses															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings							-468,492.64				468,492.64				
6. Others															
(V) Special reserves								8,338,691.04					8,338,691.04	8,325,351.46	16,664,042.50
1. Appropriation during the period								18,137,431.67					18,137,431.67	17,840,287.02	35,977,718.69
2. Utilization during the period								9,798,740.63					9,798,740.63	9,514,935.56	19,313,676.19
(VI) Others															
IV. Balance at the end of the period	7,315,290,139.00			524,785,458.53	13,366,389,484.98	1,000,010,030.59	-2,189,837,740.09	20,118,904.65	2,125,232,697.57		73,445,155,283.20		93,607,124,197.25	20,316,742,626.70	113,925,866,823.95

Amounts for the prior year

Unit: RMB

Item	First half of 2025														
	Equity attributable to owners of the parent company														
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Retained earnings	Others	Subtotal	Minority interest	Total owners' equity
		Preference shares	Perpetual bonds	Others											
I. Balance at the end of the prior year	7,236,462,142.00			527,271,028.72	7,546,227,379.20		-703,805,634.26	2,196,525.51	1,617,520,044.25		53,101,139,440.57		69,327,010,925.99	15,360,115,489.02	84,687,126,415.01
Add: Changes in accounting policies															
Correction of accounting errors in prior periods															
Others															
II. Balance at the beginning of the year	7,236,462,142.00			527,271,028.72	7,546,227,379.20		-703,805,634.26	2,196,525.51	1,617,520,044.25		53,101,139,440.57		69,327,010,925.99	15,360,115,489.02	84,687,126,415.01
III. Changes during the period ("-" for decrease)	12,427,074.00			-3,728.57	654,773,273.44		-513,061,857.09	6,680,469.95			5,235,161,349.13		5,395,976,580.86	640,754,346.47	6,036,730,927.33
(I) Total comprehensive income							-470,116,686.15				6,644,272,049.46		6,174,155,363.31	635,247,897.25	6,809,403,260.56
(II) Owners' contributions and capital decrease	12,427,074.00			-3,728.57	654,773,273.44								667,196,618.87	124,079,357.21	791,275,976.08
1. Ordinary shares contributed by owners	12,426,741.00				266,500,354.98								278,927,095.98	444,852,697.64	723,779,793.62
2. Capital contribution by holders of other equity instruments	333.00			-3,728.57	19,664.75								16,269.18		16,269.18
3. Amount of share-based payments recognized in owners' equity					113,685,268.08								113,685,268.08	11,336,210.23	125,021,478.31
4. Others					274,567,985.63								274,567,985.63	-332,109,550.66	-57,541,565.03
(III) Profit distribution											-1,452,055,871.27		-1,452,055,871.27	-124,564,762.56	-1,576,620,633.83
1. Appropriation of surplus reserves															
2. Appropriation of general risk reserves															
3. Distributions to owners (or shareholders)											-1,449,479,161.00		-1,449,479,161.00	-124,564,762.56	-1,574,043,923.56
4. Others											-2,576,710.27		-2,576,710.27		-2,576,710.27
(IV) Transfers within owners' equity							-42,945,170.94				42,945,170.94				
1. Capital (or share capital) increased by capital reserves transfer															
2. Capital (or share capital) increased by surplus reserves transfer															
3. Transfer of surplus reserves to offset losses															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings															
6. Others							-42,945,170.94				42,945,170.94				
(V) Special reserves								6,680,469.95					6,680,469.95	5,991,854.57	12,672,324.52
1. Appropriation during the period								25,165,183.27					25,165,183.27	24,342,027.72	49,507,210.99
2. Utilization during the period								18,484,713.32					18,484,713.32	18,350,173.15	36,834,886.47
(VI) Others															
IV. Balance at the end of the period	7,248,889,216.00			527,267,300.15	8,201,000,652.64		-1,216,867,491.35	8,876,995.46	1,617,520,044.25		58,336,300,789.70		74,722,987,506.85	16,000,869,835.49	90,723,857,342.34

8. Statement of changes in owners' equity of the parent company

Amount for the period

Unit: RMB

Item	First half of 2026											
		Other equity instruments										
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Others	Total owners' equity
I. Balance at the end of the prior year	7,284,442,534.00			527,170,634.84	9,316,568,261.02		48,352,006.35		2,125,232,697.57	10,426,650,904.11		29,728,417,037.89
Add: Changes in accounting policies												
Correction of accounting errors in prior periods												
Others												
II. Balance at the beginning of the year	7,284,442,534.00			527,170,634.84	9,316,568,261.02		48,352,006.35		2,125,232,697.57	10,426,650,904.11		29,728,417,037.89
III. Changes during the period ("-" for decrease)	30,847,605.00			-2,385,176.31	1,476,097,696.02	1,000,010,030.59	137,279,324.38			1,450,201,152.48		2,092,030,570.98
(I) Total comprehensive income										2,468,852,949.44		2,468,852,949.44
(II) Owners' contributions and capital decrease	30,847,605.00			-2,385,176.31	1,476,097,696.02	1,000,010,030.59	137,279,324.38					641,829,418.50
1. Ordinary shares contributed by owners	30,605,382.00				918,342,951.47							948,948,333.47
2. Capital contribution by holders of other equity instruments	242,223.00			-2,385,176.31	13,247,685.29		137,279,324.38					148,384,056.36
3. Amount of share-based payments recognized in owners' equity					544,507,059.26							544,507,059.26
4. Others						1,000,010,030.59						-1,000,010,030.59
(III) Profit distribution										-1,018,651,796.96		-1,018,651,796.96
1. Appropriation of surplus reserves												
2. Distributions to owners (or shareholders)										-1,018,651,796.96		-1,018,651,796.96
3. Others												
(IV) Transfers within owners' equity												
1. Capital (or share capital) increased by capital reserves transfer												
2. Capital (or share capital) increased by surplus reserves transfer												
3. Transfer of surplus reserves to offset losses												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserves												
1. Appropriation during the period												
2. Utilization during the period												
(VI) Others												
IV. Balance at the end of the period	7,315,290,139.00			524,785,458.53	10,792,665,957.04	1,000,010,030.59	185,631,330.73		2,125,232,697.57	11,876,852,056.59		31,820,447,608.87

Amounts for the prior year

Unit: RMB

Item	First half of 2025											
	Share capital	Other equity instruments			Capital reserves	Less: treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Others	Total owners' equity
		Preference shares	Perpetual bonds	Others								
I. Balance at the end of the prior year	7,236,462,142.00			527,271,028.72	7,445,999,659.85		4,346,079.89		1,617,520,044.25	8,429,793,298.42		25,261,392,253.13
Add: Changes in accounting policies												
Correction of accounting errors in prior periods												
Others												
II. Balance at the beginning of the year	7,236,462,142.00			527,271,028.72	7,445,999,659.85		4,346,079.89		1,617,520,044.25	8,429,793,298.42		25,261,392,253.13
III. Changes during the period ("-" for decrease)	12,427,074.00			-3,728.57	391,541,498.04		19,627,904.55			-1,498,658,876.91		-1,075,066,128.89
(I) Total comprehensive income							62,573,075.49			-89,548,176.58		-26,975,101.09
(II) Owners' contributions and capital decrease	12,427,074.00			-3,728.57	391,541,498.04							403,964,843.47
1. Ordinary shares contributed by owners	12,426,741.00				266,500,354.98							278,927,095.98
2. Capital contribution by holders of other equity instruments	333.00			-3,728.57	19,664.75							16,269.18
3. Amount of share-based payments recognized in owners' equity					125,021,478.31							125,021,478.31
4. Others												
(III) Profit distribution										-1,452,055,871.27		-1,452,055,871.27
1. Appropriation of surplus reserves												
2. Distributions to owners (or shareholders)										-1,449,479,161.00		-1,449,479,161.00
3. Others										-2,576,710.27		-2,576,710.27
(IV) Transfers within owners' equity							-42,945,170.94			42,945,170.94		
1. Capital (or share capital) increased by capital reserves transfer												
2. Capital (or share capital) increased by surplus reserves transfer												
3. Transfer of surplus reserves to offset losses												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others							-42,945,170.94			42,945,170.94		
(V) Special reserves												
1. Appropriation during the period												
2. Utilization during the period												
(VI) Others												
IV. Balance at the end of the period	7,248,889,216.00			527,267,300.15	7,837,541,157.89		23,973,984.44		1,617,520,044.25	6,931,134,421.51		24,186,326,124.24

III. Corporate Information

Luxshare Precision Industry Co., Ltd. (the "**Company**") is a joint-stock company incorporated in February 2009 with the approval of the Shenzhen Municipal People's Government and the Shenzhen Municipal Bureau of Trade and Industry, with Shenzhen Zixin Investment Co., Ltd. ("**Zixin Investment**") and Luxshare Limited serving as its promoters. The Unified social credit code of the Company is 91440300760482233Q. The Company was listed on the Shenzhen Stock Exchange in September 2010. It operates within the computer, communications, and other electronic equipment manufacturing sector.

As of 30 June 2026, the Company's total issued share capital was 7,315,290,139 shares, with a registered capital of RMB7,315,290,139.00. Registered address: 2/F, Building A, SanYang New Industrial Park, Haoyi West Zone, Shajing Subdistrict, Bao'an District, Shenzhen, Guangdong Province, PRC; Business address: No. 313, North Ring Road, Qingxi Town, Dongguan, Guangdong Province, PRC. The Company's primary business activities are as follows: general business activities: production and sales of cables, connectors, computer peripherals, and plastic and metal products.

The parent company of the Company is Luxshare Limited.

The actual controllers of the Company are Wang Laichun and Wang Laisheng.

These financial statements were approved for issuance by the Company's Board of Directors on 24 August 2026.

IV. Basis of Preparation of the Financial Statements

1. Basis for preparation

These financial statements have been prepared in accordance with the "Accounting Standards for Business Enterprises–Basic Standards" issued by the Ministry of Finance, as well as various specific accounting standards, application guidelines thereof, interpretations and other relevant regulations (collectively the "**ASBEs**"), and the relevant provisions of the "Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 — General Provisions on Financial Reports" issued by China Securities Regulatory Commission.

2. Going concern

The financial statements are prepared on a going-concern basis. The Company has the ability to continue as a going concern for the 12 months following the end of the Reporting Period, and there are no material events that would affect its ability to continue as a going concern.

V. Significant Accounting Policies and Accounting Estimates

Reminders on specific accounting policies and estimates:

The disclosures below cover the specific accounting policies and accounting estimates established by the Company based on the characteristics of its actual production and operations. For details, please refer to "V. (11) Financial Instruments", "V. (17) Inventories" "V. (21) Fixed Assets", "V. (24) Intangible Assets", "V. (31) Revenue" and other sections of this note.

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

These financial statements have been prepared in conformity with the ASBEs issued by the Ministry of Finance, and present a true and fair view of the financial position of the consolidated entity and the Company as at 30 June 2026, as well as the operating results and cash flows of the consolidated entity and the Company for the period from January to June 2026.

2. Accounting period

The accounting period of the Company is from 1 January to 31 December of each calendar year.

The current accounting period is from 1 January 2026 to 30 June 2026.

3. Operating cycle

The operating cycle of the Company lasts for 12 months.

4. Functional currency

The Company adopts the Renminbi as its functional currency. The Company's subsidiaries determine their functional currencies based on the primary economic environment in which they operate. For subsidiaries located in Chinese Mainland, the functional currency is the Renminbi. Subsidiaries located outside Chinese Mainland determine their functional currencies independently based on the general economic environment in which they operate; these currencies primarily include the U.S. dollar, New Taiwan dollar, Euro, Hong Kong dollar, and Vietnamese dong. These financial statements are presented in Renminbi.

5. Determination method and selection basis of significance standards

☑Applicable ☐Not applicable

Item	Significance standards
Significant trade receivable with provisions for bad debts made on an individual basis	The amount of the provision for a single account represents more than 10% of the total provision for bad debts for all types of receivables and exceeds RMB50 million
Significant contract liabilities aged more than one year	Contract liabilities aged more thanaged more than one year account for more than 10% of total contract liabilities and exceed RMB50 million
Significant trade payables and other payables	Trade payables and other payables aged more than one year account for more than 10% of the total trade payables and total other payables, respectively, and exceed RMB100 million
Significant construction in progress	The budget for a single project exceeds RMB500 million
Significant goodwill	The amount of an individual item represents more than 10% of total goodwill and exceeds RMB200 million
Significant non-wholly owned subsidiaries	Total assets, operating revenue, or total profit (or the absolute value of the loss)-any one or more of these– account for 10% or more of the corresponding items in the consolidated financial statements
Significant joint ventures or associates	The carrying amount of a long-term equity investment in a single investee accounts for more than 5% of the Group's net assets and exceeds RMB1 billion, or the investment gain or loss recognised under the equity method for that long-term equity investment accounts for more than 10% of the Group's consolidated net profit

6. Accounting treatment of business combinations under common control and not under common control

Business Combinations Under Common Control: The assets and liabilities acquired by the combining entity in a business combination (including goodwill arising from the ultimate controlling party's acquisition of the acquiree) are measured based on the carrying amounts of the acquiree's assets and liabilities in the ultimate controlling party's consolidated financial statements as of the combination date. The difference between the carrying amount of the net assets obtained in the combination and the carrying amount of the consideration paid for the combination (or the total par value of the shares issued) is charged to the share premium in the capital reserve. If the share premium in the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Business Combinations Not Under Common Control: the cost for each combination is measured at the aggregate fair value at the acquisition date, of assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. The excess of the combination costs over the fair value of the identifiable net assets acquired is recognised as goodwill; the shortfall of the combination costs below the fair value of the identifiable net assets acquired is included in the profit or loss for the period. Each identifiable asset, liability, and contingent liability of the acquiree that meets the recognition criteria in a business combination is measured at fair value as of the acquisition date.

The relevant direct expenses arising from business combinations are recognised in profit or loss when incurred. Transaction costs of equity or debt securities issued as the considerations for business combinations are included in the initial recognition amounts.

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

(1) Judgment criteria for control

The scope of consolidation of the consolidated financial statements is determined on the basis of control. The scope of consolidation includes the Company and all of its subsidiaries. The term "control" refers to the fact that the Company has power over the investee and is entitled to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of those returns.

(2) Procedures for consolidation

While preparing consolidated financial statements, the Company treats the entire Group as an accounting entity, and reflects the overall financial status, operating results and cash flow of the Group based on unified accounting policies. The effects of internal transactions between the Company and its subsidiaries, as well as among the subsidiaries themselves, are offset. If an internal transaction indicates that an impairment loss is incurred on the related asset, the loss is recognised in full. If the accounting policies or accounting periods adopted by the subsidiaries are inconsistent with the Company, necessary adjustments will be made in accordance with the Company's accounting policies and accounting periods when preparing consolidated financial statements.

Subsidiary owners' equity, current net profit or loss, and current comprehensive income of the minority shareholders are separately presented under the owner's equity item in the consolidated balance sheet, the net profit item in the consolidated income statement, and the total comprehensive income item. If the current losses shared by the minority shareholders of a subsidiary exceed the share enjoyed by the minority shareholder in the initial owner's equity of the subsidiary, the excess is deducted from the minority interests.

(1) Increase in subsidiary or business

During the Reporting Period, if subsidiaries or businesses are added as a result of a business combination under common control, the operating results and cash flows of such subsidiaries or businesses from the beginning of the period in which the combination occurred through the end of the Reporting Period are included in the consolidated financial statements. At the same time, adjustments are made to the opening balances of the consolidated financial statements and the relevant items in the comparative financial statements, treating the combined reporting entity as if it had existed continuously from the date the ultimate controlling party first assumed control.

Where the control over an investee under common control is obtained as a result of additional investments or other reasons, the equity investment held prior to obtaining control of the acquiree, for which gains or losses, other comprehensive income, and other changes in net assets were recognised between the date the original equity interest was acquired and the date the acquirer and the acquiree came under common control (whichever is later) and the combination date, shall separately offset the opening balance of retained earnings and profit or loss during comparative statements.

During the Reporting Period, any subsidiaries or businesses acquired through a business combination not under common control are included in the consolidated financial statements from the acquisition date, based on the fair values of the identifiable assets, liabilities, and contingent liabilities determined as of the acquisition date.

Where the control over an investee not under common control is obtained as a result of additional investments or other reasons, the equity interest in the investee held prior to the acquisition date shall be remeasured at its fair value as of the acquisition date, and the difference between the fair value and the carrying amount shall be recognised as investment income for the current period. Other comprehensive income related to equity interests in the acquiree held prior to the acquisition date that may be reclassified to profit or loss in the future, as well as changes in other equity under the equity method, are reclassified to investment income for the period in which the acquisition date falls.

(2) Disposal of a subsidiary

① General treatment method

When the control over an investee is lost due to the disposal of a portion of the equity investment or for other reasons, the remaining equity investment after the disposal is remeasured at its fair value as of the date the control is lost. The difference between the sum of the consideration received for the disposal of the equity interest and the fair value of the remaining equity interest, less the sum of the shares of the net assets of the original subsidiary continuously measured from the acquisition date or combination date according to the original shareholding ratios and the goodwill, is recognised as investment income in the period in which the control is lost. Other comprehensive income that may be reclassified to profit or loss in the future, and changes in other equity under the equity method, related to equity investments in the former subsidiary are reclassified to investment income for the current period upon loss of control.

② Disposal of a subsidiary in steps

If the equity investment in a subsidiary is disposed of in steps through multiple transactions until the loss of control, the terms, conditions, and economic impact of the transactions involving the disposal of the equity investment in the subsidiary meet one or more of the following conditions, it usually indicates that such multiple transactions shall be accounted for as a transaction package:

i. These transactions are made simultaneously or with consideration of influence on each other;

ii. These transactions as a whole are required to achieve a complete business result;

iii. The occurrence of a transaction depends on the occurrence of at least one of the other transactions;

iv. A single transaction is uneconomical when considered separately, but it is economical when considered together with other transactions.

If all transactions for the disposal of equity investment in a subsidiary up to loss of control belong to a transaction package, each transaction shall be treated as a transaction for disposal of equity investment in subsidiaries and loss of control. The difference between each disposal price and the share in the subsidiary's net assets corresponding to the disposal of investment before the loss of control shall be recognised as other comprehensive income in the consolidated financial statements, which is transferred into the current profit or loss when the control is lost.

If such transactions do not belong to a transaction package, before the loss of control, the accounting treatment shall be carried out for disposal of a portion of the equity investment of the subsidiary without loss of control; when the control is lost, the accounting treatment shall be carried out in accordance with the general treatment method for the disposal of a subsidiary.

(3) *Acquisition of non-controlling interests in subsidiaries*

The difference between the long-term equity investments costs acquired by the acquisition of non-controlling interests and the share of the net assets from subsidiaries from the date of acquisition or the date of combination based on the new shareholding ratio, is adjusted to the share premium in capital reserve on the consolidated balance sheet. If the share premium in capital reserve is not sufficient, any excess is adjusted to retained earnings.

(4) *Partial disposal of the equity investment of the subsidiary without loss of control*

The difference between the disposal proceeds and the share of the subsidiary's net assets, calculated continuously from the acquisition date or the combination date, corresponding to the long-term equity investment, is recorded as an adjustment to share premium in capital reserve on the consolidated balance sheet. If the share premium in capital reserve is not sufficient, any excess is adjusted to retained earnings.

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

The joint arrangements of the Company comprise joint operations and joint ventures.

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

The Company recognises the following items in relation to its interest in a joint operation:

(1) the assets held solely by the Company and assets held jointly according to its share;

(2) the liabilities assumed solely by the Company and liabilities assumed jointly according to its share;

(3) the Company's revenue from sale of output from joint operations;

(4) the revenue from sale of output from joint operations according to its share;

(5) the fees solely incurred by the Company and fees incurred from joint operations according to its share.

The Company accounts for its investment in the joint venture using the equity method. For details, please refer to Note "V. (19) Long-Term Equity Investments" in the notes to the financial statements.

9. Standards for recognising cash and cash equivalents

Cash refers to the Company's cash on hand and deposits readily available for payment purposes. Cash equivalents refer to short-term and highly liquid investments held by the Company which are readily convertible into known amount of cash and which are subject to insignificant risk of value change.

10. Foreign currency operations and translation of statements denominated in foreign currency

(1) Foreign currency operations

For foreign currency transactions, the spot exchange rate on the 1st of each month is used as the conversion rate to convert foreign currency amounts into RMB for accounting purposes.

Foreign monetary items at the balance sheet date are converted at the spot rate on the balance sheet date, and the resulting exchange differences are recognised in the profit or loss for the current period, except for those arising from special borrowings in foreign currencies related to the acquisition of assets eligible for capitalisation, which are treated in accordance with the principle of capitalisation of borrowing costs.

(2) Translation of financial statements denominated in foreign currency

The asset and liability items in the balance sheet shall be translated based on the spot rate on the balance sheet date. The owner's equity items (except for the "retained earning" item) shall be translated based on the spot rate at the time of occurrence. Income and expense items in the income statement are translated at the prevailing spot exchange rate on the transaction date.

Upon disposal of a foreign operation, any translation differences in the foreign currency financial statements related to that foreign operation shall be reclassified from equity to profit or loss for the period of disposal.

11. Financial instruments

Financial asset, financial liability or equity instrument will be recognised when the Company became one of the parties under a financial instrument contract.

(1) Classification of financial instruments

At the time of initial recognition, financial assets are classified into the following three categories based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss.

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

— the business model for managing the financial asset is to collect the contractual cash flows;

— the contractual cash flows consist solely of payments of principal and interest based on the outstanding principal balance.

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

— The business model is designed to achieve both the collection of contractual cash flows and the sale of the financial asset;

— The contractual cash flows consist solely of payments of principal and interest based on the outstanding principal balance.

For non-trading equity instrument investments, the Company may irrevocably designate them upon initial recognition as financial assets (equity instruments) at fair value through other comprehensive income. The designation is made on the basis of a single investment, and the relevant investment meets the definition of an equity instrument from the issuer's perspective.

Except for the aforementioned financial assets at amortised cost and those measured at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets at fair value through profit or loss. At initial recognition, if it is possible to eliminate or significantly reduce an accounting mismatch, the Company may irrevocably designate a financial asset that would otherwise be classified as measured at amortised cost or at fair value through other comprehensive income as a financial asset at fair value through profit or loss.

Upon initial recognition, financial liabilities are classified as either financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost.

A financial liability that meets any of the following criteria may be designated upon initial recognition as a financial liability at fair value through profit or loss:

1) The designation can eliminate or significantly reduce accounting mismatches;

2) According to the enterprise's risk management or investment strategy as set out in formal written documents, management and performance evaluation of a portfolio of financial liabilities or a portfolio of financial assets and financial liabilities are conducted on a fair value basis. And within the enterprise, the evaluation results are reported to key management personnel on this basis.

3) This financial liability contains an embedded derivative that must be separated.

2. Recognition and measurement of financial instruments

(1) Financial assets measured at amortised cost

Financial assets measured at amortised cost, including notes receivable, trade receivable, other receivables, long-term receivables, and debt investments, are initially measured at fair value, and the relevant transaction costs are charged to the initially recognized amount. Trade receivable that do not contain any significant financing components and trade receivable for which the Company elects not to consider the financing component where the contract term is no more than one year, are initially measured at the contractual transaction price.

Interest calculated using the effective interest method during the period of holding is recognised in profit or loss for the current period.

On recovering or disposing of a financial asset, the difference between the proceeds and the carrying amount of the financial asset is recognized in profit or loss for the current period.

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

Financial assets (debt instruments) at fair value through other comprehensive income, including trade receivables financing and other debt investments, are initially measured at fair value, and the relevant transaction costs are recognized in the initially recognized amount. These financial assets are subsequently measured at fair value, and changes in fair value other than the interest calculated using the effective interest method, impairment loss or gain and exchange gains or losses are recognized in other comprehensive income.

On derecognition, the cumulative gain or loss previously included in other comprehensive income is transferred out from other comprehensive income and recognised in profit or loss for the current period.

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

Financial assets (equity instruments) at fair value through other comprehensive income, including other equity instruments investment, are initially measured at fair value, and the relevant transaction costs are recognised in the initially recognized amount. These financial assets are subsequently measured at fair value, and changes in fair value are recognized in other comprehensive income. The dividends received are recognised in profit or loss for the current period.

On derecognition, the cumulative gain or loss previously included in other comprehensive income is transferred from other comprehensive income to retained earnings.

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

Financial assets at fair value through profit or loss, including financial assets held for trading, derivative financial assets and other non-current financial assets, are initially measured at fair value, and the relevant transaction costs are included in profit or loss for the current period. These financial assets are subsequently measured at fair value, and changes in fair value are included in profit or loss for the current period.

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

Financial liabilities at fair value through profit or loss, including financial liabilities held for trading, derivative financial liabilities, etc., are initially measured at fair value, and the relevant transaction costs are recognised in current profit or loss. Such financial liabilities are subsequently measured at fair value. Changes in fair value are recognised in profit or loss for the current period.

On derecognition, the difference between the carrying amount and the consideration paid is included in profit or loss for the current period.

(6) Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost, including short-term borrowings, notes payable, trade payables, other payables, long-term borrowings, bonds payable and long-term payables, are initially measured at fair value, and the relevant transaction costs are charged to the initially recognized amount.

The interest calculated using the effective interest method during the period of holding is recognised in current profit or loss.

On derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in profit or loss for the current period.

3. Basis for derecognition of financial assets and recognition of financial asset transfers and measurement methods

The Company derecognises a financial asset when one of the following conditions is met:

— The contractual rights to receive the cash flows from the financial asset expire;

— The financial asset has been transferred, and substantially all the risks and rewards related to the ownership of the financial asset are transferred to the transferee;

— The financial asset has been transferred, and the Company neither transferred nor retained substantially all risks and rewards related to the ownership of the financial asset, but did not retain its control over the financial asset.

If the Company modifies or renegotiates the contract with a counterparty, and such modification constitutes a substantial modification, the original financial asset is derecognised, and a new financial asset is recognised in accordance with the modified terms.

In case of transfer of financial asset, the Company shall not derecognise the financial asset if substantially all the risks and rewards associated with the ownership of the financial asset are retained.

When the Company determines whether a transfer of a financial asset satisfies the above criteria for derecognition, it shall apply the principle of substance over form.

The Company divides a transfer of a financial asset into a transfer of the financial asset in its entirety or a transfer of part of the financial asset. For a transfer of a financial asset in its entirety that satisfies the criteria for derecognition, the difference between the following two amounts is recognised in the profit or loss for the current period:

(1) The carrying amount of the financial asset transferred;

(2) The sum of the consideration received from the transfer and any cumulative changes in fair value originally recognised directly in owners' equity (if the financial asset transferred is a financial asset (debt instruments) at fair value through other comprehensive income).

If part of the transferred financial asset qualifies for derecognition, the carrying amount of the financial asset transferred in its entirety is allocated between the part that is derecognised and the part that continues to be recognised, based on the relative fair values of those parts. The difference between the following two amounts is recognised in profit or loss for the current period:

(1) The carrying amount allocated to the part derecognised;

(2) The sum of the consideration received from the part derecognised and the amount of the part derecognised corresponding to the cumulative changes in fair value originally recognised directly in owners' equity (if the financial assets transferred are financial assets (debt instruments) at fair value through other comprehensive income).

A financial asset that does not qualify for derecognition continues to be recognised, and the consideration received is recognised as a financial liability.

4. Derecognition of financial liabilities

Except where a financial liability (or part thereof) is settled in cash via an electronic payment system, a financial liability or part thereof is derecognised when its present obligations are discharged in whole or in part.

Where a financial liability (or part thereof) is settled in cash via an electronic payment system, the Company derecognises such liability only when a payment instruction has been initiated and all of the following conditions are satisfied:

1. The Company has no practical ability to withdraw, suspend or cancel the payment instruction;

2. The Company has no practical ability to withdraw the cash designated for settlement under the payment instruction;

3. The settlement risk associated with the electronic payment system is not material.

If the Company enters into an agreement with the creditor to replace the existing financial liability with a new financial liability subject to substantially different contractual terms, the existing financial liability is derecognised and the new financial liability recognised.

A substantial modification to the terms of an existing financial liability or any part thereof is accounted for as an extinguishment of the existing financial liability or any part thereof, and the financial liability with modified terms is recognized as a new financial liability.

When the Company derecognises a financial liability or any part thereof, it recognises the difference between the carrying amount of the financial liability derecognised and the consideration paid (including the non-cash assets transferred or the new financial liability assumed) in current profit or loss for the current period.

If the Company repurchases part of a financial liability, it allocates the carrying amount of the financial liability in its entirety between the part that continues to be recognised and the part that is derecognised based on the relative fair value of those parts on the date of the repurchase. The difference between the carrying amount assigned to the part derecognised and the consideration paid (including the non-cash assets transferred or the new financial liability assumed) is recognised in profit or loss for the current period.

5. Method of determination of the fair value of financial assets and financial liabilities

If there is an active market for a financial instrument, the quoted price in the active market is used to measure the fair value of the financial instrument. If there is no active market for a financial instrument, a valuation technique is used to measure the fair value of the financial instrument. When measuring fair value, the Company adopts the valuation technique which applies to the current circumstances and is supported by sufficient data available and other information, selects inputs consistent with the characteristics of the assets or liabilities considered by the market participants in the transactions of the relevant assets or liabilities, and prioritises using relevant observable inputs. The unobservable inputs can be used only when the relevant observable inputs are unavailable or impracticable to obtain.

6. Impairment testing and accounting treatment of financial instruments

The Company performs impairment accounting on the basis of the expected credit losses for financial assets measured at amortised cost, financial assets (debt instruments) at fair value through other comprehensive income and the financial guarantee contract, etc.

The Company comprehensively considers reasonable and well-founded information about past events, current conditions, and predictions of future economic conditions, as well as the risk of default, to calculate the probability-weighted amount of the present value of the difference between cash flows receivable from contracts and cash flows expected to be recovered, and recognises it in the expected credit loss.

For receivable and contract assets formed by the transactions regulated in the Accounting Standards for Business Enterprises No.14-Revenue, regardless of whether they contain significant financing components, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses.

For lease receivables formed by the transactions regulated in the Accounting Standards for Business Enterprises No. 21-Lease, the Company chooses to always measure the loss allowance at an amount equal to the lifetime expected credit losses.

For other financial instruments, the Company assesses at each balance sheet date the changes in the credit risk of the relevant financial instrument since initial recognition.

The Company compares the possibility of default at the balance sheet date with the possibility of default upon initial recognition, to determine the relative change in the default risks of financial instruments during the expected lifetime, and assess whether the credit risk of the financial instruments has increased significantly since initial recognition. If a financial instrument is past due for more than 30 days, the Company usually believes that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of a financial instrument has not increased significantly since initial recognition.

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

If the credit risk of a financial instrument has increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to the lifetime expected credit losses of the financial instrument. If the credit risk of a financial instrument has not significantly increased since initial recognition, the Company measures the loss allowance at an amount equal to the next 12-month expected credit losses of the financial instrument. The resulting increase in or reversal of loss allowance is recognised as impairment losses or gains in profit or loss for the current period. For financial assets (debt instruments) at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income, and the impairment losses or gains are recognized in profit or loss for the current period, without reducing the carrying amount of the financial asset as stated in the balance sheet.

1) The basis for determining the portfolio of notes receivable is as follows:

Item	Portfolio categories	Basis for determination
Notes receivable	Portfolio 1: Bank acceptance bill	Acceptance bill type
Notes receivable	Portfolio 2: Commercial acceptance bill	Acceptance bill type

Where trade receivable initially recognised upon revenue recognition are subsequently converted into commercial acceptance bills, the Company determines the ageing of the notes receivable on a continuous basis. The commencement date of such ageing is traced back to the commencement date of ageing for the corresponding trade receivable.

2) The basis for determining the portfolios of trade receivable is as follows:

Item	Portfolio categories	Basis for determination
Trade receivable	Portfolio 2: Ageing portfolio	Customer type, customer credit risk characteristics

The ageing of trade receivable commences upon their initial recognition when the revenue recognition criteria are satisfied. The period from initial recognition to the balance sheet date represents the actual ageing period.

3) The basis for determining the portfolios of other receivables is as follows:

Item	Portfolio categories	Basis for determination
Other receivables	Portfolio 2: Ageing portfolio	Customer type, customer credit risk characteristics

The ageing of other receivables commences upon their initial recognition. The period from initial recognition to the balance sheet date represents the actual ageing period.

4) The basis for determining the portfolios of trade receivables financing is as follows:

Item	Portfolio categories	Basis for determination
Trade receivables financing	Portfolio 1: Bank acceptance bill	Acceptance bill type

5) Criteria for receivables on which loss allowance is assessed on an individual basis

The Company utilises reasonable and supportable forward-looking information available. By comparing the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition, the Company takes into account multiple factors including whether there has been an actual or expected significant change in the debtor's operating results; whether there has been a significant adverse change in the regulatory, economic or technological environment in which the debtor operates; whether there has been a material change in the value of collateral securing the debt or in the quality of guarantees or credit enhancements provided by third parties, where such changes are expected to reduce the debtor's economic incentive to repay in accordance with contractual terms or affect the probability of default; and whether there has been a significant change in the debtor's expected performance and repayment behaviour. Based on the foregoing analysis, the Company assesses whether credit risk has increased significantly. The Company also conducts a comprehensive analysis of factors such as whether the debtor is experiencing significant financial difficulty, breach of contract or overdue status, and whether the liquidity of the financial asset has declined as a result of the debtor's financial difficulty, to determine whether a credit impairment has occurred. Where a customer or other debtor of the Company encounters severe financial difficulty, falls overdue on repayments, and no effective credit enhancement or other security is provided for the relevant receivables, the Company assesses such receivables for impairment on an individual basis, taking into account the exposure at default and the lifetime expected credit loss rate, and recognises a loss allowance based on the difference between the carrying amount of the financial asset and the present value of estimated future cash flows.

The Company directly writes off the gross carrying amount of the financial asset if it no longer reasonably expects to recover all or part of the contractual cash flows associated with the financial asset.

12. Notes receivable

For details, please refer to Note V.11 "Financial instruments" herein.

13. Trade receivable

For details, please refer to Note V.11 "Financial instruments" herein.

14. Trade receivables financing

For details, please refer to Note V.11 “Financial instruments” herein.

15. Other receivables

For details of the determination method and accounting treatment of the expected credit losses of other receivables, please refer to Note V.11 “Financial instruments”.

16. Contract assets

1. Recognition method and criteria for contract assets

   The Company recognises contract assets or contract liabilities on the balance sheet based on the relationship between performance obligations and customer payments. The right to consideration for goods transferred or services provided to customers (and where that right is conditional on factors other than the passage of time) is recognised as a contract asset. Contract assets and contract liabilities for the same contract are presented as a net amount. The unconditional right to consideration from customers (based solely on the passage of time) that the Company holds is separately presented as trade receivable.

2. Method for determining expected credit losses on contract assets and the accounting treatment

   The method for determining expected credit losses on contract assets and the accounting treatment thereof are detailed in Note V(11) “(6) Impairment testing and accounting treatment of financial Instruments”.

17. Inventories

1. Classification and cost of inventories

Inventories are classified into: materials in transit, raw materials, revolving materials, finished goods on hand, products in process, goods in transit, materials sent for processing, contract performance costs, data resources, etc.

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

2. Pricing methods of inventories transferred out

The Company delivers inventories at the price calculated using the weighted-average system monthly in arrears.

3. Inventory system

Adopts a perpetual inventory system.

4. Amortization method for low-value consumables and packaging materials

The Company's revolving materials includes low-value consumables, packaging materials, etc. For high-value revolving materials, monthly amortization is carried out based on the estimated useful life upon usage; for other low-value consumables, one-time amortization is carried out upon usage; packaging materials are amortised using the one-time amortization method upon usage.

5. Criteria for recognition and provision method of inventory impairment

At the balance sheet date, inventories are measured at the lower of cost or net realizable value. If the cost of inventories is higher than the net realizable value, a provision for decline in value of inventories is made. Net realizable value is the estimated selling price in the ordinary course of business less costs expected to be incurred until completion and the estimated costs necessary to make the sale and relevant taxes.

For finished products, goods on hand, materials available for sale and other merchandise inventories available for sale, in the ordinary production and operation process, their net realizable value is determined at the estimated selling price of these inventories less the estimated costs necessary to make the sale and relevant taxes; and for the inventories that need to be processed, in the ordinary production and operation process, their net realizable value is determined at the estimated selling price of finished products less the costs to be incurred until completion and the estimated costs necessary to make the sale and relevant taxes. The net realizable value of the inventories held to satisfy sales or service contracts is based on the contract price. If the quantity of inventories held is more than the quantity ordered in the sales contracts, the net realizable value of the excess portion of inventories is based on general selling prices.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value is higher than the carrying amount of inventories, the reversal is made to the extent of the amount originally provided for the decline in value of inventories. The amount of the reversal is recognised in profit or loss for the current period.

18. Assets held for sales

1. Held-for-sale

The assets of which carrying amount is recovered mainly through sales (including through exchange of non-monetary assets with commercial substance) rather than continuous use of non-current assets or disposal groups are classified as the held-for-sale assets.

The Company classifies the non-current assets or disposal groups which meet all the following conditions as assets held for sales:

(1) they can be sold immediately under current conditions according to the practice of sales of such assets or disposal groups in similar transactions; and

(2) the sale is very likely to happen, that is, the Company has made a resolution on a sale plan and obtained a confirmed purchase commitment, and such sale is expected to be completed within one year. The sale has been approved by the relevant authority or regulatory department of the Company if it is required to be so approved by the relevant provisions.

Classified as non-current assets held for sale (excluding financial assets, deferred tax assets, and assets arising from employee benefits) or disposal groups, whose carrying amount is higher than the fair value less selling costs, the carrying amount is written down to the fair value less selling costs, and the written down amount is recognised as asset impairment loss and included in profit or loss for the current period, while simultaneously making provision for impairment of assets held for sale.

2. Discontinued operations

Discontinued operations is a distinguishable component that meets one of the following conditions and has been disposed of or classified as held for sale by the Company:

(1) The component represents a separate major business or a separate major operating area;

(2) The component is part of a related plan to dispose of a separate major business or a separate major operating area;

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

Profit or loss from continuing operations and profit or loss from discontinued operations are separately presented in the income statement. Impairment losses and reversals, operating gains or losses, and gains or losses from disposal related to discontinued operations are reported as profit or loss from discontinued operations. For discontinued operations reported in the current period, the Company reclassifies the information previously reported as profit or loss from continuing operations as profit or loss from discontinued operations for the comparative periods in the financial statements for the current period.

19. Long-term equity investments

1. Judgment criteria of joint control and significant influence

Joint control is the agreed sharing of control over an arrangement, and the relevant activities of such arrangement must be decided upon the unanimous consent of the parties sharing control. If the Company can exercise joint control over the investee along with other parties to joint ventures and enjoy rights over net assets of the investee, the investee is a joint venture of the Company.

Significant influence is the power to participate in the financial and operating decisions of an investee, but it does not represent control or joint control with other parties over the establishment of those policies. If the Company can have significant influence over the investee, the investee is an associate of the Company.

2. Determination of initial investment cost

(1) Long-term equity investments formed by business combination

In case of a long-term equity investment of a subsidiary acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the Company's share of the carrying amount of the owners' equity of the absorbed party in the consolidated financial statements of the ultimate controller at the date of combination. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid for the combination is treated as an adjustment against the share premium in the capital reserve. In case the share premium in the capital reserve is not sufficient to offset the difference, the excess is adjusted against the retained earnings. Where the Company becomes capable of exercising control over an investee under the common control due to additional investments or other reasons, the difference between the initial investment cost of the long-term equity investment recognised in accordance with the above principles and the sum of the carrying amount of the long-term equity investment prior to the combination plus the carrying amount of new consideration paid for further acquisition of shares on the combination date shall be adjusted against the share premium. If the share premium is not sufficient to offset the difference, any excess shall be adjusted against retained earnings.

In case of a long-term equity investment acquired through a business combination not involving enterprises under common control, the Company recognises the consideration determined at the acquisition date as the initial investment cost of the long-term equity investment. If the Company becomes capable of exercising control over an investee not under common control due to additional investments or other reasons, the initial investment cost is the sum of the carrying amount of the equity investment originally held and the additional consideration transferred.

(2) *Long-term equity investments obtained through forms other than business combination*

For a long-term equity investment acquired by paying cash, the initial investment cost is the purchase price actually paid.

For a long-term equity investment acquired by the issuance of equity securities, the initial investment cost is the fair value of equity securities issued.

3. Subsequent measurement and determination of profit or loss

(1) *Long-term equity investments accounted for using the cost method*

The Company accounts for the long-term equity investments of the subsidiaries using the cost method, unless these investments meet the criteria for classification as held for sale. Except for cash dividends and profits declared but not yet distributed that are included in the purchase price or consideration actually paid upon acquisition of investments, the Company recognises its share of cash dividends or profits declared by the investee as investment income for the current period.

(2) *Long-term equity investments accounted for using the equity method*

The long-term equity investments of associates and joint ventures are accounted for using the equity method. Where the initial investment cost of a long-term equity investment exceeds the Company's share in the fair value of the investee's identifiable net assets at the date of investment, no adjustment is made to the initial investment cost of the long-term equity investment. Where the initial investment cost is less than the Company's share of the fair value of the investee's identifiable net assets at the date of investment, the difference is recognised in profit or loss for the current period, and the cost of such investment is adjusted accordingly.

The Company recognises its share of the investee's net profit or loss and other comprehensive income generated by the investee as investment income and other comprehensive income, respectively, and adjusts the carrying amount of the long-term equity investment accordingly. The carrying amount of such investment is reduced by the portion of profits or cash dividends declared by the investee attributable to the Company. The Company adjusts the carrying amount of such investment for other changes in the investee's equity other than net profit or loss, other comprehensive income and profit distributions ("**changes in other owners' equity**"), and recognises the corresponding adjustment in owners' equity.

In recognising its share of the investee's net profit or loss, other comprehensive income and changes in other owners' equity, the Company recognises such share of the investee's net profit and other comprehensive income after making appropriate adjustments based on the fair value of the investee's identifiable net assets at the date of investment, and in accordance with its accounting policies and periods.

For unrealised gains or losses arising from transactions between the Company and associates and joint ventures, the portion of such gains or losses attributable to the Company is eliminated, and investment income is recognised on that basis, unless the assets contributed or sold constitute a business. Where unrealised losses arising from transactions with the investees represent asset impairment losses, such losses are recognised in full.

The Company discontinues recognising its share of the associate's or joint venture's net loss after the carrying amount of the long-term equity investment together with any long-term interests that in substance constitute part of the Company's net investment in the associate or joint venture are reduced to zero, except where the Company has an obligation to bear additional losses. Where the associate or joint venture subsequently generates net profit, the Company resumes recognising its share of such profit only to the extent its share of the profit offsets the previously unrecognised share of losses.

(3) Disposal of long-term equity investments

On disposal of a long term equity investment, the difference between the proceeds actually received and the carrying amount is recognised in profit or loss for the current period.

If, on a partial disposal of a long-term equity investment accounted for using the equity method, the remaining investment continues to be accounted for using the equity method, other comprehensive income previously recognised under the equity method is transferred on a pro-rata basis, using the same basis as would apply if the investee directly disposed of the related assets or liabilities, and changes in other owners' equity are transferred to profit or loss for the current period on a pro-rata basis.

When the Company loses joint control or significant influence over an investee due to the disposal of equity investments or other events, other comprehensive income previously recognised under the equity method in respect of the original investment is accounted for on the same basis as would apply if the investee directly disposed of the related assets or liabilities upon cessation of the equity method, and the changes in other owners' equity are transferred to profit or loss in full for the current period when the equity method is discontinued.

Where the Company loses control over an investee due to the partial disposal of equity investments, if in preparing separate financial statements, the Company can exercise joint control or significant influence over the investee by virtue of its remaining investment, the remaining investment is accounted for using the equity method and adjusted as if it had been accounted for using the equity method since acquisition. Other comprehensive income recognised prior to obtaining control of the investee is transferred proportionally on the same basis as would apply if the investee directly disposed of the related assets or liabilities, and changes in other owners' equity recognised under the equity method are transferred to profit or loss for the current period on a pro-rata basis; if the Company cannot exercise joint control or significant influence over the investee by virtue of its remaining investment, the remaining investment is recognised as financial assets. The difference between its fair value and carrying amount at the date when the Company loses control is recognised in profit or loss for the current period, and other comprehensive income and changes in other owners' equity recognised prior to obtaining control of the investee are transferred in full.

Where disposals of equity investments in a subsidiary carried out in multiple tranches leading to loss of control constitute a single arrangement, the Company accounts for these transactions collectively as a single transaction involving the disposal of equity investments in the subsidiary leading to loss of control; however, the difference between the proceeds of each disposal prior to the loss of control and the carrying amount of the long-term equity investment corresponding to the equity disposed of is first recognised in other comprehensive income in separate financial statements and then transferred to profit or loss for the current period in which control is lost. Where such transactions do not constitute a single arrangement, the Company accounts for each transaction separately.

20. Investment properties

Measurement of investment properties
Measured at cost
Depreciation or amortization methods

The Company's investment property is property held to earn rentals or for capital appreciation or both, including land use rights that have been leased out, land use rights that are held and ready to be transferred after appreciation, and buildings that have been leased out (including those that are available for rental after being built by the Company itself or completion of development activities, and are being built or in progress for rental in the future).

Subsequent costs incurred for an investment property are included in the cost of the investment property when it is probable that the associated economic benefits will flow to the Company and the cost of the asset can be measured reliably. Subsequent costs that fail to meet the recognition criteria above are recognised in profit or loss in the period in which they are incurred.

The Company measures the existing investment properties using the cost model. For investment properties measured using cost model for measurement — the buildings available for rental follow the same depreciation policies as those of the Company's fixed assets, and land use rights available for rental follow the same amortization policies as those of intangible assets.

21. Fixed assets

(1) Recognition criteria

Fixed assets are tangible assets held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognised only when both of the following conditions are met:

(1) it is probable that economic benefits associated with the fixed asset will flow to the enterprise; and

(2) the cost of fixed assets can be measured reliably.

A fixed asset of the Company is initially measured at its cost, and in determining the cost of a fixed asset, the Company considers the effect of any expected costs of abandoning the asset at the end of its use.

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

(2) Method of depreciation

Category	Method of depreciation	Estimated useful life (year)	Residual value percentage	Annual depreciation rate (%)
Buildings and structures	Straight-line method	10–50	0, 1, 10	1.80–9.00
Machinery and equipment	Straight-line method	3–15	0, 0.01, 1, 10	6–33.33
Auxiliary production equipment	Straight-line method	5–10	10	9–18
Transport equipment	Straight-line method	3–5	1, 10	18–33
Mould equipment	Straight-line method	3–10	10	9–30
Office equipment	Straight-line method	3–5	0, 0.01, 1, 10	18–33.33
Computer equipment	Straight-line method	3–10	0, 0.01, 1, 10	10–33.33
Other equipment	Straight-line method	3–15	0, 0.01, 1, 10	6–33.33
Land (Note 1)		—	—	—

The Company provides for depreciation of fixed assets by category using the straight-line method, and determines the depreciation rate on the category, estimated useful life and estimated net residual value of fixed assets. For fixed assets with the provision for impairment, the depreciation amount will be determined in the future based on the carrying amount after deduction of the provision for impairment and remaining useful life. If a fixed asset has various component parts which have different useful lives or provide benefits to the enterprise in different manners, these component parts are depreciated separately by selecting different depreciation rates or methods.

The depreciation methods, useful life, residual value percentage, and annual depreciation rate for various types of fixed assets are as follows:

Note 1: This relates to land ownership obtained by certain overseas subsidiaries, and no depreciation shall be provided for.

(3) Disposal of fixed assets

A fixed asset is derecognised when it is disposed of, or when it is expected that no economic benefits can be generated from its use or disposal. The amount of the disposal income of sales, transfer, scrap or damage of the fixed asset after deducting the carrying value and related taxes is included in the current profit or loss.

22. Construction in progress

Construction in progress is measured at the actual costs incurred. Actual costs include construction costs, installation costs, borrowing costs eligible for capitalization, and other necessary expenditures incurred to bring the construction in progress to its intended usable condition. When construction in progress reaches its intended usable condition, it is transferred to fixed assets and depreciation begins to be provided from the following month. The standards and timing for transferring the Company's construction in progress to fixed assets are as follows:

Category	Standards and timing for transferring construction in progress to fixed assets
Buildings and structures	(1) The main construction works and supporting works have been substantially completed; (2) Upon meeting the intended design requirements, the construction project has been inspected and accepted by the survey, design, construction, supervision, and other relevant entities; (3) It has been inspected and accepted by external authorities such as fire-safety, land and resources, and planning departments; (4) Where the construction project has reached the intended usable state, but the final project settlement has not yet been completed, it shall be transferred to fixed assets at an estimated value based on the actual project cost from the date it reaches the intended usable state.
Machinery and equipment requiring installation and commissioning	(1) The relevant equipment and other supporting facilities have been fully installed; (2) The equipment, after commissioning, can maintain normal and stable operation for a period of time; (3) The production equipment can stably produce qualified products for a period of time; (4) The equipment has been inspected and accepted by asset management personnel and users.

23. Borrowing costs

1. Recognition principles for the capitalization of borrowing costs

The borrowing costs incurred by the Company, which could be directly attributed to the acquisition, construction or production of qualifying assets for capitalization, are capitalized and included in the cost of related assets; other borrowing costs recognised as expenses as incurred are included in the profit or loss of the current period.

Qualifying assets for capitalization refer to assets, such as fixed assets, investment properties, and inventories, that require a long period for their acquisition, construction or production activities to reach the expected usable or saleable status.

2. Capitalization period of borrowing costs

The capitalization period refers to the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding the period during which the capitalization of borrowing costs is suspended.

The capitalization of borrowing costs can commence only when all of the following conditions are satisfied:

(1) Asset expenditures have been incurred, including expenditures in the form of cash payments, transfers of non-cash assets or assumption of interest-bearing debts for the acquisition, construction or production of qualifying assets for capitalization;

(2) The borrowing costs have been incurred;

(3) The necessary acquisition, construction or production activities to prepare the assets for its intended use or sale have begun.

When the qualifying assets for capitalization being acquired, constructed or produced have become ready for its intended use or sale, the capitalization ceases.

3. Period over which capitalization is suspended

If the qualifying assets for capitalization experience abnormal interruptions during their acquisition, construction or production process, and the interruption lasts continuously for more than three months, then the borrowing costs are suspended for capitalization. If such interruption is a necessary procedure for bringing the asset eligible for capitalization under acquisition, construction, or production to its intended usable state or saleable state, borrowing costs continue to be capitalized. The borrowing costs incurred during the interruption period are recognised as the profit or loss of the current period, and the capitalization of borrowing costs does not continue until the restart of acquisition, construction or production of that asset.

4. Calculation methods for capitalization rate and capitalized amount of borrowing costs

For specific-purpose borrowings obtained for the acquisition, construction, or production of qualifying assets for capitalization, the amount of borrowing costs to be capitalized is determined based on the actual borrowing costs incurred in the current period for the specific-purpose borrowings, less interest income earned from depositing unused borrowed funds in banks or investment income earned from temporary investments.

For general borrowings employed for the acquisition, construction or production of qualifying assets for capitalization, the amount of borrowing costs to be capitalized on general borrowings is calculated and determined through the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of specific-purpose borrowings multiplied by the capitalization rate of the occupied general borrowings. The capitalization rate is calculated and determined based on the weighted average effective interest rate of general borrowings.

During the capitalization period, the exchange differences between the principal and interest of specific-purpose borrowings in foreign currencies are capitalized and included in the cost of qualifying assets for capitalization. The exchange differences arising from the principal and interest of other borrowings in foreign currencies other than the specific-purpose borrowings in foreign currencies are included in the profit or loss of the current period.

24. Intangible assets

(1) Useful life of assets and its determination basis, estimation, amortization method, or review procedures

1. Pricing methods of intangible assets

(1) Intangible assets are initially measured at cost when acquired by the Company;

The cost of an externally acquired intangible asset includes the purchase price, related taxes and other expenses directly attributable to preparing the asset for its intended use.

(2) Subsequent measurement

The Company analyzes and determines the useful life of an intangible asset when it is acquired.

Intangible assets with finite useful lives are amortized over the period during which they can generate economic benefits for the enterprise; if the period during which intangible assets can generate economic benefits for the enterprise cannot be predicted, the intangible assets are regarded as having indefinite useful lives and are not amortized.

2. *Estimated useful lives of intangible assets with finite useful lives*

Item	Estimated useful life (years)	Amortization method	Residual value rate	Basis
Software	2–10	Straight-line method	None	Expected benefit period
Land use rights	40–70	Straight-line method	None	Certificate of land use rights
Patent rights	2–15	Straight-line method	None	Patent term
Non-patent technology	2–15	Straight-line method	None	Expected benefit period
Development expenditure	2–15	Straight-line method	None	Expected benefit period
Customer resources	2–23	Straight-line method	None	Expected benefit period
Others	2–18	Straight-line method	None	Expected benefit period

3. *Basis for determining intangible assets with indefinite useful lives and the procedures for reviewing their useful lives*

   At the end of each period, the useful lives of intangible assets with indefinite useful lives are reviewed.

(2) *The scope of capitalization for R&D expenditure and the related accounting treatment methods*

1. *The scope of capitalization for R&D expenditure*

   Expenditures incurred by the Company in the course of R&D include employee benefits related to personnel engaged in R&D activities, materials consumed, related depreciation and amortization expenses, utilities, and other related expenditures.

2. *Specific criteria for dividing the research phase and the development phase*

   The Company classifies the expenditure on an internal R&D project into expenditure on the research phase and expenditure on the development phase.

   Research phase: It refers to the phase of original planned investigations and research activities conducted to acquire and understand new scientific or technical knowledge.

   Development phase: It refers to the stage of an activity, which applies research achievements or other knowledge to a certain plan or design to produce new or materially improved materials, equipment and products, before commercial production or use.

3. *Specific conditions for the capitalization of expenditures in the development phase*

The expenditures in the research phase are recorded into the profit or loss for the current period when incurred. Expenditures incurred during the development phase are recognised as intangible assets when all the following conditions are met; expenditures incurred during the development phase that do not meet the following conditions are recognised in the profit or loss of the current period:

(1) The completion of the intangible asset is technically feasible so that it can be used or sold;

(2) There is an intention to complete the intangible asset and use or sell it;

(3) There is a way for generating economic benefits from the intangible asset, including the ability to prove there exists a market for products produced using the intangible asset or there exists a market for the intangible asset itself; where the intangible asset will be used internally, its usefulness can be proved;

(4) Sufficient technical, financial, and other resources are available to support the completion of the development of the intangible asset, and the Company has the ability to use or sell the intangible asset;

(5) Expenditures attributable to the development phase of the intangible asset can be measured reliably.

If it is impossible to distinguish between expenditures in the research phase and expenditures in the development phase, all R&D expenditures incurred are included in the profit or loss for the current period.

25. Impairment of long-term assets

Long-term assets such as long-term equity investments, investment property measured using the cost model, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, and oil and gas assets are subject to impairment tests when there is any indication of impairment on the balance sheet date. If the impairment test results indicate that the recoverable amount of the asset is lower than the carrying value, the provision for impairment is made for the difference and included in the impairment loss. The recoverable amount is the higher of the fair value of the asset minus the disposal cost and the present value of the expected future cash flows of the asset. The provision for impairment of assets is calculated and recognised on the basis of separate assets. If it is difficult to estimate the recoverable amount of separate assets, the Company determines the recoverable amount of the asset group to which the asset belongs. The asset group is the smallest combination of assets that can generate cash inflows independently.

For goodwill arising from business combinations, intangible assets with indefinite useful lives, and intangible assets not yet ready for intended use, an impairment test is conducted at least at the end of each year, regardless of whether there is any indication of impairment.

The Company conducts an impairment test for goodwill. For the carrying value of goodwill arising from a business combination, from the acquisition date, it is allocated to the relevant asset groups using a reasonable method; if it is difficult to allocate it to the relevant asset groups, it is allocated to the relevant asset group combinations. The relevant asset group or asset group combination is an asset group or asset group combination that can benefit from the synergy effect of business combination.

When the impairment test is conducted on the asset group or asset group combination containing goodwill, if there is any sign of impairment in the asset group or asset group combination related to goodwill, the impairment test is firstly conducted on the asset group or asset group combination not containing goodwill, and the recoverable amount is calculated. The recoverable amount is compared with the relevant carrying value to recognise the corresponding impairment loss. The impairment test is then conducted on the asset group or asset group combination containing goodwill by comparing the carrying value with the recoverable amount. If the recoverable amount is lower than the carrying value, the amount of impairment loss is first used to offset the carrying value of goodwill allocated to the asset group or asset group combination, and then is used to reduce the carrying values of other assets in the asset group or asset group combination other than goodwill on a pro rata basis according to the proportion of the carrying value of each such asset.

Once the aforementioned impairment losses on assets are recognised, they shall not be reversed in subsequent accounting periods.

26. Long-term deferred expenses

Long-term deferred expenses are various expenses that have already been incurred but should be amortized over a period of more than one year, in the current period and subsequent periods.

The amortization period and methods for various expenses are as follows:

Item	Amortization method	Amortization period
Housing renovation expenses	Straight-line method	Within the benefit period
Leasehold improvements	Straight-line method	Within the benefit period
Others	Straight-line method	Within the benefit period

27. Contract liabilities

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the fulfilment of performance obligations and customer payments. The Company presents the obligation of transferring goods to or providing services for customers in exchange for the consideration received or receivable as a contract liability. Contract assets and contract liabilities under the same contract are presented at a net amount.

28. Employee benefits

(1) Accounting treatment method of short-term benefits

Within the accounting period when its employees provide service, the Company recognises actual short-term benefits as liabilities, and includes them in the profit or loss of the current period or the cost of related assets.

The employee benefits, in the accounting period in which the employees provide services for the Company, are calculated and determined by the provision basis and ratio specified in the regulations, including social insurance expenses and housing provident fund by the Company, as well as labor union expense and employee education expense withdrawn in accordance with the regulations.

The employee benefits incurred by the Company are included in the profit or loss of the current period or the cost of related assets according to the actual amount incurred, of which non-monetary benefits are measured at fair value.

(2) Accounting treatment method of post-employment benefits

(1) Defined contribution plan

The Company pays basic endowment insurance and unemployment insurance for employees in accordance with the relevant local regulations. During the accounting period when the employees provide services to the Company, the amount to be paid is calculated based on the payment base and proportion specified by the local regulations, recognised as liabilities, and included in the profit or loss of the current period or cost of related assets.

(2) Defined benefit plan

The benefit obligations arising from the defined benefit plan are attributable to the period in which the employees provide services based on the formula determined by the expected cumulative benefit unit method and included in profit or loss for the current period or cost of related assets by the Company.

The deficit or surplus arising from the present value of the obligations under the defined benefit plan less the fair value of the assets under the defined benefit plan is recognised as a net liability or net asset of the defined benefit plan. Where there is a surplus in the defined benefit plan, the Company measures the net asset of the defined benefit plan at the lower of the surplus in the defined benefit plan and the asset ceiling.

All obligations under the defined benefit plan, including obligations expected to be paid within 12 months after the end of the annual reporting period in which employees render services, are discounted using market yields of government bonds or high-quality corporate bonds traded in active markets with terms and currencies matching those of the obligations under the defined benefit plan on the balance sheet date.

The service cost arising from the defined benefit plan and the net interest on the net liability or net asset of the defined benefit plan are recognised in profit or loss of the current period or the cost of related assets; changes arising from the remeasurement of the net liability or net asset of the defined benefit plan are recognised in other comprehensive income and shall not be reclassified to profit or loss in subsequent accounting periods. Upon the termination of the original defined benefit plan, the portion previously recognised in other comprehensive income is fully transferred to retained earnings within equity.

When settling a defined benefit plan, a settlement gain or loss is recognised based on the difference between the present value of the obligations under the defined benefit plan determined on the settlement date and the settlement price.

(3) Accounting treatment method of termination benefits

If the Company provided the employee with termination benefits, the Company recognises the employee benefit liabilities generated by termination benefits and records them into the profit or loss for the current period on the earlier of: when the Company cannot unilaterally withdraw the termination benefits provided as a result of the labor relationship termination plan or layoff proposal, or when it recognises the costs or expenses related to the restructuring of the termination benefits payment.

(4) Accounting treatment method of other long-term employee benefits

The Group provides long-term paid leave benefits to eligible employees with employment relationships, including existing internally retired personnel and off-post disabled personnel.

Other long-term employee benefits adopt the accounting treatment set out under "accounting treatment method of post-employment benefits", except that the service cost incurred, net interest on the net liability or net asset for other long-term employee benefits, and changes arising from remeasuring the net liability or net asset for other long-term employee benefits are all recognised in profit or loss for the current period or the cost of relevant assets.

29. Provisions

The Company recognises an obligation related to a contingency as a provision when all of the following conditions are satisfied:

(1) the obligation is a present obligation of the Company;

(2) it is probable that an outflow of economic benefits from the Company will be required to settle the obligation; and

(3) the amount of the obligation can be measured reliably.

Provisions are initially measured at the best estimate of the expenditure required to settle the related present obligation.

Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole when the Company reaches the best estimate. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows.

Where there is a continuous range of the expenditure required, and each outcome in that range is equally likely to occur, the best estimate is determined based on the median of that range. Under any other circumstances, the best estimate is accounted for as follows:

- Where the contingency involves a single item, the best estimate is determined based on the most likely amount.

- Where the contingency involves multiple items, the best estimate is determined by calculation based on the various possible outcomes and the related probabilities.

Where all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset when it is virtually certain that reimbursement will be received. The amount recognised for the reimbursement does not exceed the carrying amount of the provision.

The Company reviews the carrying amount of a provision at the balance sheet date. Where there is clear evidence that the carrying amount of a provision does not reflect the current best estimate, the carrying amount is adjusted to the current best estimate.

30. Share-based payment

A share-based payment of the Company is a transaction in which the Company grants equity instruments, or incurs liabilities determined based on the equity instruments, in return for services rendered by employees or other parties. A share-based payment of the Company is classified as either an equity-settled share-based payment or a cash-settled share-based payment.

1. Equity-settled share-based payment and equity instruments

An equity-settled share-based payment in exchange for services received from the employees is measured at the fair value of equity instruments granted to the employees. For share-based payment transactions that become exercisable immediately upon grant, the fair value of the equity instruments on the grant date is included in the relevant costs or expenses, with a corresponding increase in capital reserves. For share-based payment transactions that become exercisable only after the completion of services during the vesting period or upon satisfaction of specified performance conditions after grant, at each balance sheet date during the vesting period, the Company makes the best estimate of the number of equity instruments expected to vest, and based on the fair value on the grant date, recognises the services received in the current period in the related costs or expenses, with a corresponding increase in capital reserves.

If the terms of equity-settled share-based payment are modified, the services received are recognised at least pursuant to the unmodified terms. In addition, any modifications that increase the fair value of the equity instruments granted, or changes that are beneficial to employees on the modification date are recognised as an increase in services.

If the equity instrument granted are cancelled during the vesting period, the Company accounts for the cancellation of equity instrument granted as an accelerated vesting, and immediately recognises the amount that would otherwise have been recognised over the remaining vesting period in profit or loss for the current period, while recognizing capital reserve.. However, if new equity instruments are granted and are deemed, at their grant date, to be replacements for the cancelled equity instruments, the substitute equity instrument granted is accounted for in the same manner as modifications to the terms and conditions of the original equity instruments.

31. Revenue

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

1. Accounting policies adopted for revenue recognition and measurement

The revenue is recognised at the time when the Company has discharged the performance obligations in the contract, that is, when the customer obtains the control of the related goods or services. Obtainment of the control of the related goods or services means the ability to direct the use of such goods or services and obtain substantially all of the economic benefits from them.

If the contract has two or more performance obligations, the Company allocates the transaction price to each individual performance obligation on the inception of the contract by reference to relative proportion of the standalone selling prices of goods or services promised thereby. The Company measures revenue based on the transaction price allocated to each individual performance obligation.

The transaction price is the amount of consideration to which the Company is entitled arising from the transfer of goods or services to the customer, excluding the amount collected on behalf of a third party and amounts expected to be returned to the customer. The Company determines the transaction price with reference to the contract terms and in conjunction with past customary practices, and in doing so, considers variable consideration, significant financing components in the contract, non-cash consideration, consideration payable to customers and other factors. The Company determines the transaction price including variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the relevant uncertainty is resolved. If there is a significant financing component in the contract, the Company determines the transaction price based on the presumed amount payable in cash when the customer obtains the control of goods or services, and amortises the differences between the transaction price and the contract consideration using the actual interest method within the term of the contract.

When meeting one of the following criteria, it belongs to the obligation performed over time, otherwise it constitutes the obligation performed at a point in time:

- the customer obtains and consumes the economic benefits generated by the Company's performance when the Company performs the contract.
- the customer can control the work-in-progress goods in the course of performance under the contract by the Company.
- the goods produced by the Company in the course of performance have no alternative use, and the Company has the right throughout the contract period to collect payment for the portion of performance completed to date.

For the obligation performed over time, the Company recognises the revenue based on the performance progress over time, unless the performance progress cannot be reasonably determined. The Company determines the progress towards satisfaction of performance obligations by taking into account the nature of goods or services and using the output/input method. When the progress towards satisfaction of performance obligations cannot be reasonably determined, and the costs incurred are expected to be recoverable, the Company recognises the revenue to the extent of costs incurred until such progress can be reasonably determined.

For the obligation performed at a point in time, the Company recognises the revenue at the point in time when the customer obtains the control of the related goods or services. When judging whether the customer has obtained the control of goods or services, the Company considers the following signs:

- the Company has the present right to receive payment for such goods or services, that is, the customer has the present obligation to make payment for such goods or services.
- the Company has transferred the legal ownership of such goods to the customer, that is, the customer has the legal ownership of such goods.
- the Company has effected the physical transfer of such goods to the customer, that is, the customer has taken physical possession of such goods.
- the Company has transferred the significant risks and rewards of ownership of such goods to the customer, that is, the customer has assumed the significant risks and rewards of such goods.
- the customer has accepted such goods or services.

The Company determines its role as a principal or agent based on whether it has control over the goods or services before transferring them to customers. If the Company can control the goods or services before transferring them to customers, it acts as a principal and recognises revenue based on the total consideration received or receivable. Otherwise, the Company acts as an agent and recognises revenue based on the amount of commission or fees to which the Company expects to be entitled.

2. *Disclosure of specific revenue recognition methods and measurement methods by business type*

The Company organises production according to the sales contracts signed with customers or orders placed by customers, and classifies its sales arrangements into the following models based on different geographical locations of customers and inventory management methods:

(1) General sales model

For domestic sales, the Company ships goods to the delivery location designated by the customer, and recognises revenue upon the customer's receipt and acceptance; for foreign sales, the delivery is subject to different trade terms, and revenue is recognised upon transfer of control.

(2) Supplier-managed inventory model

Under this model, the Company ships the goods to the designated warehouse; the customer picks up the goods from the warehouse, and revenue is recognised upon transfer of control.

(3) Revenue recognised over time

The Company recognises revenue over time progressively based on the progress of satisfaction of performance obligations for products custom-made for specific customers, which have no alternative use and for which the Company has an irrevocable right to receive payment for performance completed to date. The progress of satisfaction of performance obligations is measured using the cost method.

Situations where different revenue recognition methods and measurement methods are involved due to different operating models for similar businesses

32. Contract costs

Contract costs include contract performance costs and contract acquisition costs.

Costs incurred by the Company to perform a contract that are outside the scope of the standards for inventories, fixed assets or intangible assets are recognised as assets as contract performance costs if such costs meet the following criteria:

- such costs are directly related to an existing or anticipated contract.
- such costs increase the Company's future resources for fulfilling its performance obligations.
- such costs are expected to be recovered.

If the incremental cost incurred by the Company to obtain a contract is expected to be recovered, it is recognised as an asset in the form of the contract acquisition costs.

The Company amortises assets related to contract costs on the same basis as revenue is recognised for the related goods or services; but if the amortisation period for contract acquisition costs is no more than one year, the Company recognises them in profit or loss for the current period when incurred.

If the carrying amount of assets related to contract costs is higher than the difference between the following two items, the Company recognises an impairment provision in respect of the excess and recognises the excess as an impairment loss.

1. The remaining consideration expected to be received for the transfer of the goods or services related to the assets;
2. The costs expected to be incurred to transfer the relevant goods or services.

If the above difference is higher than the carrying amount of the assets due to the subsequent changes in factors of impairment in the previous period, the Company reverses the impairment provision previously recognised and recognises it in profit or loss for the current period, provided that the carrying amount after reversal shall not exceed the carrying amount that the assets would have had on the date of reversal had the provision for impairment not been recognised.

33. Government grants

1. Type

Government grants are monetary assets or non-monetary assets from the government to the Company without consideration, and are classified into government grants related to assets and government grants related to income.

Government grants related to assets are government grants obtained by the Company for purchasing, constructing or otherwise forming long-term assets. Government grants related to income are government grants other than those related to assets.

The specific criteria for the Company to classify a government grant as a grant related to assets are as follows: the grant obtained by the Company is used to purchase, construct or otherwise form long-term assets.

The specific criteria for the Company to classify a government grant as a grant related to income are as follows: such grants are those other than grants related to assets.

When classifying a government grant for which the recipient is not clearly specified in government documents, the basis on which the Company determines whether such government grants are related to assets or related to income is whether they are used to purchase, construct or otherwise form long-term assets.

2. Recognition time point

The government grants are recognised when the Company meets the conditions attached to the grants and it is probable that the grants will be received.

3. Accounting treatment

The government grants related to assets are offset against the carrying amount of the related assets or recognised as deferred income. If a grant is recognised as deferred income, it is recognised in profit or loss for the current period on a reasonable and systematic basis within the useful life of related assets (the grant related to the daily activities of the Company is recognised in other income, otherwise it is recognised in non-operating revenue);

The government grants related to income which are compensation for related expenses or losses to be incurred by the Company in subsequent periods are recognised as deferred income and, during the periods in which the related costs, expenses, or losses are recognised, are recognised in profit or loss for the current period (if the grant relates to the Company's ordinary activities, it is recognised in other income; otherwise, it is recognised in non-operating revenue) or offset against related costs or losses; and government grants related to income which are compensation for related expenses or losses incurred by the Company are directly recognised in profit or loss for the current period (if the grant relates to the Company's ordinary activities, it is recognised in other income; otherwise, it is recognised in non-operating revenue) or offset against related costs or losses.

The policy-based preferential loan interest subsidies obtained by the Company are accounted for separately according to the following two circumstances:

(1) If the finance authority pays the interest subsidy funds to the lending bank, and the lending bank grants a loan to the Company at the policy-based preferential interest rate, the actual loan amount received by the Company is recognised as the carrying amount of the loan, and the relevant borrowing costs is calculated based on the loan principal and such policy-based preferential interest rate.

(2) If the finance authority directly pays the interest subsidy funds to the Company, the Company offsets the corresponding interest subsidy against the related borrowing costs.

34. Deferred tax Assets/deferred tax liabilities

Income tax includes current and deferred tax. Except for the income tax arising from business combinations and transactions or events recognised directly in owners' equity (including other comprehensive income), the Company recognises current tax and deferred tax in profit or loss for the current period.

The deferred tax assets and deferred tax liabilities are calculated and recognised based on the difference (temporary difference) between the tax base of assets and liabilities and the carrying amount of assets and liabilities.

A deferred tax asset is recognised for the deductible temporary difference to the extent that it is probable that future taxable income amounts will be available against which the deductible temporary difference can be utilised. A deferred tax asset is recognised for the deductible losses and tax credits that can be carried forward to subsequent years to the extent that it is probable that future taxable income amounts will be available against which the deductible losses and tax credits can be utilised.

A deferred tax liability is recognised for taxable temporary difference, except for special circumstances.

Special circumstances under which the deferred tax assets or deferred tax liabilities are not recognised include:

- The initial recognition of goodwill;

- Transactions or events that neither constitute business combinations nor affect accounting profits and taxable income (or deductible losses) at the time of occurrence, and where the initial recognition of assets and liabilities does not result in the equal amounts of temporary taxable differences and deductible temporary differences.

A deferred tax liability is recognised for the taxable temporary difference related to investments in subsidiaries, associates and joint ventures, unless the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred tax asset is recognised for the deductible temporary difference related to investments in subsidiaries, associates and joint ventures when it is probable that the temporary difference will reverse in the foreseeable future and taxable income amounts will be available in the future against which the deductible temporary difference can be utilised.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, according to the requirements of tax laws.

The Company reviews the carrying amount of the deferred tax assets at the balance sheet date. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable income amounts will be available in future periods to offset the benefit of the deferred tax asset. Any such reduction in amount is reversed to the extent that it becomes probable that sufficient taxable income amounts will be available.

The current tax assets and current tax liabilities are offset and presented on a net basis when the Company has the statutory right to settle on a net basis, and intends to settle on a net basis or to obtain assets and settle liabilities simultaneously.

At the balance sheet date, deferred tax assets and deferred tax liabilities are offset and presented on a net basis when both of the following conditions are satisfied:

- the taxpayer has the statutory right to settle the current tax assets and current tax liabilities on a net basis;

- Deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority on the same taxpayer or on different taxpayers, provided that in each future period in which significant deferred tax assets and liabilities are reversed, the taxpayers involved intend to settle the current tax assets and liabilities on a net basis or realise assets and settle liabilities simultaneously.

35. Leases

(1) Accounting treatment method for leases as the lessee

The term "lease" refers to a contract whereby the lessor conveys to the lessee the right to use an asset in exchange for consideration in an agreed period of time. The Company shall assess whether a contract is a lease or contains a lease at the commencement date of the contract. If a party to the contract conveys the right to use one or more identified assets for exchange of consideration in an agreed period of time, the contract is a lease or contains a lease.

If a contract contains several individual leases, the Company will split the contract and account for each individual lease separately. If a contract contains both lease and non-lease components, the lessee and the lessor will separate the lease and non-lease components

1. The Company as a lessee

(1) Right-of-use assets

On the commencement date of the lease term, the Company recognises the leases other than short-term leases and leases of low-value assets as right-of-use assets. The right-of-use assets are initially measured at costs. Such costs include:

The initial measurement amount of lease liabilities;

In case of any lease incentives, the relevant amount of the lease incentives already received shall be deducted from the lease payment made on or before the commencement date of the lease term;

Initial direct costs incurred to the Company;

Costs expected to be incurred to the Company for demolishing and removing the leased asset(s), restoring the premises where the leased asset(s) is/are located, or restoring the leased asset(s) to the status agreed in the leasing clauses (excluding costs incurred for inventory production).

The Company subsequently adopts the straight-line method to accrue depreciation of the right-of-use assets. If there is a reasonable assurance that the ownership of a leased asset can be acquired when the lease term expires, the depreciation of the right-of-use asset will be made over the remaining useful life of such leased asset; otherwise, the depreciation of such leased asset is made over the shorter of the lease term or the remaining useful life of the leased asset.

The Company determines whether a right-of-use asset is impaired in accordance with the principles described in Note "V. (25) Impairment of long-term assets", and accounts for the identified impairment loss.

(2) Lease liabilities

On the commencement date of the lease term, the Company recognises the leases other than short-term leases and leases of low-value assets as lease liabilities. Lease liabilities are initially measured at the present value of the outstanding lease payments. Lease payments include:

Fixed payments (including substantial fixed payments), and if there is any lease incentive, the relevant amount of the lease incentive shall be deducted;

Variable lease payments depending on the index or ratio;

Amounts expected to be payable based on the residual value of the guarantee provided by the Company;

The exercise price of the purchase option, provided that the Company reasonably determines that it will exercise the option;

Amounts required to be paid to exercise the lease termination option, provided that the lease term reflects that the Company will exercise the lease termination option.

The Company adopts the interest rate implicit in the lease as the discount rate, but if the interest rate implicit in the lease cannot be reasonably determined, the Company's incremental borrowing rate will be adopted as the discount rate.

The Company calculates the interest expense of the lease liability in each period of the lease term at a fixed periodic interest rate, and records it into profit or loss for the current period or the cost of related assets.

The variable lease payments not included in the measurement of lease liabilities shall be included in profit or loss for the current period or the costs of related assets when they actually occur.

After the commencement date of the lease term, the Company shall re-measure the lease liability and adjust corresponding right-of-use assets in the following circumstances. If the book value of the right-of-use assets has been reduced to zero and further reduction of lease liabilities is still required, the Company will include the difference in the profit or loss for the current period:

If the Company's assessment results of purchase options, lease renewal options or lease termination options have changed, or the actual exercise of the aforementioned options is inconsistent with the original assessment results, the Company remeasures its lease liabilities based on the lease payments after change and the present value calculated at the revised discount rate;

When there is a change in the substantive fixed payment amount, the amount expected to be payable for the guaranteed residual value, or the index or rate used to determine the lease payment amount, the Company remeasures lease liabilities based on the lease payments after change and the present value calculated at the original discount rate. However, if the changes in lease payments result from changes in floating interest rates, the present value is calculated using the revised discount rate.

(3) Short-term leases and leases of low-value assets

The Company chooses not to recognise the right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the relevant lease payments are included in profit or loss for the current period or the cost of related assets on a straight-line basis over each period within the lease term. Short-term leases are leases with a lease term of 12 months or less without a purchase option on the commencement date of the lease term. A lease of low-value assets refers to the lease of a single leased asset with lower value when new. The Company classifies a lease of a single leased asset with the value of RMB40,000 or less when new as a lease of low-value assets. For the leased asset subleased or expected to be subleased by the Company, the original lease is not a lease of low-value assets.

(4) Lease modification

The Company accounts for a lease modification as a separate lease when the modification occurs and the following conditions are met:

The lease modification expands the scope of the lease by adding the right to use one or more of leased assets;

The increase in consideration is equivalent to the separate price for the expanded scope of the lease adjusted for the circumstances of the contract.

Where a lease modification is not accounted for as a separate lease, at the effective date of the lease modification, the Company reallocates the consideration of the modified contract, redetermines the lease term and remeasures the lease liability based on the present value calculated by the lease payments after change and the revised discount rate.

If a lease modification results in a reduction in the scope of the lease or a shortening of the lease term, the Company reduces the carrying amount of the right-of-use asset accordingly and includes the gain or loss associated with the partial or complete termination of the lease in the profit or loss for the period. Where other lease modifications result in a remeasurement of the lease liability, the Company adjusts the carrying amount of the right-of-use asset accordingly.

(2) Accounting treatment method of leases as the lessor

At the commencement date of the lease, the Company classifies leases as finance leases and operating leases. Finance leases refer to the leases that transfer substantially all the risks and rewards related to the ownership of the leased assets regardless of whether the ownership has ultimately been transferred or not. Operating leases refer to all leases other than finance leases. The Company, when acting as a sub-lease lessor, classifies the sub-leases based on the right-of-use assets arising from the original leases.

(1) Accounting treatment for operating leases

Lease receipts from operating leases are recognised as rental income on a straight-line basis in each period during the lease term. Initial direct costs related to operating leases to be incurred by the Company are capitalized, and amortized over the lease term on the same basis as rental income recognition and recognized in profit or loss for the current period. The variable lease payments that are not included in lease receipts are recognized in profit or loss for the period when they are actually incurred. The Company accounts for a modification in an operating lease as a new lease from the effective date of the modification, and the amount of lease receipts received in advance or receivable in respect of the lease prior to the modification is treated as a receipt under the new lease.

(2) *Accounting treatment of finance leases*

At the commencement date of the lease, the Company recognises finance lease receivables and derecognises assets held under finance leases. Finance lease receivables are initially measured at an amount equal to the net investment in the lease. The net investment in lease is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received on the commencement date of the lease term, discounted at the interest rate implicit in the lease.

The Company calculates and recognises interest income at a constant periodic interest rate in each period during the lease term. Derecognition and impairment of finance lease receivables are accounted for in accordance with Note "V. (10) Financial instruments".

Variable lease payments not included in the measurement of the net investment in the lease are recognised in profit or loss for the period when they are actually incurred.

The Company accounts for a modification in a finance lease as a separate lease when the modification occurs and the following conditions are met:

The modification expands the scope of the lease by adding the right to use one or more of leased assets;

The increase in consideration is equivalent to the separate price for the expanded scope of the lease adjusted for the circumstances of the contract.

Where a finance lease is modified and not accounted for as a separate lease, the Company accounts for the modified lease as follows:

If the modification takes effect on the commencement date of the lease and the lease will be classified as an operating lease, the Company will account for it as a new lease from the effective date of the lease modification, and use the net investment in the lease before the effective date of the lease modification as the carrying value of the leased asset;

If the modification takes effect on the commencement date of the lease and the lease will be classified as a finance lease, the Company will conduct accounting treatment in accordance with the policy on modification or renegotiation of contracts set out in Note "V. (10) Financial instruments".

36. Hedge accounting

1. Classification of hedging

(1) Fair value hedge is a hedge of the exposure to changes in the fair value of a recognised asset or liability, or an unrecognised firm commitment (excluding foreign exchange risk).

(2) Cash flow hedge is a hedge of the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction, or a foreign currency risk in an unrecognized firm commitment.

(3) Hedge of a net investment in a foreign operation is a hedge of the exposure to the foreign exchange risk associated with a net investment in a foreign operation. A net investment in a foreign operation is the share of interest in the net asset of the foreign operation held by an enterprise.

2. Designation of the hedge relationship and recognition of the effectiveness of hedging

At the inception of a hedge relationship, the Company formally designates the hedge relationship and prepares formal written documentation detailing the hedge relationship, the risk management objectives and hedging strategy. Such documentation specifies the nature and quantity of the hedging instrument, the nature and quantity of the hedged item, the nature of the risk being hedged, the type of hedge, and the Company's assessment of the effectiveness of the hedging instrument. Hedge effectiveness refers to the extent to which changes in the fair value or cash flows of the hedging instrument offset changes in the fair value or cash flows of the hedged item attributable to the hedged risk.

The Company assesses hedge effectiveness on an ongoing basis to determine whether the hedge meets the requirements for the effectiveness of applying hedge accounting throughout the accounting period for which the hedging relationship was designated. If the requirements are not met, the application of the hedging relationship shall be terminated.

The application of hedge accounting shall meet the following requirements on the effectiveness of the hedge:

(1) There is an economic relationship between the hedged item and the hedging instrument.

(2) The effect of credit risk does not dominate the value changes that result from the economic relationship between the hedged item and the hedging instrument.

(3) An appropriate hedge ratio is adopted so that it does not create an imbalance between the relative weightings of the hedged item and the hedging instrument, thereby avoiding accounting outcomes that are inconsistent with the objectives of hedge accounting. If the hedge ratio is no longer applicable, and the risk management objectives of the hedge remain unchanged, the quantity of the hedged item or the hedging instrument should be adjusted so that the hedge ratio can re-meet the requirements on the effectiveness.

3. Accounting treatment for hedge

(1) Fair value hedge

The change in the fair value of a hedging derivative is recognized in profit or loss for the current period. The change in the fair value of the hedged item attributable to the risk hedged is recognized in profit or loss for the current period, while the carrying value of the hedged item is adjusted accordingly.

For fair value hedges relating to financial instruments measured at amortized cost, adjustments made to the carrying value of the hedged item are amortized over the remaining period from the adjustment date to maturity date and recognised in profit or loss for the current period. Amortization using the effective interest method may begin immediately after the carrying value adjustment and shall commence no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortized fair value is recognised in profit or loss for the current period.

If the hedged item is an unrecognised firm commitment, the cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability, with the corresponding gain or loss recognized in profit or loss for the current period. The change in the fair value of the hedging instrument is also recognised in profit or loss for the current period.

(2) Cash flow hedge

The portion of gains or losses on hedging instruments that qualifies as an effective hedge is recognised directly in other comprehensive income, while the portion that qualifies as an ineffective hedge is recognised in profit or loss for the current period.

If the hedged transaction affects the profit or loss for the current period, such as when the hedged finance income or financial expense is recognised or the forecasted sale occurs, the amount recognised in other comprehensive income is transferred to the profit or loss for the current period. If the hedged item is a non-financial asset or a non-financial liability, the amount previously recognised in other comprehensive income is transferred to the initial carrying amount of the non-financial asset or non-financial liability (or, if previously recognised in other comprehensive income, is included in profit or loss for the current period in the same period during which the non-financial asset or non-financial liability affects profit or loss).

If the forecasted transaction or firm commitment is no longer expected to occur, the cumulative gain or loss on the hedging instrument previously recognised in other comprehensive income is transferred to the profit or loss for the current period. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, the amount previously recognized in other comprehensive income is not reclassified until the forecasted transaction or firm commitment affects profit or loss for the current period.

(3) Hedge of a net investment in a foreign operation

For a hedge of a net investment in a foreign operation, including a hedge of monetary items that form part of the net investment, the accounting treatment is similar to that for cash flow hedges. The portion of the gain or loss on the hedging instrument that is designated as an effective hedge is recognised in other comprehensive income, while the ineffective portion of the hedge is recognised in profit or loss for the current period. Upon disposal of a foreign operation, any cumulative gain or loss previously recognised in other comprehensive income is transferred to the profit or loss for the current period.

37. Repurchase of shares of the Company

Shares repurchased by the Company are managed as treasury shares until they are canceled or transferred, and all expenses for repurchasing shares are transferred to the costs of treasury shares. The consideration and transaction costs paid in share repurchases reduce owners' equity, and no gain or loss is recognised upon the repurchase, transfer or cancellation of the Company's shares.

When treasury shares are transferred, the difference between the actual amount received and the book value of treasury shares is credited to capital reserve. If the capital reserve is insufficient for offsetting, the excess amount shall be recognised to offset surplus reserves and retained earnings. Upon cancellation of treasury shares, share capital is reduced by the par value of the shares and the number of shares canceled. The difference between the book value of the canceled treasury shares and the par value is recognised as capital reserve, and if the capital reserve is not sufficient for offsetting, the the excess amount shall be recognised to offset surplus reserves and retained earnings.

38. Segment reporting

The Company determines operating segments based on its internal organizational structure, management requirements and internal reporting system, and identifies reportable segments and disclose segment information by operating segments.

An operating segment is a component within the Company that simultaneously meet the following conditions: (1) the component can generate income and incur expenses in the ordinary course of activities; (2) The management of the Company can regularly evaluate the operating results of the component, so as to make decisions on resource allocation and assess its performance; (3) The Company can obtain relevant accounting information such as the financial positions, operating results and cash flows of the component. If two or more operating segments have similar economic characteristics and meet certain conditions, they can be merged into one operating segment.

39. Other significant accounting policies and accounting estimates

None.

40. Key accounting estimates and judgments

In the application of accounting policies, the Company, due to the inherent uncertainties in its operations, needs to make judgments, estimates, and assumptions regarding the carrying amounts of items in the financial statements that cannot be accurately measured. These judgments, estimates, and assumptions are based on the historical experience of the Company's management and other relevant factors. They affect the reported amounts of income, expenses, assets, and liabilities, as well as disclosures of contingent liabilities at the balance sheet date. However, the actual results resulting from the uncertainty of these estimates may differ from the current estimates made by the Company's management, leading to significant adjustments to the carrying amounts of affected assets or liabilities in the future.

The Company periodically reviews these judgments, estimates, and assumptions on a going concern basis. If the changes in accounting estimates affect only the period of change, their impact is recognised in the period of change. If they affect both the current period and future periods, their impact is recognised in both the period of change and future periods.

At the balance sheet date, the following are the significant areas where the Company needs to make judgments, estimates, and assumptions of the amounts of items in the financial statements:

(1) Revenue recognition

As described in Note V. (31) "Revenue", the Company's revenue recognition involves the following significant accounting judgments and estimates: identifying customer contracts; estimating the collectability of consideration from customers for goods transferred; identifying performance obligations in contracts; estimating variable consideration in contracts and the amount of cumulative revenue recognised to date that is highly unlikely to be significantly reversed when related uncertainties are resolved; determining whether significant financing components exist in contracts; estimating the standalone selling price of each distinct performance obligation in contracts; determining whether performance obligations are satisfied over time or at a point in time; determining progress towards satisfaction of performance obligations, etc.

The Company primarily relies on past experience and work to make these judgments, and these significant judgments and estimate changes may impact operating revenue, cost of sales, and profit or loss for the period of change or subsequent periods, and may constitute significant impacts.

(2) Leasing

① *Lease recognition*

When determining whether a contract is a lease or contains a lease, the Company evaluates whether there is an identified asset and whether the customer controls the right to use the asset for a certain period. In this assessment, consideration is given to the nature of the asset, substantive substitution rights, and whether the customer has the right to obtain almost all of the economic benefits generated by using the asset during that period and can direct the use of the asset.

② *Lease classification*

As a lessor, the Company classifies leases as operating leases or finance leases. When making classifications, the management needs to analyze and determine whether all risks and rewards related to the ownership of the leased asset have substantially transferred to the lessee.

③ *Lease liabilities*

As a lessee, lease liabilities are initially measured at the present value of the lease payments unpaid at the commencement date of the lease term. When measuring the present value of lease payments, the Company estimates the discount rate used and the lease term for leases with renewal or termination options. In assessing the lease term, the Company comprehensively considers all relevant facts and circumstances that bring economic benefits to the Company from exercising the option, including expected changes in facts and circumstances between the commencement date of the lease term and the exercise date of the option. Different judgments and estimates may affect the recognition of lease liabilities and right-of-use assets and subsequently impact profit or loss in subsequent periods.

(3) Impairment of financial assets

The Company assesses impairments of financial instruments using the expected credit loss model, which requires significant judgments and estimates based on all reasonable and supportable information, including forward-looking information. In making such judgments and estimates, the Company infers expected changes in the credit risk of debtors based on historical data combined with factors such as changes in economic policies, macroeconomic indicators, industry risks, external market conditions, technological environments, and customer situations.

(4) Inventory impairment provision

In accordance with the inventory accounting policy, the Company measures inventories at the lower of cost and net realizable value, and recognises inventory impairment provisions for inventories with a cost higher than the net realizable value and for obsolete and slow-moving inventories. The impairment of inventories to the net realizable value is based on an assessment of the salability of inventories and their net realizable value. Identifying inventory impairment requires the management to make judgments and estimates based on obtaining conclusive evidence and considering factors such as the purpose of holding inventories and the impact of post-balance sheet events. Differences between actual results and original estimates will affect the carrying value of inventories and the recognition or reversal of inventory impairment provisions during the period when estimates are changed.

(5) Fair value of financial instruments

For financial instruments with no active trading market, the Company determines their fair value using various valuation methods, including discounted cash flow model analysis, etc. When valuing, the Company estimates aspects such as future cash flows, credit risks, market volatility, and correlations, and selects appropriate discount rates. These related assumptions have uncertainties, and changes in them will affect the fair value of financial instruments. For equity instrument investments or contracts with open quoted prices, the Company does not consider cost as the best estimate of their fair value.

(6) Provision for impairment of long-term assets

The Company assesses whether there are indications of impairment for non-current assets other than financial assets as of the balance sheet date. For intangible assets with uncertain useful lives, impairment tests are performed when there are indicators of impairment in addition to annual impairment tests. For other non-current assets other than financial assets, impairment tests are conducted when there are indications that their carrying amounts may not be recoverable.

When the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs to sell and the present value of expected future cash flows, an impairment is recognised.

The net amount after deducting costs to sell from fair value is determined by reference to the sale agreement price of similar assets in fair transactions or observable market prices, minus incremental costs directly attributable to the disposal of the asset.

In estimating the present value of expected future cash flows, significant judgments are made regarding the production, selling price, relevant operating costs of the asset (or asset group), and the discount rate used in the calculation of present value. The Company uses all relevant information available to estimate the recoverable amount, including forecasts of production, selling prices, and relevant operating costs based on reasonable and supportable assumptions.

Goodwill is tested for impairment at least annually. This requires estimating the present value of future cash flows of the asset groups or their combinations to which goodwill is allocated. In estimating the present value of future cash flows, the Company needs to forecast the future cash flows generated by the asset groups or their combinations and select appropriate discount rates to determine the present value of future cash flows.

(7) Depreciation and amortization

The Company depreciates and amortizes investment properties, fixed assets, and intangible assets using the straight-line method over their useful lives after considering their residual values. The Company periodically reviews the useful lives to determine the amount of depreciation and amortization expense to be recognised in each Reporting Period. The useful lives are determined by the Company based on past experience with similar assets and anticipated technological updates. If there is a significant change in previous estimates, depreciation and amortization expenses will be adjusted in future periods.

(8) Deferred income tax assets

The Company recognises deferred income tax assets for all unused tax losses to the extent that it is probable that sufficient taxable profits will be available to offset the losses. This requires significant judgment by the Company's management to estimate the timing and amount of future taxable profits, considering tax planning strategies, to determine the amount of deferred income tax assets to be recognised.

(9) Income taxes

In the normal course of business, there are some uncertainties in the final tax treatment and calculation of certain transactions. Approval from the tax authorities is required for some items to be deducted before tax. If the final determination of these tax matters differs from the originally estimated amount, the difference will affect the current income tax and deferred income tax recognised in the period of final determination.

41. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

☑Applicable ☐Not applicable

Unit: RMB

Content and reasons for changes in accounting policies	Significantly affected item in financial statements	Amount affected
Implementation of Interpretation No. 19 of Accounting Standards for Business Enterprises	None	0.00
Implementation of Interpretation No. 20 of Accounting Standards for Business Enterprises	None	0.00
Implementation of Accounting Standard for Business Enterprises No. 25 — Insurance Contracts (revised in 2020)	None	0.00

1. The Ministry of Finance released the Interpretation No. 19 of Accounting Standards for Business Enterprises (Cai Kuai [2025] No. 32, hereinafter referred to as "**Interpretation No. 19**") on 19 December 2025, which became effective from 1 January 2026.

   ① Accounting treatment of indemnification assets in a business combination not under the same control

   Interpretation No. 19 stipulates that in a business combination not under the same control, the seller and the acquirer may enter into an agreement whereby the seller provides compensation to the acquirer in respect of certain contingencies of the acquiree, or some uncertain outcomes relating to specific assets or liabilities, and the acquirer thereby obtains indemnification assets.

When the acquirer recognises the compensated item in its consolidated financial statements, it shall recognise the indemnification asset for measurement on the same basis as the compensated item. The acquirer shall also take into account the management's estimate on its collectability, and deduct the amount expected to be uncollectable from the entry value of the indemnification asset. At each subsequent balance sheet date, the acquirer shall subsequently measure the indemnification asset on the same basis as the compensated item, taking into account the contractual restrictions on the amount of compensation. When the carrying amount of the compensated item changes, the carrying amount of the indemnification asset shall be adjusted accordingly, and included into investment income. For indemnification assets that are not subsequently measured at fair value, the management's estimate on the collectability of the indemnification asset shall be considered separately, with the amount expected to be uncollectable credited to investment income. When the acquirer collects, sells, or otherwise loses its rights to the indemnification asset, it shall derecognise such asset, and differences between proceeds and the carrying amount of the indemnification asset shall be credited to investment income.

In its separate financial statements, the acquirer shall recognise the indemnification asset when the conditions for recognizing a contingent asset as an asset are met (i.e., it is virtually certain that the enterprise can receive the asset and the amount can be reliably measured), and simultaneously write down the initial investment cost of the long-term equity investment. At each subsequent balance sheet date, the acquirer shall, in accordance with the provisions of Accounting Standards for Business Enterprises No. 13 — Contingencies, take into account both the contractual restrictions on the amount of compensation and the management's estimate on the collectability of the indemnification asset, and include the amount expected to be uncollectable to investment income.

Upon initial execution, the enterprise shall make retrospective adjustment to indemnification assets that exist at the effective date; for indemnification assets for which the rights have already been recovered, sold, or otherwise lost before the effective date, no retrospective adjustment shall be made. The implementation of the interpretation by the Company has no major impact.

② In accordance with the accounting treatment of the relevant capital reserve upon disposal of a subsidiary originally acquired through a business combination involving enterprises under common control under the Interpretation No. 19, when an enterprise disposes of a subsidiary originally acquired through a business combination under common control and loses the control, regardless of whether the counterparty is a related party or an unrelated party, the capital reserve adjusted at the date of the original combination arising from the difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration for the combination will not be transferred to profit or loss or retained earnings in the separate financial statements or the consolidated financial statements.

The enterprises shall make retrospective adjustments upon the initial implementation. The Company's implementation of this provision has not had a significant impact.

③ Derecognition of financial liabilities settled using electronic payment systems

In accordance with the Interpretation No. 19, when an enterprise uses an electronic payment system to settle a financial liability (or a part thereof) in cash, it may elect to derecognise the liability by the settlement date only if the enterprise has initiated the payment instruction and all of the following conditions are met simultaneously: 1. the enterprise does not have the practical ability to withdraw, suspend or cancel payment instructions; 2. the enterprise does not have the actual ability to withdraw the cash that will be used for settlement pursuant to the payment instruction; 3. the settlement risk associated with the electronic payment system is insignificant. For example, payment instructions through electronic payment systems are completed according to standard management procedures, and the time interval between the satisfaction of the aforesaid two conditions and the delivery of cash to the counterparty is short. If the execution of a payment instruction depends on whether the enterprise can deliver cash at the settlement date, the settlement risk associated with the electronic payment system shall not be deemed insignificant.

The enterprises shall make retrospective adjustments upon the initial implementation. Retained earnings and other relevant items in financial statements as at 1 January 2026 shall be adjusted based on cumulative effects, while comparative figures in the financial statements for the prior period are not subject to adjustment. The Company's implementation of this provision has not had a significant impact.

④ Assessment of contractual cash flow characteristics of financial assets and related disclosures

In accordance with the Interpretation No. 19, an enterprise may need to consider different components of interest when assessing whether contractual cash flows of financial assets are consistent with basic lending arrangements. The assessment of interest shall focus on the basis for which the enterprise has received compensation, rather than the amount of compensation received, even though the latter may indicate that the enterprise received compensation for the factors other than basic lending risks and costs. If contractual cash flows are linked to variables that are not related to basic lending risks or costs (such as the value of equity instruments or prices of goods), or if contractual cash flows represent a part of the debtor's revenue or profit, the contractual cash flows are inconsistent with basic lending arrangements.

If contractual cash flows arising from a contingent feature are consistent with basic lending arrangements both before and after changes in contractual cash flows (regardless of the probability of such changes), an enterprise is still required to assess the nature of the contingency. If the nature of the contingency is directly related to the changes in basic lending risks and costs, and the direction of the changes in contractual cash flows is the same as the direction of the changes in basic lending risks and costs, the contractual cash flows arising from relevant financial assets are solely payments of principal and interest on the outstanding principal.

If the nature of a contingency is not directly related to the changes in basic lending risks and costs (such as a loan in which the interest rate is decreased by agreed basis points as the enterprise achieves contractually agreed carbon emission reductions), only when, in all possible contractual scenarios, there is no significant difference between its contractual cash flows and the contractual cash flows that will result from a financial instrument with the same contractual terms but without the contingent feature, the contractual cash flows arising from relevant financial assets are solely payments of principal and interest on the outstanding principal.

The enterprises shall make retrospective adjustments upon the initial implementation. Retained earnings and other relevant items in financial statements as at 1 January 2026 shall be adjusted based on cumulative effects, while comparative figures in the financial statements for the prior period are not subject to adjustment. The Company's implementation of this provision has not had a significant impact.

⑤ Disclosures relating to equity instruments designated as at fair value through other comprehensive income

In accordance with the Interpretation No. 19, an enterprise shall disclose, at least by category, the fair value of investments in equity instruments designated as at fair value through other comprehensive income as at the end of the Reporting Period, as well as the changes in their fair value during the Reporting Period. Further disclosures, such as by item, may be made based on the principle of materiality and in light of the enterprise's actual situation. Among them, the amounts of changes relating to the investments derecognised during the Reporting Period and the amounts of changes relating to the investments held as at the end of the Reporting Period shall be disclosed separately. The enterprise is also required to disclose transfers of the cumulative gains or losses included in equity relating to the investments derecognised during the Reporting Period.

The Company discloses relevant information on the investments in other equity instruments as required and the implementation of this provision has not had a significant impact on the Company's financial position and operating results.

2. *Implementation of the Accounting Standard for Business Enterprises No. 20*

On 17 June 2026, the Ministry of Finance issued the Accounting Standard for Business Enterprises No. 20 (Cai Kuai [2026] No. 7, hereinafter referred to as the "**Interpretation No. 20**"), which shall come into effect as of the date of its issuance.

① Assessment of contractual cash flow characteristics of financial assets

The Interpretation No. 20 stipulates whether "financial assets with non-recourse features" and "contractually linked instruments" meet the special classification requirements of the payment feature that the contractual cash flows are solely payments of principal and interest on the outstanding principal.

For a financial asset, when an enterprise's ultimate contractual right to receive cash flows is limited to the cash flows of a specific asset, the financial asset has non-recourse features, in which case the primary risk faced by the enterprise depends on the performance of the specific asset rather than the debtor's credit risks. For the financial assets with non-recourse features, when determining whether such financial assets meet the payment feature that their contractual cash flows are 'solely payments of principal and interest' on the outstanding principal (hereinafter referred to as the "**SPPI criterion**"), the enterprise shall assess the relationship (namely look-through) between the specific underlying asset or its cash flows and the contractual cash flows of the financial asset, and consider how the relationship is subject to the impact of other contractual arrangements, such as subordinated debts or equity instruments issued by the debtor. If the contractual terms of a financial asset generate other cash flows or restrict cash flows in a manner inconsistent with payments representing principal and interest, the financial asset will not meet the SPPI criterion. Whether underlying assets are financial assets or non-financial assets will not affect the assessment of the aforementioned contractual cash flow features.

In certain transactions with non-recourse features, the issuer may use multiple contractually linked instruments (namely multiple tiers) to determine the order of payments to holders of financial assets. Each tier features its own priority and subordinate order, which specifies the order in which the issuer allocates cash flows generated by the underlying pool of financial instruments to the tier, thereby forming a "waterfall payment structure". The order of priority for payments to holders of different tiers established through the "waterfall payment structure" leads to the concentration of credit risks and the disproportionate allocation of cash shortfalls in underlying assets among holders of different tiers; holders of a tier are entitled to payments of principal and interest only if the issuer obtains sufficient cash flows to satisfy the payments of higher priority. In transaction types described above, the classification requirements for contractually linked instruments, rather than the classification requirements for financial assets with non-recourse features, shall apply to holders of each tier. One of the conditions for contractually linked instruments to meet the SPPI criterion is that the underlying assets must include one or more instruments that satisfy the SPPI criterion. The aforementioned underlying assets may include the financial instruments (such as certain receivables from leasing) that do not comply with the classification requirements of the Accounting Standard for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, but whose contractual cash flows are equivalent to solely payments of principal and interest on the outstanding principal.

The enterprises shall make retrospective adjustments upon the initial implementation. Retained earnings and other relevant items in financial statements as at 1 January 2026 shall be adjusted based on cumulative effects, while comparative figures in the financial statements for the prior period are not subject to adjustment. The Company's implementation of this provision has not had a significant impact.

② Accounting treatment and related disclosures in respect of the lack of exchangeability of a currency

In accordance with the Interpretation No. 20, the exchangeability of a currency for another currency means an enterprise can, within a specified time limit, exchange the currency for another currency through a market or exchange mechanism that can generate enforceable rights and obligations in exchange transactions. An enterprise shall assess whether one currency is exchangeable for another currency at the measurement date for a specific purpose. If the enterprise can obtain only another currency in an insignificant amount at the measurement date for a specific purpose, the currency is unexchangeable for another currency. Even if another currency can be exchanged back for the currency, the enterprise may still determine that the currency is unexchangeable for another currency.

When a currency is unexchangeable for another currency, the enterprise shall estimate the spot exchange rate at the measurement date, enabling it to faithfully reflect the exchange rate adopted by the exchange for the orderly exchange carried out by market participants at the measurement date under current primary economic conditions.

Upon the initial implementation, the enterprises are not required to adjust comparative figures in the financial statements for the prior period, and shall perform transitional treatment pursuant to the following provisions:

i) If an enterprise adopts the functional currency to report the transactions in a foreign currency and determines that the relevant foreign currency lacks exchangeability for its functional currency, it shall use the estimated spot exchange rate at the date of initial implementation to translate the affected foreign currency monetary items and non-monetary items measured at fair value of foreign currency, and adjust the opening retained earnings for the effects of implementing this provision for the first time. The Company's implementation of this provision has not had a significant impact.

ii) When an enterprise's presentation currency differs from its functional currency, or when the enterprise translates the financial position and operating results of an overseas operation, and it is determined that the enterprise's functional currency or the functional currency of the overseas operation lacks exchangeability for the enterprise's presentation currency, the affected assets and liabilities shall be translated using the estimated spot exchange rate at the date of initial implementation; if the enterprise's functional currency is experiencing hyperinflation, it shall also translate the affected equity items using the estimated spot exchange rate at the date of initial implementation. The impact of the initial implementation of this provision shall be treated as an adjustment to the cumulative amount of statement translation differences (included in equity as a separate item). The Company's implementation of this provision has not had a significant impact.

3. *Implementation of the Accounting Standard for Business Enterprises No. 25 — Insurance Contract (2020 Revision)*

The Ministry of Finance revised and issued the Accounting Standard for Business Enterprises No. 25 — Insurance Contract (Cai Kuai [2020] No. 20) (Cai Kuai [2020] No. 20, hereinafter referred to as the "**New Standards for Insurance Contracts**") on 24 December 2020. The enterprises listed both domestically and overseas, as well as the enterprises that are listed overseas and adopt the International Financial Reporting Standards or the Accounting Standard for Business Enterprises to prepare financial statements shall implement the N New Standards for Insurance Contracts since 1 January 2023; other enterprises implementing the Accounting Standards for Business Enterprises shall implement the New Standards for Insurance Contracts since 1 January 2026.

If the accounting treatment of insurance contracts before the date of initial implementation as prescribed by the New Standards for Insurance Contracts is inconsistent with the provisions of this standard, an enterprise shall adopt the retrospective adjustment method; if the retrospective adjustment method is impracticable, the enterprise shall adopt the modified retrospective adjustment method or the fair value method; if it is impracticable to adopt the modified retrospective adjustment method for the contract portfolio, the enterprise shall adopt the fair value method. If an enterprise makes a retrospective adjustment, it is not required to disclose the adjustment amounts of the affected items and earnings per share in the financial statements for the current period and each prior period presented.

The Company has implemented the New Standards for Insurance Contracts since 1 January 2026, which has not had a significant impact on the Company's financial position and operating results.

(2) Significant changes in accounting estimates

☑Applicable ☐Not applicable

Unit: RMB

Contents of and reasons for accounting estimate changes	Significantly affected item in financial statements	Effective date	Amount affected

The Company had no significant changes in accounting estimates during the Reporting Period.

(3) Adjustments to relevant items in the financial statements at the beginning of the year due to initial adoption of the new accounting standards since 2026

☐Applicable ☑Not applicable

42. Others

None.

VI. Taxation

1. Main tax types and tax rates

Tax type	Tax basis	Tax rate
Value-added tax (VAT)	Output VAT is calculated based on the revenue from the sale of goods and taxable services in accordance with tax laws. After deducting the input tax allowed for deduction for the period, the balance is the VAT payable	20%, 19%, 18%, 13%, 10%, 9%, 8%, 7%, 6%, 5%, 3%, 0%
City maintenance & construction tax	Calculated and paid based on the actual VAT and consumption tax paid	7%, 5%
Corporate income tax	Calculated and paid based on the taxable income	34%, 33%, 31.93%, 30%, 29.7%, 29.1%, 29.08%, 27.9%, 25%, 24%, 22.5%, 22%, 21%, 20%, 19%, 18%, 17%, 16.5%, 16%, 15.83%, 15%, 10%, 5%, 0%

Disclosure notes on the tax situation of taxpayers subject to different corporate income tax rates

Taxpayer name	Income tax rate
Luxshare Precision Industry Co., Ltd.	15
Luxshare-ICT Co., Ltd. (Taiwan)	20
Luxshare ICT, Inc. (United States)	Note 3
Luxshare-ICT Europe Ltd.	25
Luxshare Precision Technology Co., Ltd.	Note 1
Huzhou Jiuding Electronic Co., Ltd.	15
Yunding Technology Co., Ltd.	Note 1
LUXSHARE-ICT (Japan)	Note 2
Korea Luxshare-ICT Co., Ltd	Note 4
Luxshare India Private Limited	25
Luxshare Lanto India Private Limited	25
Qorvo Hong Kong Limited	Note 1
Qorvo Singapore Holding Pte. Limited	17
Luxis Technology Ltd.	Note 1
Luxshare Precision Investment Co., Ltd.	Note 1
TIME Interconnect Technology Limited	16.5
Linkz Cables Mexico S. de R.L. de C.V.	30

Taxpayer name	Income tax rate
Linkz International Limited	16.5
Linkz Industries (Suzhou) Limited	15
Linkz (Hong Kong) Limited	16.5
Kunshan Deqin Machinery Co., Ltd.	5
Hover (Kunshan) Electronic Material, Co., Ltd.	5
Hover Manufacturing Co., Ltd.	16.5
Linkz Cables Co., Ltd.	0
TIME Interconnect Technology (Huizhou) Limited	15
TIME Interconnect America Inc.	Note 3
Cosmic M.E. Inc.	Note 2
TIME Interconnect Medtech UK Limited	Note 6
TIME Interconnect Industrial (Hong Kong) Limited	16.5
TIME Interconnect Industrial Limited	16.5
TIME Interconnect Wire Technology Ltd.	16.5
TIME Interconnect Technology (Kunshan) Limited	15
Time X-Ware Technology Limited	16.5
TIME Interconnect MedTech Limited	16.5
TIME Interconnect Medtech Investment Limited	Note 1
TIME Interconnect Investment Limited	0
Luxshare Precision (M) Sdn Bhd	24
LEONI AG	29.08
Luxshare Precision Singapore Pte. Ltd.	17
ICT Legend S. DE R.L. DE C.V.	30
Cosmo Manufacturing (Thailand) Co., Ltd	20
Luxshare Precision Works Limited	Note 1
Cosmo Crew Limited	16.5
Cosmo International Limited	0
Cosmo Corporation Cayman Limited	0
Stellar Prosperity LLC	Note 3
LEONI Kabel GmbH	29.1
Time Interconnect Singapore Pte. Ltd.	Note 5
Luxshare Precision Mexico S.A. de C.V.	30

Taxpayer name	Income tax rate
EXCELLOX, INC.	Note 3
PT Wingtech Technology Indonesia	22
Luxshare Communications (Hong Kong) Co., Limited	Note 1
Luxshare Precision Cayman Limited	0
Luxshare Precision Limited	Note 1
SpeedTech Corp.	20
Luxshare-ICT (Van Trung) Company Limited	Discounted products: 5% Non-discounted products: 20%
Luxshare-ICT (Vietnam) Company Limited	10
Luxshare-ICT (Nghe An) Company Limited	0
Luxshare-ICT (Bac Ninh) Co., Ltd	20
ICT-Lanto Limited	Note 1
Luxshare Precision Industry (Baoding) Co., Ltd.	15
Xuancheng Luxshare Precision Industry Co., Ltd.	15
Luxshare Precision Industry (Jiangsu) Co., Ltd.	15
Luxshare Precision Industry (Yancheng) Co., Ltd.	15
Luxshare Precision Industry (Hefei) Co., Ltd.	5
Luxshare Precision Industry (Hubei) Co., Ltd.	15
Luxshare Automotive Technology (Shanghai) Co., Ltd.	5
Lisheng Intelligent Technology (Chengdu) Co., Ltd.	5
Suining Luxshare Precision Industry Co., Ltd.	15
Bozhou Lanto Electronic Limited	15
Merry Electronics (Suzhou) Co., Ltd.	15
Beijing Luxshare Acoustics Technology Co., Ltd.	5
Shanxi Luxshare Precision Industry Co., Ltd.	15
Suzhou Lanto Electronic Co., Ltd.	5
Changzhi Luxshare Precision Industry Co., Ltd.	5
Lanto Electronic Limited	15
Yongxin County Asap Electronics Co., Ltd.	15
Jiangxi Asap Electronics Co., Ltd.	15
Xiexun Electronic (Ji'an) Co., Ltd.	15
Asap Technology (Jiangxi) Co., Ltd.	15

Taxpayer name	Income tax rate
Jian'ou JK Wiring Systems Co., Ltd.	5
Fujian JK Wiring Systems Co., Ltd.	15
Luxshare Electronic Technology (Kunshan) Ltd.	15
Shenzhen Luxshare Acoustics Technology Ltd.	15
Slenergy Technology GmbH	31.93
Slenergy Technology Co, S.L.	25
Slenergy Technology (HK) Limited	Note 1
Slenergy Technology (Meizhou) Co., Ltd.	5
Slenergy Technology (Anhui) Co., Ltd.	15
Luxshare Precision Industry (Chuzhou) Co., Ltd.	15
SuK Kunststofftechnik GmbH	15.83
Luxshare Automation (Jiangsu) Ltd.	15
Merry Electronic (Huizhou) Co., Ltd.	15
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.	15
Luxshare Precision Industry (Enshi) Co., Ltd.	15
Luxshare ITech (Zhejiang) Co., Ltd.	15
Luxshare Precision Industry (Chuzhou) Technology Co., Ltd.	5
Suzhou Xiangcheng Luxshare Precision Metal Technology Co., Ltd.	5
Luxshare Intelligent Manufacture Technology (Changshu) Co., Ltd.	15
Dongguan Xuntao Electronic Co., Ltd.	15
Luxshare Technologies (Suzhou) Limited	15
Luxshare Technologies Limited	Note 1
Luxshare Thermal Technology (Huizhou) Co., Ltd.	15
Luxshare Technologies International, Inc.	Note 3
Luxshare Technologies (Vietnam) Co., Ltd.	0
Luxshare Technologies Singapore Pte. Ltd.	17
Luxshare Technologies Mexico S. de. R.L. de c.v.	30

Taxpayer name	Income tax rate
Dongguan Luxshare Technologies Co., Ltd.	15
Yancheng Luxshare Enterprise Management Service Partnership (Limited Partnership)	Not applicable to partnerships
Jiashan Luxshare Enterprise Management Service Partnership (Limited Partnership)	Not applicable to partnerships
Kunshan Jinhong Enterprise Management Service Partnership (Limited Partnership)	Not applicable to partnerships
Kunshan Luxshare Enterprise Management Service Partnership (Limited Partnership)	Not applicable to partnerships
Luxix Technology (Kunshan) Co., Ltd.	15
Casetek Singapore Pte. Ltd.	17
Luxcase Precision Technology (Vietnam) Co., Ltd.	0
Luxcase Precision Limited	Note 1
Luxcase Korea Co., Ltd.	Note 4
Huzhou Luxshare Precision Industry Co., Ltd.	15
Luxis Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	15
Luxshare Precision Technology (Nanjing) Co., Ltd.	5
Xi'an Luxshare Information Technology Co., Ltd.	15
Wuxi Litong Information Technology Co., Ltd.	15
Shanghai Luxshare Information Technology Co., Ltd.	15
Shanghai Luxshare Electronic Technology Co., Ltd.	15
Luxshare Intelligent Electronic (Jiaxing) Co., Ltd.	5
Luxshare Supply Chain Technology (Wuxi) Co., Ltd.	5
Kunming Luxshare Technology Co., Ltd.	15
Cyber Acoustics, LLC (USA)	Note 3
Taihan Precision Technology Co., Ltd.	20
e-Leader Technology (Vietnam) Co., Ltd.	20
Dejinchang Investment Co., Ltd.	0
Jin's Copper Industries Co., Ltd.	16.5
Dejinchang Optoelectronics Technology (Thailand) Co., Ltd.	20
Deshengchang New Material (Thailand) Co., Ltd.	20

Taxpayer name	Income tax rate
DZC Optoelectronics Technology (Vietnam) Company Limited	20
Leonische Holding, Inc.	Note 3
LEONI Cable, Inc.	Note 3
LEONI Cable S.A. de C.V.	30
LEONI Cable de Chihuahua S.A. de C.V.	30
LEONI HighTemp Solutions GmbH	29.1
LKH LEONI Kabelwerk Kábelgyár Hungária Kft.	29.1
LEONI Kabel Polska sp. z o.o.	19
LEONI Kablo ve Teknolojileri Sanayi ve Ticaret Ltd. Sirketi	25
LEONI Cable Solutions RO S.R.L.	16
LEONI Cable Assemblies GmbH	29.1
LEONI Slovakia spol. s r.o.	24
LEONI Bordnetz-Systeme GmbH	29.08
LEONI Automotive do Brasil Ltda.	34
LEONI Wiring Systems de Paraguay S.R.L.	10
Leoni Kabelsysteme GmbH	29.08
LEONI Wiring Systems Arad S.R.L.	16
LEONI Wiring Systems RO S.R.L.	16
TOV LEONI Wiring Systems UA GmbH	18
LEONI WS UK., Great Britain WGB_A	25
LEONI Wiring Systems Southeast d.o.o.	15
LEONI Wiring Systems Egypt S.A.E.	22.5
LEONI Wiring Systems Agadir S.A.S.U.	20
LEONI WS (Pune) Pvt.Ltd. WINPU	25
LEONI Wiring Systems Korea, Inc.	Note 4
KB Kabel Beteiligungs-GmbH	29.08
LEONI Wiring Systems Inc.	Note 3
LEONI Wiring Systems Mexicana S.A. de C.V.	30
LEONI Wiring Systems de Durango S.A. de C.V.	30

Taxpayer name	Income tax rate
LEONI Wiring Systems Yucatan S.A. de C.V.	30
LEONI Wiring Systems Services de Hermosillo S.A. de C.V.	30
Leonische Portugal Indústria de Cabelagens, Lda.	20
LEONI Wiring Systems Spain, S.L.U.	20
LEONI Italy S.P.A.	27.9
LEONI Wiring Systems Czech s.r.o.	21
LEONI Wiring Systems Slovakia, Spol. s.r.o.	24
LEONI Wiring Systems Poland sp. zo.o.	19
LEONI Wiring Systems Tunisia SARL	20
LEONI Wiring Systems France S.A.S	25
LEONI Wiring Systems Pitesti S.R.L.	16
LEONI Wiring Systems Turkey Kablo Sistemleri Limited	25
LEONI Wiring Systems Ain Sebaa S.A.	20
LEONI Wiring Systems Bouskoura S.A.	20
LEONI Wiring Systems Berrechid S.A.	20
LEONI Industry Holding GmbH	29.08
LEONI Cable Solutions Morocco S.A.S.U.	33
Lyntera Co., Ltd.	Note 2
SpeedTech Industrial Co., Ltd.	20
ST Investment Holding Corp.	29.7
Luxshare Precision Components (Suzhou) Co., Ltd.	15
Dongguan Lide Precision Industry Co., Ltd.	15
LK Global investment Limited	0
ICT DE, INC	Note 3
ICT NV, INC	Note 3
Leoni Bordnetze Verwaltungs-GmbH	29.08
Luxshare Tech Singapore Pte. Ltd.	17
Other subsidiaries	25

2. Tax incentives

Corporate income tax:

1. On 26 December 2024, the Company was recognized as a high-tech enterprise by the Industry and Information Technology Bureau of Shenzhen Municipality, Shenzhen Finance Bureau, and Shenzhen Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202444202119 valid for three years. Pursuant to the *Notice of the Ministry of Finance and State Taxation Administration on Corporate Income Tax Incentive Policies for Enterprises' Technological Innovation and Notice of the State Taxation Administration on Issues Concerning the Implementation of Corporate Income Tax Incentives for High-Tech Enterprises*, it will pay corporate income tax for 2026 at a rate of 15%.

2. The subsidiary Xiexun Electronic (Ji'an) Co., Ltd. (hereinafter referred to as "**Ji'an Xiexun**") was recognized as a high-tech enterprise on 22 November 2023, by the Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202336001430 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

3. The subsidiary Asap Technology (Jiangxi) Co., Ltd. (hereinafter referred to as "**Asap Technology**") was recognized as a high-tech enterprise on 29 October 2025, by the Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202536000840 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

4. The subsidiary Lanto Electronic Limited (hereinafter referred to as "**Lanto Kunshan**") was recognized as a high-tech enterprise on 6 November 2023, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202332005205 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

5. The sub-subsidiary Bozhou Lanto Electronic Limited (hereinafter referred to as "**Lanto Bozhou**") was recognized as a high-tech enterprise on 29 October 2024, by Anhui Provincial Department of Industry and Information Technology, Anhui Provincial Department of Finance, and Anhui Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202434000453 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

6. The sub-subsidiary Huzhou Jiuding Electronic Co., Ltd. (hereinafter referred to as "**Huzhou Jiuding**") was recognized as a high-tech enterprise on 8 December 2023, by the Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202333009628 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

7. The subsidiary Luxshare Automation (Jiangsu) Ltd. (hereinafter referred to as "**Luxshare Automation (Jiangsu)**") was recognized as a high-tech enterprise on 19 November 2024, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202432006579, valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

8. The sub-subsidiary Merry Electronics (Suzhou) Co., Ltd. (hereinafter referred to as "**Suzhou Merry**") was recognized as a high-tech enterprise on 6 November 2023, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202332001066 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

9. The subsidiary Luxshare Electronic Technology (Kunshan) Ltd. (hereinafter referred to as "**Kunshan Electronic**") was recognized as a high-tech enterprise on 9 November 2024, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202432003413 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

10. The sub-subsidiary Yongxin County Asap Electronics Co., Ltd. (hereinafter referred to as "**Yongxin Asap**") was recognized as a high-tech enterprise on 8 December 2023, by the Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202336002349 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

11. The subsidiary Luxshare Precision Industry (Chuzhou) Co., Ltd. (hereinafter referred to as "**Luxshare Chuzhou**") was recognized as a high-tech enterprise on 28 October 2025, by Anhui Provincial Department of Industry and Information Technology, Anhui Provincial Department of Finance, and Anhui Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202534003151 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

12. The sub-subsidiary Merry Electronic (Huizhou) Co., Ltd., (hereinafter referred to as "**Merry Huizhou**"), was recognized as a high-tech enterprise on 28 November 2024, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202444005192 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

13. The subsidiary Fujian JK Wiring Systems Co., Ltd. (hereinafter referred to as "**Fujian JK**") was recognized as a high-tech enterprise on 28 December 2023, by the Science and Technology Department of Fujian Province, Fujian Provincial Department of Finance, and Fujian Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202335000667 valid for three years. Pursuant to the corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

14. The subsidiary Jiangxi Luxshare Intelligent Manufacture Co., Ltd. (hereinafter referred to as "**Jiangxi Luxshare Intelligent Manufacture**") was recognized as a high-tech enterprise on 28 October 2024, by the Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202436000547 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

15. The sub-subsidiary Jiangxi Asap Electronics Co., Ltd. (hereinafter referred to as "**Asap Electronics**") was recognized as a high-tech enterprise on 28 October 2024, by the Science and Technology Department of Jiangxi Province, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202436000704 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

16. The sub-subsidiary Suzhou Luxshare Technology Co., Ltd. (hereinafter referred to as "**Suzhou Luxshare Technology**") was recognized as a high-tech enterprise on 6 November 2024, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202432000635 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

17. The sub-subsidiary Suining Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "**Luxshare Suining**") meets the tax reduction and exemption conditions set out in the *Announcement of the Ministry of Finance, State Taxation Administration, and National Development and Reform Commission on Continuing the Corporate Income Tax Policy for the Large-Scale Development of Western China*. Under this policy, from 1 January 2021 to 31 December 2030, enterprises in encouraged industries located in western regions are subject to corporate income tax at a reduced rate of 15%. Suining Luxshare Precision Industry Co., Ltd., located in Suining City, Sichuan Province, applies this policy and enjoys the corresponding incentive. It has filed tax returns, and will pay the corporate income tax for 2026 at a rate of 15%. Suining Luxshare was recognized as a high-tech enterprise on 5 November 2024, by the Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202451000551 valid for three years.

18. The sub-subsidiary Luxshare Precision Industry (Baoding) Co., Ltd. (hereinafter referred to as "**Luxshare Baoding**") was recognized as a high-tech enterprise on 28 October 2025, by Hebei Provincial Department of Science and Technology, Hebei Provincial Finance Department, and Hebei Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202513000502 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

19. The sub-subsidiary Shanxi Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "**Luxshare Shanxi**"), was recognized as a high-tech enterprise on 8 December 2025, by the Science and Technology Department of Shanxi Province, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202514000382 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

20. The sub-subsidiary Dongguan Xuntao Electronic Co., Ltd. (hereinafter referred to as "**Xuntao Dongguan**") was recognized as a high-tech enterprise on 19 December 2025, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202544007840 valid for three years. Pursuant to the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

21. The subsidiary Luxis Precision Intelligent Manufacturing (Kunshan) Co., Ltd. (hereinafter referred to as "**Luxis Precision**") was recognized as a high-tech enterprise on 6 November 2023, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202332000097 valid for three years. Pursuant to the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

22. The subsidiary Luxshare ITech (Zhejiang) Co., Ltd. (hereinafter referred to as "**ITech Zhejiang**") was recognized as a high-tech enterprise on 8 December 2023, by the Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202333005916 valid for three years. Pursuant to the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

23. The subsidiary Shenzhen Luxshare Acoustics Technology Ltd. (hereinafter referred to as "**Luxshare Acoustics**") was recognized as a high-tech enterprise on 12 December 2023, by the Science, Technology and Innovation Commission of Shenzhen Municipality, Shenzhen Municipal Finance Bureau, and Shenzhen Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202344206957 valid for three years. Pursuant to the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

24. The subsidiary Luxshare Precision Industry (Enshi) Co., Ltd. (hereinafter referred to as "**Luxshare Enshi**") meets the tax reduction and exemption conditions set out in the *Announcement of the Ministry of Finance, State Taxation Administration, and National Development and Reform Commission on Continuing the Corporate Income Tax Policy for the Large-Scale Development of Western China*. Under this policy, from 1 January 2021 to 31 December 2030, enterprises in encouraged industries located in western regions are subject to corporate income tax at a reduced rate of 15%. Luxshare Precision Industry (Enshi) Co., Ltd., located in Enshi Tujia and Miao Autonomous Prefecture, Hubei Province, applies this policy, and will pay the corporate income tax for 2026 at a rate of 15%. Luxshare Enshi was recognized as a high-tech enterprise on 30 December 2025, by the Department of Science and Technology of Hubei Province, Department of Finance of Hubei Province, and Hubei Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202542005087 valid for three years.

25. The sub-subsidiary Xuancheng Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "**Xuancheng Luxshare**") was recognized as a high-tech enterprise by the Department of Science and Technology of Anhui Province, the Department of Finance of Anhui Province, and the Anhui Provincial Tax Service of the State Taxation Administration on 28 November 2024, with the High-Tech Enterprise Certificate No. GR202434005011 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

26. Pursuant to Amendment No. 6 to Circular 151/2014/TT/BTC dated 10 October 2014, issued by the Ministry of Finance of Vietnam, the sub-subsidiary Luxshare-ICT (Vietnam) Limited (hereinafter referred to as "**Luxshare-ICT Vietnam**") is eligible for an investment-related corporate income tax incentive of two years' exemption followed by four years at half rate for projects undertaken within industrial zones. Specifically, for Zone E, it obtained confirmation from the Tax Department of Bắc Giang Province via Document No. 619/CT-TTHT on 28 February 2018, that it is entitled to the two-year exemption and four-year half-rate investment incentive, and it paid corporate income tax for 2024 at a rate of 10%; for Zone T/Zone U1, it obtained confirmation from the Tax Department of Bắc Giang Province via Document No. 6555/CTBGI-TTHT on 23 November 2020, that it is entitled to the two-year exemption and four-year half-rate investment incentive, and it will pay corporate income tax for 2026 at a rate of 10%.

27. Pursuant to Paragraph 1, Article 14 of Decree No. 85/2007/QĐ-TTg issued on 11 June 2007, for the investment projects invested by a domestic or foreign organization or individual in Dong Nam Nghi An Economic Zone, the sub-subsidiary Luxshare-ICT (Nghe An) Limited (hereinafter referred to as "**Luxshare-ICT Nghe An**") enjoys a 15-year preferential corporate income tax rate of 10% from the commencement of operations, corporate income tax is fully exempt for the first four years based on taxable income from the date of taxable income, and a 50% reduction applies for the following nine years. It also obtained confirmation from the Tax Department of Nghe An Province via Document No. 2417/CT-TTHT on 1 July 2020, and will pay corporate income tax for 2026 at a rate of 0%.

28. Pursuant to Amendment No. 6 to Circular 151/2014/TT/BTC dated 10 October 2014, issued by the Ministry of Finance of Vietnam, the sub-subsidiary Luxshare-ICT (Van Trung) Company Limited (hereinafter referred to as "**Luxshare Van Trung**") is eligible for an investment-related corporate income tax incentive of two years' exemption followed by four years at half rate for projects undertaken within industrial zones. It also obtained confirmation from the Tax Department of Bắc Giang Province via Document No. 5675/CT-TTHT on 13 October 2020, and will pay corporate income tax for 2026 at a rate of 10%.

    On 20 March 2023, it received Document No. 1534/GXN-BCT from the Industry and Commerce Department confirming the preferential treatment for auxiliary industry products under the "four-year exemption and nine-year half-rate" policy. Under this incentive, the corporate income tax rate for 2020, 2021, 2023, and 2024 is 0%, and for 2025 to 2032, halved at 10%.

    If no preferential treatment is granted, the regional "two-year exemption and four-year half-rate" policy applies.

29. The sub-subsidiary TIME Interconnect Technology (Huizhou) Limited was recognized as a high-tech enterprise on 19 December 2025, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202544002213 valid for three years. Pursuant to the *Notice of the Ministry of Finance and State Taxation Administration on Corporate Income Tax Incentive Policies for Enterprises' Technological Innovation and Notice of the State Taxation Administration on Issues Concerning the Implementation of Corporate Income Tax Incentives for High-Tech Enterprises*, it will pay corporate income tax for 2026 at a rate of 15%.

30. The sub-subsidiary Linkz Industries (Suzhou) Limited was recognized as a high-tech enterprise on 18 November 2025, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202532002901 valid for three years. Pursuant to the *Notice of the Ministry of Finance and State Taxation Administration on Corporate Income Tax Incentive Policies for Enterprises' Technological Innovation* and *Notice of the State Taxation Administration on Issues Concerning the Implementation of Corporate Income Tax Incentives for High-Tech Enterprises*, it will pay corporate income tax for 2026 at a rate of 15%.

31. The sub-subsidiary Dongguan Luxshare Technologies Co., Ltd. (hereinafter referred to as "**Dongguan Luxshare Technology**") was recognized as a high-tech enterprise on 19 December 2025, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202544003226 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

32. The sub-subsidiary Luxshare Precision Industry (Jiangsu) Co., Ltd. (hereinafter referred to as "**Luxshare Jiangsu**") was recognized as a high-tech enterprise on 6 November 2023, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202332004181 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

33. The subsidiary Luxis Technology (Kunshan) Co., Ltd. (hereinafter referred to as "**Luxis Technology**") was recognized as a high-tech enterprise on 6 November 2023, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202332006405 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

34. The sub-subsidiary Luxshare Precision Industry (Yancheng) Co., Ltd. (hereinafter referred to as "**Luxshare Yancheng**") was recognized as a high-tech enterprise on 16 December 2024, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202432011857 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

35. The sub-subsidiary Luxshare Thermal Technology (Huizhou) Co., Ltd. (hereinafter referred to as "**Luxshare Thermal**") was recognized as a high-tech enterprise on 28 November 2024, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202444006343 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

36. Pursuant to Paragraph 1, Article 14 of Decree No. 85/2007/QĐ-TTg issued on 11 June 2007, for the investment projects invested by a domestic or foreign organization or individual in Dong Nam Nghi An Economic Zone, the sub-subsidiary Luxshare Technologies (Vietnam) Co., Ltd. (hereinafter referred to as "**Vietnam Technologies**") enjoys a 15-year preferential corporate income tax rate of 10% from the commencement of operations, corporate income tax is fully exempt for the first four years from the date of taxable income, and a 50% reduction applies for the following nine years. It also obtained confirmation from the Tax Department of Nghe An Province via Document No. 2417/CT-TTHT on 1 July 2020, and will pay corporate income tax for 2025 at a rate of 0%.

37. The subsidiary Luxshare Intelligent Manufacture Technology (Changshu) Co., Ltd. (hereinafter referred to as "**Luxshare Changshu**") was recognized as a high-tech enterprise on 18 November 2025, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202532003263 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

38. The sub-subsidiary Shanghai Luxshare Electronic Technology Co., Ltd. (hereinafter referred to as "**Shanghai Luxshare Electronic**") was recognized as a high-tech enterprise on 12 December 2023, by Shanghai Municipal Science and Technology Commission, Shanghai Municipal Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration, with the Certificate No. GR202331003973 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

39. The sub-subsidiary Shanghai Luxshare Information Technology Co., Ltd. (hereinafter referred to as "**Shanghai Luxshare Information**") was recognized as a high-tech enterprise on 26 December 2024, by Shanghai Municipal Science and Technology Commission, Shanghai Municipal Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration, with the Certificate No. GR202431006898 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

40. The sub-subsidiary Wuxi Litong Information Technology Co., Ltd. (hereinafter referred to as "**Wuxi Litong Information**") was recognized as a high-tech enterprise on 16 December 2024, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202432016118 valid for three years. Pursuant to the relevant provisions of the national enterprise income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

41. The sub-subsidiary Xi'an Luxshare Information Technology Co., Ltd. (hereinafter referred to as "**Xi'an Luxshare Information**") was recognized as a high-tech enterprise on 19 December 2025, by the Department of Science and Technology of Shaanxi Province, Financial Department of Shaanxi Province, and Shaanxi Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202561001217 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

42. The sub-subsidiary TIME Interconnect Technology (Kunshan) Limited (hereinafter referred to as "**Kunshan TIME Interconnect**") was recognized as a high-tech enterprise on 18 November 2025, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the Certificate No. GR202532022041 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

43. The sub-subsidiary Slenergy Technology (Anhui) Co., Ltd. (hereinafter referred to as "**Slenergy Anhui**") was recognized as a high-tech enterprise on 28 October 2025, by Anhui Provincial Department of Industry and Information Technology, Anhui Provincial Department of Finance, and Anhui Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202534002754 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

44. The subsidiary Huzhou Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "**Huzhou Luxshare**") was recognized as a high-tech enterprise on 19 December 2025, by the Economy and Information Technology Department of Zhejiang, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202533009251 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

45. The sub-subsidiary Luxshare Precision Components (Suzhou) Co., Ltd. (hereinafter referred to as "**Suzhou Components**") was recognized as a high-tech enterprise on 18 November 2025, by Jiangsu Provincial Department of Science and Technology, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202532003092 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

46. The subsidiary Kunming Luxshare Technology Co., Ltd. (hereinafter referred to as "**Luxshare Kunming**") enjoys the corporate income tax incentives under the national large-scale development of Western China, and pays corporate income tax at a tax rate of 15% from 1 January 2021 to 30 December 2030.

47. The sub-subsidiary Luxshare Precision Industry (Hubei) Co., Ltd. (hereinafter referred to as "**Luxshare Hubei**") was recognized as a high-tech enterprise on 30 December 2025, by the Department of Science and Technology of Hubei Province, Department of Finance of Hubei Province, and Hubei Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202542005301 valid for three years. Pursuant to the relevant provisions of the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

48. The sub-subsidiary Dongguan Lide Precision Industry Co., Ltd. (hereinafter referred to as "**Dongguan Lide**") was recognized as a high-tech enterprise on 11 December 2024, by the Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration, with the High-Tech Enterprise Certificate No. GR202444011533 valid for three years. Pursuant to the national corporate income tax incentive policies for high-tech enterprises, it will pay corporate income tax for 2026 at a rate of 15%.

VAT:

On 3 September 2023, the Ministry of Finance and the State Taxation Administration issued the *Announcement on the Additional VAT Deduction Policy for Advanced Manufacturing Enterprises* (MOF & STA Announcement No. 43 of 2023). Advanced manufacturing enterprises refer to general VAT taxpayers in the manufacturing industry among high-tech enterprises (including their non-legal-person branches). From 1 January 2023 to 31 December 2027, advanced manufacturing enterprises are allowed to reduce their VAT payable by an additional 5% of the deductible input tax for the period.

3. Others

Note 1. As per the tax law in Hong Kong, Hong Kong adopts a territorial source principle of taxation, under which only profits which have a source in Hong Kong are taxable there, while profits sourced elsewhere are not subject to Hong Kong gain tax. Luxshare Technologies Limited, Luxshare Standard Limited (HK), ICT-LANTO LIMITED (HK), Luxshare Precision Limited, Luxshare Precision Technology Co., Ltd., Yunding Technology Co., Ltd., Luxis Technology Limited, Luxshare Precision Investment Co., Ltd., Luxcase Precision Limited and Time Interconnect MedTech Investment Limited are not required to pay income tax in Hong Kong.

Hong Kong employs a two-tier preferential tax rate system: taxable profits up to HKD2 million are taxed at a rate of 8.25%, while amounts exceeding that threshold are taxed at a rate of 16.5%. Companies subject to this system include: Qorvo Hong Kong Limited, LUXSHARE COMMUNICATIONS (HONG KONG) CO., LIMITED, Slenergy Technology (HK) Limited, and Luxshare Precision Works Limited.

Note 2. LUXSHARE-ICT (Japan), Cosmic M.E. Inc., and Lyntera Co., Ltd. are entitled to the graded tax rate for the capital amounting to not more than JPY100 million. Corporate income tax (national tax): at 15% for the portion of taxable income within JPY8 million (inclusive), and at 23.2% for the portion in excess thereof. Local corporate income tax (national tax): at 10.3% of total corporate taxable income (national tax).

Note 3. The applicable tax rate of LuxshareICT, Inc (USA), Time Interconnect America Inc, Luxshare Technologies International, Inc, Stellar Prosperity LLC, ExcelloX, Cyber Acoustics, LLC(USA), Leonische Holding, Inc., LEONI Cable, Inc., LEONI WS Inc. and WUS_W is shown as follows:

	Applicable tax rate
Income tax (federal)	21%
Local tax (state)	8.84%

Note 4. The applicable tax rate of Korea Luxshare ICT Co., Ltd., Luxcase Korea Co., Ltd., LEONI Wiring Systems Korea Inc. and WKR_D is shown as follows:

Total profits	Corporate tax	Local tax
Less than KRW200 million	10%	10% of corporate taxable income
KWR200 million — KWR20 billion	20%	
KWR20 billion — KWR300 billion	22%	
Above KWR300 billion	25%	

Note 5: The applicable tax rate of Time Interconnect Singapore Pte. Ltd. is shown as follows:

Singaporean companies are eligible for the Startup Tax Exemption (SUTE) during their first three tax years after incorporation, after which they automatically transition to the Partial Tax Exemption (PTE); both are tax relief mechanisms.

Startup Tax Exemption (SUTE): The first SGD$100,000 of taxable income is subject to a 75% tax exemption; the next SGD$100,000 of taxable income is subject to a 50% tax exemption; and any amount exceeding SGD$200,000 is fully taxable (at a rate of 17%).

Partial Tax Exemption (PTE): The first S$10,000 of taxable income is subject to a 75% tax exemption; the next S$190,000 of taxable income is subject to a 50% tax exemption; and any amount exceeding SGD$200,000 is fully taxable (at a rate of 17%).

Note 6: The applicable tax rate of TIME INTERCONNECT MEDTECH UK LIMITED is shown as follows:

The tax rate is 19% on profits up to GBP50,000; the tax rate is 25% on profits exceeding GBP250,000.

VII. Notes to Items in Consolidated Financial Statements

1. Monetary funds

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	**993,614.30**	408,456.76
Bank deposit	**71,010,824,894.78**	58,288,254,569.22
Other monetary funds	**800,578,934.40**	2,870,513,554.37
Total	**71,812,397,443.48**	61,159,176,580.35
Including: Total amount of funds deposited abroad	**32,039,523,453.92**	34,389,719,977.92

Other descriptions:

2. Financial assets held for trading

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	**3,541,721,335.72**	2,842,065,117.62
Including:		
Derivative financial assets	**639,817,594.77**	71,865,066.32
Bank wealth management	**2,901,903,740.95**	2,770,200,051.30
Including:		
Total	**3,541,721,335.72**	2,842,065,117.62

Other descriptions:

3. Derivative financial assets

Unit: RMB

Item	Closing balance	Opening balance
Hedging instruments	**66,535,220.81**	102,963,566.17
Total	**66,535,220.81**	102,963,566.17

Other descriptions:

4. Notes receivable

(1) Categorized presentation of notes receivable

Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bill	**1,447,720,548.88**	251,542,032.26
Commercial acceptance bill	**40,361,525.82**	270,344,875.80
Total	**1,488,082,074.70**	521,886,908.06

(2) Classification and disclosure of bad debt provision methods

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision			Book balance		Bad-debt provision		
	Amount	Proportion	Amount	Provision proportion	Book value	Amount	Proportion	Amount	Provision proportion	Book value
Including:										
Notes receivable for which bad-debt provision is made by group	1,488,102,318.90	100.00%	20,244.20		1,488,082,074.70	522,022,080.50	100.00%	135,172.44	0.03%	521,886,908.06
Including:										
Bank acceptance bill	1,447,720,548.88	97.29%			1,447,720,548.88	251,542,032.26	48.19%			251,542,032.26
Commercial acceptance bill	40,381,770.02	2.71%	20,244.20	0.05%	40,361,525.82	270,480,048.24	51.81%	135,172.44	0.05%	270,344,875.80
Total	1,488,102,318.90	100.00%	20,244.20	0.001%	1,488,082,074.70	522,022,080.50	100.00%	135,172.44	0.03%	521,886,908.06

Name of category for which bad-debt provision is made by group: Credit risk profile group

Unit: RMB

Name	Book balance	Closing balance Bad-debt provision	Provision proportion
Bank acceptance bill	1,447,720,548.88	0.00	0.00%
Commercial acceptance bill	40,381,770.02	20,244.20	0.05%
Total	1,488,102,318.90	20,244.20	

Explanation of the basis for determining this group:

If the bad-debt provision for notes receivable is made under the general expected credit loss model:

☐Applicable ☑Not applicable

(3) Bad-debt provision made, recovered or reversed in the current period

Bad-debt provision in the current period:

Unit: RMB

Category	Opening balance	Change in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Bills	135,172.44	193,223.05	308,151.29			**20,244.20**
Total	135,172.44	193,223.05	308,151.29			**20,244.20**

Including significant amounts recovered or reversed from the current provision for bad debts:

☐Applicable ☑Not applicable

(4) Notes receivable that have been pledged by the Company at the end of the period

Unit: RMB

Item	Amount pledged at the end of the period
Bank acceptance bill	**0.00**
Total	**0.00**

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

Unit: RMB

Item	Derecognized amount at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bill		**1,013,290,210.26**
Total		**1,013,290,210.26**

(6) Notes receivable actually written off during the current period

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant notes receivable:

Unit: RMB

Entity name	Nature of notes receivable	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Explanation of the write-off of notes receivable:

5. Trade receivables

(1) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	**47,926,579,505.74**	48,600,490,110.04
Not overdue	**46,438,620,675.90**	47,051,897,722.69
1 to 60 days overdue	**1,053,480,981.94**	1,392,046,090.88
61 to 120 days overdue	**119,140,829.89**	82,605,573.00
121 to 180 days overdue	**40,805,710.31**	24,599,438.55
181 to 365 days overdue	**274,531,307.70**	49,341,284.92
1 to 2 years	**68,593,227.13**	74,414,827.82
2 to 3 years	**69,120,721.04**	62,508,073.27
More than 3 years	**32,588,382.53**	42,351,651.91
3 to 4 years		8,200,224.59
4 to 5 years		528,173.55
More than 5 years	**32,588,382.53**	33,623,253.77
Total	**48,096,881,836.44**	48,779,764,663.04

(2) Classification and disclosure of bad debt provision methods

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision			Book balance		Bad-debt provision		
	Amount	Proportion	Amount	Provision proportion	Book value	Amount	Proportion	Amount	Provision proportion	Book value
Trade receivables for which bad-debt provision is made individually	**231,033,437.52**	**0.48%**	**181,681,270.17**	**78.64%**	**49,352,167.35**	140,690,856.16	0.29%	139,109,368.39	98.88%	1,581,487.77
Including:										
Provision on an individual basis	**231,033,437.52**	**0.48%**	**181,681,270.17**	**78.64%**	**49,352,167.35**	140,690,856.16	0.29%	139,109,368.39	98.88%	1,581,487.77
Trade receivables for which bad-debt provision is made by group	**47,865,848,398.92**	**99.52%**	**248,905,961.77**	**0.52%**	**47,616,942,437.15**	48,639,073,806.88	99.71%	201,859,180.53	0.42%	48,437,214,626.35
Including:										
Group by aging	**47,865,848,398.92**	**99.52%**	**248,905,961.77**	**0.52%**	**47,616,942,437.15**	48,639,073,806.88	99.71%	201,859,180.53	0.42%	48,437,214,626.35
Total	**48,096,881,836.44**	**100.00%**	**430,587,231.94**	**0.90%**	**47,666,294,604.50**	48,779,764,663.04	100.00%	340,968,548.92	0.70%	48,438,796,114.12

Name of category for which bad-debt provision is made individually: Provision on an individual basis

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Bad-debt provision	Book balance	Bad-debt provision	Provision proportion	Reason for provision
Entity 1	**34,597,901.80**	**34,597,901.80**	32,469,530.44	32,469,530.44	100.00%	Not expected to be recovered
Entity 2	**19,836,495.21**	**19,836,495.21**	19,221,543.53	19,221,543.53	100.00%	Not expected to be recovered
Entity 3	**8,893,124.89**	**8,893,124.89**	8,617,428.91	8,617,428.91	100.00%	Not expected to be recovered
Entity 4	**6,477,170.83**	**6,477,170.83**	6,477,170.83	6,477,170.83	100.00%	Not expected to be recovered
Entity 5	**5,161,676.71**	**3,580,188.94**	4,868,102.63	3,165,379.55	65.02%	Not expected to be recovered
Entity 6	**2,900,000.00**	**2,900,000.00**	2,900,000.00	2,900,000.00	100.00%	Not expected to be recovered
Entity 7	**1,313,481.21**	**1,313,481.21**	1,451,170.94	1,451,170.94	100.00%	Not expected to be recovered
Entity 8	**877,630.24**	**877,630.24**	850,422.80	850,422.80	100.00%	Not expected to be recovered
Entity 9	**377,362.43**	**377,362.43**	365,663.80	365,663.80	100.00%	Not expected to be recovered
Entity 10	**33,381,850.74**	**33,381,850.74**	32,346,979.17	32,346,979.17	100.00%	Not expected to be recovered
Entity 11	**26,632,758.74**	**26,632,758.74**	25,118,001.39	25,118,001.39	100.00%	Not expected to be recovered
Entity 12	**241,403.36**	**241,403.36**	241,403.36	241,403.36	100.00%	Not expected to be recovered
Entity 13			807,131.17	807,131.17	100.00%	Not expected to be recovered
Entity 14			95,298,888.55	47,649,444.28	50.00%	Not expected to be recovered
Total	**140,690,856.16**	**139,109,368.39**	231,033,437.52	181,681,270.17		

Name of category for which bad-debt provision is made by group: group by aging

Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Provision proportion
Not overdue	**46,438,620,675.90**	**23,246,267.07**	**0.05%**
1 to 60 days overdue	**1,053,480,981.94**	**52,674,049.10**	**5.00%**
61 to 120 days overdue	**119,140,829.89**	**35,742,248.97**	**30.00%**
121 to 180 days overdue	**40,805,710.31**	**16,322,284.12**	**40.00%**
181 to 365 days overdue	**179,232,419.15**	**89,616,209.58**	**50.00%**
1 to 2 years (excluding 1 year) overdue	**32,628,789.97**	**29,365,911.17**	**90.00%**
Over 2 years overdue	**1,938,991.76**	**1,938,991.76**	**100.00%**
Total	**47,865,848,398.92**	**248,905,961.77**	

Explanation of the basis for determining this group:

If the bad-debt provision for trade receivable is made under the general expected credit loss model:

☐Applicable ☑Not applicable

(3) Bad-debt provision made, recovered or reversed in the current period

Bad-debt provision in the current period:

Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Trade receivables	340,968,548.92	141,064,237.63	36,970,440.24		14,475,114.37	**430,587,231.94**
Total	340,968,548.92	141,064,237.63	36,970,440.24		14,475,114.37	**430,587,231.94**

Including significant amounts recovered or reversed from the current provision for bad debts:

Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the provision ratio for the original bad debt reserve and its reasonableness

(4) Trade receivables actually written off during the period

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant trade receivable:

Unit: RMB

Entity name	Nature of trade receivables	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Descriptions on the write-offs of significant trade receivables:

(5) Trade receivables and contract assets of top five debtors by closing balance

Unit: RMB

Entity name	Closing balance of trade receivable	Closing balance of contract assets	Closing balance of trade receivable and contractual assets	Proportion of the total closing balance of trade receivable and contract assets	Closing balance of provision for bad debts of trade receivable and impairment provision for contract assets
Entity 1	**5,947,584,505.71**		**5,947,584,505.71**	**12.07%**	**2,973,792.25**
Entity 2	**2,926,493,244.25**		**2,926,493,244.25**	**5.94%**	**1,463,246.62**
Entity 3	**1,770,712,352.49**		**1,770,712,352.49**	**3.59%**	**885,356.18**
Entity 4	**1,554,304,120.83**		**1,554,304,120.83**	**3.15%**	**777,152.06**
Entity 5	**1,476,765,893.59**		**1,476,765,893.59**	**3.00%**	**738,382.95**
Total	**13,675,860,116.87**		**13,675,860,116.87**	**27.75%**	**6,837,930.06**

6. Contract assets

(1) Contract assets

Unit: RMB

Item	Closing balance Book balance	Closing balance Bad-debt provision	Closing balance Book value	Opening balance Book balance	Opening balance Bad-debt provision	Opening balance Book value
Not overdue	**1,191,450,735.70**	**31,244,674.89**	**1,160,206,060.81**	1,171,460,094.58	33,128,905.26	1,138,331,189.32
Total	**1,191,450,735.70**	**31,244,674.89**	**1,160,206,060.81**	1,171,460,094.58	33,128,905.26	1,138,331,189.32

(2) Amount and reasons for any significant changes in book value during the Reporting Period

Unit: RMB

Item	Amount of change	Reason for change

(3) Classification and disclosure by bad debt provision method

Unit: RMB

Category	Closing balance Book balance Amount	Closing balance Book balance Proportion	Closing balance Bad-debt provision Amount	Closing balance Bad-debt provision Provision proportion	Closing balance Book value	Opening balance Book balance Amount	Opening balance Book balance Proportion	Opening balance Bad-debt provision Amount	Opening balance Bad-debt provision Provision proportion	Opening balance Book value
Provision for bad debts by individual item	**30,707,526.01**	**2.58%**	**30,707,526.01**	**100.00%**		32,559,363.27	2.78%	32,559,363.27	100.00%	
Among which,										
Provision on an individual basis	**30,707,526.01**	**2.58%**	**30,707,526.01**	**100.00%**		32,559,363.27	2.78%	32,559,363.27	100.00%	
Provision for bad debts by group	**1,160,743,209.69**	**97.42%**	**537,148.88**	**0.05%**	**1,160,206,060.81**	1,138,900,731.31	97.22%	569,541.99	0.05%	1,138,331,189.32
Among which,										
Group by aging	**1,160,743,209.69**	**97.42%**	**537,148.88**	**0.05%**	**1,160,206,060.81**	1,138,900,731.31	97.22%	569,541.99	0.05%	1,138,331,189.32
Total	**1,191,450,735.70**	**100.00%**	**31,244,674.89**	**2.62%**	**1,160,206,060.81**	1,171,460,094.58	100.00%	33,128,905.26	2.83%	1,138,331,189.32

Name of category for which bad-debt provision is made by group: group by aging

Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Provision proportion
Not overdue	**1,160,743,209.69**	**537,148.88**	**0.05%**
Total	**1,160,743,209.69**	**537,148.88**	

Explanation of the basis for determining this group:

Provision for bad debts made under the general expected credit loss model:

☐Applicable ☑Not applicable

(4) Bad-debt provision made, recovered or reversed in the current period

Unit: RMB

Item	Current provision	Current recovery or reversal	Current transfers/ write-offs	Reason
Group by aging		1,884,230.37		The recovery or reversal in the current period is due to other exchange rate differences.
Total		1,884,230.37		

Including significant amounts recovered or reversed from the current provision for bad debts:

Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the provision ratio for the original bad debt reserve and its reasonableness

Other descriptions:

(5) Contract assets actually written off during the period

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant contract assets:

Unit: RMB

Entity name	Nature of funds	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Descriptions of write-offs of contract assets:

Other descriptions:

7. Trade receivables financing

(1) Trade receivables financing by category

Unit: RMB

Item	Closing balance	Opening balance
Notes receivable	**1,853,162,842.54**	1,263,239,984.56
Total	**1,853,162,842.54**	1,263,239,984.56

(2) Endorsed or discounted trade receivable financing not yet due on the balance sheet date at the end of the period

Unit: RMB

Item	Derecognized amount at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bill	**3,290,299,732.56**	
Total	**3,290,299,732.56**	

8. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Dividends receivable	**0.00**	148,345,542.83
Other receivables	**1,254,518,271.14**	1,760,963,337.90
Total	**1,254,518,271.14**	1,909,308,880.73

(1) Dividends receivable

1) Classification of dividends receivable

Unit: RMB

Item (or investee)	Closing balance	Opening balance
Associate 1	**0.00**	148,345,542.83
Total	**0.00**	148,345,542.83

(2) Other receivables

1) *Classification of other receivables by nature of funds*

Unit: RMB

Nature of funds	Closing balance	Opening balance
Petty cash	**8,746,107.56**	4,471,916.37
Deposits, guarantees	**1,102,477,363.14**	1,437,583,433.30
Receivable export tax refund	**126,699,004.21**	139,800,046.91
Advances	**27,021,233.49**	167,483,213.86
Other	**2,244,189.99**	33,040,875.55
Total	**1,267,187,898.39**	1,782,379,485.99

2) *Disclosures by aging*

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	**1,263,637,719.00**	1,771,605,277.88
Not overdue	**1,229,996,472.76**	1,744,456,460.91
1 to 60 days overdue	**17,454,833.94**	7,942,243.89
61 to 120 days overdue	**1,546,900.61**	12,954,193.42
121 to 180 days overdue	**8,899,990.38**	6,005,711.45
181 to 365 days overdue	**5,739,521.31**	246,668.21
1 to 2 years	**467,950.13**	7,676,418.16
2 to 3 years	**2,584,280.09**	2,630,340.95
More than 3 years	**497,949.17**	467,449.00
More than 5 years	**497,949.17**	467,449.00
Total	**1,267,187,898.39**	1,782,379,485.99

3) Classification and disclosure by bad debt provision method

☑Applicable ☐Not applicable

Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision			Book balance		Bad-debt provision		
	Amount	Proportion	Amount	Provision proportion	Book value	Amount	Proportion	Amount	Provision proportion	Book value
Provision for Bad Debts by										
Individual Item	1,358,829.52	0.11%	1,358,829.52	100.00%		8,623,786.37	0.48%	8,623,786.37	100.00%	
Among which,										
Provision on an individual basis	1,358,829.52	0.11%	1,358,829.52	100.00%		8,623,786.37	0.48%	8,623,786.37	100.00%	
Provision for bad debts by group	1,265,829,068.87	99.89%	11,310,797.73	0.89%	1,254,518,271.14	1,773,755,699.62	99.52%	12,792,361.72	0.72%	1,760,963,337.90
Among which,										
Group by aging	1,265,829,068.87	99.89%	11,310,797.73	0.89%	1,254,518,271.14	1,773,755,699.62	99.52%	12,792,361.72	0.72%	1,760,963,337.90
Total										
合計	1,267,187,898.39	100.00%	12,669,627.25	1.00%	1,254,518,271.14	1,782,379,485.99	100.00%	21,416,148.09	1.20%	1,760,963,337.90

Name of category for which bad-debt provision is made individually: Provision on an individual basis

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Bad-debt provision	Book balance	Bad-debt provision	Provision proportion	Reason for provision
Provision on an individual basis	8,623,786.37	8,623,786.37	1,358,829.52	1,358,829.52	100.00%	Not expected to be recovered
Total	8,623,786.37	8,623,786.37	1,358,829.52	1,358,829.52		

Name of category for which bad-debt provision is made by group: group by aging

Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Provision proportion
Not overdue	**1,229,125,946.01**	**6,191,561.74**	**0.50%**
1 to 60 days overdue	**17,454,833.94**	**174,548.34**	**1.00%**
61 to 120 days overdue	**1,546,900.61**	**77,345.03**	**5.00%**
121 to 180 days overdue	**8,899,990.38**	**889,999.03**	**10.00%**
181 to 365 days overdue	**5,737,598.80**	**1,147,519.49**	**20.00%**
1 to 2 years (excluding 1 year) overdue	**467,950.13**	**233,975.10**	**50.00%**
Over 2 years overdue	**2,595,849.00**	**2,595,849.00**	**100.00%**
Total	**1,265,829,068.87**	**11,310,797.73**	

Explanation of the basis for determining this group:

Provision for bad debts made under the general expected credit loss model:

Unit: RMB

Bad-debt provision	Phase I Expected Credit Loss for the Next 12 Months	Phase II Lifetime Expected Credit Loss (No Credit Impairment Incurred)	Phase III Lifetime Expected Credit Loss (Credit Impairment Incurred)	Total
Balance as of January 1, 2026	21,416,148.09			21,416,148.09
Balance as of January 1, 2026 in current period				
Current provision	443,942.05			443,942.05
Current reversal	9,541,491.86			9,541,491.86
Other changes	-351,028.97			-351,028.97
Balance as of June 30, 2026	12,669,627.25			12,669,627.25

Criteria for stage classification and the provision ratios for bad debt reserves

Significant changes in the book balance of loss provisions for the current period

☐Applicable ☑Not applicable

4) Provision, recovery, or reversal of bad debt provision for the current period

Bad-debt provision in the current period:

Unit: RMB

Category	Amount of change in the current period	Opening balance				
		Provision	Recovery or reversal	Transfer or write-off	Other	Closing balance
Other receivables	21,416,148.09	443,942.05	9,541,491.86		-351,028.97	12,669,627.25
Total	21,416,148.09	443,942.05	9,541,491.86		-351,028.97	12,669,627.25

Bad debt provision reversals or recoveries with significant amounts for the current period:

Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the provision ratio for the original bad debt reserve and its reasonableness

5) Other receivables actually written off during the period

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant other receivables:

Unit: RMB

Entity name	Nature of other receivables	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Descriptions on the write-offs of other receivables:

6) Other receivables of top five debtors by closing balance

Unit: RMB

Entity name	Nature of funds	Closing balance	Aging	Proportion of the total closing balance of other receivables	Closing balance of bad debt provision
Entity 1	Deposits, Security deposit	**705,989,239.22**	Not overdue	**55.71%**	**3,529,946.20**
Entity 2	Deposits, Security deposit	**149,809,342.43**	Not overdue	**11.82%**	**749,046.71**
Entity 3	Receivable Export Tax Refund	**126,699,004.21**	Not overdue	**10.00%**	**633,495.02**
Entity 4	Deposits, Security deposit	**45,965,754.18**	Not overdue	**3.63%**	**229,828.77**
Entity 5	Deposits, Security deposit	**11,310,598.59**	Not overdue	**0.89%**	**56,552.99**
Total		**1,039,773,938.63**		**82.05%**	**5,198,869.69**

9. Prepayments

(1) Presentation of prepayments by aging

Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	**3,329,904,041.65**	**99.37%**	1,431,697,971.94	99.37%
1 to 2 years	**20,173,375.07**	**0.60%**	5,721,137.64	0.40%
2 to 3 years	**74,388.00**	**0.00%**	2,292,665.67	0.16%
More than 3 years	**1,030,208.44**	**0.03%**	979,008.44	0.07%
Total	**3,351,182,013.16**		1,440,690,783.69	

Reasons for untimely settlement of prepayments in significant amount with aging over 1 year:

(2) Prepayments of top 5 payees by closing balance

Payee	Closing balance	Proportion in total closing balance of prepayments (%)
Entity 1	**596,798,684.65**	**17.81**
Entity 2	**502,618,257.68**	**15.00**
Entity 3	**476,290,018.41**	**14.21**
Entity 4	**315,168,839.68**	**9.40**
Entity 5	**78,510,544.17**	**2.34**
Total	**1,969,386,344.59**	**58.76**

Other descriptions:

10. Inventories

Whether the Company needs to comply with the disclosure requirements for the real estate industry
No.

(1) Classification of inventories

Unit: RMB

Item	Closing balance Book balance	Closing balance Provision for decline in value of inventories or provision for impairment of contract performance cost	Closing balance Book value	Opening balance Book balance	Opening balance Provision for decline in value of inventories or provision for impairment of contract performance cost	Opening balance Book value
Raw material	**19,883,520,492.20**	**661,806,587.23**	**19,221,713,904.97**	14,383,340,839.39	644,898,180.16	13,738,442,659.23
Products in process	**9,409,101,087.74**	**251,284,655.61**	**9,157,816,432.13**	8,893,923,426.68	269,521,418.74	8,624,402,007.94
Goods on hand	**20,986,655,935.11**	**1,026,866,928.12**	**19,959,789,006.99**	18,874,366,883.28	987,414,582.54	17,886,952,300.74
Revolving materials	**966,636,027.98**		**966,636,027.98**	1,266,213,405.57		1,266,213,405.57
Contract performance cost	**454,910,333.29**	**27,414,936.09**	**427,495,397.20**	335,486,998.84	12,935,839.58	322,551,159.26
Goods sold	**328,339,908.20**	**656,493.77**	**327,683,414.43**	288,217,359.66	472,839.56	287,744,520.10
Materials in transit	**238,601,676.73**		**238,601,676.73**	165,154,952.51		165,154,952.51
Consigned processing materials	**67,576,134.10**		**67,576,134.10**	41,321,444.12		41,321,444.12
Total	**52,335,341,595.35**	**1,968,029,600.82**	**50,367,311,994.53**	44,248,025,310.05	1,915,242,860.58	42,332,782,449.47

(2) *Provision for decline in value of inventories and provision for impairment of contract performance cost*

Unit: RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision	Other	Reversal or write-off	Other	
Raw material	644,898,180.16	129,846,363.96		73,291,914.89	39,646,042.00	**661,806,587.23**
Products in process	269,521,418.74	72,787,737.40		84,545,311.34	6,479,189.19	**251,284,655.61**
Goods on hand	987,414,582.54	355,617,157.09		294,309,433.45	21,855,378.06	**1,026,866,928.12**
Contract performance cost	12,935,839.58	15,118,258.65			639,162.14	**27,414,936.09**
Goods sold	472,839.56	207,627.00		23,972.79		**656,493.77**
Total	1,915,242,860.58	573,577,144.10		452,170,632.47	68,619,771.39	**1,968,029,600.82**

Provision for inventory impairment by group

Unit: RMB

Group name	End of period			Beginning of period		
	Closing balance	Provision for inventory impairment	Proportion of provision for inventory impairment	Opening balance	Provision for inventory impairment	Proportion of provision for inventory impairment

Criteria for calculating the provision for inventory impairment by group

11. Non-current assets due within one year

Unit: RMB

Item	Closing balance	Opening balance
Debt investments due within one year	**0.00**	0.00
Other debt investments due within one year	**0.00**	0.00
Time deposits due within one year	**9,767,361,357.05**	9,638,642,106.65
Total	**9,767,361,357.05**	9,638,642,106.65

(1) Debt investments due within one year

☐Applicable ☑Not applicable

(2) Other debt investments due within one year

☐Applicable ☑Not applicable

12. Other current assets

Unit: RMB

Item	Closing balance	Opening balance
Contract acquisition costs		3,100,989.90
Cost of returns receivable	**962,913.32**	601,318.98
Input tax to be deducted	**3,184,480,535.72**	3,547,136,435.55
Income tax prepaid	**190,062,069.13**	234,948,596.28
Prepaid customs duties and other taxes		2,490,609.72
Large-denomination certificates of deposit	**29,396,360,027.02**	21,429,742,623.34
Listing and issuance expenses	**47,991,669.67**	11,072,711.81
Nomination fee	**109,071,090.82**	
Total	**32,928,928,305.68**	25,229,093,285.58

Other descriptions:

13. Investments in other equity instruments

Unit: RMB

Item	Opening balance	Gains recognized as other comprehensive income in the current period	Loss recognized in other comprehensive income in the current period	Gains accrued to other comprehensive income at the end of the current period	Loss accrued to other comprehensive income at the end of the period	Dividend income recognized for the period	Closing balance	Reason for designating as instruments at fair value through other comprehensive income
Beijing Xloong Technologies Co., Ltd.	7,748,083.24				2,251,916.76		**7,748,083.24**	Not for short-term trading purposes
Beijing Wi-parking Co., Ltd.	9,408,404.79				591,595.21		**9,408,404.79**	Not for short-term trading purposes
Jingtuo Liyin Technology (Beijing) Co., Ltd.	4,600,187.12			1,600,187.12			**4,600,187.12**	Not for short-term trading purposes
Shenzhen SDMCTechnology Co., Ltd.	23,680,000.00	255,771,590.78		229,451,590.78			**329,323,126.94**	Not for short-term trading purposes
EngineAI Robotics Technology Co., Ltd.	0.00						**200,000,000.00**	Not for short-term trading purposes
Asia-Pacific Emerging Industries Venture Capital Co., Ltd.	415,079.33	15,486.38			301,240.09		**430,565.71**	Not for short-term trading purposes
Shenzhen Shifang Sports Technology Co., Ltd.	24,040,066.47				959,933.53		**24,040,066.47**	Not for short-term trading purposes
Arashi Vision Inc.	108,928,297.80		44,633,242.50	42,374,916.36			**64,295,055.30**	Not for short-term trading purposes
Beijing Yunji Technology Co., Ltd.	20,330,127.34	33,658,587.04		35,993,644.33			**53,988,714.38**	Not for short-term trading purposes
Anhui Zhuodun Security Technology Co., Ltd.	20,000,000.00						**20,000,000.00**	Not for short-term trading purposes
Uzkoje Co., Ltd.	311,389.11	493,235.99					**0.00**	Not for short-term trading purposes
Nreal Ltd.							**68,109,000.00**	Not for short-term trading purposes
Total	219,461,635.20	289,938,900.19	44,633,242.50	309,420,338.59	4,104,685.59	0.00	**781,943,203.95**	

There are derecognitions in the current period

Unit: RMB

Item	Cumulative gains transferred to retained earnings	Cumulative losses transferred to retained earnings	Reasons for derecognition
Uzkoje Co., Ltd.	468,492.64		Disposal of equity interests

Disclosure of non-trading equity instrument investments for the current period

Unit: RMB

Project name	Recognized dividend income	Cumulative gain	Cumulative loss	Amount transferred from other comprehensive income to retained earnings	Reason for designating as instruments at fair value through other comprehensive income	Reasons for transferring from other comprehensive income to retained earnings

Other descriptions:

14. Long-term equity investments

Unit: RMB

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Investment profit or loss recognized under equity method	Others comprehensive income adjustment	Others changes in equity	Declared cash dividends or profits	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
I. Joint ventures												
Subtotal of joint ventures	134,027,582.68				3,639,195.90	-5,335,571.59					**132,331,206.99**	
Subtotal	134,027,582.68				3,639,195.90	-5,335,571.59					**132,331,206.99**	
II. Associates												
Subtotal of associates	11,875,669,084.17	70,783,390.56	129,030,000.00		2,743,446,051.36	15,543,987.99	130,116.12				**14,763,819,239.64**	70,783,390.56
Subtotal	11,875,669,084.17	70,783,390.56	129,030,000.00		2,743,446,051.36	15,543,987.99	130,116.12				**14,763,819,239.64**	70,783,390.56
Total	12,009,696,666.85	70,783,390.56	129,030,000.00		2,747,085,247.26	10,208,416.40	130,116.12				**14,896,150,446.63**	70,783,390.56

Determining the recoverable amount by subtracting the disposal costs from the fair value

☐Applicable ☑Not applicable

Determining the recoverable amount by the present value of expected future cash flows

☐Applicable ☑Not applicable

Reasons for the significant differences between the above information and the information used in impairment tests in previous years or external information

Reasons for significant differences between the information used in impairment tests in previous years and the actual situation in the current year

Other descriptions:

15. Other non-current financial assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss (equity investments)	**69,091,714.90**	37,637,104.39
Total	**69,091,714.90**	37,637,104.39

Other descriptions:

16. Investment properties

(1) Investment properties measured at cost

☑Applicable ☐Not applicable

Unit: RMB

Item	Buildings	Land use right	Construction in progress	Total
I. Original carrying amount				
1. Opening balance	85,306,308.79	29,686,981.49		114,993,290.28
2. Increase in the current period				
(1) Purchase				
(2) Transfer from inventories\fixed assets\construction in progress				
(3) Increase in business combination				
(4) Other increases				
3. Decrease in the current period	3,348,833.03	1,671,855.50		5,020,688.53
(1) Disposal				
(2) Other transfer out				
(3) Other decreases	3,348,833.03	1,671,855.50		5,020,688.53
4. Closing balance	81,957,475.76	28,015,125.99		109,972,601.75

Item	Buildings	Land use right	Construction in progress	Total
II. Accumulated depreciation and amortization				
1. Opening balance	16,341,909.15	163,810.99		16,505,720.14
2. Increase in the current period	2,006,716.02			2,006,716.02
(1) Provision or amortization	2,006,716.02			2,006,716.02
(3) Other increases				
3. Decrease in the current period	1,688,527.67	6,275.32		1,694,802.99
(1) Disposal				
(2) Other transfer out				
(3) Other decreases	1,688,527.67	6,275.32		1,694,802.99
4. Closing balance	16,660,097.50	157,535.67		16,817,633.17
III. Provision for impairment				
1. Opening balance				
2. Increase in the current period				
(1) Provision				
(3) Other increases				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer out				
(3) Other decreases				
4. Closing balance				
IV. Book value				
1. Closing book value	65,297,378.26	27,857,590.32		93,154,968.58
2. Opening book value	68,964,399.64	29,523,170.50		98,487,570.14

Determining the recoverable amount by subtracting the disposal costs from the fair value

☐Applicable ☑Not applicable

Determining the recoverable amount by the present value of expected future cash flows

☐Applicable ☑Not applicable

Reasons for the significant differences between the above information and the information used in impairment tests in previous years or external information

Reasons for significant differences between the information used in impairment tests in previous years and the actual situation in the current year

Other descriptions:

(2) Investment properties measured using the fair value model

☐Applicable ☑Not applicable

17. Fixed assets

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	**64,566,699,326.98**	65,901,073,710.76
Total	**64,566,699,326.98**	65,901,073,710.76

(1) Fixed assets

Unit: RMB

Item	Buildings and structures	Office equipment	Machinery equipment	Computer equipment	Auxiliary production equipment	Transportation equipment	Other equipment	Mould equipment	Total
I. Original carrying amount									
1. Opening balance	29,291,781,332.80	3,600,972,914.03	68,253,627,275.84	649,011,284.29	4,692,257,016.66	184,357,019.74	16,561,190,670.71	8,794,061,748.97	132,027,259,263.04
2. Increase in the current period	228,445,378.77	182,231,878.69	3,460,457,755.78	54,026,697.67	440,291,452.77	24,954,591.34	1,370,342,250.00	476,721,128.35	6,237,471,133.37
(1) Purchase	209,834,629.28	182,231,878.69	3,041,513,354.26	45,800,887.36	433,137,509.25	24,477,671.31	1,044,448,975.29	340,824,053.73	5,322,268,959.17
(2) Transfer from construction in progress	18,610,749.49		418,944,401.52	8,225,810.31	7,153,943.52	476,920.03	325,893,274.71	135,897,074.62	915,202,174.20
(3) Increase in business combination									
3. Decrease in the current period	396,357,964.83	181,000,704.88	1,620,691,950.65	37,099,809.42	126,779,013.62	8,781,978.84	218,399,207.45	149,984,306.77	2,739,094,936.46
(1) Disposal or scrapping	4,984,356.89	64,055,832.58	701,739,916.19	27,618,840.33	28,013,375.14	3,570,687.04	106,892,998.94	77,346,666.56	1,014,222,673.67
(2) Others	391,373,607.94	116,944,872.30	918,952,034.46	9,480,969.09	98,765,638.48	5,211,291.80	111,506,208.51	72,637,640.21	1,724,872,262.79
4. Closing balance	29,123,868,746.74	3,602,204,087.84	70,093,393,080.97	665,938,172.54	5,005,769,455.81	200,529,632.24	17,713,133,713.26	9,120,798,570.55	135,525,635,459.95
II. Accumulated depreciation									
1. Opening balance	6,878,607,052.83	2,521,670,870.63	34,945,259,631.91	429,603,369.19	2,608,495,415.49	87,599,173.07	10,164,577,174.54	5,814,539,065.62	63,450,351,753.28
2. Increase in the current period	639,991,825.48	184,596,900.28	3,426,760,075.57	35,179,885.51	300,158,819.98	13,265,206.38	1,388,914,494.54	567,632,143.29	6,556,499,351.03
(1) Provision	639,991,825.48	184,596,900.28	3,426,760,075.57	35,179,885.51	300,158,819.98	13,265,206.38	1,388,914,494.54	567,632,143.29	6,556,499,351.03
3. Decrease in the current period	104,318,159.35	154,945,228.92	1,027,532,657.30	30,692,172.49	94,807,986.26	4,584,004.68	171,257,623.92	106,663,019.54	1,694,800,852.46
(1) Disposal or scrapping	2,266,963.67	58,212,568.34	504,895,267.63	27,937,404.24	15,305,494.83	3,908,363.64	79,193,868.90	67,212,245.01	758,932,176.26
(2) Others	102,051,195.68	96,732,660.58	522,637,389.67	2,754,768.25	79,502,491.43	675,641.04	92,063,755.02	39,450,774.53	935,868,676.20
4. Closing balance	7,414,280,718.96	2,551,322,541.99	37,344,487,050.18	434,091,082.21	2,813,846,249.21	96,280,374.77	11,382,234,045.16	6,275,508,189.37	68,312,050,251.85

Item	Buildings and structures	Office equipment	Machinery equipment	Computer equipment	Auxiliary production equipment	Transportation equipment	Other equipment	Mould equipment	Total
III. Provision for impairment									
1. Opening balance	1,278,360,522.87	5,650,743.79	1,211,273,503.19	10,199,530.12	21,795,448.49	1,180,048.71	119,038,910.01	28,335,091.82	2,675,833,799.00
2. Increase in the current period			8,193,910.98		297,660.97		372,705.70	12,931,690.75	21,795,968.40
(1) Provision			8,193,910.98		297,660.97		372,705.70	12,931,690.75	21,795,968.40
3. Decrease in the current period	5,198,502.27	332,749.91	34,865,695.89	1,140,850.44	1,889,826.50	4,427.43	3,896,760.22	3,415,073.62	50,743,886.28
(1) Disposal or scrapping		295,947.56	33,069,977.37	1,139,978.78	1,886,095.03	4,427.43	3,881,702.91	3,274,668.65	43,552,797.73
(2) Others	5,198,502.27	36,802.35	1,795,718.52	871.66	3,731.47		15,057.31	140,404.97	7,191,088.55
4. Closing balance	1,273,162,020.60	5,317,993.88	1,184,601,718.28	9,058,679.68	20,203,282.96	1,175,621.28	115,514,855.49	37,851,708.95	2,646,885,881.12
IV. Book value									
1. Closing book value	20,436,426,007.18	1,045,563,551.97	31,564,304,312.51	222,788,410.65	2,171,719,923.64	103,073,636.19	6,215,384,812.61	2,807,438,672.23	64,566,699,326.98
2. Opening book value	21,134,813,757.10	1,073,651,299.61	32,097,094,140.74	209,208,384.98	2,061,966,152.68	95,577,797.96	6,277,574,586.16	2,951,187,591.53	65,901,073,710.76

(2) Fixed assets without title certificate

Unit: RMB

Item	Book value	Reasons for not obtaining the title certificate
Plant, office and dormitory buildings of Fujian JK	4,987,295.35	Note 1
Changshu Luxshare Factory and Auxiliary Building Project	2,321,399,958.69	The certificate is undergoing the formalities
Suzhou Meite Cadre Training Center	472,944.60	The certificate is undergoing the formalities
Plants A and B of Luxshare Dongguan	22,578,649.72	The certificate is undergoing the formalities
Plant and dormitory of Electronic Technology	90,802,273.75	The certificate is undergoing the formalities
Wastewater treatment plant of Jiangxi Smart Manufacturing	1,058,546.42	The certificate is undergoing the formalities
Office Building and Apartment of Xi'an Luxshare Information	105,412,909.60	The certificate is undergoing the formalities
Jiangxi Energy Factory #1	57,604,404.74	The certificate is undergoing the formalities
New plant of LuxcaseICT Yancheng	63,919,977.09	The certificate is undergoing the formalities
Huarong Communications Technology Park	5,725,296.13	The certificate is undergoing the formalities
Factory Building of Qingxi Xinhao Optoelectronics Technology Industrial Project	351,335,852.32	The certificate is undergoing the formalities
Luxcase Precision Technology (Vietnam) Co., Ltd.	853,733,886.61	The certificate is undergoing the formalities

Other descriptions:

Note 1: The land occupied by the staff dormitory is in nature an allotted land, the use right of which was acquired by the Company by means of transfer through agreement in line with relevant regulations at that time. The property title formed based on the allotted land use right is not allowed to be transferred unless the allocated land use right is converted to paid land use right. However, the existing land use right cannot be transferred by agreement, as a result of which the property title to the staff dormitory building has not been transferred to Fujian JK.

18. Construction in progress

Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	**5,206,085,858.83**	4,290,260,998.33
Total	**5,206,085,858.83**	4,290,260,998.33

(1) Construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Plant construction	**2,551,216,526.25**		**2,551,216,526.25**	2,490,135,666.96		2,490,135,666.96
Equipment installation project	**2,166,627,418.61**		**2,166,627,418.61**	847,070,694.07		847,070,694.07
Mould improvement	**210,955,453.69**		**210,955,453.69**	644,031,265.88		644,031,265.88
Other	**277,286,460.28**		**277,286,460.28**	309,023,371.42		309,023,371.42
Total	**5,206,085,858.83**		**5,206,085,858.83**	4,290,260,998.33		4,290,260,998.33

(2) Changes in significant constructions in progress for the current period

Unit: RMB

Project name	Budget	Opening balance	Increase in the current period	Amount transferred to fixed assets in the current period	Other decrease in the current period	Closing balance	Proportion of accumulated project investment in budget	Project progress	Amount of accumulated capitalized interest	Including: Amount of current capitalized interest	Current interest capitalization rate	Source of funding
Plant construction of Luxshare Changshu	4,152,734,386.86	198,226,578.00	22,291,714.58	64,621,215.03		155,897,077.55	99.01%	99.01%				Other
Equipment installation project of Luxshare Changshu	1,142,834,251.00	372,994,512.43	275,584,180.52	138,383,864.18	1,646,962.70	508,547,866.07	99.74%	99.74%				Other
Plant project of Luxcase Vietnam	1,239,999,000.00	87,800,964.78	62,335,126.67		3,703,802.36	146,432,289.09	87.43%	87.43%				Other
Yi'an equipment installation project	669,505,019.91	157,588,753.81	22,017,944.91	45,945,059.76	9,016,162.68	124,645,476.28	92.35%	92.35%				Other
Plant construction of Luxshare Yi'an Phase II	1,630,994,012.90	1,198,362,838.01	105,127,606.72	595,476.84	39,244,833.69	1,263,650,134.20	88.05%	88.05%				Other
Plant construction of Luxshare Precision	526,675,528.67	58,264,708.55	150,691,663.82			208,956,372.37	36.68%	36.68%				Other
Total	9,362,742,199.34	2,073,238,355.58	638,048,237.22	249,545,615.81	53,611,761.43	2,408,129,215.56						

(3) Provision for impairment of construction in progress for the current period

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason for provision

Other descriptions:

(4) Impairment test of construction in progress

☐Applicable ☑Not applicable

19. Right-of-use assets

(1) Right-of-use assets

Unit: RMB

Item	Buildings	Office equipment	Machinery equipment	Transportation equipment	Total
I. Original carrying amount					
1. Opening balance	4,639,905,391.74	112,329,326.13	103,757,120.36	19,755,239.72	4,875,747,077.95
2. Increase in the current period	439,394,090.26	21,088,358.06	11,117,501.20	2,804,357.71	474,404,307.23
(1) New leases	440,958,197.84	21,088,358.06	16,442,013.10	2,804,357.71	481,292,926.71
(2) Revaluation adjustment	-1,564,107.58		-5,324,511.90		-6,888,619.48
(3) Other increases					
3. Decrease in the current period	451,043,992.30	25,992,674.02	6,680,321.79	3,596,889.57	487,313,877.68
(1) Disposal	341,711,229.51	20,229,547.25	3,323,745.30	2,279,336.81	367,543,858.87
(2) Other decreases	109,332,762.79	5,763,126.77	3,356,576.49	1,317,552.76	119,770,018.81
4. Closing balance	4,628,255,489.70	107,425,010.17	108,194,299.77	18,962,707.86	4,862,837,507.50
II. Accumulated depreciation					
1. Opening balance	1,988,346,297.70	60,236,027.23	51,927,947.49	13,262,938.14	2,113,773,210.56
2. Increase in the current period	336,385,660.63	16,584,989.65	10,060,436.21	1,445,627.25	364,476,713.74
(1) Provision	336,385,660.63	16,584,989.65	10,060,436.21	1,445,627.25	364,476,713.74
(2) Other increases					
3. Decrease in the current period	357,931,062.79	22,924,845.82	5,005,936.26	3,409,097.49	389,270,942.36
(1) Disposal	296,730,746.26	19,887,034.79	3,086,308.71	2,143,347.84	321,847,437.60
(2) Other decreases	61,200,316.53	3,037,811.03	1,919,627.55	1,265,749.65	67,423,504.76
4. Closing balance	1,966,800,895.53	53,896,171.06	56,982,447.44	11,299,467.90	2,088,978,981.93
III. Provision for impairment					
1. Opening balance					
2. Increase in the current period					
(1) Provision					
(2) Other increases					
3. Decrease in the current period					
(1) Disposal					
(2) Other decreases					
4. Closing balance					
IV. Book value					
1. Closing book value	2,661,454,594.17	53,528,839.11	51,211,852.33	7,663,239.96	2,773,858,525.57
2. Opening book value	2,651,559,094.04	52,093,298.90	51,829,172.87	6,492,301.58	2,761,973,867.39

(2) Impairment test of the right to use assets

☐Applicable ☑Not applicable

Other descriptions:

20. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land use right	Patent right	Non-patent technology	Software	Other	Total
I. Original carrying amount						
1. Opening balance	3,474,810,406.93	2,257,686,861.39	698,180,782.19	1,472,816,931.99	1,062,169,525.85	8,965,664,508.35
2. Increase in the current period	4,221,711.47	59,620,058.08	5,455,830.13	137,362,597.68	505,608.57	207,165,805.93
(1) Purchase	113,327.83	38,857,797.27	5,455,830.13	137,305,897.68	505,608.57	182,238,461.48
(2) Internal R&D		20,323,525.07				20,323,525.07
(3) Increase in business combination						
(4) Other increases	4,108,383.64	438,735.74		56,700.00		4,603,819.38
3. Decrease in the current period	46,393,897.56	74,998,439.86	8,896,195.86	59,089,067.48	54,752,823.63	244,130,424.39
(1) Disposal		38,320,617.50	1,119,583.11	23,935,832.52		63,376,033.13
(2) Other decreases	46,393,897.56	36,677,822.36	7,776,612.75	35,153,234.96	54,752,823.63	180,754,391.26
4. Closing balance	3,432,638,220.84	2,242,308,479.61	694,740,416.46	1,551,090,462.19	1,007,922,310.79	8,928,699,889.89
II. Accumulated amortization						
1. Opening balance	474,436,336.31	1,785,701,064.49	597,377,898.03	1,069,349,179.13	902,363,984.97	4,829,228,462.93
2. Increase in the current period	47,813,490.94	122,178,284.81	31,895,464.62	84,811,505.88	11,636,916.23	298,335,662.48
(1) Provision	47,813,490.94	122,058,629.61	31,895,464.62	84,809,946.63	11,636,916.23	298,214,448.03
(2) Other increases		119,655.20		1,559.25		121,214.45
3. Decrease in the current period	10,282,726.24	59,068,248.19	6,203,695.22	49,217,046.11	52,134,119.68	176,905,835.44
(1) Disposal		24,562,668.56	1,119,583.11	20,083,129.35		45,765,381.02
(2) Other decreases	10,282,726.24	34,505,579.63	5,084,112.11	29,133,916.76	52,134,119.68	131,140,454.42
4. Closing balance	511,967,101.01	1,848,811,101.11	623,069,667.43	1,104,943,638.90	861,866,781.52	4,950,658,289.97

Item	Land use right	Patent right	Non-patent technology	Software	Other	Total
III. Provision for impairment						
1. Opening balance	81,139,418.99	127,445,730.88	13,262,313.90	93,845,585.18		315,693,048.95
2. Increase in the current period						
(1) Provision						
(2) Other increases						
3. Decrease in the current period		4,958,992.43		5,325,653.61		10,284,646.04
(1) Disposal		4,958,992.43		177,964.08		5,136,956.51
(2) Other decreases				5,147,689.53		5,147,689.53
4. Closing balance	81,139,418.99	122,486,738.45	13,262,313.90	88,519,931.57		305,408,402.91
IV. Book value						
1. Closing book value	2,839,531,700.84	271,010,640.05	58,408,435.13	357,626,891.72	146,055,529.27	3,672,633,197.01
2. Opening book value	2,919,234,651.63	344,540,066.02	87,540,570.26	309,622,167.68	159,805,540.88	3,820,742,996.47

The proportion of intangible assets formed through internal R&D in the balance of intangible assets at the end of period

(2) Land use rights for which title certificates have not been obtained

Unit: RMB

Item	Book value	Reasons for not obtaining the title certificate

Other descriptions:

(3) Impairment test of intangible assets

☐Applicable ☑Not applicable

21. Goodwill

(1) Original carrying amount of goodwill

Unit: RMB

Investee name or event forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Formed by business combination	Other	Disposal	Other	
ASAP Technology (Jiangxi) Co., Ltd.	42,325,745.85					**42,325,745.85**
Lanto Electronic Limited	376,682,429.24					**376,682,429.24**
Bozhou Lanto Electronic Limited	9,564,372.61					**9,564,372.61**
M&A of KERTONG	53,174,339.31					**53,174,339.31**
Fujian JK Wiring Systems Co., Ltd.	17,717,209.29					**17,717,209.29**
Huzhou Jiuding Electronic Co., Ltd.	1,730,318.45					**1,730,318.45**
SpeedTech Corp.	26,656,146.69					**26,656,146.69**
Luxshare Electronic Technology (Kunshan) Co., Ltd.	4,582,880.91					**4,582,880.91**
Suk kunststofftechnik GmbH	9,552,894.63					**9,552,894.63**
Merry Electronics (Suzhou) Co., Ltd.	8,570,588.06					**8,570,588.06**
Merry Electronics (Huizhou) Co., Ltd.	6,575,713.14					**6,575,713.14**
M&A of Taiqiao Investment	441,595.93					**441,595.93**
Luxcase Precision Technology (Yancheng) Co., Ltd.	814,784,800.96					**814,784,800.96**
Zhejiang Puxing Electronic Technology Co., Ltd.	804,455.51					**804,455.51**
Taihan Precision Technology Co., Ltd.	9,972,872.88					**9,972,872.88**
TIME Interconnect Technology Limited	175,669,057.02					**175,669,057.02**
Shenzhen Huarong Technology Co., Ltd.	157,013,624.50					**157,013,624.50**
Lisheng Intelligent Technology (Shanghai) Co., Ltd.	139,752,637.63					**139,752,637.63**
Cosmo Corporation Cayman Limited	2,947,391.44					**2,947,391.44**
Qorvo Hong Kong Limited	8,864,483.14					**8,864,483.14**

Investee name or event forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Formed by business combination	Other	Disposal	Other	
Qorvo Singapore Holding Pte. Limited	5,473,877.90					**5,473,877.90**
Luxshare Precision Mexico SA de CV	20,167,674.45					**20,167,674.45**
ExcelloX	170,151.97					**170,151.97**
Jiaxing Yongrui Electronics Technology Co., Ltd.	37,525,193.61					**37,525,193.61**
Shanghai Luxshare Information Assets Group	7,017,279.73					**7,017,279.73**
Wingtech Phase II Domestic Plant Asset Group	210,734,050.36					**210,734,050.36**
Yanze (Jiangsu) Intelligent Manufacturing Co., Ltd.	9,439,900.59					**9,439,900.59**
Luxshare Precision (M) Sdn Bhd	24,589,581.35					**24,589,581.35**
Slenergy Technology (Anhui) Co., Ltd.	43,447,818.94					**43,447,818.94**
Hong Kong Wingtech & Indonesia Wingtech Asset Group	21,775,479.00					**21,775,479.00**
Dejinchang Asset Group	28,093,737.92					**28,093,737.92**
Total	2,275,818,303.01					**2,275,818,303.01**

(2) Impairment provision for goodwill

Unit: RMB

Investee name or event forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision	Other	Disposal	Other	
Merry Electronics (Suzhou) Co., Ltd.	8,570,588.06					8,570,588.06
Suk kunststofftechnik GmbH	9,552,894.63					9,552,894.63
Fujian JK Wiring Systems Co., Ltd.	17,717,209.29					17,717,209.29
Zhejiang Puxing Electronic Technology Co., Ltd.	804,455.51					804,455.51
Total	36,645,147.49					36,645,147.49

(3) Related information on asset groups or asset group portfolio containing goodwill

Name	Composition of the asset group or portfolio and basis for classification	Operating segment and basis for classification	Whether it is consistent with previous years

Changes in Asset Group or Portfolio

Name	Composition before change	Composition after change	Objective facts and basis for the change

Other descriptions:

Note 1: The goodwill of the Company is formed by business combinations not involving enterprises under common control in previous years. On the balance sheet date, the Company conducted impairment tests on goodwill. The recoverable amount of the asset group involved in goodwill is determined according to the present value of the future cash flow of the asset group and the net realizable value. The management determines the growth rate and gross profit margin based on the macro market environment, historical experience and the development stage forecast of product segments involved in different asset groups. Depending on the different asset groups involved, the growth rate used in the forecast for the current year is -79%-68%, the gross profit margin is 3.00%-46%, and the discount rate is 2.98%-13.89%. The parameters used in goodwill impairment test of major asset groups are as follows:

Asset group name	Gross profit margin	Growth rate	Discount rate
Wingtech Phase II Domestic Plant Asset Group	7%-8%	–31%-8%	13.89%
Lanto Electronic Limited	10.00%-11.62%	1.00%-1.06%	11.16%
Shenzhen Kertong Industrial Co., Ltd.	26.00%-28.14%	11.00%-11.91%	11.61%
Luxcase Precision Technology (Yancheng) Co., Ltd.	5.3%-7.21%	–4.1%-10.4%	11.20%
Shenzhen Huarong Technology Co., Ltd.	5.3%-8.00%	10.00%-20.0%	12.23%

Note 2: TIME Interconnect Technology Limited is a Hong Kong-listed company. The recoverable amount is determined by subtracting the disposal costs from the fair value.

(4) Specific method of determining the recoverable amount

Determining the recoverable amount by subtracting the disposal costs from the fair value

☐Applicable ☑Not applicable

Determining the recoverable amount by the present value of expected future cash flows

☐Applicable ☑Not applicable

Reasons for the significant differences between the above information and the information used in impairment tests in previous years or external information

Reasons for significant differences between the information used in impairment tests in previous years and the actual situation in the current year

(5) Fulfillment of performance commitments and corresponding goodwill impairments

Performance commitments existed when a goodwill was recognized, and the reporting period or the period immediately preceding it fell within the performance commitment period.

☐Applicable ☑Not applicable

Other descriptions:

22. Long-term deferred expenses

Unit: RMB

Item	Opening balance	Increase in the current period	Amortization in the current period	Other decrease in the current period	Closing balance
Housing decoration fees	910,652,426.23	278,242,443.10	261,340,712.21		**927,554,157.12**
Leasehold Improvements	6,627,275.40		2,547,728.75		**4,079,546.65**
Other	97,939,388.96	62,395,758.55	30,185,637.31		**130,149,510.20**
Total	1,015,219,090.59	340,638,201.65	294,074,078.27		**1,061,783,213.97**

Other descriptions:

23. Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets not offset

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	**3,985,250,594.07**	**741,732,257.42**	5,279,106,516.15	1,069,316,004.76
Unrealized profit of internal transaction	**701,879,330.65**	**126,760,680.24**	637,974,751.60	108,196,371.83
Deductible losses	**10,991,951,026.90**	**1,842,074,597.80**	9,029,631,000.46	1,486,846,840.49
Exchange differences of foreign operations	**624,016,397.54**	**127,582,804.54**	984,582,080.35	256,442,446.74
Termination benefits	**407,562,340.89**	**102,669,385.41**	370,068,090.56	91,978,253.75
Unused vacation bonus	**3,403,720.50**	**680,744.10**	2,741,899.00	548,379.80
Valuation of derivative financial instruments	**19,011,972.40**	**4,439,993.12**		
Government grants	**1,081,804,735.56**	**199,404,408.08**	897,151,814.60	154,723,115.10
Share-based payment	**1,126,107,116.65**	**198,114,536.09**	1,150,163,089.40	203,745,313.26
Changes in the fair value of other equity instruments	**7,836,373.50**	**1,175,456.02**	32,047,241.90	5,123,456.02
Tax and accounting difference for depreciation of fixed assets	**2,089,161,196.02**	**513,606,714.18**	1,975,304,229.54	488,436,123.87
Lease liabilities	**3,046,634,593.78**	**698,917,809.53**	2,252,262,554.25	548,851,332.18
Deductible interest expenses	**315,233,713.76**	**60,358,248.22**	329,600,355.59	82,088,630.15
Provision for Contingent Liabilities	**183,366,072.98**	**52,802,900.51**	453,153,248.55	116,274,158.55
Other	**108,621,515.77**	**30,510,090.62**	245,746,771.86	55,000,202.50
Total	**24,691,840,700.97**	**4,700,830,625.88**	23,639,533,643.81	4,667,570,629.00

(2) Deferred tax liabilities not offset

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
Assets valuation appreciation of business combination not involving enterprises under common control	**1,306,935,072.33**	**195,443,204.71**	1,616,130,254.00	206,375,518.21
Changes in fair value of other equity instrument investments	**245,287,191.48**	**38,027,785.33**	92,850,691.99	14,205,817.11
Accelerated depreciation of fixed assets (Assets valued at less than RMB5 million are deductible in a single installment before taxes)	**9,747,866,136.43**	**1,591,107,635.73**	9,877,657,389.07	1,667,659,020.41
Support funds allocated by the government	**12,914,302.69**	**1,937,145.40**		
Unrealized exchange gains	**166,522,011.15**	**18,212,719.50**	157,104,400.33	27,050,426.80
Valuation of derivative financial instruments	**270,812,043.39**	**48,892,426.16**	134,346,780.29	25,237,248.26
Exchange differences of foreign operations	**370,085,370.82**	**77,305,194.71**	1,202,904,686.21	314,164,679.65
Accumulative recognition of overseas investment interests by equity method	**1,121,058,826.45**	**224,211,765.29**	1,117,918,404.00	223,583,680.80
Prepaid pension	**7,820,666.34**	**1,568,887.98**	30,820,506.61	8,225,010.36
Excess allowance for bad debts			1,637,554.00	327,510.80
Right-of-use assets	**2,742,400,107.72**	**631,571,395.61**	2,144,323,046.55	514,509,718.66
Accrued expenses	**32,896,465.80**	**6,579,293.16**	113,827,737.39	29,580,137.13
Nomination fee and contract assets	**123,177,366.06**	**30,233,267.67**	758,961,065.32	181,556,645.86
Other	**172,696,130.70**	**40,036,475.14**	1,096,181,429.91	65,808,105.87
Total	**16,320,471,691.36**	**2,905,127,196.39**	18,344,663,945.67	3,278,283,519.92

(3) Deferred tax assets or liabilities presented in net amount after offsetting

Unit: RMB

Item	Offset amount between deferred tax assets and liabilities at the end of the period	Closing balance of deferred tax assets or liabilities after offset	Offset amount between deferred tax assets and liabilities at the beginning of the period	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	1,793,707,660.13	2,907,122,965.75	2,134,139,513.08	2,533,431,115.92
Deferred tax liabilities	1,793,707,660.13	1,111,419,536.26	2,134,139,513.08	1,144,144,006.84

(4) Breakdown of unrecognized deferred tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible losses	**15,828,365,376.49**	15,283,960,103.75
Total	**15,828,365,376.49**	15,283,960,103.75

(5) Amounts of deductible losses from unrecognized deferred tax assets maturing in the following years

Unit: RMB

Year	Closing balance	Opening balance	Note
2026	**583,332,938.29**	617,612,927.33	
2027	**882,856,296.82**	955,135,344.65	
2028	**674,264,812.41**	698,644,406.79	
2029	**746,785,275.62**	710,931,126.58	
2030	**1,569,177,010.25**	1,498,257,596.34	
2031	**1,380,852,537.79**	258,351,609.51	
2032	**1,628,375,637.79**	1,671,621,414.58	
2033	**718,435,394.20**	712,314,647.73	
2034	**561,312,653.58**	407,572,180.59	
2035	**549,016,027.98**	668,374,350.22	
2036	**92,750,588.73**		
Permanent	**6,441,206,203.03**	7,085,144,499.43	
Total	**15,828,365,376.49**	15,283,960,103.75	

Other descriptions:

24. Other non-current assets

Unit: RMB

Item	Closing balance Book balance	Closing balance Provision for impairment	Closing balance Book value	Opening balance Book balance	Opening balance Provision for impairment	Opening balance Book value
Prepayments for equipment and engineering	**2,844,326,477.91**		**2,844,326,477.91**	1,985,449,224.92		1,985,449,224.92
Prepaid pension	**7,760,226.72**		**7,760,226.72**	8,240,324.55		8,240,324.55
Prepayment for equity acquisition	**1,519,206,561.22**		**1,519,206,561.22**	79,450,163.96		79,450,163.96
Large-denomination certificates of deposit and fixed deposits	**21,057,200,920.82**		**21,057,200,920.82**	12,515,286,587.63		12,515,286,587.63
India Wingtech Asset Package	**138,958,810.05**		**138,958,810.05**	150,643,701.64		150,643,701.64
Nomination fee	**632,355,630.07**		**632,355,630.07**	727,100,816.28		727,100,816.28
Other	**14,785,304.63**		**14,785,304.63**	8,591,995.12		8,591,995.12
Total	**26,214,593,931.42**		**26,214,593,931.42**	15,474,762,814.10		15,474,762,814.10

Other descriptions:

25. Assets with restricted ownership or rights of use

Unit: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Restricted type	Restricted details	Book balance	Book value	Restricted type	Restricted details
Monetary funds	771,800,972.63	771,800,972.63	Security deposit	Restricted due to the issuance of bills and letters of credit	1,818,563,629.52	1,818,563,629.52	Security deposit	Restricted due to the issuance of bills and letters of credit
Fixed assets	3,715,098,899.26	3,715,098,899.26	Mortgage	Fixed assets mortgage financing	4,067,334,789.03	4,067,334,789.03	Mortgage	Fixed assets mortgage financing
Intangible assets	721,744,835.13	721,744,835.13	Pledge	Land use right pledge financing	823,987,796.46	823,987,796.46	Pledge	Land use right pledge financing
Long-term equity investments	4,238,767,523.78	4,238,767,523.78	Pledge	Equity pledge financing				
Trade receivables	56,708,519.35	56,708,519.35	Pledge	Trade receivable pledge financing	15,202,486.61	15,202,486.61	Pledge	Trade receivable pledge financing
Non-current assets due within one year	709,611,595.10	709,611,595.10	Pledge	Restricted due to the issuance of bills and letters of credit	1,218,103,002.25	1,218,103,002.25	Pledge	Restricted due to the issuance of bills and letters of credit
Other current assets	26,672,646,612.81	26,672,646,612.81	Pledge	Restricted due to the issuance of bills and letters of credit	17,936,005,695.21	17,936,005,695.21	Pledge	Restricted due to the issuance of bills and letters of credit
Other non-current assets	1,253,000,000.00	1,253,000,000.00	Pledge	Restricted due to the issuance of bills and letters of credit	828,980,667.52	828,980,667.52	Pledge	Restricted due to the issuance of bills and letters of credit
Total	38,139,378,958.06	38,139,378,958.06			26,708,178,066.60	26,708,178,066.60		

Other descriptions:

26. Short-term borrowings

(1) Classification of short-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Pledged borrowings	**28,960,377,039.59**	18,808,349,537.15
Mortgaged borrowings	**224,899,272.77**	343,666,933.37
Guaranteed borrowings	**51,004,450.47**	176,329,426.78
Credit borrowings	**64,268,136,606.96**	40,809,393,571.19
Pledged borrowings [Note]	**65,002,336.59**	
Total	**93,569,419,706.38**	60,137,739,468.49

Explanation of the classification of short-term borrowings:

[Note] The Company has pledged one invention patent as collateral for a loan; the book value of this patent is zero.

(2) Overdue and outstanding short-term borrowings

The total amount of short-term borrowings that were overdue and outstanding at the end of this period was RMB0. The details of significant overdue and outstanding short-term borrowings are as follows:

Unit: RMB

Borrower	Closing balance	Borrowing rate	Overdue time	Overdue interest rate

Other descriptions:

27. Financial liabilities held for trading

Unit: RMB

Item	Closing balance	Opening balance
Financial liabilities held for trading	**177,477,638.83**	424,219,343.62
Including:		
Derivative financial liabilities	**177,477,638.83**	424,219,343.62
Including:		
Total	**177,477,638.83**	424,219,343.62

Other descriptions:

28. Derivative financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
Hedging instruments	**22,195,946.68**	38,121,564.96
Total	**22,195,946.68**	38,121,564.96

Other descriptions:

29. Notes payable

Unit: RMB

Category	Closing balance	Opening balance
Commercial acceptance bill	**114,480,240.19**	138,297,177.83
Bank acceptance bill	**1,987,466,599.64**	2,963,798,963.37
Total	**2,101,946,839.83**	3,102,096,141.20

30. Trade payables

(1) Presentation of trade payables

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year	**74,168,375,045.67**	80,486,538,887.18
1 to 2 years	**284,415,906.23**	339,287,122.44
2 to 3 years	**32,898,935.26**	40,857,179.39
More than 3 years	**47,644,721.03**	43,925,613.61
Total	**74,533,334,608.19**	80,910,608,802.62

31. Other payables

Unit: RMB

Item	Closing balance	Opening balance
Dividends payable	**1,079,404,826.24**	1,173,208,755.74
Other payables	**1,029,450,301.28**	1,147,520,225.97
Total	**2,108,855,127.52**	2,320,728,981.71

(1) Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
Ordinary share dividends	**1,079,404,826.24**	1,173,208,755.74
Total	**1,079,404,826.24**	1,173,208,755.74

Other descriptions, including significant dividends payable that have not been paid for more than 1 year; the reasons for non-payment should be disclosed:

(2) Other payables

1) Presentation of other payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year	**910,751,171.31**	1,066,395,882.20
1–2 years	**84,986,556.37**	70,085,265.41
2–3 years	**26,163,190.00**	6,801,953.54
More than 3 years	**7,549,383.60**	4,237,124.82
Total	**1,029,450,301.28**	1,147,520,225.97

32. Contract liabilities

Unit: RMB

Item	Closing balance	Opening balance
Goods payments received in advance	**1,004,201,352.40**	931,291,965.17
Total	**1,004,201,352.40**	931,291,965.17

Significant contract liabilities aging over 1 year

Unit: RMB

Item	Closing balance	Reasons for non-repayment or carry-forward

Amount of and reason for significant changes in book value during the reporting period

Unit: RMB

Item	Amount of change	Reason for change

33. Employee benefits payable

(1) Presentation of employee benefits payable

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term benefits	4,760,255,565.12	18,322,390,402.55	19,391,135,588.25	**3,691,510,379.42**
II. Post-employment benefits — defined contribution plan	60,990,212.72	1,017,279,282.24	1,002,131,430.97	**76,138,063.99**
III. Termination benefits	130,613,642.57	211,986,477.15	258,090,349.44	**84,509,770.28**
Total	4,951,859,420.41	19,551,656,161.94	20,651,357,368.66	**3,852,158,213.69**

(2) Presentation of short-term benefits

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Salary, bonus, allowance and subsidy	4,018,736,668.33	16,460,416,460.68	17,644,494,564.10	**2,834,658,564.91**
2. Employee welfare	42,870,927.25	87,754,504.70	124,190,147.12	**6,435,284.83**
3. Social insurance premium	329,489,864.09	698,476,374.69	741,049,652.36	**286,916,586.42**
Including: Medical insurance premium	327,340,275.14	538,548,152.66	588,519,265.45	**277,369,162.35**
Work related injury insurance premium	1,695,692.28	126,919,510.28	122,830,922.70	**5,784,279.86**
Maternity insurance premium	453,896.67	33,008,711.75	29,699,464.21	**3,763,144.21**
4. Housing provident fund	15,179,251.75	382,815,492.23	383,110,853.70	**14,883,890.28**
5. Trade union funds and staff education funds	42,244,845.51	22,526,511.25	17,954,520.08	**46,816,836.68**
6. Short-term paid absences	203,239,671.62	297,990,536.66	125,652,249.41	**375,577,958.87**
7. Short-term profit sharing plan	7,738,802.44	6,871,208.75	9,468,500.73	**5,141,510.46**
8. Other short-term benefits	100,755,534.13	365,539,313.59	345,215,100.75	**121,079,746.97**
Total	4,760,255,565.12	18,322,390,402.55	19,391,135,588.25	**3,691,510,379.42**

(3) Presentation of defined contribution plan

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic endowment insurance premium	60,024,432.60	986,734,593.49	971,560,062.07	**75,198,964.02**
2. Unemployment insurance premium	965,780.12	30,544,688.75	30,571,368.90	**939,099.97**
Total	60,990,212.72	1,017,279,282.24	1,002,131,430.97	**76,138,063.99**

Other descriptions:

34. Tax payable

Unit: RMB

Item	Closing balance	Opening balance
Value added tax	**597,212,689.41**	604,505,330.27
Enterprise income tax	**1,285,046,543.03**	1,172,828,039.07
Individual income tax	**442,175,197.81**	460,901,237.73
Urban maintenance and construction tax	**170,896,444.67**	195,331,819.58
Education surcharges	**48,986,577.22**	77,622,933.58
Stamp duty	**44,894,169.20**	62,807,357.04
Disability insurance	**63,655,878.10**	64,037,026.50
Local education surcharges	**32,506,443.96**	51,619,716.48
Property tax	**51,352,147.12**	58,681,310.69
Digital service tax	**15,436,959.33**	28,000,700.02
Land use tax	**6,679,849.99**	6,570,057.37
Other	**45,686,039.05**	36,716,707.19
Total	**2,804,528,938.89**	2,819,622,235.52

Other descriptions:

35. Non-current liabilities due within one year

Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	**6,168,923,678.95**	10,126,584,882.92
Bonds payable due within one year	**3,425,265,196.95**	2,950,609,273.76
Long-term payables due within one year	**40,250,964.99**	36,340,041.17
Lease liabilities due within one year	**643,101,926.34**	587,395,889.39
Total	**10,277,541,767.23**	13,700,930,087.24

Other descriptions:

36. Other current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Short-term bonds payable	**8,058,556,986.30**	6,024,479,013.69
Refunds payable	**72,010,406.60**	66,204,866.83
Output tax pending transfer	**38,913,181.76**	498,644,252.77
Notes not yet derecognized	**113,476,387.87**	61,075,253.61
Restructuring reserve	**216,036,669.37**	286,736,334.28
Nomination fee	**138,516,699.43**	213,777,454.89
Short-term tickets payable	**23,436,065.65**	
Total	**8,660,946,396.98**	7,150,917,176.07

Changes in short-term bonds payable:

Unit: RMB

Bond name	Face value	Nominal interest rate	Issue date	Bond maturity	Amount of issue	Opening balance	Issued during the period	Accrued interest at face value	Premium or discount amortization	Repaid during the period	Closing balance	Default or not
Short-term financing bonds payable	100.00	1.71%	12 May 2025	270	1,000,000,000.00	1,010,915,890.41		1,733,424.66		1,012,649,315.07		No
Short-term financing bonds payable	100.00	1.56%	9 July 2025	268	1,000,000,000.00	1,007,479,452.05		3,974,794.53		1,011,454,246.58		No
Short-term financing bonds payable	100.00	1.74%	27 October 2025	270	1,000,000,000.00	1,003,098,630.14		8,628,493.15			1,011,727,123.29	No
Short-term financing bonds payable	100.00	1.70%	19 November 2025	268	800,000,000.00	801,564,931.51		6,744,109.59			808,309,041.10	No
Short-term financing bonds payable	100.00	1.73%	12 December 2025	270	1,200,000,000.00	1,201,080,657.53		10,294,684.94			1,211,375,342.47	No
Short-term financing bonds payable	100.00	1.77%	24 December 2025	268	1,000,000,000.00	1,000,339,452.05		8,777,260.28			1,009,116,712.33	No
Short-term financing bonds payable	100.00	1.66%	28 January 2026	268	1,000,000,000.00		1,000,000,000.00	6,958,356.16			1,006,958,356.16	No
Short-term financing bonds payable	100.00	1.65%	6 February 2026	270	1,000,000,000.00		1,000,000,000.00	6,509,589.04			1,006,509,589.04	No
Short-term financing bonds payable	100.00	1.56%	20 March 2026	270	1,000,000,000.00		1,000,000,000.00	4,359,452.05			1,004,359,452.05	No
Short-term financing bonds payable	100.00	1.47%	25 June 2026	267	1,000,000,000.00		1,000,000,000.00	201,369.86			1,000,201,369.86	No
Total					10,000,000,000.00	6,024,479,013.69	4,000,000,000.00	58,181,534.26		2,024,103,561.65	8,058,556,986.30	

Other descriptions:

37. Long-term borrowings

(1) Classification of long-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Pledged borrowings	**4,276,900,000.00**	
Mortgaged borrowings	**1,402,724,699.89**	1,569,040,510.51
Guaranteed borrowings	**3,363,897.67**	4,026,937.36
Credit borrowings	**18,860,013,277.94**	14,868,915,143.46
Total	**24,543,001,875.50**	16,441,982,591.33

Descriptions on classification of long-term borrowings:

Other descriptions, including the interest rate range:

38. Bonds payable

(1) Bonds payable

Unit: RMB

Item	Closing balance	Opening balance
Convertible bonds		436,185,443.70
Mid-term notes	**3,024,224,088.78**	3,055,651,981.52
Science and technology innovation bonds	**3,401,852,838.14**	
Total	**6,426,076,926.92**	3,491,837,425.22

(2) Increase and decrease in bonds payable (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

Unit: RMB

Bond name	Face value	Nominal interest rate	Issue date	Bond maturity	Amount of issue	Opening balance	Issued during the period	Accrued interest at face value	Premium or discount amortization	Repaid during the period	Debt-to-equity swap	Exchange/ underwriting and sponsorship fees	Reclassified to non-current liabilities due within one year	Closing balance	Default or not
1. SpeedTech convertible bonds	22,497.00		6 March 2024	3 years	449,940,000.00	436,185,443.70			4,197,236.32			19,477,930.70	420,904,749.32		No
2. Bank of Shanghai's 1st-tranche medium term notes	100.00	2.09%	13 January 2025	3 years	1,500,000,000.00	1,528,853,811.48		15,675,000.00	374,463.28	31,350,000.00				**1,513,553,274.76**	No
3. Bank of Shanghai's 2nd-tranche medium term notes	100.00	2.20%	19 February 2025	3 years	1,500,000,000.00	1,526,798,170.04		16,500,000.00	372,643.98	33,000,000.00				**1,510,670,814.02**	No
4. 26 Luxshare Precision MTN003 (Science and technology innovation bond)	100.00	1.75%	21 April 2026	2 years	1,000,000,000.00		1,000,000,000.00	3,402,777.77	96,354.39			1,000,000.00		**1,002,499,132.16**	No
5. 26 Luxshare Precision MTN004 (Science and technology innovation bond)	100.00	1.84%	25 May 2026	3 years	1,000,000,000.00		1,000,000,000.00	1,891,111.11	50,428.81			1,500,000.00		**1,000,441,539.92**	No
6. 26 Luxshare Precision MTN005 (Science and technology innovation bond/ M&A)	100.00	1.81%	17 June 2026	3 years	1,400,000,000.00		1,400,000,000.00	985,444.44	26,721.62			2,100,000.00		**1,398,912,166.06**	No
Total					6,849,940,000.00	3,491,837,425.22	3,400,000,000.00	38,454,333.32	920,612.08	64,350,000.00		4,600,000.00	436,185,443.70	**6,426,076,926.92**	

(3) Description of convertible corporate bonds

Description of bonds payable:

The Company's subsidiary, SpeedTech Technology Co., Ltd., issued convertible corporate bonds with a total issue amount of NT$2 billion, a coupon rate of 0%, and a term of 3 years. The circulation period is from 6 March 2024 to 6 March 2027. On 30 June 2026, the bonds were reclassified to non-current liabilities due within one year.

39. Lease liabilities

Unit: RMB

Item	Closing balance	Opening balance
Lease payment	**2,626,555,156.35**	2,787,884,327.13
Add: Unrecognized financing costs	**–350,274,154.90**	–435,191,353.55
Total	**2,276,281,001.45**	2,352,692,973.58

Other descriptions:

40. Long-term payables

Unit: RMB

Item	Closing balance	Opening balance
Long-term payables		2,999,320.76
Total	**0.00**	2,999,320.76

(1) Presentation of long-term payables by nature

Unit: RMB

Item	Closing balance	Opening balance

Other descriptions:

41. Long-term employee benefits payable

(1) Long-term employee benefits payable

Unit: RMB

Item	Closing balance	Opening balance
I. Post-employment benefits — net liability under defined benefit plans	**640,630,758.92**	714,974,205.01
III. Other long-term benefits	**73,755,900.66**	81,072,428.60
Total	**714,386,659.58**	796,046,633.61

(2) Changes in defined benefit plans

Present value of defined benefit plan obligations:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Opening balance	**2,055,089,755.09**	2,119,742,911.46
II. Defined benefit costs recognized in current profit or loss	**44,331,389.64**	49,722,578.91
1. Current service cost	**4,073,256.92**	6,823,021.86
2. Past service cost	**0**	–2,359,349.69
4. Net interest	**40,258,132.72**	45,258,906.74
III. Defined benefit costs recognized in other comprehensive income	**–25,646,550.80**	–49,521,825.80
1. Actuarial gains (losses are indicated by "-")	**–25,646,550.80**	–49,521,825.80
IV. Other changes	**–165,074,938.70**	–64,853,909.48
1. Consideration paid upon settlement	**0**	600,952.67
2. Benefits paid	**–67,107,324.85**	–49,191,059.41
3. Other	**–97,967,613.85**	–16,263,802.74
V. Closing balance	**1,908,699,655.23**	2,055,089,755.09

Plan assets:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Opening balance	**1,340,115,550.08**	1,351,016,947.68
II. Defined benefit costs recognized in current profit or loss	**28,673,549.65**	33,039,318.08
1. Net interest	**28,673,549.65**	33,039,318.08
III. Defined benefit costs recognized in other comprehensive income	**–11,675,953.91**	–13,705,860.72
1. Return on plan assets (excluding those included in net interest)	**–11,675,953.91**	–13,705,860.72
IV. Other changes	**–89,044,249.51**	–30,234,854.96
(1) Others	**–89,044,249.51**	–30,234,854.96
V. Closing balance	**1,268,068,896.31**	1,340,115,550.08

Net liabilities (net assets) of defined benefit plans

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Opening balance	**714,974,205.01**	768,725,963.78
II. Defined benefit costs recognized in current profit or loss	**15,657,839.99**	16,683,260.83
III. Defined benefit costs recognized in other comprehensive income	**–13,970,596.89**	–35,815,965.08
IV. Other changes	**–76,030,689.19**	–34,619,054.52
V. Closing balance	**640,630,758.92**	714,974,205.01

Description of the terms of the defined benefit plan, the associated risks, and the impact on the Company's future cash flows, timing, and uncertainty:

Description of key actuarial assumptions and sensitivity analysis results for defined benefit plans:

Other descriptions:

42. Provisions

Unit: RMB

Item	Closing balance	Opening balance	Reason
External guarantee	**8,892,357.60**	5,377,781.50	Provision
Pending litigation	**2,504,686.84**	2,504,686.84	Provision
Product quality warranty	**135,371,311.15**	137,754,677.00	Provision
Outstanding loss-making contracts	**212,591,397.92**	308,433,586.04	Provision
Other	**52,357,966.74**	47,905,978.19	Provision
Asset retirement obligations	**97,071,242.96**	105,680,752.54	Provision
Total	**508,788,963.21**	607,657,462.11	

Other descriptions, including material assumptions and estimates related to significant provisions:

43. Deferred Income

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reason
Government grants	1,138,420,510.47	312,052,887.67	215,111,311.29	**1,235,362,086.85**	Asset-related
Total	1,138,420,510.47	312,052,887.67	215,111,311.29	**1,235,362,086.85**	

Other descriptions:

44. Other non-current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Severance pay	**5,233,566.82**	11,536,074.36
Long-term nomination fee	**30,605,038.11**	41,990,821.51
Total	**35,838,604.93**	53,526,895.87

Other descriptions:

45. Share capital

Unit: RMB

		Increase and decrease (+, -)				
Opening balance	New shares issued	Stock dividend	Shares converted from capital reserve	Other	Subtotal	Closing balance
Total shares	7,284,442,534.00	30,605,382.00		242,223.00	30,847,605.00	**7,315,290,139.00**

Other descriptions:

The share capital increased by RMB30,847,605.00 in the current period, including 30,605,382.00 shares exercised by the stock option incentive recipients at their sole discretion, and 242,223.00 shares converted from convertible corporate bonds. After the exercise and conversion, the share capital increased to 7,315,290,139.00 shares.

46. Other equity instruments

(1) *Changes in preferred shares, perpetual bonds and other financial instruments outstanding at the end of the period*

Unit: RMB

Financial instruments outstanding	Beginning of period		Increase in the current period		Decrease in the current period		End of period	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Convertible bonds		527,170,634.84				2,385,176.31		**524,785,458.53**
Total		527,170,634.84				2,385,176.31		**524,785,458.53**

Description of the changes in other equity instruments during the period, reasons for the changes, and the basis for related accounting treatment:

Other descriptions: The 10th meeting of the fourth session of the Board of Directors of the Company reviewed and passed the *Proposal on Clarifying the Specific Plan for the Public Issuance of Convertible Corporate Bonds. The Company received the Approval for the Public Issuance of Convertible Corporate Bonds to Luxshare Precision Industry Co., Ltd.* issued by the China Securities Regulatory Commission on 19 February 2020 (CSRC Permit [2020] No. 247), approving the Company to publicly issue convertible corporate bonds with a total face value of RMB3,000 million, with a term of 6 years. The RMB3,000 million convertible corporate bonds of the Company were listed and traded on the Shenzhen Stock Exchange on 3 November 2020, with the bond abbreviation of " Luxshare Convertible Bonds" and the bond code of "128136".

Other descriptions:

47. Capital reserves

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital premium (share premium)	9,181,917,129.68	3,242,090,928.44		**12,424,008,058.12**
Other capital reserves	762,865,456.92	545,645,168.66	366,129,198.72	**942,381,426.86**
Total	9,944,782,586.60	3,787,736,097.10	366,129,198.72	**13,366,389,484.98**

Other descriptions, including changes and reasons thereof as at the end of the period:

Other descriptions: Capital reserve — share premium increased by RMB3,242,090,928.44 during the current period, of which RMB918,342,951.47 resulted from the exercise of stock options, RMB366,129,198.72 was transferred from other capital reserves due to the exercise of stock options; capital reserves increased by RMB13,247,685.29 as a result of the conversion of convertible corporate bonds; and other increases totaled RMB1,944,371,092.96; The increase in "capital reserve — other capital reserves" for the current period resulted from a rise in share-based payment costs of RMB545,645,168.66, while the decrease resulted from a transfer from "other capital reserves" to "share premium".

48. Treasury shares

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Treasury shares		1,000,010,030.59		**1,000,010,030.59**
Total	0.00	1,000,010,030.59		**1,000,010,030.59**

Other descriptions, including changes and reasons thereof as at the end of the period:

49. Other comprehensive income

Unit: RMB

Item	Opening balance	Amount of income before tax in the current period	Amount for the current period: Less: amount previously included in other comprehensive income and transferred to profit or loss for the current period	Amount for the current period: Less: amount previously included in other comprehensive income and transferred to retained earnings for the current period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax	Closing balance
I. Other comprehensive income that cannot be reclassified into profit or loss	51,726,144.48	245,305,657.67		468,492.64	24,453,561.42	220,383,603.61		**272,109,748.09**
Changes in fair value of other equity instrument investments	51,726,144.48	245,305,657.67		468,492.64	24,453,561.42	220,383,603.61		**272,109,748.09**
II. Other comprehensive income to be reclassified into profit or loss	-1,644,671,688.89	-808,229,844.93			11,049,464.50	-817,275,799.29	-106,837,421.86	**-2,461,947,488.18**
Including: other comprehensive income that can be transferred to profit or loss under equity method	-4,679,406.21	10,208,416.41			1,368,155.63	5,774,908.38	3,065,352.40	**1,095,502.17**
Reserve for cash flow hedge	55,378,642.36	-15,534,006.21			9,681,308.87	-20,146,452.54	-5,068,862.54	**35,232,189.82**
Translation difference of financial statements in foreign currencies	-1,695,370,925.04	-802,904,255.13				-802,904,255.13	-104,833,911.72	**-2,498,275,180.17**
Total other comprehensive income	-1,592,945,544.41	-562,924,187.26		468,492.64	35,503,025.92	-596,892,195.68	-106,837,421.86	**-2,189,837,740.09**

Other descriptions, including adjustments for the effective part of cash flow hedging gains or losses into the initial recognition amount of the hedged item:

50. Special reserves

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production expenses	11,780,213.61	18,137,431.67	9,798,740.63	**20,118,904.65**
Total	11,780,213.61	18,137,431.67	9,798,740.63	**20,118,904.65**

Other descriptions, including changes and reasons thereof as at the end of the period:

51. Surplus reserves

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	2,125,232,697.57			**2,125,232,697.57**
Total	2,125,232,697.57			**2,125,232,697.57**

Description of surplus reserve, including those on increase and decrease for the current period and the reasons for the change:

52. Retained earnings

Unit: RMB

Item	Current period	Prior period
Retained earnings at the end of the prior period before adjustment	**66,620,640,298.66**	53,101,139,440.57
Retained earnings at the beginning of the period after adjustment	**66,620,640,298.66**	53,101,139,440.57
Add: Net profits attributable to the owners of the parent company in the current period	**7,842,698,288.86**	16,599,769,785.64
Less: Apportion to statutory surplus reserves		507,712,653.32
Ordinary share dividends payable	**1,018,651,796.96**	2,614,609,929.14
Other	**–468,492.64**	–42,053,654.91
Retained earnings at the end of the period	**73,445,155,283.20**	66,620,640,298.66

Details of adjustment of retained earnings at the beginning of the period:

1) The retained earnings at the beginning of the period affected by the retroactive adjustment as stipulated in the Accounting Standards for Business Enterprises and related new regulations amounted to RMB0.

2) The retained earnings at the beginning of the period affected by the changes in accounting policies amounted to RMB0.

3) The retained earnings at the beginning of the period affected by the correction of major accounting errors amounted to RMB0.

4) The retained earnings at the beginning of the period affected by changes in the scope of consolidation due to business combination involving enterprises under common control amounted to RMB0.

5) The retained earnings at the beginning of the period affected by other adjustments amounted to RMB0.

Details of the use of capital reserves to offset losses:

Description: The "Other" category under retained earnings consists of gains from the disposal of equity in Uzkoje Co., Ltd.

53. Operating revenue and cost of sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Income	Cost	Income	Cost
Principal business	**173,505,467,229.16**	**153,137,738,562.74**	123,601,599,138.59	109,237,151,240.11
Other business	**998,868,692.09**	**812,541,177.47**	901,574,977.01	810,712,464.84
Total	**174,504,335,921.25**	**153,950,279,740.21**	124,503,174,115.60	110,047,863,704.95

Breakdown of operating revenue and cost of sales:

Unit: RMB

Classification of contract	Segment 1		Segment 2		Total			
	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Business type	174,504,335,921.25	153,950,279,740.21					174,504,335,921.25	153,950,279,740.21
Including:								
Consumer electronics	122,476,018,731.13	109,920,572,532.42					122,476,018,731.13	109,920,572,532.42
Automotive electronics	32,391,368,668.49	27,811,092,348.50					32,391,368,668.49	27,811,092,348.50
Communications and data centers	16,608,856,283.14	13,736,372,457.78					16,608,856,283.14	13,736,372,457.78
Other	3,028,092,238.49	2,482,242,401.51					3,028,092,238.49	2,482,242,401.51
Classified by operating region								
Including:								
Type of market or customer	174,504,335,921.25	153,950,279,740.21					174,504,335,921.25	153,950,279,740.21
Including:								
Domestic sales	28,445,182,429.61	23,859,043,204.04					28,445,182,429.61	23,859,043,204.04
Export sales	146,059,153,491.64	130,091,236,536.17					146,059,153,491.64	130,091,236,536.17
Contract type								
Including:								
Classified by time of transfer of goods	174,504,335,921.25	153,950,279,740.21					174,504,335,921.25	153,950,279,740.21
Including:								
Recognized at a point in time	167,289,453,083.90	147,472,803,047.02					167,289,453,083.90	147,472,803,047.02
Recognized over period of time	7,214,882,837.35	6,477,476,693.19					7,214,882,837.35	6,477,476,693.19
Classified by contract term								
Including:								
Classified by sales channel								
Including:								
Total	174,504,335,921.25	153,950,279,740.21					174,504,335,921.25	153,950,279,740.21

54. Taxes and surcharges

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Urban maintenance and construction tax	**137,722,770.78**	128,325,875.62
Education surcharges	**55,249,881.04**	68,707,715.32
Real estate tax	**87,263,850.02**	55,513,695.40
Land use tax	**9,532,879.23**	5,552,423.74
Vehicle and vessel use tax	**469,364.73**	25,935.50
Stamp duty	**95,154,054.39**	73,142,814.93
Local education surcharges	**38,684,984.98**	46,110,201.51
Others	**24,854,674.88**	5,943,470.94
Total	**448,932,460.05**	383,322,132.96

Other descriptions:

55. General and administrative expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Personnel remuneration	**3,304,543,182.36**	1,777,671,159.77
Depreciation and amortization expenses	**807,351,195.25**	601,284,006.46
Materials and consumables	**198,103,122.77**	172,890,097.76
Office expenses	**238,394,906.20**	79,182,739.29
Repair expenses and miscellaneous purchases	**138,385,746.27**	103,829,224.75
Utilities	**105,326,241.42**	49,050,996.22
Lease expenses	**71,511,103.63**	54,353,897.70
Travel and transportation expenses	**95,199,278.99**	41,978,735.31
Assurance, consulting and review fees	**147,388,521.94**	74,971,300.82
Corporate service fees	**33,836,562.32**	34,127,213.98
Other expenses	**397,977,797.16**	166,331,606.34
Total	**5,538,017,658.31**	3,155,670,978.40

Other descriptions:

56. Selling expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Employee benefits	**594,842,212.10**	338,365,778.44
Warehousing and lease expenses	**39,141,059.57**	31,533,519.27
Consumables and miscellaneous purchases	**13,560,090.53**	2,565,288.33
Entertainment expenses	**27,434,054.12**	22,172,217.70
Depreciation and amortization expenses	**36,730,292.12**	11,141,031.97
Travel and transportation expenses	**26,490,500.70**	22,420,081.71
Material expenses	**5,324,575.58**	3,999,060.38
Consulting fees	**22,844,151.09**	8,317,447.03
Office expenses	**9,900,115.68**	1,953,029.20
Others	**89,914,888.77**	121,513,049.76
Total	**866,181,940.26**	563,980,503.79

Other descriptions:

57. R&D expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Personnel remuneration	**3,793,585,831.54**	2,499,786,898.05
Mold and material expenses	**1,006,037,671.78**	835,104,351.67
Depreciation and amortization expenses	**646,979,319.55**	509,036,487.63
Consumables and other miscellaneous items	**220,580,600.94**	132,049,909.50
Repairs and testing	**239,901,580.55**	227,239,246.71
Service fees	**183,751,805.51**	97,255,154.43
Utilities	**63,880,979.49**	36,388,313.05
Transportation and travel expenses	**59,393,656.63**	31,113,234.06
Commercial insurance	**1,169,688.92**	1,222,152.62
Lease expenses	**42,956,772.58**	18,861,137.61
Assurance, consulting and review fees	**174,443,512.55**	103,418,232.82
Other expenses	**140,119,524.53**	102,062,410.59
Total	**6,572,800,944.57**	4,593,537,528.74

Other descriptions:

58. Financial expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Interest expense	**1,099,580,844.79**	850,279,197.52
Including: interest expenses on lease liability	**68,902,013.33**	20,042,698.62
Interest income	**–876,073,198.70**	–522,005,067.06
Foreign exchange gains or losses	**1,985,508,994.15**	–492,953,206.38
Others	**30,982,538.47**	4,394,106.71
Total	**2,239,999,178.71**	–160,284,969.21

Other descriptions:

59. Other income

Unit: RMB

Sources of other incomes	Amount for the current period	Amount for the previous period
Government grants	**585,318,449.67**	374,721,088.12
Additional deduction of input tax	**11,194,652.13**	17,560,335.45
Service fees for withholding individual income tax	**14,306,355.79**	13,888,448.28
Instant VAT refund	**1,548,049.97**	14,520,086.58
Total	**612,367,507.56**	420,689,958.43

60. Gains from changes in fair value

Unit: RMB

Sources of gains from changes in fair value	Amount for the current period	Amount for the previous period
Financial assets held for trading	**357,582,555.29**	–641,461,754.44
Including: Gains from changes in fair value from derivative financial instruments	**357,582,555.29**	–641,461,754.44
Total	**357,582,555.29**	–641,461,754.44

Other descriptions:

61. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Investment income from long-term equity investments accounted for using the equity method	**2,747,085,247.26**	1,352,286,342.26
Investment income from the disposal of financial assets held for trading	**939,635,357.37**	1,149,187,715.76
Gain on remeasurement of remaining equity interest at fair value after loss of control		683,300.24
Investment income from holding other non-current financial assets	**4,450,000.00**	
Income from derecognition of financial assets measured at amortized cost	**–223,734,381.47**	–279,811,377.26
Investment income from term deposits, large-denomination certificates of deposit, wealth management products, etc.	**821,215,180.57**	795,612,151.60
Total	**4,288,651,403.73**	3,017,958,132.60

Other descriptions:

62. Credit impairment losses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Bad debt losses on notes receivable	**114,928.24**	100,907.34
Bad debt losses on trade receivables	**–104,093,797.39**	–17,155,096.36
Bad debt losses on other receivables	**9,097,549.81**	4,032,134.82
Total	**–94,881,319.34**	–13,022,054.20

Other descriptions:

63. Assets impairment losses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Loss on impairment of inventories and loss on impairment of contract performance costs	**–573,577,144.10**	–515,060,630.26
IV. Loss on impairment of fixed assets	**–21,795,968.40**	–33,478,425.81
Total	**–595,373,112.50**	–548,539,056.07

Other descriptions:

64. Gains on disposal of assets

Unit: RMB

Sources of gains on disposal of assets	Amount for the current period	Amount for the previous period
Gains on disposal of fixed assets	**34,588,003.10**	22,603,107.35
Gains on disposal of intangible assets	**–8,300.00**	–18,844.20
Gains on disposal of right-of-use assets	**499,448.09**	5,120,842.53
Total	**35,079,151.19**	27,705,105.68

65. Non-operating revenue

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recognized as current non-recurring gains and losses
Income from compensation for breach of contract	**31,112,587.01**	9,235,434.20	31,112,587.01
Income from asset retirement	**1,359,901.04**	607,499.72	1,359,901.04
Negative goodwill		495,194.14	
Others	**11,459,310.46**	4,660,711.68	11,459,310.46
Total	**43,931,798.51**	14,998,839.74	43,931,798.51

Other descriptions:

66. Non-operating expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Amount recognized as current non-recurring gains and losses
External donations	**6,294,447.56**	10,766,075.03	6,294,447.56
Losses on asset retirement	**13,834,373.44**	32,496,161.14	13,834,373.44
Compensation, liquidated damages and penalty expenses	**21,004,374.86**	9,759,613.89	21,004,374.86
Others	**31,529,335.65**	4,772,705.14	31,529,335.65
Total	**72,662,531.51**	57,794,555.20	72,662,531.51

Other descriptions:

67. Income tax expenses

(1) Income tax expenses

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Current income tax expenses	**1,343,562,107.10**	838,396,965.93
Deferred income tax expenses	**–406,416,320.41**	3,527,480.80
Total	**937,145,786.69**	841,924,446.73

(2) Reconciliation between accounting profits and income tax expenses

Unit: RMB

Item	Amount for the current period
Total profits	**9,462,819,452.07**
Income tax expense calculated at statutory/applicable tax rate	**1,419,422,917.86**
Effect of application of different tax rates by subsidiaries	**–30,903,607.74**
Effect of adjustment on income tax for prior period	**7,614,609.82**
Effect of non-taxable income	**–419,156,644.78**
Effect of non-deductible costs, expenses and losses	**13,747,230.20**
Effect of deductible losses from the use of unrecognized deferred tax assets in the prior period	**–134,940,378.22**
Effect of deductible temporary differences or deductible losses on deferred income tax assets unrecognized in the current period	**547,154,490.74**
Changes in opening balance of deferred income tax assets/ liabilities due to adjustment of tax rate	**1,835,571.12**
Additional deduction for R&D expenses	**–413,763,761.16**
Differences from share option exercises	**–73,759,745.51**
Tax incentives for employment of key groups	**–3,258,307.42**
Others	**23,153,411.78**
Income tax expense	**937,145,786.69**

Other descriptions:

68. Other comprehensive income

For details, please refer to Note 49. Other comprehensive income.

69. Items of cash flow statement

(1) Cash relating to operating activities

Other cash received relating to operating activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Special subsidies and grants	**682,260,026.05**	456,582,177.61
Rental income	**14,051,561.57**	6,238,194.15
Interest income	**876,073,198.70**	522,005,067.06
Non-operating revenue	**43,931,798.51**	14,391,340.02
Reversal of restricted funds	**549,752,903.58**	
Recovery of current accounts and disbursements	**865,225,795.95**	344,651,198.83
Total	**3,031,295,284.36**	1,343,867,977.67

Notes to other cash received relating to operating activities:

Other cash paid relating to operating activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Selling expense payments	**372,696,847.57**	207,909,344.67
General and administrative expense payments	**545,809,245.51**	397,456,466.28
R&D expenditure	**394,713,637.90**	295,962,946.44
Inter-company transactions	**582,994,431.84**	478,683,685.63
Transferred to restricted funds	**137,712,669.64**	5,504,055.29
Non-operating expenses	**58,828,158.07**	25,298,394.06
Service fees	**30,982,538.47**	4,394,106.71
Total	**2,123,737,529.00**	1,415,208,999.08

Notes to other cash paid relating to operating activities:

(2) *Cash relating to investing activities*

Other cash received relating to investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Reversal of restricted funds	**228,800,000.00**	93,449,200.00
Net cash received from acquisition of subsidiaries		4,289,818.08
Recovery of inter-company borrowings	**35,816,250.00**	
Total	**264,616,250.00**	97,739,018.08

Significant cash received relating to investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period

Notes to other cash received relating to investing activities:

Other cash paid relating to investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Payment of deposits for equity acquisition	**1,427,499,882.94**	2,436,577,748.78
Transferred to restricted funds	**238,173,520.00**	
Total	**1,665,673,402.94**	2,436,577,748.78

Significant cash paid relating to investing activities

Unit: RMB

Item	Amount for the current period	Amount for the previous period

Notes to other cash paid relating to investing activities:

(3) Cash relating to financing activities

Other cash received relating to financing activities:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Short-term financing bonds	**4,000,000,000.00**	2,200,000,000.00
Medium-term notes	**3,400,000,000.00**	3,000,000,000.00
Total	**7,400,000,000.00**	5,200,000,000.00

Notes to other cash received relating to financing activities:

Other cash paid relating to financing activities:

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Short-term financing bonds	**2,000,000,000.00**	5,000,000,000.00
Lease expenses	**322,605,830.39**	158,008,041.98
Financing service fees	**11,279,898.64**	7,279,856.96
Luxshare Precision's share capital repurchase	**1,000,010,030.59**	
Listing and issuance expense payments	**16,233,472.32**	
Recovery of inter-company borrowings		847,600,000.00
Total	**3,350,129,231.94**	6,012,887,898.94

Notes to other cash paid relating to financing activities:

Movements in liabilities from financing activities

☐Applicable ☑Not applicable

70. Supplementary information to cash flow statement

(1) Supplemental information to cash flow statement

Unit: RMB

Supplemental information	Amount for the current period	Amount for the previous period
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	**8,525,673,665.38**	7,297,694,405.78
Add: Provision for impairment of assets	**690,254,431.84**	561,561,110.27
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	**6,558,506,067.05**	5,499,346,327.18
Depreciation of right-of-use assets	**364,476,713.73**	148,539,960.35
Amortization of intangible assets	**298,214,448.03**	241,936,109.08
Amortization of long-term deferred expenses	**294,074,078.27**	254,719,071.88
Loss from disposal of fixed assets, intangible assets and other long-term assets ("-" for income)	**–35,079,151.19**	–27,705,105.68
Losses on retirement of fixed assets ("-" for income)	**12,474,472.40**	31,888,661.42
Losses on changes in fair value ("-" for income)	**–357,582,555.29**	641,461,754.44
Financial expenses ("-" for income)	**1,099,580,844.79**	850,279,197.52
Investment losses ("-" for income)	**–4,288,651,403.73**	–3,017,958,132.60
Decrease in deferred income tax assets ("-" for increase)	**–377,639,849.83**	–388,751,546.42
Increase in deferred tax liabilities ("-" for decrease)	**–56,546,438.80**	388,869,879.78
Decrease in inventories ("-" for increase)	**–8,087,316,285.30**	–2,301,605,435.52
Decrease in operating receivables ("-" for increase)	**–2,536,819,756.79**	4,529,575,035.58
Increase in operating payables ("-" for decrease)	**–4,549,482,286.88**	–16,367,661,575.45
Other		
Net cash flows from operating activities	**–2,445,863,006.32**	–1,657,810,282.39
2. Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets acquired under finance lease		
3. Net movement in cash and cash equivalents:		
Closing balance of cash	**71,040,596,470.85**	56,485,130,632.43
Less: Opening balance of cash	**59,340,612,950.83**	47,267,103,006.38
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	**11,699,983,520.02**	9,218,027,626.05

(2) Composition of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	**71,040,596,470.85**	59,340,612,950.83
Including: Cash on hand	**993,614.30**	408,456.76
Bank deposit available for payment at any time	**71,010,824,894.78**	58,288,254,569.22
Other monetary funds available for payment at any time	**28,777,961.77**	1,051,949,924.85
III. Closing balance of cash and cash equivalents	**71,040,596,470.85**	59,340,612,950.83

(3) Monetary funds not classified as cash and cash equivalents

Unit: RMB

Item	Amount for the current period	Amount for the previous period	Reasons for not being classified as cash and cash equivalents
Other monetary funds	**771,800,972.63**	1,818,563,629.52	Restricted cash due to opening bills, letters of credit, etc.
Total	**771,800,972.63**	1,818,563,629.52	

Other descriptions:

None.

(4) Notes on other significant activities

(1) *Terms and conditions of supplier financing arrangements (such as extended payment terms and provision of guarantees)*

The Company engages in reverse factoring through a supply chain finance service platform provided by factoring companies to provide factoring services to relevant suppliers. Factoring companies agree to acquire the trade receivable of designated suppliers due from the Group arising from the sales of goods or provision of services to the Company, and provide financing services to such suppliers. Suppliers may decide at their own discretion whether to use factoring, and participating suppliers may receive payments from banks in advance. According to the agreement between the Company and the financial service platform, the relevant trade payables will be paid to the factoring companies within 1 to 12 months after the platform issues digital certificates or the supplier receives factoring financing disbursement. The Company's payment terms with suppliers are not changed as a result of this reverse factoring arrangement, and the Company did not provide guarantees to the banks.

(2) Financial liabilities under supplier financing arrangements

Item	Closing balance	Balance at the end of the prior year
Trade payables	**821,908,782.64**	462,801,709.00
Including: amounts received by suppliers from financing providers	**821,908,782.64**	462,801,709.00

(3) Range of payment due dates

	At the end of the period	At the beginning of the period
Financial liabilities under supplier financing arrangements	**Within 1 to 12 months after the platform issues digital certificates or the supplier receives factoring financing disbursement**	Within 1 to 12 months after the platform issues digital certificates or the supplier receives factoring financing disbursement
Comparable financial liabilities not under supplier financing arrangements	**Within 1 to 12 months upon receipt of invoices**	Within 1 to 12 months upon receipt of invoices

71. Notes to items of statements of changes in owners' equity

Explanation of the item name of "others" and the adjustment amount to the balance as at the end of the previous year:

Nil.

72. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: RMB

Item	Closing balance of foreign currency	Exchange rate	Closing balance in RMB
Monetary funds			**49,129,943,335.74**
Including: USD	**5,231,986,334.22**	6.8109	**35,634,535,723.74**
EUR	**418,891,732.68**	7.7671	**3,253,573,976.90**
HKD	**3,607,484,380.70**	0.8686	**3,133,460,933.08**
JPY	**115,521,321.00**	0.0420	**4,857,093.94**
TWD	**421,762,077.00**	0.2132	**89,919,674.82**
VND	**23,272,330,485,554.00**	0.0002590	**6,027,533,595.76**
KRW	**12,084,902,085.00**	0.0044	**53,209,340.48**
GBP	**2,747,413.01**	9.0145	**24,766,554.58**
INR	**5,658,530,857.61**	0.0719	**406,916,271.03**
SGD	**1,078,781.30**	5.2605	**5,674,929.03**
MXN	**420,560,832.65**	0.3897	**163,884,565.83**
THB	**363,612,593.19**	0.2042	**74,265,690.48**
AUD	**236.59**	4.6804	**1,107.34**
TRY	**568,956.92**	0.1458	**82,959.61**
PLN	**6,408,173.59**	1.8121	**11,612,379.53**
HUF	**41,106,171.00**	0.0220	**902,691.52**
RON	**12,965,434.24**	1.4755	**19,129,849.95**
CZK	**1,497,241.90**	0.3198	**478,817.96**
TND	**22,222,074.29**	2.3087	**51,302,991.81**
EGP	**72,981,268.67**	0.1386	**10,112,284.59**
BRL	**1,262,889.55**	1.3175	**1,663,806.47**
PYG	**225,545,856.00**	0.0011	**252,611.36**
RSD	**4,210,179.32**	0.0661	**278,166.55**
UAH	**81,838,801.57**	0.1517	**12,410,854.26**
MAD	**117,499,796.30**	0.7245	**85,133,302.41**
MYR	**443,265.35**	1.6734	**741,767.33**
IDR	**165,983,660,850.00**	0.0004	**63,239,774.78**
PHP	**14,600.00**	0.1110	**1,620.60**

Item	Closing balance of foreign currency	Exchange rate	Closing balance in RMB
Trade receivables			**27,838,820,045.15**
Including: USD	**3,536,741,826.00**	6.8109	**24,088,394,902.70**
EUR	**449,080,261.44**	7.7671	**3,488,051,298.63**
HKD	**1,487,863.19**	0.8686	**1,292,357.97**
JPY	**43,997,591.00**	0.0420	**1,849,878.71**
TWD	**569,649,602.53**	0.2132	**121,449,295.26**
VND	**204,731,194,937.40**	0.0002590	**53,025,379.49**
KRW	**507,098,785.00**	0.0044	**2,232,735.67**
GBP	**3,265.20**	9.0145	**29,434.15**
INR	**281,682,970.68**	0.0719	**20,256,385.79**
MXN	**730,905.76**	0.3897	**284,820.09**
THB	**302,623,219.63**	0.2042	**61,808,976.87**
MYR	**16,789.09**	1.6734	**28,095.13**
IDR	**305,734,100.00**	0.0003810	**116,484.69**
Long-term borrowings			**3,363,305.69**
Including: USD			
EUR			
HKD			
JPY	**79,993,000.00**	0.0420	**3,363,305.69**
Other receivables			**947,015,169.21**
Including: USD	**6,786,149.64**	6.8109	**46,219,786.58**
EUR	**100,560,818.71**	7.7671	**781,065,935.00**
HKD	**1,209,220.00**	0.8686	**1,050,328.49**
JPY	**167,118,372.00**	0.0420	**7,026,491.95**
TWD	**41,423,625.24**	0.2132	**8,831,516.90**
VND	**28,577,853,560.00**	0.0002590	**7,401,664.07**
KRW	**760,684,896.00**	0.0044	**3,349,265.17**
INR	**17,540,049.12**	0.0719	**1,261,340.01**
SGD	**35,700.00**	5.2605	**187,799.85**
MXN	**209,974,440.54**	0.3897	**81,823,049.96**
THB	**40,888,424.74**	0.2042	**8,351,215.42**
MYR	**95,510.05**	1.6734	**159,828.05**
PHP	**2,585,114.92**	0.1110	**286,947.76**

Item	Closing balance of foreign currency	Exchange rate	Closing balance in RMB
Short-term borrowings			**18,209,509,067.51**
Including: USD	**2,452,525,079.68**	6.8109	**16,703,903,065.19**
EUR	**15,000,000.00**	7.7671	**116,506,500.00**
HKD	**15,355,852.90**	0.8686	**13,338,093.83**
TWD	**4,298,941,210.52**	0.2132	**916,534,266.08**
VND	**1,326,454,160,664.61**	0.0002590	**343,551,627.61**
THB	**566,359,426.94**	0.204244	**115,675,514.80**
Trade payables			**41,787,828,378.53**
Including: USD	**5,271,139,039.68**	6.8109	**35,901,200,885.36**
EUR	**623,729,952.78**	7.7671	**4,844,572,916.24**
HKD	**1,171,385.08**	0.8686	**1,017,465.08**
JPY	**806,258,706.00**	0.0420	**33,899,147.29**
TWD	**635,048,701.00**	0.2132	**135,392,383.05**
VND	**2,802,049,035,330.58**	0.0002590	**725,730,700.15**
KRW	**23,857,903.00**	0.0044	**105,045.39**
GBP	**14,194.00**	9.0145	**127,951.81**
INR	**53,907,067.92**	0.0719	**3,876,565.07**
SGD	**1,691,477.82**	5.2605	**8,898,019.07**
MXN	**66,691,308.87**	0.3897	**25,988,335.93**
THB	**126,987,591.37**	0.2042	**25,936,453.61**
AUD	**900.00**	4.6804	**4,212.36**
MYR	**2,709,918.95**	1.6734	**4,534,821.73**
HUF	**40,504,588.00**	0.0220	**889,480.75**
PLN	**39,258,587.07**	1.8121	**71,141,270.80**
TRY	**30,949,350.81**	0.1458	**4,512,724.84**

Item	Closing balance of foreign currency	Exchange rate	Closing balance in RMB
Other payables			**824,799,004.58**
Including: USD	**8,633,212.05**	6.8109	**58,799,943.95**
EUR	**68,125,567.24**	7.7671	**529,138,093.31**
HKD	**8,336,546.75**	0.8686	**7,241,124.51**
JPY	**19,687,524.11**	0.0420	**827,761.95**
TWD	**622,628,589.00**	0.2132	**132,744,415.17**
VND	**294,614,064,663.00**	0.0002590	**76,305,042.75**
KRW	**19,271,693.00**	0.0044	**84,852.49**
GBP	**129,531.10**	9.0145	**1,167,658.10**
INR	**1,087,571.56**	0.0719	**78,209.45**
SGD	**73,701.59**	5.2605	**387,707.21**
MXN	**10,152,673.11**	0.3897	**3,956,303.81**
THB	**54,792,623.57**	0.2042	**11,191,064.61**
MYR	**6,253.00**	1.6734	**10,463.87**
AUD	**20,753.00**	4.6804	**97,132.34**
PHP	**24,948,027.53**	0.1110	**2,769,231.06**

Other descriptions:

(2) Nature of a currency's non-convertibility and its financial impacts, the spot exchange rate adopted and the estimation process, as well as risks to which the enterprise is exposed arising from the non-convertibility of the currency

☐Applicable ☑Not applicable

(3) Notes to foreign operating entities, including, for significant foreign operating entities, the disclosure of overseas principal place of business, functional currency and selection basis, as well as the reason for any change of the functional currency.

☑Applicable ☐Not applicable

Name of significant foreign operating entity	Principal place of business	Functional currency	Basis for selecting the functional currency	Whether the functional currency has changed
Luxshare-ICT (Vietnam) Company Limited	Vietnam	VND	Legal currency of the country of registration	No
Luxshare-ICT (Van Trung) Company Limited	Vietnam	VND	Legal currency of the country of registration	No
Luxshare-ICT (Nghe An) Limited	Vietnam	VND	Legal currency of the country of registration	No
Luxshare Precision Limited	Hong Kong	USD	Currency primarily used in business transactions	No
LEONI AG	Germany	EUR	Currency primarily used in business transactions	No
LEONI Bordnetze Verwaltungs-GmbH	Germany	EUR	Currency primarily used in business transactions	No
LEONI Wiring Systems France S.A.S	France	EUR	Currency primarily used in business transactions	No
LEONI Kabel Polska sp. z o.o.	Poland	PLN	Legal currency of the country of registration	No
LEONI HighTemp Solutions GmbH	Germany	EUR	Legal currency of the country of registration and currency primarily used in business transactions	No
LEONI Cable Assemblies GmbH CDERA	Germany	EUR	Legal currency of the country of registration and currency primarily used in business transactions	No
Leonische Holding, Inc.	United States	USD	Legal currency of the country of registration and currency primarily used in business transactions	No
LEON I Cable Solutions Morocco S.A.S.U.	Morocco	EUR	Currency primarily used in business transactions	No
LEONI Cable S.A. de C.V.	Mexico	MXN	Legal currency of the country of registration and currency primarily used in business transactions	No
LEONI Cable de Chihuahua S.A. de C.V.	Mexico	MXN	Legal currency of the country of registration and currency primarily used in business transactions	No
LEONI Slovakia spol. s r.o.	Slovakia	EUR	Legal currency of the country of registration and currency primarily used in business transactions	No
LEONI Kablo ve Teknolojileri Sanayi ve Ticaret Ltd. Sirketi	Turkey	EUR	Currency primarily used in business transactions	No
LKH LEONI Kabelwerk Kábelgyár Hungária Kft.	Hungary	EUR	Currency primarily used in business transactions	No

(4) Lack of convertibility between the functional currency of the foreign operation and the enterprise's presentation currency

☑Applicable ☐Not applicable

73. Leases

(1) The Company as lessee

☑Applicable ☐Not applicable

Variable lease payments not included in lease liability measurement

☐Applicable ☑Not applicable

Lease expense for short-term leases or low-value assets under simplified treatment

☑Applicable ☐Not applicable

Item	Current-period amount	Prior-period amount
Interest expense on lease liabilities	**68,902,013.33**	20,042,698.62
Short-term lease expenses under simplified treatment recognised in the cost of related assets or in current-period profit or loss	**189,782,763.68**	175,210,848.58
Lease expenses for low-value assets under simplified treatment recognised in the cost of related assets or in current-period profit or loss (excluding short-term lease expenses for low-value assets)		
Variable lease payments not included in lease liability measurement recognised in the cost of related assets or in current-period profit or loss		
Of which: the portion arising from sale and leaseback transactions		
Income from subleasing right-of-use assets		
Total cash outflow related to leases	**512,388,594.07**	333,218,890.56
Gains or losses arising from sale and leaseback transactions		
Cash inflows from sale and leaseback transactions		
Cash outflows from sale and leaseback transactions		

Information relating to sale and leaseback transactions

74. Others

VIII. R&D Expenditures

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Personnel expenses	**3,829,965,041.44**	2,540,768,957.02
Mold and material expenses	**1,006,196,560.11**	835,104,351.67
Depreciation and amortization expenses	**665,508,657.79**	509,115,099.56
Consumables and other miscellaneous items	**220,924,050.93**	132,049,909.50
Repairs and testing	**239,901,580.55**	227,239,246.71
Service fees	**183,751,805.51**	97,255,154.43
Utilities	**64,296,164.14**	36,388,313.05
Transportation and travel expenses	**60,023,636.41**	31,113,234.06
Commercial insurance	**1,169,688.92**	1,222,152.62
Leasing expenses	**43,551,695.43**	18,861,137.61
Assurance, consulting and review fees	**174,443,512.55**	103,418,232.82
Other expenses	**142,576,006.63**	102,062,410.59
Total	**6,632,308,400.41**	4,634,598,199.64
Of which: Expensed R&D expenditures	**6,572,800,944.57**	4,593,537,528.74
Capitalised R&D expenditures	**59,507,455.84**	41,060,670.90

1. R&D projects eligible for capitalisation

Unit: RMB

Item	Opening balance	Increase in the current period: Internal development expenditures	Increase in the current period: Others	Decrease in the current period: Recognised as intangible assets	Decrease in the current period: Transferred to current-period profit or loss	Closing balance
Development expenditure	118,778,094.44	59,507,455.84		20,323,525.07	8,325,043.17	149,636,982.04
Total	118,778,094.44	59,507,455.84		20,323,525.07	8,325,043.17	149,636,982.04

Significant capitalised R&D projects

Item	R&D progress	Expected completion date	Expected manner of generating economic benefits	Timing of commencement of capitalisation	Specific basis for commencement of capitalisation

Allowance for impairment of development expenditures

Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment test status

IX. Changes in Scope of Consolidation

1. Business combination not under common control

(1) Business combination not under common control in the current period

Unit: RMB

Name of the acquiree	Date of equity acquisition	Cost of equity acquisition	Percentage of equity acquired	Method of equity acquisition	Acquisition date	Basis for determining the acquisition date	Acquiree's revenue from the acquisition date to the end of the reporting period	Acquiree's net profit from the acquisition date to the end of the reporting period	Acquiree's cash flows from the acquisition date to the end of the reporting period

Other descriptions:

None.

(2) Gains or losses arising from remeasurement at fair value of equity interests held before the acquisition date

Were there any step acquisitions that resulted in control during the reporting period?

☐Yes ☑No

(3) Other descriptions:

None.

2. Disposal of subsidiaries

Were there any transactions or events involving loss of control over subsidiaries during the reporting period?

☐Yes ☑No

Were there any step disposals of investments in subsidiaries resulting in loss of control during the reporting period?

☐Yes ☑No

3. Changes in scope of consolidation due to other reasons

Descriptions of changes in the scope of consolidation due to other reasons (such as the establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related situations:

1. Changes in the scope of consolidation arising from newly established subsidiaries of the Company for the period from 1 January to 30 June 2026 are stated as follows:

Name of subsidiary	Date of incorporation
Aijie Technology (Kunshan) Co., Ltd.	15 January 2026
Aijie Electronics (Jiashan) Co., Ltd.	22 January 2026
ICT DE, INC	6 March 2026
ICT NV, INC	9 March 2026
Luxshare Precision Industry (Shandong) Co., Ltd.	23 April 2026
Nanjing Xunrui New Materials Co., Ltd.	11 May 2026
Kunshan Dezhenchang New Materials Co., Ltd.	14 April 2026
Dongguan Xunpu Polymers Co., Ltd.	1 April 2026
Luxshare Tech Singapore Pte. Ltd.	7 May 2026
TIME Interconnect MedTech (Huizhou) Co., Ltd.	6 May 2026
LK Global Investment Limited	20 May 2026
Luxshare Precision (Shanghai)Technology Co., Ltd.	26 June 2026

2. Changes in the scope of consolidation arising from deregistration of subsidiaries of the Company for the period from 1 January to 30 June 2026 are set out below:

Name of subsidiary	Date of deregistration
LEONI Bulgaria EOOD	6 January 2026
Luxshare Standard Limited	22 May 2026

4. Others

None.

X. Equity in Other Entities

1. Equity in subsidiaries

(1) Composition of the enterprise group

Unit: RMB

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Luxshare-ICT Co., Ltd. (Taiwan)	NTD 618.758 million	Taiwan, China	Taiwan, China	Sales and marketing		100.00%	Establishment
Luxshare ICT, inc (United States)	USD2 million	United States	United States	Sales and marketing		100.00%	Establishment
Luxshare-ICT Europe Ltd.	GBP 100	UK	UK	Sales and marketing	100.00%		Establishment
Luxshare Precision Technology Co., Ltd.	USD9 million and RMB100 million	Hong Kong, China	Hong Kong, China	Investment consulting		100.00%	Establishment
Huzhou Jiuding Electronic Co., Ltd.	RMB308 million	Huzhou	Huzhou	Processing and manufacturing		100.00%	Business combination not under common control
YundingTechnology Co.,Ltd.	USD7.58853 million	Hong Kong, China	Hong Kong, China	Investment consulting		100.00%	Establishment
LUXSHARE-ICT (Japan)	JPY80 million	Japan	Japan	Sales and marketing		80.00%	Establishment
Korea Luxshare-ICT Co., Ltd	KRW545.75 million	Korea	Korea	Sales and marketing		100.00%	Establishment
Luxshare India Private Limited	INR557.5 million	India	Chennai	Processing and manufacturing		100.00%	Establishment
Luxshare-ICT India Private Limited	INR4.2429 billion	India	India	Processing and manufacturing		100.00%	Establishment
Qorvo Beijing Limited	USD38 million	Beijing	Beijing	Processing and manufacturing		100.00%	Business combination not under common control
Qorvo Hong Kong Limited	HKD10,000	Hong Kong, China	Hong Kong, China	Investment consulting		100.00%	Business combination not under common control
Qorvo Singapore Holding Pte. Limited	SGD32.2 million	Singapore	Singapore	Investment consulting		100.00%	Business combination not under common control
Luxis Technology Ltd.	USD1.5 million	Hong Kong, China	Hong Kong, China	Trade		100.00%	Establishment
Luxshare Precision Investment Co., Ltd.	USD100	Hong Kong, China	Hong Kong, China	Investment consulting		100.00%	Establishment
TIME Interconnect Technology Limited	HKD22.32326404 million	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Business combination not under common control
Linkz Cables Mexico, S. de R.L. de C.V.	MXN50,000	Mexico	Mexico	Processing and manufacturing		61.85%	Establishment
Linkz International Limited	HKD10,000	Hong Kong, China	Hong Kong, China	Trade		61.85%	Business combination not under common control
Linkz (Hong Kong) Limited	USD30 million	Suzhou	Suzhou	Processing and manufacturing		61.85%	Business combination not under common control
Lingxun Wire Industry (Shanghai) Co.,Ltd.	USD15 million	Shanghai	Shanghai	Processing and manufacturing		58.76%	Business combination not under common control
Linkz (Hong Kong) Limited	HKD10 million	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Kunshan Deqin Machinery Co., Ltd.	RMB10 million	Kunshan	Kunshan	Processing and manufacturing		61.85%	Business combination not under common control
Hover (Kunshan) Electronic Material Co., Ltd.	HKD30 million	Kunshan	Kunshan	Processing and manufacturing		61.85%	Business combination not under common control
Hover Manufacturing Co., Ltd.	HKD8 million	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Business combination not under common control
Linkz Cables Co., Ltd.	HKD8.39 million	BVI	BVI	Investment consulting		61.85%	Business combination not under common control
Huizhou Chuangxiang Technology Limited	RMB145.2501 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
Time Interconnect Wire Technology (Huizhou) Limited	RMB29.9753 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
TIME Interconnect Technology (Huizhou) Limited	USD44.60286 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
Time Interconnect America Inc	USD50,000	United States	United States	Investment consulting		61.85%	Establishment
Cosmic M.E. Inc.	JPY90 million	Japan	Japan	Processing and manufacturing		44.18%	Business combination not under common control
TIME INTERCONNECT MEDTECH UK LIMITED	GBP 50,000	UK	UK	Investment consulting		61.85%	Establishment
TIME Interconnect Industrial (HK) Limited	HKD10,000	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Business combination not under common control
TIME Interconnect Industrial Limited	HKD2 million	Hong Kong, China	Hong Kong, China	Trade		61.85%	Business combination not under common control
TIME Interconnect Wire Technology Limited	HKD68.935877 million	Hong Kong, China	Hong Kong, China	Trade		61.85%	Business combination not under common control
TIME Dachuang Information (Shanghai) Co., Ltd.	RMB50 million	Shanghai	Shanghai	Processing and manufacturing		61.85%	Establishment
Dachuang Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	RMB200 million	Kunshan	Kunshan	Processing and manufacturing		61.85%	Business combination not under common control
Dachuang Precision Smart Manufacturing (Dongguan) Co., Ltd.	RMB800 million	Dongguan	Dongguan	Processing and manufacturing		61.85%	Establishment
TIME Interconnect Technology (Kunshan) Limited	RMB250 million	Kunshan	Kunshan	Processing and manufacturing		61.85%	Establishment
Time Interconnect Technology (Jiangxi) Limited	RMB50 million	Wan'an	Wan'an	Processing and manufacturing		61.85%	Establishment
Time X-Ware Technology Limited	HKD10,000	Hong Kong, China	Hong Kong, China	Trade		61.85%	Business combination not under common control
Time Interconnect MedTech Limited	HKD10,000	Hong Kong, China	Hong Kong, China	Processing and manufacturing		61.85%	Establishment
Time Interconnect MedTech Investment Limited	USD10,000	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Establishment
Time Interconnect Investment Limited	USD50,000	BVI	BVI	Investment consulting		61.85%	Business combination not under common control
Luxshare Precision (M) Sdn. Bhd.	MYR58,000,000	Malaysia	Malaysia	Processing and manufacturing		100.00%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
LEONI AG	EUR50,000,000.00	Germany	Germany	Investment consulting		74.90%	Business combination not under common control
Luxshare Precision Singapore Pte. Ltd.	USD505.70 million	Singapore	Singapore	Sales and marketing		100.00%	Establishment
ICT Legend S. DE R.L. DE C.V.	MXN1.27823435007 billion	Mexico	Mexico	Processing and manufacturing		100.00%	Establishment
Cosmo Industrial (Dongguan) Co., Ltd.	USD11 million	Dongguan	Dongguan	Processing and manufacturing		100.00%	Business combination not under common control
Cosmo Manufacturing (Thailand) Co., Ltd	THB800 million	Thailand	Thailand	Processing and manufacturing		100.00%	Business combination not under common control
Luxshare Precision Works Limited	HKD13.3723 million	Hong Kong, China	Hong Kong, China	Trade		100.00%	Business combination not under common control
Cosmo Crew Limited	HKD50,000	Hong Kong, China	Hong Kong, China	Investment consulting		100.00%	Business combination not under common control
Cosmo International Limited	USD50,000	BVI	BVI	Investment consulting		100.00%	Business combination not under common control
Cosmo Corporation Cayman Limited	USD200,000	Cayman	Cayman	Investment consulting		100.00%	Business combination not under common control
Stellar Prosperity LLC	USD40 million	United States	United States	Processing and manufacturing		100.00%	Establishment
LEONI Kabel GmbH	EUR5,200,000.00	Germany	Germany	Processing and manufacturing		81.31%	Business combination not under common control
Time Interconnect Singapore Pte. Ltd.	USD400,000	Singapore	Singapore	Investment consulting		81.31%	Establishment
LUXSHARE PRECISION MEXICO SA DE CV	MXN13,411,000	Mexico	Mexico	Processing and manufacturing		100.00%	Business combination not under common control
EXCELLOX, INC.	USD1,022,000	United States	United States	Sales and marketing		100.00%	Business combination not under common control
PT Wingtech Technology Indonesia	INR50,000 million	Indonesia	Indonesia	Processing and manufacturing		100.00%	Business combination not under common control
Luxshare Communications (Hong Kong) Co., Limited	USD22,619,989.91	Hong Kong, China	Hong Kong, China	Trade		100.00%	Business combination not under common control
Luxshare Precision Cayman Limited	USD50,000	Cayman	Cayman	Investment consulting		100.00%	Establishment
Luxshare Precision Limited	USD5 million	Hong Kong, China	Hong Kong, China	Trade	100.00%		Establishment
SpeedTech Corp.	NTD 1.964288 billion	Taiwan, China	Taiwan, China	Processing and manufacturing		21.09%	Business combination not under common control
Luxshare Precision (Van Trung) Limited	USD160 million	Vietnam	Vietnam	Processing and manufacturing		100.00%	Establishment
Luxshare-ICT (Vietnam) Limited	USD164 million	Vietnam	Vietnam	Processing and manufacturing		100.00%	Establishment
Luxshare-ICT (Nghe An) Limited	USD180 million	Vietnam	Vietnam	Processing and manufacturing		100.00%	Establishment
Luxshare-ICT (Bac Ninh) Co., Ltd	USD260 million	Vietnam	Vietnam	Processing and manufacturing		100.00%	Establishment

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
ICT-LANTO LIMITED	USD153.290322 million	Hong Kong, China	Hong Kong, China	Trade	100.00%		Business combination not under common control
Luxshare Precision Industry (Baoding) Co., Ltd	RMB70 million	Baoding	Baoding	Processing and manufacturing		100.00%	Establishment
Xuancheng Luxshare Precision Industry Co., Ltd.	RMB900 million	Xuancheng	Xuancheng	Processing and manufacturing		100.00%	Establishment
Luxshare Electric (Shanghai) Co., Ltd.	RMB100 million	Shanghai	Shanghai	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Jiangsu) Co., Ltd.	RMB50 million	Liyang	Liyang	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Yancheng) Co., Ltd.	RMB50 million	Yancheng	Yancheng	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Hefei) Co., Ltd.	RMB20 million	Hefei	Hefei	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Hubei) Co., Ltd.	RMB50 million	Macheng	Macheng	Processing and manufacturing		100.00%	Establishment
Luxshare Automotive Technology (Shanghai) Co.,Ltd	RMB20 million	Shanghai	Shanghai	Processing and manufacturing		90.00%	Establishment
Luxshare Precision Industry (Wuhu) Co., Ltd.	RMB20 million	Wuhu	Wuhu	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Anhui) Co., Ltd.	RMB50 million	Fuyang	Fuyang	Processing and manufacturing		100.00%	Establishment
Lisheng Intelligent Technology (Chengdu) Co., Ltd.	RMB50 million	Chengdu	Chengdu	R&D center		100.00%	Business combination not under common control
Lisheng Intelligent Technology (Shanghai) Co., Ltd.	RMB100 million	Shanghai	Shanghai	R&D center		100.00%	Business combination not under common control
Luxshare Precision Industry (Lu'an) Co., Ltd.	RMB50 million	Lu'an	Lu'an	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Handan) Co., Ltd.	RMB100 million	Handan	Handan	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Ma'anshan) Co., Ltd.	RMB150 million	Ma'anshan	Ma'anshan	Processing and manufacturing		100.00%	Establishment
Luxshare Precision Industry (Kunshan) Co., Ltd.	RMB508 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Establishment
Bozhou Xuntao Electronics Co., Ltd.	RMB2 million	Bozhou	Bozhou	Processing and manufacturing		100.00%	Establishment
Suining Luxshare Precision Industry Co., Ltd.	RMB20 million	Suining	Suining	Processing and manufacturing		100.00%	Establishment
Bozhou Lanto Electronic Limited	RMB130 million	Bozhou	Bozhou	Processing and manufacturing		100.00%	Business combination not under common control
Merry Electronics (Suzhou) Co.,Ltd.	USD91.836735 million	Suzhou	Suzhou	Processing and manufacturing		51.00%	Business combination not under common control
Beijing Luxshare Acoustics Technology Co., Ltd.	RMB10 million	Beijing	Beijing	Processing and manufacturing		100.00%	Establishment

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Shanxi Luxshare Precision Industry Co., Ltd.	RMB90 million	Changzhi	Changzhi	Processing and manufacturing		100.00%	Establishment
Litao Precision Manufacturing (Kunshan) Co., Ltd.	RMB200 million	Kunshan	Kunshan	Processing and manufacturing		100.00%	Establishment
Suzhou Lanto Electronic Co., Ltd.	RMB180 million	Suzhou	Suzhou	Processing and manufacturing		100.00%	Establishment
Changzhi Luxshare Precision Industry Co., Ltd.	RMB20 million	Changzhi	Changzhi	Processing and manufacturing		100.00%	Establishment
Lanto Electronic Limited	RMB2,320 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Business combination not under common control
Wan'an Xiexun Electronic Co., Ltd.	RMB40 million	Wan'an	Wan'an	Processing and manufacturing	100.00%		Establishment
Yongxin County Asap Electronics Co., Ltd.	RMB20 million	Yongxin County	Yongxin County	Processing and manufacturing		100.00%	Business combination not under common control
Xinyu Xiexun Electronics Co., Ltd.	RMB11 million	Xinyu	Xinyu	Processing and manufacturing		100.00%	Establishment
Jiangxi Asap Electronicss Co., Ltd.	RMB10 million	Ji'an	Ji'an	Processing and manufacturing		100.00%	Establishment
Jiangxi Xiexun Intelligent Equipment Co., Ltd.	RMB10 million	Ji'an	Ji'an	Processing and manufacturing		100.00%	Establishment
Xiexun Electronic (Ji'an) Co., Ltd.	RMB114.71897944 million	Ji'an	Ji'an	Processing and manufacturing	100.00%		Business combination under common control
Lixun Power (Kunshan) Co., Ltd.	RMB100 million	Kunshan	Kunshan	Processing and manufacturing		87.77%	Establishment
Asap Technology (Jiangxi) Co., Ltd.	RMB100.924134 million	Ji'an	Ji'an	Processing and manufacturing		87.77%	Business combination not under common control
Jian'ou JK Wiring Systems Co.,Ltd.	RMB1 million	Jian'ou	Jian'ou	Processing and manufacturing		100.00%	Establishment
Fujian JK Wiring Systems Co., Ltd.	RMB46.5587651 million	Fuzhou	Fuzhou	Processing and manufacturing	100.00%		Business combination not under common control
Luxshare Electronic Technology (Kunshan) Ltd.	RMB2,200 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Business combination not under common control
Shenzhen Luxshare Acoustics Technology Ltd.	RMB28 million	Shenzhen	Shenzhen	Processing and manufacturing	100.00%		Establishment
Fengshun Luxshare Precision Industry Co., Ltd.	RMB10 million	Fengshun	Fengshun	Processing and manufacturing	100.00%		Establishment
Luxshare New Energy (Anhui) Co., Ltd.	RMB180 million	Chuzhou	Chuzhou	Processing and manufacturing		100.00%	Establishment
Slenergy Technology GmbH	EUR250 million	Germany	Germany	R&D center+Sales and marketing		100.00%	Business combination not under common control
SLENERGY TECHNOLOGY CO, S.L.	EUR7.13 million	Spain	Spain	Sales and marketing		70.00%	Business combination not under common control
Slenergy Technology (HK) Limited	HKD219.798928 million	Hong Kong, China	Hong Kong, China	Trade+Investment consulting		100.00%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Slenergy Technology (Meizhou) Co., Ltd.	RMB1 million	Meizhou	Meizhou	Processing and manufacturing		100.00%	Business combination not under common control
Slenergy Technology (Anhui) Co., Ltd.	RMB100 million	Chuzhou	Chuzhou	Processing and manufacturing		100.00%	Business combination not under common control
Luxshare Precision Industry (Chuzhou) Co., Ltd.	RMB758 million	Chuzhou	Chuzhou	Processing and manufacturing	100.00%		Establishment
SuK Kunststofftechnik GmbH	EUR25,564	Germany	Germany	Processing and manufacturing	100.00%		Business combination not under common control
Luxshare Automation (Jiangsu) Ltd.	RMB30 million	Kunshan	Kunshan	Processing and manufacturing	70.00%		Business combination not under common control
Merry Electronics (Huizhou) Co., Ltd.	RMB101.65963 million	Huizhou	Huizhou	Processing and manufacturing		51.00%	Business combination not under common control
Xingning Luxshare-ICT Electronics Co., Ltd.	RMB8.5 million	Xingning	Xingning	Processing and manufacturing		100.00%	Establishment
Xinhao Optoelectronics (Dongguan) Co., Ltd.	RMB50 million	Dongguan	Dongguan	Processing and manufacturing		100.00%	Business combination not under common control
Dongguan Luxshare Precision Industry Co., Ltd.	RMB1,000 million	Dongguan	Dongguan	Processing and manufacturing	100.00%		Establishment
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.	RMB1,000 million	Ji'an	Ji'an	Processing and manufacturing	100.00%		Establishment
Shenzhen Luxshare Smart Life Co., Ltd.	RMB30 million	Shenzhen	Shenzhen	Processing and manufacturing	70.00%		Establishment
Luxshare Precision Industry (Enshi) Co., Ltd.	RMB100 million	Enshi	Enshi	Processing and manufacturing	100.00%		Establishment
Luxshare Precision Industry (Suzhou) Co., Ltd.	RMB130 million	Suzhou	Suzhou	Processing and manufacturing	100.00%		Establishment
Luxshare Electronic Services (Zhejiang) Co.,Ltd.	RMB50 million	Jiashan	Jiashan	Processing and manufacturing		100.00%	Establishment
Lilinxunda Smart Terminal (Jiashan) Co.,Ltd	RMB50 million	Jiashan	Jiashan	Processing and manufacturing		75.00%	Establishment
Shanghai Lilinxunda Smart Terminal Co., Ltd.	RMB10 million	Shanghai	Shanghai	Processing and manufacturing		75.00%	Establishment
Luxshare ITech (Zhejiang) Co., LTD.	RMB730 million	Jiashan	Jiashan	Processing and manufacturing	100.00%		Establishment
Luxshare Precision (Chuzhou) Technology Co., Ltd.	RMB200 million	Chuzhou	Chuzhou	Processing and manufacturing		100.00%	Establishment
Suzhou Xiangcheng Luxshare Precision Metal Technology Co., Ltd.	RMB30 million	Suzhou	Suzhou	Processing and manufacturing		100.00%	Establishment
Suzhou Xiangcheng Luxshare Precision Industry Co., Ltd.	RMB500 million	Suzhou	Suzhou	Processing and manufacturing		100.00%	Establishment
Luxshare Intelligent Manufacture Technology (Changshu) Co., Ltd.	RMB1,300 million	Changshu	Changshu	Processing and manufacturing	100.00%		Establishment
Dongguan Xuntao Electronic Co., Ltd.	RMB539.8179555 million	Dongguan	Dongguan	Processing and manufacturing		87.77%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Luxshare Technologies (Suzhou) Limited	RMB200 million	Kunshan	Kunshan	Processing and manufacturing		87.77%	Establishment
Xingning Luxshare-ICT Electronics Co., Ltd.	RMB5 million	Xingning	Xingning	Processing and manufacturing		87.77%	Establishment
Luxshare Technologies Limited	RMB5 million	Hong Kong, China	Hong Kong, China	Processing and manufacturing		87.77%	Establishment
Hangzhou Xuntao Technology Co., Ltd.	RMB25 million	Hangzhou	Hangzhou	Processing and manufacturing		87.77%	Establishment
Dongguan Luxshare Smart-Link Electronic Technology Co., Ltd	RMB80 million	Dongguan	Dongguan	Processing and manufacturing		87.77%	Establishment
Shenzhen Huarong Technology Co., Ltd.	RMB20 million	Dongguan	Dongguan	Processing and manufacturing		66.73%	Business combination not under common control
Dongguan Huarong Supply Chain Management Co., Ltd	RMB10 million	Dongguan	Dongguan	Processing and manufacturing		66.73%	Business combination not under common control
Shenzhen Huarong Technology Co., Ltd.	RMB12.5 million	Shenzhen	Shenzhen	Processing and manufacturing		66.73%	Business combination not under common control
Luxshare Thermal Technology (Huizhou) Co., Ltd	RMB100 million	Huizhou	Huizhou	Processing and manufacturing		61.44%	Establishment
Dongguan Lirong Technology Co., Ltd.	RMB600,000	Shenzhen	Shenzhen	Processing and manufacturing		87.77%	Business combination not under common control
Shantou Luxshare Technologies Limited	RMB100 million	Shantou	Shantou	Processing and manufacturing		87.77%	Establishment
Luxshare Technologies International, Inc.	USD730,136.66	United States	United States	Sales and marketing		87.77%	Establishment
LUXSHARE TECHNOLOGIES (VIETNAM) CO., LTD	USD10,510,000.00	Vietnam	Vietnam	Processing and manufacturing		87.77%	Establishment
Luxshare Technologies (Xi'an) Co.,Ltd	RMB50 million	Xi'an	Xi'an	Processing and manufacturing		87.77%	Establishment
Chuzhou Luxshare Technologies Limited	RMB30 million	Chuzhou	Chuzhou	Processing and manufacturing		87.77%	Establishment
LYNTERA SINGAPORE PTE. LTD.	USD100	Singapore	Singapore	Processing and manufacturing		87.77%	Establishment
Luxshare Technologies Mexico S. de. R.L.de c.v.(MexicoLuxshare Technologies Limited)	MXN40,000	Mexico	Mexico	Processing and manufacturing		87.77%	Establishment
Dongguan Luxshare Technologies Co., Ltd.	RMB628.687968 million	Dongguan	Dongguan	Processing and manufacturing	87.77%		Establishment
Luxshare Smart Equipment (Yancheng) Co., Ltd.	RMB2,201 million	Yancheng	Yancheng	Investment consulting		80.01%	Establishment
Yancheng Luxshare Enterprise Management Services Partnership (Limited Partnership)	RMB2,200 million	Yancheng	Yancheng	Investment consulting		80.00%	Establishment
Jiashan Luxshare Smart Equipment Co., Ltd.	RMB2,201 million	Jiashan	Jiashan	Investment consulting		80.01%	Establishment

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Jiashan Luxshare Enterprise Management Services Partnership (Limited Partnership)	RMB2,200 million	Jiashan	Jiashan	Investment consulting		80.00%	Establishment
Changshu Luxshare Industrial Investment Management Co., Ltd.	RMB660 million	Changshu	Changshu	Investment consulting	100.00%		Establishment
Hongtao Intelligent Equipment (Kunshan) Co., Ltd.	RMB1,981 million	Kunshan	Kunshan	Processing and manufacturing		80.00%	Establishment
Kunshan Jinhong Enterprise Management Service Partnership (Limited Partnership)	RMB1,980 million	Suzhou	Suzhou	Investment consulting		80.01%	Establishment
Kunshan Luxshare Enterprise Management Services Partnership (Limited Partnership)	RMB201 million	Kunshan	Kunshan	Investment consulting		80.00%	Establishment
Luxshare Smart Equipment (Kunshan) Co., Ltd.	RMB2,201 million	Kunshan	Kunshan	Processing and manufacturing		80.01%	Establishment
Kunshan Luxshare Enterprise Management Development Co., Ltd	RMB200 million	Kunshan	Kunshan	Investment consulting	100.00%		Establishment
Luxshare Electronic Technology (Enshi) Co., Ltd.	RMB245 million	Enshi	Enshi	Processing and manufacturing	100.00%		Establishment
Luxis Technology (Kunshan) Co., Ltd.	RMB245 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Establishment
Ripei Computer Accessories (Shanghai) Co., Ltd.	RMB30.848 million	Shanghai	Shanghai	Processing and manufacturing		49.75%	Business combination not under common control
Rishan Computer Accessories (Jia Shan) Co., Ltd.	RMB1,437.684 million	Jiashan	Jiashan	Processing and manufacturing		49.75%	Business combination not under common control
Riming Computer Accessory (Shanghai) Co., Ltd.	RMB638.928568 million	Shanghai	Shanghai	Processing and manufacturing		49.75%	Business combination not under common control
Shengrui Electronic Technology (Shanghai) Co., Ltd.	RMB63.603 million	Shanghai	Shanghai	Processing and manufacturing		49.75%	Business combination not under common control
Rida Intelligent Manufacture Technology (Rugao) Co., Ltd.	RMB2,500 million	Rugao	Rugao	Processing and manufacturing		49.75%	Business combination not under common control
Casetek Singapore PTE. LTD.	USD730,000	Singapore	Singapore	Investment consulting		49.75%	Business combination not under common control
Luxshare Intelligent Manufacture Technology (Rugao) Co., LTD	RMB100 million	Rugao	Rugao	Processing and manufacturing		49.75%	Establishment
Luxcase Precision Technology (Kunshan) Co., Ltd.	RMB500 million	Kunshan	Kunshan	Processing and manufacturing		49.75%	Establishment
Luxcase Precision Technology (Vietnam) Co., Ltd.	USD142,000,000	Vietnam	Vietnam	Processing and manufacturing		49.75%	Establishment
Luxcase Precision Limited	USD5 million	Hong Kong, China	Hong Kong, China	Trade		49.75%	Establishment
Luxcase Korea Co., Ltd.	USD200,000	Korea	Korea	Sales and marketing		49.75%	Establishment
Lijing Precision Technology (Zhejiang) Co., Ltd.	RMB500 million	Jiashan	Jiashan	Processing and manufacturing		49.75%	Establishment
Luxcase Precision Technology (Changzhou) Co., Ltd.	RMB250 million	Jiangsu	Jiangsu	Processing and manufacturing		39.80%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Li Kai Precision Technology (Huangshi) Co., Ltd.	RMB500 million	Hubei	Hubei	Processing and manufacturing		49.75%	Establishment
Lishun Precision Technology (Jiashan) Co., Ltd.	RMB10 million	Zhejiang	Zhejiang	Processing and manufacturing		25.37%	Establishment
Luxcase Precision Technology (Yancheng) Co., Ltd.	RMB6,264.312296 million	Yancheng	Yancheng	Processing and manufacturing	49.75%		Business combination not under common control
Huzhou Luxshare Precision Industry Co., Ltd.	RMB250 million	Huzhou	Huzhou	Processing and manufacturing	100.00%		Establishment
Luxis Precision Intelligent Manufacturing (Shantou) Co., Ltd.	RMB100 million	Shantou	Shantou	Processing and manufacturing		100.00%	Establishment
Qorvo Dezhou Limited	RMB207.560893 million	Dezhou	Dezhou	Processing and manufacturing		100.00%	Business combination not under common control
Luxis Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	RMB300 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Establishment
Luxshare Smart Manufacturing Electronic Services (Kunshan) Co., Ltd.	RMB200 million	Kunshan	Kunshan	Processing and manufacturing	100.00%		Establishment
Liding Electronic Technology (Dongguan) Co., Ltd.	RMB250 million	Dongguan	Dongguan	Processing and manufacturing	100.00%		Establishment
Luxshare Precision Technology (Nanjing) Co., Ltd.	RMB50 million	Nanjing	Nanjing	Processing and manufacturing	100.00%		Establishment
Fengshun Luxshare Intelligent Manufacture Co., Ltd.	RMB250 million	Fengshun	Fengshun	Processing and manufacturing	100.00%		Establishment
Dongguan Luxshare Holdings Co., Ltd.	RMB200 million	Dongguan	Dongguan	Investment consulting	100.00%		Establishment
Jiaxing Yongrui Electronics Technology Co., Ltd.	RMB1,485.09928234 million	Jiaxing	Jiaxing	Processing and manufacturing		100.00%	Business combination not under common control
Xi'an Luxshare Information Technology Co., Ltd.	RMB20 million	Xi'an	Xi'an	R&D center		100.00%	Business combination not under common control
Wuxi Liton Information Technology Co., Ltd.	RMB20 million	Wuxi	Wuxi	R&D center		100.00%	Business combination not under common control
Shanghai Luxshare Information Technology Co., Ltd.	RMB50 million	Shanghai	Shanghai	R&D center		100.00%	Business combination not under common control
Shanghai Luxshare Electronic Technology Co., Ltd.	RMB10 million	Shanghai	Shanghai	R&D center		100.00%	Business combination not under common control
Shanghai Wenzhou Electronic Technology Co., Ltd.	RMB270 million	Shanghai	Shanghai	Processing and manufacturing		100.00%	Business combination not under common control
Huangshi Zhitong Electronics Co., Ltd.	RMB1,060 million	Huangshi	Huangshi	Processing and manufacturing		100.00%	Business combination not under common control
Kunming Zhitong Electronics Co., Ltd.	RMB520 million	Kunming	Kunming	Processing and manufacturing		100.00%	Business combination not under common control
Shenzhen Luxshare Zhitong Technology Co., Ltd.	RMB500 million	Shenzhen	Shenzhen	Processing and manufacturing		100.00%	Business combination not under common control
Luxshare Communications (Shanghai) Co., Ltd.	RMB1,500 million	Shanghai	Shanghai	Processing and manufacturing	100.00%		Establishment
Luxshare Precision Industry (Henan) Co., Ltd.	RMB80 million	Henan	Henan	Processing and manufacturing	100.00%		Establishment

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
Luxshare Intelligent Manufacture Technology (Suzhou) Co., Ltd.	RMB500 million	Jiangsu	Jiangsu	Processing and manufacturing	100.00%		Establishment
Luxshare Intelligent Electronic (Jiaxing) Co., Ltd.	RMB30 million	Jiaxing	Jiaxing	Processing and manufacturing	100.00%		Establishment
Luxshare Supply Chain Technology (Wuxi) Co., Ltd.	RMB50 million	Wuxi	Wuxi	Trade		100.00%	Establishment
Luxshare Supply Chain Technology (Shenzhen) Co., Ltd.	RMB100 million	Shenzhen	Shenzhen	Trade		100.00%	Establishment
Kunming Luxshare Technology Co., Ltd.	RMB4,000 million	Kunming	Kunming	Processing and manufacturing	100.00%		Business combination not under common control
Dongguan Changlong Communications Technology Co., Ltd.	RMB2 million	Dongguan	Dongguan	Processing and manufacturing		100.00%	Business combination not under common control
Luxshare Energy (Jiangxi) Co., Ltd	RMB100 million	Ji'an	Ji'an	Processing and manufacturing	100.00%		Establishment
Cyber Acoustics, LLC(USA)	USD310,400	United States	United States	Trade		14.76%	Business combination not under common control
Taihan Precision Technology Co., Ltd.	NTD 1,500,000,000	Taiwan, China	Taiwan, China	Processing and manufacturing		6.14%	Business combination not under common control
e-Leader Technology (Vietnam) Co., Ltd.	USD6,000,000	Vietnam	Vietnam	Processing and manufacturing		52.65%	Establishment
Dejinchang Investment Co., Ltd.	USD128,207	Hong Kong, China	Cayman Islands	Investment consulting		61.85%	Business combination not under common control
JIN'S COPPER INDUSTRIES CO., LIMITED	HKD1 million	Hong Kong, China	Hong Kong, China	Investment consulting		61.85%	Business combination not under common control
Huizhou Huasheng Electrical Wire Co., Ltd.	USD1.32 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
Huizhou Dejinchang Optoelectronics Technology Co., Ltd.	USD12.20 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
Huizhou Dejinchang New Material Co., Ltd.	RMB80 million	Huizhou	Huizhou	Processing and manufacturing		61.85%	Business combination not under common control
Jian DejinChang Optoelectronics Technology Co.,Ltd	RMB10 million	Ji'an	Ji'an	Processing and manufacturing		61.85%	Business combination not under common control
Nantong Dejinchang Photoelectric Technology Co., Ltd.	RMB50 million	Nantong	Nantong	R&D center		61.85%	Business combination not under common control
Nantong Zhenhongchang Technology Co., Ltd.	RMB15 million	Nantong	Nantong	Processing and manufacturing		61.85%	Business combination not under common control
Dejinchang Optoelectronics Technology (Thailand) Co., Ltd.	THB460 million	Thailand	Thailand	Processing and manufacturing		61.85%	Business combination not under common control
Deshengchang New Material (Thailand) Co., Ltd.	THB100 million	Thailand	Thailand	Processing and manufacturing		61.85%	Business combination not under common control
DZC Optoelectronics Technology (Vietnam) Company Limited	VND264,786 million	Vietnam	Vietnam	Processing and manufacturing		61.85%	Business combination not under common control
Leonische Holding, Inc.	USD2,000	United States	United States	Investment consulting		81.31%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
LEONI Cable, Inc.	USD3,000	United States	United States	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Cable S.A. de C.V.	MXN34.9595 million	Mexico	Mexico	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Cable de Chihuahua S.A. de C.V.	MXN50,000	Mexico	Mexico	Processing and manufacturing		81.31%	Business combination not under common control
LEONI HighTemp Solutions GmbH	EUR2.525 million	Germany	Germany	Processing and manufacturing+R&D center		81.31%	Business combination not under common control
LKH LEONI Kabelwerk Kábelgyár Hungária Kft.	EUR1.01 million	Hungary	Hungary	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Kabel Polska sp. z o.o.	PLN45 million	Poland	Poland	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Kablo ve Teknolojileri Sanayi ve Ticaret Ltd. Sirketi	TRY714,400	Türkiye	Türkiye	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Cable Solutions RO S.R.L.	245,000 Romanian lei	Romania	Romania	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Cable Assemblies GmbH	EUR30,000	Germany	Germany	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Slovakia spol. s r.o.	EUR9.9037 million	Slovakia	Slovakia	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Cable (China) Co., Ltd.	USD46.323597 million	Changzhou	Changzhou	Processing and manufacturing		81.31%	Business combination not under common control
LEONI Bordnetz-Systeme GmbH	EUR5.2 million	Germany	Germany	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Automotive do Brasil Ltda.	145.4003 million Brazilian reais	Brazil	Brazil	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems de Paraguay S.R.L.	232,431.709 million Paraguayan guaraníes	Paraguay	Paraguay	Processing and manufacturing		74.90%	Business combination not under common control
Leoni Kabelsysteme GmbH	EUR50,000	Germany	Germany	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Arad S.R.L.	45.7033 million Romanian lei	Romania	Romania	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems RO S.R.L.	37.7149 million Romanian lei	Romania	Romania	Processing and manufacturing		74.90%	Business combination not under common control
TOV LEONI Wiring Systems UA GmbH	395.3465 million Ukrainian hryvnia	Ukraine	Ukraine	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems U.K. Ltd.	GBP 30 million	UK	UK	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Southeast d.o.o.	71.8474 million Serbian dinars	Serbia	Serbia	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Egypt S.A.E.	USD5 million	Egypt	Egypt	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Agadir S.A.S.U	EUR50,000	Morocco	Morocco	Processing and manufacturing		74.90%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
LEONI Wiring Systems Korea, Inc.	10,263.155 million won	Korea	Korea	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Electric System (Jining) Corporation	EUR6 million	Jining	Jining	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Electrical Systems (Shanghai) Co., Ltd.	USD20.3 million	Shanghai	Shanghai	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Electrical Systems (Shandong) Co., Ltd.	RMB39.242374 million	Yantai	Yantai	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring System (Tieling) Co., Ltd.	RMB100 million	Tieling	Tieling	Processing and manufacturing		74.90%	Business combination not under common control
KB Kabel Beteiligungs-GmbH	EUR125,000	Germany	Germany	Investment consulting		74.90%	Business combination not under common control
LEONI Wiring Systems Inc.	USD10	United States	United States	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Mexicana S.A. de C.V.	MXN2.2587 million	Mexico	Mexico	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems de Durango S.A. de C.V.	MXN50,000	Mexico	Mexico	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Yucatan S.A. de C.V.	MXN230.05 million	Mexico	Mexico	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Services de Hermosillo S.A. de C.V.	MXN10,000	Mexico	Mexico	Processing and manufacturing		74.90%	Business combination not under common control
Leonische Portugal Indústria de Cabelagens, Lda.	EUR2.9 million	Portugal	Portugal	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Spain, S.L.U.	EUR2.9 million	Spain	Spain	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Italy S.P.A.	EUR10.3 million	Italy	Italy	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Czech s.r.o.	25,000 Czech koruna	Czechia	Czechia	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Slovakia, Spol. s.r.o	EUR5,000	Slovakia	Slovakia	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Poland sp. zo.o.	PLN239,500	Poland	Poland	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Tunisia SARL	45.6 million Tunisian dinars	Tunisia	Tunisia	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems France S.A.S	EUR5.1 million	France	France	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Pitesti S.R.L.	12.6623 million Romanian lei	Romania	Romania	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Turkey Kablo Sistemleri Limited	TRY50,000	Türkiye	Türkiye	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Ain Sebaa S.A.	30 million Moroccan dirhams	Morocco	Morocco	Processing and manufacturing		74.90%	Business combination not under common control

Subsidiaries	Registered capital	Main place of business	Place of registration	Nature of business	Shareholding ratio Direct	Shareholding ratio Indirect	Method of acquisition
LEONI Wiring Systems Bouskoura S.A.	36.6258 million Moroccan dirhams	Morocco	Morocco	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Wiring Systems Berrechid S.A.	231 million Moroccan dirhams	Morocco	Morocco	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Industry Holding GmbH	EUR25,000	Germany	Germany	Investment consulting		74.90%	Business combination not under common control
LEONI Wiring Systems Real Estate S.A.S.U.	500,000 Moroccan dirhams	Morocco	Morocco	Investment consulting		74.90%	Business combination not under common control
Leoni Bordnetze Verwaltungs-GmbH	EUR50,000	Germany	Germany	Processing and manufacturing		74.90%	Business combination not under common control
LEONI Cable Solutions Morocco S.A.S.U.	EUR50,000	Morocco	Morocco	Processing and manufacturing		81.31%	Business combination not under common control
Lyntera Co., Ltd.	95 million yen	Japan	Japan	Processing and manufacturing+R&D center		87.77%	Establishment
SpeedTech Industrial Co., Ltd.	NTD 95 million	Taiwan, China	Taiwan, China	Processing and manufacturing		6.14%	Establishment
ST INVESTMENT HOLDING CORP.	USD1,000	Taiwan, China	Taiwan, China	Investment consulting		21.09%	Establishment
Luxshare Precision Industry (Shandong) Co., Ltd.	RMB50 million	Shandong	Shandong	Processing and manufacturing		100.00%	Establishment
ICT DE, INC	USD100 million	United States	United States	Investment consulting		100.00%	Establishment
ICT NV, INC	USD100 million	United States	United States	Processing and manufacturing		100.00%	Establishment
Aijie Technology (Kunshan) Co., Ltd.	RMB400 million	Jiangsu	Jiangsu	Processing and manufacturing	100.00%		Establishment
Aijie Electronics (Jiashan) Co., Ltd.	RMB400 million	Zhejiang	Zhejiang	Processing and manufacturing		100.00%	Establishment
Kunshan Dezhenchang New Material Co., Ltd.	RMB20 million	Jiangsu	Jiangsu	Processing and manufacturing		61.85%	Establishment
TIME Interconnect MedTech (Huizhou) Co., Ltd.	RMB10 million	Guangdong	Guangdong	Processing and manufacturing		61.85%	Establishment
LK Global Investment Limited	USD5 million	BVI	BVI	Investment consulting		61.85%	Establishment
Dongguan Xunpu Polymer Co., Ltd.	RMB1 million	Guangdong	Guangdong	Processing and manufacturing		61.44%	Establishment
Luxshare Tech Singapore Pte. Ltd.	USD100	Singapore	Singapore	Investment consulting		87.77%	Establishment
Nanjing Xunrui New Materials Co., Ltd.	RMB10 million	Jiangsu	Jiangsu	Processing and manufacturing		66.71%	Establishment
Shanghai Luxshare Precision Technology Co., Ltd.	RMB30 million	Shanghai	Shanghai	R&D center		100.00%	Establishment

Explanation of differences between the shareholding percentage and the voting rights percentage in subsidiaries:

Basis for determining control over investees where the Company holds half or less of the voting rights, and for determining lack of control over investees where the Company holds more than half of the voting rights:

Basis for control over significant structured entities included in the scope of consolidation:

Basis for determining whether the Company acts as an agent or a principal:

Other descriptions:

(2) Significant non-wholly-owned subsidiaries

Unit: RMB

Subsidiaries	Shareholding percentage of minority shareholders	Profit or loss attributable to minority shareholders for the current period	Dividends declared to minority shareholders for the current period	Closing balance of minority interests
Luxcase Precision Technology (Yancheng) Co., Ltd.	50.25%	212,697,066.62		9,631,300,533.50

Explanation of differences between the shareholding percentage and the voting rights percentage of minority shareholders in subsidiaries:

Other descriptions:

(3) Key financial information of significant non-wholly-owned subsidiaries

Unit: RMB

Subsidiaries	Closing balance						Opening balance					
	Current assets	Non current assets	Total assets	Current liabilities	Non current liabilities	Total liabilities	Current assets	Non current assets	Total assets	Current liabilities	Non current liabilities	Total liabilities
Luxcase Precision Technology (Yancheng) Co., Ltd.	57,465,742,267.56	16,702,752,869.53	74,168,495,137.09	53,830,280,960.19	1,148,332,105.43	54,978,613,065.62	52,700,547,739.64	13,835,476,938.22	66,536,024,677.86	46,570,398,259.60	1,221,899,234.56	47,792,297,494.16

Unit: RMB

Subsidiaries	Current-period amount				Prior-period amount			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Luxcase Precision Technology (Yancheng) Co., Ltd.	36,759,385,551.24	399,346,065.03	446,154,887.76	3,888,478,886.37	34,475,941,780.37	792,046,568.35	895,478,575.47	-32,095,057.53

Other descriptions:

2. Changes in ownership interests in subsidiaries without loss of control

(1) Explanation of changes in ownership interests in subsidiaries

On 29 April 2026, Luxshare Precision Singapore Pte. Ltd., a subsidiary of Luxshare Precision Limited, acquired an additional 24.8% equity interest in its subsidiary LEONI AG for a consideration of EUR186,000,000 (equivalent to RMB1,496,492,789.76). Prior to this acquisition, Luxshare Precision Singapore Pte. Ltd. held a 50.1% equity interest in LEONI AG. Upon completion of the acquisition, it held 74.9% of the equity interest in LEONI AG and continues to maintain control over it.

(2) Effects of transactions on non-controlling interests and equity attributable to owners of the parent

Unit: RMB

	LEONI AG
Purchase cost/disposal consideration	
— Cash	1,496,492,789.76
— Fair value of non-cash assets	
Total purchase cost/disposal consideration	1,496,492,789.76
Less: Proportionate share of the subsidiary's net assets acquired/disposed of	1,228,433,085.21
Difference	268,059,704.55
Of which: Adjustment to capital reserve	268,059,704.55
Adjustment to capital reserve	
Adjustment to retained profits	

Other descriptions

3. Interests in joint ventures or associates

(1) Aggregated financial information of immaterial joint ventures and associates

Unit: RMB

	Closing balance/ Current-period amount	Opening balance/ Prior-period amount
Joint ventures:		
Aggregate carrying amount of investments	**132,331,206.99**	134,027,582.68
Aggregate amounts of the following items calculated according to the shareholding percentage		
— Net profit	**3,639,195.90**	3,668,662.56
— Other comprehensive income	**–5,335,571.59**	
— Total comprehensive income	**–1,696,375.69**	3,668,662.56
Associates:		
Aggregate carrying amount of investments	**14,763,819,239.64**	11,875,669,084.17
Aggregate amounts of the following items calculated according to the shareholding percentage		
— Net profit	**2,743,446,051.36**	1,346,545,126.29
— Other comprehensive income	**15,543,987.99**	–2,082.97
— Total comprehensive income	**2,758,990,039.35**	1,346,543,043.32

Other descriptions:

XI. Government Grants

1. Government grants recognised based on the receivable amount 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	Grants newly received during the current period	Amount recognised in non operating revenue for the current period	Amount transferred to other income for the current period	Other changes during the current period	Closing balance	Related to assets/income
Deferred income	1,138,420,510.47	312,052,887.67		215,111,311.29		**1,235,362,086.85**	Government grants related to assets

3. Government grants recognised in profit or loss for the current period

☑Applicable ☐Not applicable

Unit: RMB

Accounting item	Current-period amount	Prior-period amount
Government grants related to assets	**215,111,311.29**	111,246,036.38
Government grants related to income	**370,207,138.38**	263,475,051.74
Total	**585,318,449.67**	374,721,088.12

Other descriptions:

XII. Risks Related to Financial Instruments

1. Various risks arising from financial instruments

1. Credit risk

Credit risk refers to the risk that one party to a financial instrument fails to perform its obligations, causing the other party to incur a financial loss. The Company is primarily exposed to customer credit risk arising from sales on credit. Before entering into a new contract, the Company assesses the credit risk of the new customer, including external credit ratings and, in certain cases, bank references, where such information is available. The Company sets a credit limit for each customer, which represents the maximum amount of credit sales that may be made without additional approval.

The Company ensures that its overall credit risk remains within a controllable range through quarterly monitoring of the credit ratings of existing customers and monthly reviews of the aging analysis of trade receivable. In monitoring customer credit risk, customers are grouped according to their credit characteristics. Customers rated as "high risk" are placed on the restricted customer list, and the Company may make sales on credit to them in future periods only with additional approval; otherwise, the relevant amounts must be paid in advance.

2. Liquidity risk

Liquidity risk refers to the risk that an entity may encounter a shortage of funds when fulfilling obligations that are settled by delivering cash or other financial assets.

The Company's policy is to ensure that it has sufficient cash to repay debts as they fall due. Liquidity risk is centrally managed by the Company's finance department. The finance department monitors cash balances, readily realizable marketable securities, and rolling forecasts of cash flows over the next 12 months to ensure that the Company has sufficient funds to repay debts under all reasonably foreseeable circumstances. It also continuously monitors the Company's compliance with the provisions of its borrowing agreements and obtains commitments from major financial institutions to provide sufficient standby funding to meet short-term and long-term funding needs.

The Company's financial liabilities are presented below by maturity date based on undiscounted contractual cash flows:

Item	Closing balance						
	Repayable on demand	Within 1 year	1–2 years	2–5 years	Over 5 years	Total undiscounted contractual amount	Carrying amount
Notes payable	–	2,101,946,839.83	–	–	–	2,101,946,839.83	2,101,946,839.83
Trade payables	–	74,533,334,608.19	–	–	–	74,533,334,608.19	74,533,334,608.19
Other payables	–	2,108,855,127.52	–	–	–	2,108,855,127.52	2,108,855,127.52
Other current liabilities (excluding short-term financing bonds)	–	602,389,410.68	–	–	–	602,389,410.68	602,389,410.68
Other current liabilities (short-term financing bonds)	–	8,097,896,712.33	–	–	–	8,097,896,712.33	8,058,556,986.30
Short-term borrowings and interest	–	94,125,812,070.14	–	–	–	94,125,812,070.14	93,569,419,706.38
Long-term borrowings due within one year	–	6,236,819,119.63	–	–	–	6,236,819,119.63	6,168,923,678.95
Bonds payable (SpeedTech convertible bonds)	–	489,945,966.23	–	–	–	489,945,966.23	420,904,749.32
Bonds payable (medium term notes)	–	125,590,000.00	4,095,278,472.22	2,440,914,555.56	–	6,661,783,027.78	6,426,076,926.92
Long-term borrowings and interest	–	645,516,402.34	12,597,701,161.53	11,965,138,333.91	868,160,830.50	26,076,516,728.28	24,543,001,875.50
Luxshare-ICT convertible bonds	–	3,047,597,717.92	–	–	–	3,047,597,717.92	3,004,360,447.63
Long-term payables due within one year	–	40,250,964.99	–	–	–	40,250,964.99	40,250,964.99
Total	–	192,155,954,939.80	16,692,979,633.75	14,406,052,889.47	868,160,830.50	224,123,148,293.52	221,578,021,322.21

Item	Balance at the end of the prior year						
	Repayable on demand	Within 1 year	1–2 years	2–5 years	Over 5 years	Total undiscounted contractual amount	Carrying amount
Notes payable	–	3,102,096,141.20	–	–	–	3,102,096,141.20	3,102,096,141.20
Trade payables	–	80,910,608,802.62	–	–	–	80,910,608,802.62	80,910,608,802.62
Other payables	–	2,320,728,981.71	–	–	–	2,320,728,981.71	2,320,728,981.71
Other current liabilities (excluding short-term financing bonds)	–	1,126,438,162.38	–	–	–	1,126,438,162.38	1,126,438,162.38
Other current liabilities (short-term financing bonds)	–	6,075,548,383.56	–	–	–	6,075,548,383.56	6,024,479,013.69
Short-term borrowings and interest	–	60,594,540,482.95	–	–	–	60,594,540,482.95	60,137,739,468.49
Long-term borrowings due within one year	–	10,239,696,299.83	–	–	–	10,239,696,299.83	10,126,584,882.92
Bonds payable (SpeedTech convertible bonds)	–	994,002.71	466,442,043.93	–	–	467,436,046.64	436,185,443.70
Bonds payable (medium term notes)	–	64,350,000.00	64,350,000.00	3,005,266,250.00	–	3,133,966,250.00	3,055,651,981.52
Long-term borrowings and interest	–	391,085,270.40	6,637,276,009.31	9,455,576,803.97	923,467,922.04	17,407,406,005.72	16,441,982,591.33
Long-term payables	–	–	2,999,320.76	–	–	2,999,320.76	2,999,320.76
Luxshare-ICT convertible bonds	–	3,058,702,450.06	–	–	–	3,058,702,450.06	2,950,609,273.76
Long-term payables due within one year	–	36,340,041.17	–	–	–	36,340,041.17	36,340,041.17
Total	–	167,921,129,018.60	7,171,067,374.00	12,460,843,053.97	923,467,922.04	188,476,507,368.60	186,672,444,105.25

As at the end of the Reporting Period, the Company's lease liabilities due within one year amounted to RMB643,101,926.34, and the remaining balance of lease liabilities was RMB2,276,281,001.45.

1. Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in market prices, including exchange rate risk, interest rate risk, and other price risk.

(1) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in market interest rates.

Interest-bearing financial instruments with fixed interest rates and floating interest rates expose the Company to fair value interest rate risk and cash flow interest rate risk, respectively. The Company determines the mix of fixed-rate and floating-rate instruments based on the market environment, and it maintains an appropriate portfolio of fixed-rate and floating-rate instruments through regular review and monitoring. When necessary, the Company uses interest rate swaps to hedge interest rate risk.

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in foreign exchange rates.

The Company continuously monitors the scale of its foreign currency transactions and foreign currency assets and liabilities in order to minimise its exposure to exchange rate risk. In addition, the Company may enter into forward foreign exchange contracts or currency swap contracts to hedge against exchange rate risk. During the current period and the prior period, the Company did not enter into any forward foreign exchange contracts or currency swap contracts.

The exchange rate risk to which the Company is exposed mainly arises from financial assets and financial liabilities denominated in U.S. dollars. For the amounts of foreign currency financial assets and foreign currency financial liabilities translated into RMB, please refer to foreign currency monetary items.

(3) Other price risk

Other price risk refers to the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in market prices other than those arising from exchange rate risk and interest rate risk.

The Company's other price risk mainly arises from various investments in equity instruments, which are exposed to the risk of changes in equity instrument prices.

Item	Closing balance	Balance at the end of the prior year
Investments in other equity instruments	**447,606,896.62**	129,258,425.14
Total	**447,606,896.62**	129,258,425.14

2. Hedging

(1) The Company conducts hedging business for risk management purposes

☑Applicable ☐Not applicable

Item	Corresponding risk management strategy and objective	Qualitative and quantitative information on the hedged risk	Economic relationship between the hedged item and the related hedging instrument	Expected effectiveness in achieving the risk management objective	Effect of the corresponding hedging business on risk exposure
Cash flow hedge — foreign exchange forward contracts	The Company expects to generate significant foreign currency receipts and payments in Romanian leu (RON), Mexican pesos (MXN), and other currencies during its operations. When exchange rates fluctuate significantly, foreign exchange risk will have a certain impact on the Company's financial position and operating results. To effectively hedge risks in the foreign exchange market and prevent exchange rate fluctuations from adversely affecting its financial position and operating results, the Company conducts foreign exchange hedging business.	The approval procedures for the Company's foreign exchange hedging business using its own funds comply with relevant national laws and regulations and the Company's *Administrative Measures for Foreign Exchange Hedging Business*. For the cash flow hedges conducted by the Company during the current period, the amount of other comprehensive income recognised at the end of the period was RMB20,146,452.54.	The cash flows of the expected receipts and payments and those of the foreign exchange forward contracts move in opposite directions.	Achieved	By conducting hedging business, the Company can make full use of the hedging function of the derivatives market, hedge against the risk of price fluctuations arising from foreign exchange rate movements, and reduce their impact on the Company's regular operations.

Other descriptions

(2) The Company conducts qualifying hedging business and applies hedge accounting

Unit: RMB

Item	Carrying amount related to the hedged item and the hedging instrument	Cumulative fair value hedge adjustments included in the recognised carrying value of the hedged item	Sources of hedge effectiveness and hedge ineffectiveness	Effect of hedge accounting on the Company's financial statements
Type of hedged risk				
Risk of exchange rate fluctuations in expected receipts and payments	-20,146,452.54	-20,146,452.54	At the time of designation, the hedging instrument and the hedged item are matched with the expected future cash flows, and the hedges are effective.	Net after-tax amount of other comprehensive income: RMB-20,146,452.54
Types of hedge				
Cash flow hedge	-20,146,452.54	-20,146,452.54	At the time of designation, the hedging instrument and the hedged item are matched with the expected future cash flows, and the hedges are effective.	Net after-tax amount of other comprehensive income: RMB-20,146,452.54

Other descriptions

(3) The Company undertakes hedging business for risk management purposes that is expected to achieve the risk management objectives, but hedge accounting is not applied.

☐Applicable ☑Not applicable

3. Financial assets

(1) Classification by transfer method

☑Applicable ☐Not applicable

Unit: RMB

Method of transfer	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition status	Basis for determining derecognition status
Sale	Trade receivable	17,410,975,970.74	Derecognized	Transfer of risks and rewards
Discounting, endorsement	Trade receivables financing	5,559,708,749.69	Derecognized	Transfer of risks and rewards
Discounting, endorsement	Notes receivable	1,100,497,163.32	Not derecognized	Transfer of risks and rewards
Total		24,071,181,883.75		

(2) Financial assets terminated due to transfer

☑Applicable ☐Not applicable

Unit: RMB

Item	Method of transfer of financial assets	Amount of financial assets derecognized	Gain or loss related to derecognition
Trade receivables	Sale	17,410,975,970.74	–115,780,759.27
Trade receivables financing	Discounting, endorsement	5,559,708,749.69	–107,953,622.20
Total		22,970,684,720.43	–223,734,381.47

(3) *Transferred financial assets with continuing involvement*

☑Applicable ☐Not applicable

Unit: RMB

Item	Method of asset transfer	Amount of assets arising from continuing involvement	Amount of liabilities arising from continuing involvement
Notes receivable	Discounting, endorsement	1,013,290,210.26	1,013,290,210.26
Total		1,013,290,210.26	1,013,290,210.26

Other descriptions

XIII. Disclosure of Fair Value

1. Closing fair value of assets and liabilities measured at fair value

Unit: RMB

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Recurring fair value measurement	—	—	—	—
(I) Financial assets held for trading		706,352,815.58	2,901,903,740.95	3,608,256,556.53
1. Financial assets at fair value through profit or loss		706,352,815.58	2,901,903,740.95	3,608,256,556.53
(3) Derivative financial assets		639,817,594.77	2,901,903,740.95	3,541,721,335.72
(4) Others		66,535,220.81		66,535,220.81
(III) Other equity instruments investments	244,796,935.32		537,146,268.63	781,943,203.95
Trade receivables financing			1,853,162,842.54	1,853,162,842.54
Other non-current financial assets			69,091,714.90	69,091,714.90
Total assets measured at fair value on a recurring basis	244,796,935.32	706,352,815.58	5,361,304,567.02	6,312,454,317.92
(VI) Financial liabilities held for trading		199,673,585.51		199,673,585.51
Derivative financial liabilities		177,477,638.83		177,477,638.83
Others		22,195,946.68		22,195,946.68
Total liabilities measured at fair value on a recurring basis		199,673,585.51		199,673,585.51
II. Non-recurring fair value measurements	—	—	—	—

2. **Basis for determining market prices for items measured at Level 1 fair value on a recurring and non-recurring basis**

   Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date.

3. **Valuation techniques used and qualitative and quantitative information about significant inputs for items measured at Level 2 fair value on a recurring and non-recurring basis**

   Level 2 inputs are inputs other than Level 1 inputs that are observable for the related asset or liability, either directly or indirectly.

4. **Valuation techniques used and qualitative and quantitative information about significant inputs for items measured at Level 3 fair value on a recurring and non-recurring basis**

   Level 3 inputs are unobservable inputs for the related asset or liability.

5. **Reconciliation of opening and closing carrying values and sensitivity analysis of unobservable inputs for items measured at Level 3 fair value on a recurring basis**

   None.

6. **Transfers between levels during the current period for items measured at fair value on a recurring basis, reasons for the transfers, and the policy for determining when transfers are deemed to have occurred**

   None.

7. **Changes in valuation techniques during the current period and reasons for the changes**

   None.

8. **Fair value of financial assets and financial liabilities not measured at fair value**

   None.

9. **Others**

   None.

XIV. Related Parties and Related-party Transactions

1. Information about the Company's parent company

Name of parent company	Place of registration	Nature of business	Registered capital	Parent company's shareholding percentage in the Company	Parent company's percentage of voting rights in the Company
Luxshare Limited	Hong Kong	Industry	HKD10,000	37.32%	37.32%

Description of the Company's parent company

As at 30 June 2026, the number of shares pledged by Luxshare Limited represented 37.83% of the shares it held.

The ultimate controllers of the Company are Wang Laichun and Wang Laisheng.

Other descriptions:

2. Information about the Company's subsidiaries

For information about the Company's subsidiaries, please refer to Note "X. Interests in Other Entities".

3. Information about the Company's joint ventures and associates

For information about the Company's significant joint ventures or associates, please refer to Note "X. Interests in Other Entities".

Other joint ventures or associates that have related-party transactions with the Company during the current period, or had balances arising from related-party transactions with the Company in prior periods, are as follows:

Name of joint venture or associate	Relationship with the Company
Reel Mask Industry Co., Ltd.	Joint-stock company of a majority-owned sub-subsidiary of the Company
AIOTEK Co., Ltd.	Joint-stock company of a majority-owned sub-subsidiary of the Company
Lihao Optoelectronics Technology (Nantong) Co., Ltd.	Joint-stock company of a majority-owned subsidiary of the Company
MERRY & LUXSHARE (VIETNAM) CO., LTD.	Joint-stock company of a majority-owned subsidiary of the Company
Langfang Leoni Wiring Systems Co., Ltd.	Joint-stock company of a majority-owned subsidiary of the Company
Zhuhai Kinwong Flexible Circuit Co., Ltd.	Associate of the Company
Luxrise Automotive Technology (Guangzhou) Co., Ltd.	Associate of the Company
Castle Rock, Inc.	Associate of the Company
CALDIGIT INC.	Associate of the Company
CALDIGIT UK LTD.	Associate of the Company

Other descriptions

4. Information about other related parties

Name of other related parties	Relationship between other related parties and the Company
BCS Automotive Interface Solutions (Shenzhen) Co., Ltd. (立勝汽車科技(深圳)有限公司)	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions GmbH (Germany)	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions US, LLC (USA)	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions Romania s.r.l. (Romania)	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions s.r.o. (Czech)	Enterprise controlled by the Company's parent company
BCS-AIS Ensambles Mexico S. de R.L.de C.V.	Enterprise controlled by the Company's parent company
BCS AIS JAPAN CO., LTD.	Enterprise controlled by the Company's parent company

Name of other related parties	Relationship between other related parties and the Company
BCS Automotive Interface Solutions Queretaro S. de R.L. de C.V.	Enterprise controlled by the Company's parent company
BCS AIS Queretaro Dos S. de R.L. de C.V.	Enterprise controlled by the Company's parent company
BCS Automotive Interface Solutions, s.r.o.	Enterprise controlled by the Company's parent company
Luxsan Technology (Kunshan) Co., Ltd.	Enterprise controlled by the Company's parent company
Luxsan Precision iTech (Kunshan) Co., Ltd.	Enterprise controlled by the Company's parent company
Luxsan Investment (Jiangsu) Co., Ltd.	Enterprise controlled by the Company's parent company
Luxsan Intelligent Equipment (Kunshan) Co., Ltd.	Enterprise controlled by the Company's parent company
LUXSAN TECHNOLOGY LIMITED	Enterprise controlled by the Company's parent company
Luxsan (Hong Kong) Trading Limited	Enterprise controlled by the Company's parent company
PT LUXSAN PRECISION INDONESIA	Enterprise controlled by the Company's parent company
Luxsan Precision Industry (Kunshan) Co., Ltd.	Enterprise controlled by the Company's parent company
Luxsan Intelligent Manufacturing Electronics (Shanghai) Co., Ltd. (立臻智造電子(上海)有限公司)	Enterprise controlled by the Company's parent company
LUXVISIONS INNOVATION TECHNOLOGY LIMITED	Other related party
LUXVISIONS INNOVATION TECHNOLOGY (NGHE AN) LIMITED	Other related party
Luxvisions Innovation Technology Corp. Limited	Other related party
Luxvisions Innovation Technology (Ji'an) Co., Ltd.	Other related party
Dongguan Luxvisions Innovation Co., Ltd.	Other related party
Shangrao Luxvisions Innovation Technology Limited	Other related party
Guangzhou Lizhi Perception Technology Co., Ltd. (廣州立智感知科技有限公司)	Other related party
Luxvisions Innovation (Shenzhen) Technology Co., Ltd.	Other related party
Dongguan Cowell Optic Electronics Co., Ltd.	Other related party
Dongguan Luxsense Innovation Electronics Co., Ltd. (東莞立騰創新電子有限公司)	Other related party
COWELL OPTIC ELECTRONICS LTD.	Other related party
Luxcolight Optics (Dongguan) Company Limited (立高光學(東莞)有限公司)	Other related party
Dongguan Teleray Leather Co., Ltd.	Other related party
Teleray Smart Technologies (Dongguan) Co., Ltd.	Other related party
Teleray (Hong Kong) International Company Limited	Other related party
Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	Other related party

Name of other related parties	Relationship between other related parties and the Company
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Other related party
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Other related party
Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	Other related party
Laptak (H.K.) International Limited	Other related party
Chery Automobile Co., Ltd.	Other related party
Chery Automobile Henan Co., Ltd.	Other related party
Chery Commercial Vehicle (Anhui) Co., Ltd.	Other related party
Chery New Energy Automotive Co., Ltd.	Other related party
Anhui Zhuodun Security Technology Co., Ltd.	Other related party
South East (Fujian) Motor Co., Ltd	Other related party
Ruijing (Anhui) Supply Chain Technology Co., Ltd.	Other related party
Wuhu Acteco Powertrain Co., Ltd.	Other related party
Wuhu Qida Power Battery Systems Co., Ltd.	Other related party
Wuhu Chery Automotive Parts Procurement Co., Ltd. (蕪湖奇瑞汽車零部件採購有限公司)	Other related party
ZDrive.AI Technology Co., Ltd. (大卓智能科技有限公司)	Other related party
Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	Other related party
Moga Technology Co., Ltd.	Other related party
Xinhao Photoelectric Technology (HK) Limited	Other related party
Shenzhen Xinhao Photoelectricity Technology Co., Ltd.	Other related party
Slenergy Technology (A.H.) Co., Ltd.	Other related party
Dahao Technology (Dongguan) Co., Ltd. (達濠科技(東莞)有限公司)	Other related party
Xinhao Photoelectricity (Enshi) Co., Ltd. (信濠光電(恩施)有限公司)	Other related party
Xinhao Photoelectricity (Chuzhou) Co., Ltd. (信濠光電(滁州)有限公司)	Other related party
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Other related party
Xunmu Information Technology (Shanghai) Co., Ltd.	Enterprise controlled by the actual controller
Lishan Smart Manufacturing Technology (Guangdong) Co., Ltd. (立汕智造科技(廣東)有限公司)	Enterprise controlled by the actual controller

Other descriptions

5. Related-party transactions

(1) *Related-party transactions involving purchases and sales of goods, and provision and receipt of services*

Table of purchases of goods/receipt of services

Unit: RMB

Related party	Content of related-party transaction	Current-period amount	Approved transaction limit	Whether the transaction limit was exceeded	Prior-period amount
Reel Mask Industry Co., Ltd.	Processing services	2,291,942.03		No	2,823,540.77
AIOTEK Co., Ltd.	Equipment and appliances			No	1,220,437.19
AIOTEK Co., Ltd.	Purchase of goods and fixed assets and provision of services	19,497,876.36		No	27,808,285.45
Castle Rock, Inc.	Purchase of goods	8,711.90		No	
BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	Purchase of goods, purchase of fixed assets and services	3,144,801.91		No	1,137,580.61
BCS Automotive Interface Solutions US, LLC (USA)	Purchase of goods and service fees			No	4,836,012.79
BCS Automotive Interface Solutions Romania s.r.l. (Romania)	Purchase of goods	10,532,874.42		No	21,939,320.31
Luxvisions Innovation Technology Corp. Limited	Purchase of goods and fixed assets and service fees	41,634,275.37		No	6,302,455.79
Luxvisions Innovation Technology Corp. Limited	Service fees			No	4,160,040.06
Shangrao Luxvisions Innovation Technology Limited	Purchase of goods	2,078,078.35		No	
LUXVISIONS INNOVATION TECHNOLOGY LIMITED	Purchase of goods	2,985,340.77		No	
LUXVISIONS INNOVATION TECHNOLOGY (NGHE AN) LIMITED	Purchase of goods	409,386.68		No	
Dongguan Cowell Optic Electronics Co., Ltd.	Purchase of fixed assets and service fees			No	7,703,926.58
Luxrise Automotive Technology (Guangzhou) Co., Ltd.	Purchase of goods	1,733,335.81		No	763,962.28
Luxsan Investment (Jiangsu) Co., Ltd.	Rent and utilities and service fees	20,716,992.56		No	11,318,871.36
Luxsan Intelligent Equipment (Kunshan) Co., Ltd.	Purchase of fixed assets			No	170,985.28

Related party	Content of related-party transaction	Current-period amount	Approved transaction limit	Whether the transaction limit was exceeded	Prior-period amount
Luxsan Precision Industry (Kunshan) Co., Ltd.	Purchase of goods and services	415,887.14		No	2,348,134.09
Luxsan Precision Industry (Kunshan) Co., Ltd.	Utilities	4,017,853.49		No	21,609,289.90
Luxsan Precision Industry (Kunshan) Co., Ltd.	Service fees			No	683,849.24
Luxsan Technology (Kunshan) Co., Ltd.	Purchase of goods			No	36,966.94
LUXSAN TECHNOLOGY LIMITED	Purchase of goods, and purchase of fixed assets	245,067,512.06	1,300,000,000.00	No	287,605,832.99
Luxsan (Hong Kong) Trading Limited	Purchase of goods			No	14,186.46
MERRY & LUXSHARE (VIETNAM) CO., LTD.	Purchase of goods, and purchase of fixed assets	485,472,875.60		No	183,192,431.08
Slenergy Technology (A.H.) Co., Ltd.	Outsourced processing fees			No	328,470.17
Lihao Optoelectronics Technology (Nantong) Co., Ltd.	Purchase of goods	32,276.70		No	227,360.00
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Purchase of goods	140,497.07		No	791,280.00
Xinhao Photoelectricity (Chuzhou) Co., Ltd. (信濠光電(滁州)有限公司)	Purchase of goods	370,938.24		No	
Dahao Technology (Dongguan) Co., Ltd. (達濠科技(東莞)有限公司)	Purchase of goods	5,955,520.29		No	
Teleray Smart Technologies (Dongguan) Co., Ltd.	Purchase of goods	7,251,704.29		No	8,979,294.50
Teleray (Hong Kong) International Company Limited	Purchase of goods	15,415,726.28	500,000,000.00	No	163,440,807.98
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Purchase of goods, service fees, and purchase of fixed assets	191,521,183.20	1,000,000,000.00	No	85,859,951.46
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Service fees			No	3,329,423.24
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Purchase of fixed assets			No	6,325,139.83
Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	Purchase of goods	9,299,675.39		No	166,478.00
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Processing services			No	3,144,671.38

Related party	Content of related-party transaction	Current-period amount	Approved transaction limit	Whether the transaction limit was exceeded	Prior-period amount
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Purchase of goods, purchase of fixed assets, and receipt of services	13,500,887.30		No	10,709,049.94
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Purchase of fixed assets			No	625,250.00
Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	Purchase of goods	21,747,588.60	70,000,000.00	No	
Chery Automobile Co., Ltd.	Service fees			No	76,201.38
Chery New Energy Automotive Co., Ltd.	Service fees			No	2,300.00
Wuhu Chery Automotive Parts Procurement Co., Ltd. (蕪湖奇瑞汽車零部件採購有限公司)	Service fees			No	52,000.77
Ruijing (Anhui) Supply Chain Technology Co., Ltd.	Purchase of goods, and receipt of services	6,499,350.22		No	43,653.64
South East (Fujian) Motor Co., Ltd	Service fees	3,400.00		No	
Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	Service fees	160,700.20		No	
Lishan Smart Manufacturing Technology (Guangdong) Co., Ltd. (立汕智造科技(廣東)有限公司)	Utilities	42,184.95		No	855,249.10
Langfang Leoni Wiring Systems Co., Ltd.	Purchase of goods	122,122.87		No	

Table of sales of goods/provision of services

Unit: RMB

Related party	Content of related-party transaction	Current-period amount	Prior-period amount
AIOTEK Co., Ltd.	Sales of products and provision of service fees	**15,482,386.67**	1,136,482.63
AIOTEK Co., Ltd.	Disposal of fixed assets		4,451.52
Castle Rock, Inc.	Sales of products	**141,596,009.30**	
Shangrao Luxvisions Innovation Technology Limited	Sales of products	**519,600.00**	256,695.35
Luxvisions Innovation Technology Corp. Limited	Sales of products and provision of service fees	**119,532,590.66**	134,343,305.25
Luxvisions Innovation Technology Corp. Limited	Lease of fixed assets		64,380.00
Dongguan Luxvisions Innovation Co., Ltd.	Sales of products	**7,920.00**	
Luxvisions Innovation (Shenzhen) Technology Co., Ltd.	Sales of products	**196,704.68**	
LUXVISIONS INNOVATION TECHNOLOGY LIMITED	Sales of products		377,536.50
Guangzhou Lizhi Perception Technology Co., Ltd. (廣州立智感知科技有限公司)	Sales of products		17,677.00
Dongguan Cowell Optic Electronics Co., Ltd.	Sales of products and provision of service fees	**6,347,167.26**	22,619,242.30
COWELL OPTIC ELECTRONICS LTD	Sales of products and provision of service fees	**875,301,363.73**	497,174,957.17
COWELL OPTIC ELECTRONICS LTD	Service fees		4,999,358.38
Dongguan Luxsense Innovation Electronics Co., Ltd. (東莞立騰創新電子有限公司)	Sales of products		40,002.59
Luxcolight Optics (Dongguan) Company Limited (立高光學(東莞)有限公司)	Sales of products	**45,012.00**	212,017.67
BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	Sales of products and fixed assets and provision of service fees	**178,008,759.52**	142,277,826.43
BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	Disposal of fixed assets		21,001.17
BCS Automotive Interface Solutions Romania s.r.l. (Romania)	Sales of products	**486,726.96**	1,668,210.66
BCS Automotive Interface Solutions US, LLC (USA)	Sales of products	**29,170,592.66**	26,944,172.37
BCS Automotive Interface Solutions s.r.o. (Czech)	Sales of products	**1,138,340.46**	
BCS AIS JAPAN CO., LTD.	Service fees	**6,995.99**	46,361.44
BCS AIS Queretaro Dos S. de R.L. de C.V.	Utilities	**341,604.40**	
Luxsan Precision iTech (Kunshan) Co., Ltd.	Sales of products		22,200.98
Luxsan Precision iTech (Kunshan) Co., Ltd.	Disposal of fixed assets	**736,013.23**	
Luxsan Intelligent Equipment (Kunshan) Co., Ltd.	Sales of products and fixed assets and provision of service fees	**41,557,586.15**	25,840,342.56
Luxsan Intelligent Equipment (Kunshan) Co., Ltd.	Service fees		14,809,847.71
Luxsan Investment (Jiangsu) Co., Ltd.	Sales of products	**681,320.54**	257,120.36

Related party	Content of related-party transaction	Current-period amount	Prior-period amount
Luxsan Precision Industry (Kunshan) Co., Ltd.	Sales of products		1,322,011.14
LUXSAN TECHNOLOGY LIMITED	Sales of products and provision of service fees	**390,883,055.97**	735,987,447.05
LUXSAN TECHNOLOGY LIMITED	Service fees		6,866,244.32
Luxsan (Hong Kong) Trading Limited	Service fees		11,503,669.37
Luxsan (Hong Kong) Trading Limited	Sales of products and provision of service fees	**245,470,587.40**	9,210,001.26
PT LUXSAN PRECISION INDONESIA	Disposal of fixed assets	**123,486.00**	
MERRY & LUXSHARE (VIETNAM) CO., LTD.	Sales of products and provision of service fees	**99,774,109.06**	42,705,465.84
MERRY & LUXSHARE (VIETNAM) CO., LTD.	Service fees		13,079,560.95
MERRY & LUXSHARE (VIETNAM) CO., LTD.	Disposal of fixed assets		22,502.50
Xinhao Photoelectric Technology (HK) Limited	Service fees	**128,615.81**	137,752.13
Slenergy Technology (A.H.) Co., Ltd.	Sales of products		2,047,408.23
Slenergy Technology (A.H.) Co., Ltd.	Service fees		141,509.43
Slenergy Technology (A.H.) Co., Ltd.	Utilities and rent		845,532.37
Xinhao Photoelectricity (Enshi) Co., Ltd. (信濠光電(恩施)有限公司)	Sales of products		47,820.00
Xinhao Photoelectricity (Chuzhou) Co., Ltd. (信濠光電(滁州)有限公司)	Utilities and rent	**2,992,826.92**	1,471,248.12
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Service fees		141,509.43
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Sales of products		950,000.00
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Utilities and rent	**4,149,200.81**	1,162,566.45
Luxrise Automotive Technology (Guangzhou) Co., Ltd.	Sales of products and fixed assets	**217,419,629.77**	36,519,793.32
Luxrise Automotive Technology (Guangzhou) Co., Ltd.	Disposal of fixed assets		8,407.08
Chery Automobile Co., Ltd.	Sales of products and provision of service fees	**51,158,154.40**	
Chery Automobile Co., Ltd.	Service fees		1,253,098.40
Chery Automobile Henan Co., Ltd.	Sales of products		-62,824.64
Chery Commercial Vehicle (Anhui) Co., Ltd.	Sales of products		-840,250.17
Chery New Energy Automotive Co., Ltd.	Sales of products	**275,783,181.93**	31,612,391.94
Anhui Zhuodun Security Technology Co., Ltd.	Sales of products	**16,230,299.45**	24,226,366.84
South East (Fujian) Motor Co., Ltd	Sales of products		26,925,600.00
Wuhu Qida Power Battery Systems Co., Ltd.	Sales of products		141,930.00
Ruijing (Anhui) Supply Chain Technology Co., Ltd.	Sales of products	**1,011,172,606.57**	856,743,281.07
Wuhu Acteco Powertrain Co., Ltd.	Sales of products		921,868.80
ZDrive.AI Technology Co., Ltd. (大卓智能科技有限公司)	Sales of products		1,405,000.00
Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	Sales of products	**116,467,160.95**	

Related party	Content of related-party transaction	Current-period amount	Prior-period amount
Moga Technology Co., Ltd.	Sales of products	**371,974.07**	
Teleray Smart Technologies (Dongguan) Co., Ltd.	Sales of products and provision of service fees	**1,043,078.64**	2,824,745.13
Teleray Smart Technologies (Dongguan) Co., Ltd.	Utilities and rent		6,000.00
Teleray Smart Technologies (Dongguan) Co., Ltd.	Service fees		23,584.91
Teleray (Hong Kong) International Company Limited	Service fees	**99,957.96**	2,259,887.58
Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	Sales of products	**1,871,394.00**	3,186.00
Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	Service fees		1,002,027.44
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Provision of services		23,584.91
Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	Sales of products	**2,993,631.45**	5,908,341.97
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Sales of products	**1,716,809.01**	
Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	Disposal of fixed assets		3,000.00
Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	Sales of products and fixed assets	**25,423,018.81**	
Langfang Leoni Wiring Systems Co., Ltd.	Sales of products and provision of service fees	**41,635,524.80**	

Descriptions on related-party transactions involving purchases and sales of goods, as well as provision and receipt of services

(2) Related-party entrusted management/contracting and entrusting management/outsourcing

Table of entrusted management/contracting of the Company:

Unit: RMB

Name of entruster/ outsourcer	Name of entrustee/ contractor	Type of entrusted/ contracted assets	Commencement date of entrustment/ contracting	Termination date of entrustment/ contracting	Pricing basis of entrustment income/ contracting income	Entrustment income/ contracting income recognized in the current period

Descriptions on related-party entrustment/contracting

Table of entrusted management/outsourcing of the Company:

Unit: RMB

Name of entruster/ outsourcer	Name of entrustee/ contractor	Type of entrusted/ outsourced assets	Commencement date of entrustment/ outsourcing	Termination date of entrustment/ outsourcing	Pricing basis of entrustment fee/ outsourcing fee	Entrustment fee/ outsourcing fee recognized in the current period

Descriptions on related-party management/outsourcing

(3) Related-party leases

The Company acts as the lessor:

Unit: RMB

Name of lessee	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the prior period
BCS Automotive Interface Solutions Queretaro S. de R.L. de C.V.	Buildings	**948,467.85**	742,909.50
BCS-AIS Ensambles Mexico S. de R.L.de C.V.	Buildings	**2,457,299.81**	3,855,745.70
BCS AIS Queretaro Dos S. de R.L. de C.V.	Buildings	**3,592,575.96**	1,718,742.19

The Company acts as the lessee:

Unit: RMB

Name of lessor	Type of leased asset	Lease expenses for short-term leases and leases of low-value assets under the simplified approach (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Lease payments made		Interest expense on lease liabilities assumed		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
Luxvisions Innovation Technology (Ji'an) Co., Ltd.	Fixed assets and buildings					**1,006,128.42**	1,006,128.42	**23,575.96**	26,285.33	**1,979,935.62**	
Luxsan Investment (Jiangsu) Co., Ltd.	Fixed assets and buildings					**8,878,899.09**	9,357,798.18	**474,948.59**	410,377.85	**23,839,446.22**	
Luxsan Precision Industry (Kunshan) Co., Ltd.	Fixed assets and buildings	**17,452,350.00**	15,011,443.77			**29,046,803.70**	19,816,774.68				
Lishan Smart Manufacturing Technology (Guangdong) Co., Ltd. (立汕智造科技(廣東)有限公司)	Fixed assets and buildings	**518,855.60**	855,249.10			**2,227,617.35**	2,352,784.16	**86,108.40**	146,058.45		
Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	Fixed assets and buildings	**52,800.00**									
Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	Fixed assets and buildings	**11,864,050.08**									
Luxvisions Innovation Technology Corp. Limited	Fixed assets and buildings	**1,800.00**									

Descriptions on related-party leases

(4) Compensation of key management personnel

Unit: RMB

Item	Current-period amount	Prior-period amount
Remuneration of key management personnel	**10,707,086.70**	11,646,989.85
Share-based payments to key management personnel	**20,036,083.25**	2,430,886.26

6. Receivables from and payables to related parties

(1) Receivables

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
Trade receivables					
	BCS AIS Queretaro Dos S. de R.L. de C.V.	**274,001.09**	**137.00**	1,036,700.38	518.35
	BCS Automotive Interface Solutions Romania s.r.l. (Romania)	**243,246.06**	**121.62**	398,202.27	199.10
	BCS Automotive Interface Solutions s.r.o. (Czech)	**1,028,345.77**	**514.17**	485,914.30	242.96
	BCS Automotive Interface Solutions US, LLC (USA)	**22,421,733.64**	**11,210.87**	29,852,390.88	14,926.20
	BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	**210,938,258.49**	**105,469.13**	180,488,669.38	90,244.33
	CALDIGIT INC.	**4,691,195.88**	**2,345.60**		
	CALDIGIT UK LTD.	**1,975,512.69**	**987.76**		
	Castle Rock, Inc.	**50,569,399.21**	**25,284.70**		
	AIOTEK Co., Ltd.	**13,770,039.86**	**6,885.02**	896,965.74	448.48
	Langfang Leoni Wiring Systems Co., Ltd.	**123,058,624.16**	**61,529.31**	45,279,966.28	22,639.98
	LUXVISIONS INNOVATION TECHNOLOGY LIMITED	**389,320.44**	**194.66**	1,096,868.00	548.43
	LUXVISIONS INNOVATION TECHNOLOGY (NGHE AN) LIMITED			127,049.99	63.52
	Dongguan Luxvisions Innovation Co., Ltd.	**6,124.60**	**3.06**		
	Luxvisions Innovation Technology Corp. Limited	**21,089,157.86**	**10,544.58**	92,734,037.93	46,367.02

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
	Shangrao Luxvisions Innovation Technology Limited	**587,148.00**	**293.57**	377,550.97	188.78
	Luxvisions Innovation (Shenzhen) Technology Co., Ltd.	**219,991.89**	**110.00**		
	COWELL OPTIC ELECTRONICS LTD	**604,392,018.05**	**302,196.01**	941,017,651.05	470,508.83
	Dongguan Cowell Optic Electronics Co., Ltd.	**922,107.45**	**461.05**	23,230,986.69	11,615.49
	Luxcolight Optics (Dongguan) Company Limited (立高光學(東莞)有限公司)	**50,863.56**	**25.43**	283,523.01	141.76
	Luxrise Automotive Technology (Guangzhou) Co., Ltd.	**283,220,509.97**	**141,610.25**	129,830,484.23	64,915.24
	LUXSAN TECHNOLOGY LIMITED	**182,612,037.37**	**91,306.02**	5,236,571,746.59	2,618,285.87
	Luxsan (Hong Kong) Trading Limited	**92,479,107.38**	**46,239.55**	100,630,115.82	50,315.06
	PT LUXSAN PRECISION INDONESIA	**116,484.69**	**58.24**		
	Luxsan Precision Industry (Kunshan) Co., Ltd.			1,400,636.45	700.32
	Luxsan Precision iTech (Kunshan) Co., Ltd.	**725,814.62**	**362.91**		
	Luxsan Investment (Jiangsu) Co., Ltd.	**769,891.85**	**384.95**	1,427,840.16	713.92
	Luxsan Intelligent Equipment (Kunshan) Co., Ltd.	**39,142,619.61**	**19,571.31**	30,486,888.98	15,243.44
	MERRY & LUXSHARE (VIETNAM) CO., LTD.	**47,347,738.21**	**23,673.87**	69,219,678.28	34,609.84
	Moga Technology Co., Ltd.	**406,730.70**	**203.37**		
	Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	**101,494,605.82**	**50,747.30**		
	Anhui Zhuodun Security Technology Co., Ltd.	**19,914,327.28**	**9,957.16**	23,283,132.02	11,641.57
	ZDrive.AI Technology Co., Ltd. (大卓智能科技有限公司)	**59,224.71**	**29.61**	59,224.71	29.61
	Chery Automobile Co., Ltd.	**55,019,995.95**	**27,510.00**	3,913,760.47	1,956.88
	Chery New Energy Automotive Co., Ltd.	**312,636,066.00**	**156,318.03**	137,313,111.31	68,656.56
	Ruijing (Anhui) Supply Chain Technology Co., Ltd.	**986,456,146.19**	**493,228.07**	946,406,529.48	473,203.26
	Wuhu Acteco Powertrain Co., Ltd.	**727,451.69**	**363.73**	3,154,667.83	1,577.33
	Wuhu Chery Automotive Parts Procurement Co., Ltd. (蕪湖奇瑞汽車零部件採購有限公司)	**51,345.25**	**25.67**	51,345.25	25.67
	Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	**21,006,332.39**	**10,503.17**	10,221,774.23	5,110.89

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
	Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	**2,729,552.72**	**1,364.78**	4,041,323.81	2,020.66
	Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	**253,442.76**	**126.72**	2,603,466.55	1,301.73
	Teleray (Hong Kong) International Company Limited	**98,383.45**	**49.19**		
	Teleray Smart Technologies (Dongguan) Co., Ltd.	**87,321.79**	**43.66**	436,719.09	218.36
	Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	**990,755.33**	**495.38**	1,456,598.46	728.30
	Xinhao Photoelectric Technology (HK) Limited	**20,881.87**	**10.44**	21,798.38	10.90
	Xinhao Photoelectricity (Chuzhou) Co., Ltd. (信濠光電(滁州)有限公司)	**718,186.29**	**359.09**		
	Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	**562,640.91**	**281.32**	717,650.71	358.83
	Dahao Technology (Dongguan) Co., Ltd. (達濠科技(東莞)有限公司)			168,930.48	84.47
	Xinhao Photoelectricity (Enshi) Co., Ltd. (信濠光電(恩施)有限公司)			27,697,926.07	13,848.96
Other receivables					
	BCS AIS JAPAN CO., LTD.			7,939.46	39.70
	AIOTEK Co., Ltd.	**921,306.91**	**4,606.53**	13,346.07	66.73
	COWELL OPTIC ELECTRONICS LTD	**1,558,662.31**	**7,793.31**		
	Luxsan Precision Industry (Kunshan) Co., Ltd.	**770,000.00**	**3,850.00**	770,000.00	3,850.00
	Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	**10,054,782.45**	**50,273.91**		
Prepayments					
	BCS Automotive Interface Solutions Romania s.r.l. (Romania)			1,604,649.42	
	Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	**3,351,594.15**			
	MERRY & LUXSHARE (VIETNAM) CO., LTD.			2,563,082.85	
Other non-current assets					
	AIOTEK Co., Ltd.			684,024.60	
Notes receivable					
	BCS Automotive Interface Solutions (Suzhou) Co., Ltd.			65,623,461.19	

Item	Related party	Closing balance		Opening balance	
		Book balance	Bad debt provision	Book balance	Bad debt provision
	Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	**50,048,320.00**			
	Anhui Zhuodun Security Technology Co., Ltd.	**702,684.21**			
	Chery Automobile Co., Ltd.			300,000.00	
	Chery New Energy Automotive Co., Ltd.			2,716,500.00	
	Ruijing (Anhui) Supply Chain Technology Co., Ltd.	**157,520,000.00**		76,600,000.00	
	ZDrive.AI Technology Co., Ltd. (大卓智能科技有限公司)			977,900.00	
	Chery Commercial Vehicle (Anhui) Co., Ltd.			1,100,000.00	
Trade receivables financing					
	BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	**39,240,087.95**			
	Luxrise Automotive Technology (Guangzhou) Co., Ltd.	**10,884,362.70**			
	Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	**5,674,371.94**			
	Anhui Zhuodun Security Technology Co., Ltd.	**209,892.61**			
	Chery Automobile Co., Ltd.	**330,000.00**			
	Chery New Energy Automotive Co., Ltd.	**12,757,980.00**			
	Ruijing (Anhui) Supply Chain Technology Co., Ltd.	**137,611,419.97**			

(2) Payables

Unit: RMB

Item	Related party	Closing balance	Opening balance
Trade payables			
	BCS Automotive Interface Solutions Romania s.r.l. (Romania)	**361,385.30**	54,008.41
	BCS Automotive Interface Solutions US, LLC (USA)	**1,067,363.59**	1,101,511.57
	BCS Automotive Interface Solutions (Suzhou) Co., Ltd.	**2,446,367.27**	5,536,824.18
	Castle Rock, Inc.	**5,435.10**	
	AIOTEK Co., Ltd.	**12,331,187.90**	15,717,447.19
	Langfang Leoni Wiring Systems Co., Ltd.	**130,855.66**	
	LUXVISIONS INNOVATION TECHNOLOGY LIMITED	**2,938,988.98**	328,668.61
	LUXVISIONS INNOVATION TECHNOLOGY (NGHE AN) LIMITED	**201,182.68**	734,004.51
	Dongguan Cowell Optic Electronics Co., Ltd.		1,952,675.54
	Luxvisions Innovation Technology (Ji'an) Co., Ltd.	**182,780.00**	182,780.00
	Luxvisions Innovation Technology Corp. Limited	**12,558,370.49**	26,530,663.74
	Shangrao Luxvisions Innovation Technology Limited	**2,223,923.66**	66,744.13
	Lishan Smart Manufacturing Technology (Guangdong) Co., Ltd. (立汕智造科技(廣東)有限公司)	**2,072,522.50**	1,651,233.68
	Luxrise Automotive Technology (Guangzhou) Co., Ltd.	**1,688,473.73**	205,151.88
	LUXSAN TECHNOLOGY LIMITED	**159,447,590.91**	652,894,032.69
	Luxsan Precision Industry (Kunshan) Co., Ltd.	**5,474,592.54**	19,571,449.98
	Luxsan Investment (Jiangsu) Co., Ltd.	**21,503,429.07**	22,554,181.76
	Luxsan Intelligent Equipment (Kunshan) Co., Ltd.		1,548,289.57
	MERRY & LUXSHARE (VIETNAM) CO., LTD.	**348,755,291.22**	459,209,339.58
	Anhui Luxeed New Energy Automotive Co., Ltd. (安徽智界新能源汽車有限公司)	**9,975.18**	
	Chery New Energy Automotive Co., Ltd.		40,992.66
	Ruijing (Anhui) Supply Chain Technology Co., Ltd.	**6,914,497.13**	590,721.32
	Reel Mask Industry Co., Ltd.	**2,089,263.84**	2,349,433.97
	Anhui Teleray Smart Technologies Co., Ltd. (安徽泰睿智造科技有限公司)	**14,378,715.67**	15,585,382.49
	Dongguan DLC Leather Products Co., Ltd. (東莞杜博皮件有限公司)	**104,850,228.79**	164,675,135.58
	Guangdong Lide Adhesive Precision Components Co., Ltd. (廣東立德膠業精密組件有限公司)	**12,917,581.35**	12,289,398.92
	Teleray (Hong Kong) International Company Limited	**12,365,777.90**	127,151,911.09
	Teleray Smart Technologies (Dongguan) Co., Ltd.	**5,329,035.33**	4,731,217.54

Item	Related party	Closing balance	Opening balance
	Teleray Smart Technologies (Guilin) Co., Ltd. (泰睿智造(桂林)科技有限公司)	**9,619,611.27**	527,591.21
	Dahao Technology (Dongguan) Co., Ltd. (達濠科技(東莞)有限公司)		15,397.29
	Lihao Optoelectronics Technology (Nantong) Co., Ltd.	**32,276.70**	
	Xinhao Photoelectricity (Chuzhou) Co., Ltd. (信濠光電(滁州)有限公司)	**394,372.85**	12,907.78
	Xunhao Optoelectronics (Chuzhou) Co., Ltd. (訊濠光電(滁州)有限公司)	**152,119.07**	728,737.00
Other payables			
	BCS Automotive Interface Solutions US, LLC (USA)	**10,392.00**	10,724.47
	AIOTEK Co., Ltd.	**2,672.46**	52,518.86
	LUXVISIONS INNOVATION TECHNOLOGY LIMITED		130,344.39
	Reel Mask Industry Co., Ltd.		100.17
	Teleray (Hong Kong) International Company Limited	**130,200.17**	67,675.82
Contract liabilities			
	BCS Automotive Interface Solutions US, LLC (USA)	**3,018,494.40**	
	Luxsan Technology (Kunshan) Co., Ltd.	**34,735.59**	35,846.88
	Anhui Zhuodun Security Technology Co., Ltd.	**6,056,074.20**	8,978,746.20
	Luxsan (Hong Kong) Trading Limited	**1,240,610.16**	16,394,311.11
	Langfang Leoni Wiring Systems Co., Ltd.		90,182.00
Lease liabilities			
	Luxsan Investment (Jiangsu) Co., Ltd.	**20,054,636.69**	9,298,040.05
	Luxvisions Innovation Technology (Ji'an) Co., Ltd.	**997,383.16**	
	Lishan Smart Manufacturing Technology (Guangdong) Co., Ltd. (立汕智造科技(廣東)有限公司)	**3,687,826.53**	5,340,754.53

XV. Share-based Payments

1. General situation of share-based payment

☑Applicable ☐Not applicable

Unit: RMB

Categories of grantees	Granted during the period		Exercised during the period		Vested during the period		Expired during the period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Sales staff			2,313,650	25,482,896.42			1,554,500	13,564,859.00
Management staff			16,777,516	184,872,362.63			4,669,500	40,464,245.00
Research and development personnel			13,946,777	155,773,939.67			4,025,280	35,145,241.60
Total			33,037,943	366,129,198.72			10,249,280	89,174,345.60

Outstanding stock options or other equity instruments issued at the end of the period

☑Applicable ☐Not applicable

Categories of grantees	Outstanding stock options issued at the end of the period		Outstanding equity instruments issued at the end of the period	
	Range of exercise prices	Remaining contract term	Range of exercise prices	Remaining contract term
Sales staff	24.99–34.97	1–4 years		
Management staff	24.99–34.97	1–4 years		
Research and development personnel	24.99–34.97	1–4 years		

Other descriptions:

2. Share-based payment settled by equity

☑Applicable ☐Not applicable

Unit: RMB

Method for determining the fair value of equity instruments granted on the grant date	Black-Scholes Model
Key parameters for determining the fair value of equity instruments granted on the grant date	Historical volatility, risk-free rate
Basis for determining the number of equity instruments eligible for exercise	The Company determines based on factors such as the equity instruments corresponding to the incentive recipients in employment, and forecasts of the Company's future annual performance
Reasons for significant differences between current period estimates and prior period estimates	None
Accumulated amount of share-based payments settled in equity recognized in capital reserve	3,689,866,510.37
Total expenses recognized for share-based payments settled in equity for the current period	544,507,059.26

Other descriptions:

(1) On 25 September 2018, the Proposal on Granting Stock Options to Incentive Recipients under the 2018 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd. was approved upon deliberation at the 5th meeting of the fourth session of the Board of Directors of the Company. Accordingly, the Company granted 97.50 million stock options to 1,899 eligible incentive recipients at an exercise price of RMB17.58 per share. After 12 months from the date on which the registration of grants was completed, incentive recipients meeting the exercise conditions would exercise the options in five tranches, with a proportion of 20% for each tranche, in the following 60 months; According to the Proposal on Achievement of the Exercise Conditions for the Second Exercise Period under the 2018 Stock Option Incentive Plan approved upon deliberation at the 27th meeting of the fourth session of Board of Directors of the Company held on 2 December 2020, given that the exercise condition for the second exercise period under the 2018 Stock Option Incentive Plan had been matured, it was agreed that 1,718 incentive recipients of the 2018 Stock Option Incentive Plan would independently exercise their options at an exercise price of RMB10.28 per share, with the estimated stock options to be exercised numbering 31,212,577 (the actual number of stock options to be exercised shall be subject to registered number by Shenzhen Branch of China Securities Depository and Clearing Co., Ltd.)

(2) On 22 April 2019, the Company held the 9th meeting of the fourth session of Board of Directors, deliberating and approving the Proposal on Granting Stock Options to Initial Incentive Recipients under the 2019 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd., whereby it was determined that 50,076,000 stock options would be granted to 348 eligible incentive recipients and 12,519,000 stock options would be reserved for future granting. The exercise price of stock options initially granted under this incentive plan was RMB23.36 per share.

(3) On 27 November 2019, the Company held the 13th meeting of the fourth session of Board of Directors, deliberating and approving the Proposal on Grant of Stock Options to Incentive Recipients in Reserved Grant under the 2019 Stock Option Incentive Plan, pursuant to which the Company granted 16,274,700 stock options to 263 eligible incentive recipients at an exercise price of RMB17.93 per share, and after 12 months from the date on which the registration of grants was completed, incentive recipients meeting the exercise conditions would exercise the stock options in five tranches, with a proportion of 20% for each tranche, in the following 60 months.

(4) On 3 December 2021, the Company held the 6th meeting of the fifth session of Board of Directors, deliberating and approving the Proposal on Granting Stock Options to Incentive Recipients under the 2021 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd., whereby it was determined that 52,419,000 stock options would be granted to 1,097 eligible incentive recipients on 3 December 2021 as the grant date of the incentive plan. The exercise price of stock options initially granted under this incentive plan was RMB35.87 per share. Since 22 original incentive recipients resigned from the Company and 3 original incentive recipients gave up all stock options to be granted to them for personal reasons, the number of incentive recipients subject to this stock option incentive was changed from 1,097 to 1,072 and the quantity of stock options granted was changed from 52,419,000 to 52,092,000.

(5) On 15 September 2022, the Company held the 11th meeting of the fifth session of Board of Directors and the 11th meeting of the fifth session of Board of Supervisors, deliberating and approving the Proposal on Grant of Stock Options to Incentive Recipients in Reserved Grant under the 2021 Stock Option Incentive Plan, whereby it was determined that 13,101,000 stock options would be granted to 365 eligible incentive recipients on 15 September 2022 as the grant date of the reserved stock options. The exercise price of reserved stock options under this incentive plan was RMB35.76 per share. Since 9 original incentive recipients resigned from the Company or gave up all stock options to be granted to them for personal reasons, the number of incentive recipients subject to this stock option incentive was changed from 365 to 356 and the quantity of stock options granted was changed from 13,101,000 to 12,785,800.

(6) On 5 December 2022, the Company held the 14th meeting of the fifth session of Board of Directors, deliberating and approving the Proposal on Grant of Stock Options to Incentive Recipients under the 2022 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd., whereby it was determined that 172,021,000 stock options would be granted to 3,759 eligible incentive recipients on 5 December 2022 as the grant date of the reserved stock options. The exercise price of stock options initially granted under this incentive plan was RMB30.35 per share. Since 254 original incentive recipients resigned from the Company or gave up all stock options to be granted to them for personal reasons, the number of incentive recipients subject to this stock option incentive was changed from 3,759 to 3,505 and the quantity of stock options granted was changed from 172,021,000 to 168,513,000.

(7) On 23 May 2025, the Company held the 14th Meeting of the 6th session of Board of Directors and the 13th Meeting of the 6th session of Board of Supervisors, at which the "Proposal on Granting Stock Options to the Initial Incentive Recipients under the 2025 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd." was reviewed and approved. Pursuant to the relevant provisions of the "Measures for the Administration of Equity Incentive Plans for Listed Companies" (the "**Measures**"), the "2025 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd. (Draft)" (the "Incentive Plan (Draft)" or "**this Incentive Plan**"), and the authorization granted by the Company's Second Extraordinary General Meeting of 2025, the Board of Directors determined that the grant conditions for the Company's 2025 Stock Option Incentive Plan have been met, and approved to designate 23 May 2025, as the initial grant date for this Incentive Plan and grant 177,215,000 stock options to 3,126 eligible incentive recipients at an exercise price of RMB25.35 per option.

(8) On 11 August 2025, the Company held the 16th Meeting of the Sixth session of Board of Directors, at which the "Proposal on Adjusting the Exercise Prices of the 2019, 2021, 2022, and 2025 Stock Option Incentive Plans" was reviewed and approved. The Company adjusted the exercise prices of the stock options under the 2019, 2021, 2022, and 2025 stock option incentive plans. The exercise price of unexercised stock options under the 2019 Stock Option Incentive Plan was adjusted from RMB13.05 per share to RMB12.85 per share; the exercise price of unexercised stock options from the initial grant and reserved grant under the 2021 Stock Option Incentive Plan was adjusted from RMB35.33 per share to RMB35.13 per share; the exercise price of unexercised stock options from the initial grant and reserved grant under the 2022 Stock Option Incentive Plan was adjusted from RMB29.92 per share to RMB29.72 per share; and the exercise price of unexercised stock options under the 2025 Stock Option Incentive Plan was adjusted from RMB25.35 per share to RMB25.15 per share. The adjustment complied with the provisions of the incentive plans and relevant regulations, and did not harm the interests of shareholders.

(9) On 23 November 2025, the Company held the 19th Meeting of the 6th session of Board of Directors, at which the "Proposal on Granting Stock Options to the Reserved Incentive Recipients under the 2025 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd." was reviewed and approved. Pursuant to the relevant provisions of the "Measures for the Administration of Equity Incentive Plans for Listed Companies" (the "**Measures**"), the "2025 Stock Option Incentive Plan of Luxshare Precision Industry Co., Ltd. (Draft)" (the "Incentive Plan (Draft)" or "**this Incentive Plan**"), and the authorization granted by the Company's Second Extraordinary General Meeting of 2025, the Board of Directors determined that the grant conditions for the Company's 2025 Stock Option Incentive Plan have been met, and approved to designate 21 November 2025, as the reserved grant date for this Incentive Plan and grant 44,285,000 stock options to 442 eligible incentive recipients.

3. Share-based payment settled in cash

☐Applicable ☑Not applicable

4. Stock-based Compensation Expense for the Current Period

☑Applicable ☐Not applicable

Unit: RMB

Categories of incentive recipients	Share-based payment expenses settled by equity	Share-based payment expenses settled in cash
Sales staff	24,708,756.51	
Management staff	365,231,944.75	
Research and development personnel	154,566,358.00	
Total	544,507,059.26	

Other descriptions:

5. Modification and termination of share-based payment

(1) On 5 February 2026, the Company held the 22nd Meeting of the Sixth session of Board of Directors, at which the "Proposal on Adjusting the Exercise Quantity of the Initial Grant under the 2021 Stock Option Incentive Plan and Canceling Certain Stock Options", the "Proposal on the Fulfillment of Exercise Conditions for the Fourth Exercise Period of the Initial Grant under the 2021 Stock Option Incentive Plan" and the "Proposal on the Cancellation of Unlocked but Expired and Unexercised Stock Options Under the Company's Stock Option Incentive Plan" were reviewed and approved. In accordance with the "Measures for the Administration of Equity Incentive Plans for Listed Companies", the Company's "2021 Stock Option Incentive Plan (Draft)", the "Measures for the Implementation and Performance Evaluation of the 2021 Stock Option Incentive Plan" and other relevant provisions, and as authorized by the Company's First Extraordinary General Meeting in 2021, the Company canceled a portion of the options granted in the initial grant under the 2021 Stock Option Incentive Plan due to reasons such as the departure of incentive recipients or failure to meet performance targets. During the fourth waiting period of the initial grant under the 2021 Stock Option Incentive Plan, 40 of the original incentive recipients left the Company for personal reasons and were no longer eligible for the incentive; 73 incentive recipients failed to meet performance targets and were therefore ineligible for all or part of the stock options for the current period. It was agreed that the Company shall cancel the 1,027,454 stock options already granted but not yet exercised by the aforementioned 113 individuals who have left the Company or failed to meet performance targets. Following this cancellation, the number of incentive recipients in the initial grant under the 2021 Stock Option Incentive Plan was adjusted from 849 to 809, and the number of options exercisable during this period was adjusted from 8,422,300 to 7,834,420. In addition, due to reasons such as the incentive recipients not fully exercising their options during the exercise period, the Company canceled 26,000 stock options from the reserved grant of the 2019 Stock Option Incentive Plan that remained unexercised at the expiration of the fifth exercise period, 26,626 stock options from the initial grant of the 2021 Stock Option Incentive Plan that remained unexercised at the expiration of the third exercise period, and 424,960 stock options from the second exercise period of the initial grant under the 2022 Stock Option Incentive Plan that remained unexercised upon expiration. A total of 477,586 unexercised stock options were canceled by the Company. The matters described above have been reviewed and approved by the Company's Compensation and Evaluation Committee, and Han Kun Law Offices Shenzhen Branch has issued the corresponding legal opinion.

(2) On 28 April 2026, the Company held the 24th Meeting of the Sixth Session of Board of Directors, at which the "Proposal to Adjust the Exercise Prices of the 2021, 2022, and 2025 Stock Option Incentive Plans", the "Proposal to Adjust the Exercise Quantity of the 2022 Stock Option Incentive Plan and to Cancel a Portion of the Stock Options" and the "Proposal on the Fulfillment of Exercise Conditions for the Third Exercise Period of the 2022 Stock Option Incentive Plan" were reviewed and approved. In connection with the Company's implementation of the equity distribution plan for the first three quarters of 2025, and in accordance with the *Measures for the Administration of Equity Incentive Plans for Listed Companies* and the relevant provisions of the draft incentive plans, the exercise prices for the 2021, 2022, and 2025 stock option incentive plans were adjusted, as authorized by the Company's First Extraordinary General Meeting of 2021, the Third Extraordinary General Meeting of 2022, and the Second Extraordinary General Meeting of 2025. Following the adjustment, the exercise price for the initial and reserved grants under the 2021 Stock Option Incentive Plan was adjusted from RMB35.13 per share to RMB34.97 per share, the exercise price for the 2022 Stock Option Incentive Plan was adjusted from RMB29.72 per share to RMB29.56 per share, and the exercise price for the initial and reserved grants under the 2025 Stock Option Incentive Plan was adjusted from RMB25.15 per share to RMB24.99 per share. Meanwhile, due to reasons such as the departure of incentive recipients and failure to meet performance targets, the number of stock options exercisable under the 2022 Stock Option Incentive Plan was adjusted, and a portion of the stock options were canceled. A total of 136 incentive recipients left the Company for personal reasons, and 19 incentive recipients failed to meet their performance targets. As a result, 3,409,840 stock options that had been granted but not yet exercised were canceled. Following this cancellation, the number of incentive recipients in the 2022 Stock Option Incentive Plan was adjusted from 3,080 to 2,944, and the number of stock options to be unlocked during the third exercise period was adjusted from 30,452,000 to 29,257,520. The adjustment complied with the provisions of the incentive plans and relevant regulations, and did not harm the interests of shareholders. The matters described above have been reviewed and approved by the Company's Compensation and Evaluation Committee, and Han Kun Law Offices Shenzhen Branch has issued the corresponding legal opinion.

(3) On 22 June 2026, the Company held the 25th Meeting of the Sixth session of Board of Directors, at which the "Proposal on Adjusting the Exercise Quantity under the 2025 Stock Option Incentive Plan and Canceling Certain Stock Options", and the "Proposal on the Fulfillment of Exercise Conditions for the First Exercise Period of the Initial Grant under the 2025 Stock Option Incentive Plan" were reviewed and approved. In accordance with the "Measures for the Administration of Equity Incentive Plans for Listed Companies", the Company's "2025 Stock Option Incentive Plan (Draft)", the "Measures for the Implementation and Performance Evaluation of the 2025 Stock Option Incentive Plan" and other relevant provisions, and as authorized by the Company's Second Extraordinary General Meeting in 2025, the Company canceled a portion of the options granted in the initial grant under the 2025 Stock Option Incentive Plan due to reasons such as the departure of incentive recipients or failure to meet performance targets. Specifically, 147 incentive recipients left the Company for personal reasons, resulting in the cancellation of a total of 5,322,100 stock options; 9 incentive recipients failed to meet performance targets and were therefore ineligible for all or part of their stock option incentives for the current period, resulting in the cancellation of a total of 38,300 stock options. In total, 5,360,400 stock options were canceled. Following this cancellation, the number of incentive recipients in the initial grant under this incentive plan was adjusted from 3,106 to 2,959, and the number of stock options granted but not yet exercised during the first exercise period of the initial grant under this incentive plan was adjusted from 35,326,348 to 34,261,928. The above matters have been reviewed and approved at the fourth meeting of the Compensation and Evaluation Committee of the Sixth Board of Directors held in 2026.

6. Others

None.

XVI. Commitments and Contingencies

1. Significant commitments

Significant commitments on the balance sheet date
The Company has no significant commitments that require disclosure.

2. Contingencies

(1) Significant contingencies on the balance sheet date

In January 2022, the German Federal Cartel Office (Bundeskartellamt) launched an investigation into several cable manufacturers and other companies in the industry, during which it also conducted searches of the business premises of LEONI AG, which the Company acquired in 2025. The investigation was due to a suspicion that cable manufacturers in Germany have engaged in collusion regarding the method typically used to calculate metal surcharges.

LEONI AG cooperated with regulatory authorities and conducted an internal review regarding the allegations and the findings from its review of the investigative documents. Given that the relevant proceedings before the Cartel Office are still in the investigation phase, it is not yet possible to make a reliable assessment of their likely outcome. To date, regulatory authorities have not granted full access to the relevant records.

When preparing the consolidated financial statements, the Board of Directors still believed that the available evidence was insufficient to prove any violations, and therefore the likelihood of being fined was extremely low.

(2) Notes shall be made if the company has no significant contingencies that need to be disclosed

The Company has no significant contingencies to be disclosed.

3. Others

XVII. Events after the Balance Sheet Date

1. Profit distribution

Proposed cash dividend per 10 shares (RMB)	0
Proposed bonus shares per 10 shares (shares)	0
Proposed capitalization from capital reserve per 10 shares (shares)	0
Cash dividend per 10 shares reviewed and approved for distribution (RMB)	1.1
Bonus shares per 10 shares reviewed and approved for distribution (shares)	0
Capitalization from capital reserve per 10 shares reviewed and approved for distribution (shares)	0
Profit Distribution Plan	According to the unaudited interim financial statements for 2026 of the Company, the Company's net profit attributable to shareholders of the listed company for the first half of 2026 was RMB7,842,698,288.86. As of 30 June 2026, retained earnings in the consolidated financial statements were RMB73,445,155,283.20, and retained earnings in the parent company's financial statements were RMB11,876,852,056.59. In accordance with the principle that profit distribution should be based on the distributable profits reported in the most recent audited financial statements of the parent company, and taking into account the lower of the distributable profits reported in the Company's consolidated financial statements or the parent company's financial statements, the Company's distributable profits available for distribution to shareholders for the first half of 2026 amount to RMB11,876,852,056.59.

In accordance with the "Guidance on the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies" issued by the CSRC as well as the Articles of Association and the "Shareholder Return Plan for the Next Three Years (2026–2028)"of the Company, after comprehensively considering the current macroeconomic environment, industry trends, the Company's strategic planning, and shareholder return requirements, the Company's 2026 interim profit distribution plan is as follows: Based on the Company's total issued share capital of 7,720,156,915 shares as of the date of this announcement (excluding 17,665,380 shares held in the A-share repurchase special securities account), a cash dividend of RMB1.1 per 10 shares (tax inclusive) will be distributed to all shareholders, for a total cash dividend of RMB849,217,260.65 (including tax). Since this cash dividend is denominated and declared in RMB, A-share dividends will be paid in RMB, H-share dividends will be paid in HKD. The exchange rate used for conversion is the average midpoint rate for RMB to HKD published by the People's Bank of China on the trading day prior to the date the Board of Directors reviewed this profit distribution plan 1 Hong Kong dollar to RMB0.86466. After conversion, a cash dividend of 1.27 Hong Kong dollars (including tax, rounded to two decimal places) will be distributed for every 10 H-shares. As of the date of this announcement, the Company's total issued H-share capital is 396,014,700 shares, resulting in a total cash dividend of 50,293,866.90 Hong Kong dollars (including tax) distributed on H-shares.

This profit distribution plan will be fully implemented within two months of the date it is approved by the Board of Directors. If, prior to the record date for the profit distribution, there is a change in the Company's total issued share capital due to share repurchases, the conversion of convertible corporate bonds, the exercise of stock options by incentive recipients in the equity incentive plan, a major asset restructuring, or the cancellation of shares, the Company will adjust the distribution ratio per share accordingly, while maintaining the total distribution amount unchanged.

2. Explanation of other events after the balance sheet date

None.

XVIII. Other Significant Events

1. Segment information

(1) Basis of segments determination and accounting policies

None

(2) If the Company has no reporting segments, or is unable to disclose the total assets and liabilities of each reporting segment, it shall explain the reasons

The Company manages its operations by business line in a manner consistent with how information is reported internally to the Company's key decision-makers for resource allocation and performance evaluation. The Company has only one operating segment; therefore, no further analysis of that segment is presented.

2. Other significant transactions and events affecting investors' decisions

As of the date of this report, pursuant to the "Share and Asset Transfer Agreement" and the "Supplemental Agreement to the Share and Asset Transfer Agreement" signed between the Company's wholly-owned subsidiary, Luxshare Communications (Shanghai) Co., Ltd., and Wingtech Technology Co., Ltd. ("**Wingtech Technology**"), the Company will acquire the business asset package held by Wingtech Mobile Communications (India) Private Ltd. ("**Wingtech India**"). Since the signing of the aforementioned agreement, the Company has been actively advancing various pre-closing preparations and has paid a portion of the transaction consideration as agreed. Due to restrictions on the transfer of certain assets related to Wingtech India, including asset seizures and freezes, it has been impossible to complete the ownership transfer procedures, and the transfer of ownership for the relevant assets has not yet been finalized. Due to the aforementioned substantial obstacles to closing caused by the counterparty, the contractual purpose of this agreement for the transfer of assets in India can no longer be fulfilled.

To protect the interests of the Company and all its shareholders, the Company's wholly-owned subsidiary, Luxshare Lanto India Private Limited ("**Luxshare Lanto**"), has issued a notice of termination to Wingtech India and demanded that Wingtech India refund the transaction consideration and other fees previously paid by the Company, totaling 1,976,753,392.38 Indian rupees (approximately RMB153 million). Since Wingtech India failed to refund the aforementioned funds as required, Luxshare Lanto has now filed an arbitration application with the Singapore International Arbitration Centre and submitted a notice of arbitration, seeking a ruling to terminate the Indian asset transfer agreement and requesting that Wingtech India refund the transaction consideration and other fees totaling 1,976,753,392.38 Indian rupees (approximately RMB153 million) already paid by Luxshare Lanto, along with interest accrued until the date of actual repayment.

The termination of the transaction involving the asset package of Wingtech India will not have an adverse impact on the Company's normal production and business operations or its financial condition. The Company will continue to monitor subsequent developments and fulfill its information disclosure obligations in a timely manner in accordance with relevant laws and regulations.

3. Others

None.

XIX. Notes to Key Items in Financial Statements of the Parent Company

1. Trade receivables

(1) Disclosure by aging

Unit: RMB

Aging	Closing book balance	Opening book balance
Within 1 year (inclusive)	**5,318,330,713.63**	5,624,124,068.80
Undue	**5,271,649,226.38**	5,585,950,056.77
1 to 60 days overdue	**45,771,075.53**	37,468,629.00
61 to 120 days overdue	**909,447.79**	450,224.94
121 to 180 days overdue	**963.93**	90,228.08
181 to 365 days overdue		164,930.01
1 to 2 years	**164,930.01**	
More than 3 years	**241,403.36**	241,403.36
More than 5 years	**241,403.36**	241,403.36
Total	**5,318,737,047.00**	5,624,365,472.16

(2) Classification and disclosure by bad debt provision methods

Unit: RMB

	Closing balance					Opening balance				
	Book balance		Bad-debt provision			Book balance		Bad-debt provision		
Category	Amount	Proportion	Amount	Provision proportion	Book value	Amount	Proportion	Amount	Provision proportion	Book value
Trade receivables for which bad-debt provision is made individually	**241,403.36**		**241,403.36**	**100.00%**		241,403.36		241,403.36	100.00%	
Among which,										
Entity 1	**241,403.36**		**241,403.36**	**100.00%**		241,403.36		241,403.36	100.00%	
Trade receivables for which bad-debt provision is made on a portfolio basis	**5,318,495,643.64**	**100.00%**	**4,653,999.82**	**0.09%**	**5,313,841,643.82**	5,624,124,068.80	100.00%	3,780,373.43	0.07%	5,620,343,695.37
Among which,										
Aging portfolio	**3,934,424,065.48**	**73.98%**	**4,653,999.82**	**0.12%**	**3,929,770,065.66**	3,344,810,838.32	59.47%	3,780,373.43	0.11%	3,341,030,464.89
Related party group in the scope of consolidation	**1,384,071,578.16**	**26.02%**			**1,384,071,578.16**	2,279,313,230.48	40.53%			2,279,313,230.48
Total	**5,318,737,047.00**	**100.00%**	**4,895,403.18**	**0.09%**	**5,313,841,643.82**	5,624,365,472.16	100.00%	4,021,776.79	0.07%	5,620,343,695.37

Name of category for which bad-debt provision is made on individual basis: Entity 1

Unit: RMB

Name	Opening balance		Closing balance			
	Book balance	Bad-debt provision	Book balance	Bad-debt provision	Provision proportion	Reason for provision
Entity 1	241,403.36	241,403.36	**241,403.36**	**241,403.36**	**100.00%**	**Not expected to be recovered**
Total	241,403.36	241,403.36	**241,403.36**	**241,403.36**		

Name of category for which bad-debt provision is made on a portfolio basis:

Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Provision proportion
Undue	**3,887,577,648.22**	**1,943,789.08**	**0.05%**
1 to 60 days overdue	**45,771,075.53**	**2,288,553.82**	**5.00%**
61 to 120 days overdue	**909,447.79**	**272,834.34**	**30.00%**
121 to 180 days overdue	**963.93**	**385.57**	**40.00%**
181 to 365 days overdue			
1 to 2 years (excluding 1 year) overdue	**164,930.01**	**148,437.01**	**90.00%**
Total	**3,934,424,065.48**	**4,653,999.82**	

Descriptions on basis for determining the group:

If the bad-debt provision for trade receivable is made according to the general model of expected credit loss:

☐Applicable ☑Not applicable

(3) *Bad-debt provision made, recovered or reversed in the current period*

Bad-debt provision in the current period:

Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Other	
Provision on an individual basis	241,403.36					**241,403.36**
Provision on a group basis	3,780,373.43	873,626.39				**4,653,999.82**
Total	4,021,776.79	873,626.39				**4,895,403.18**

Including significant amounts recovered or reversed from the current provision for bad debts:

Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the provision ratio for the original bad debt reserve and its reasonableness

(4) *Trade receivables actually written off during the period*

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant trade receivables:

Unit: RMB

Entity name	Nature of trade receivables	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Descriptions on the write-offs of significant trade receivables:

(5) Trade receivables with top five closing balance — by debtor

Unit: RMB

Entity name	Closing balance of trade receivables	Closing balance of contract assets	Closing balance of trade receivables and contract assets	The proportion of the total closing balance of trade receivables and contract assets	Closing balance of trade receivables allowance for doubtful accounts and contract asset impairment provision
Entity 1	**861,486,258.83**		**861,486,258.83**	**16.20%**	**430,743.13**
Entity 2	**604,081,597.07**		**604,081,597.07**	**11.36%**	**302,040.80**
Entity 3	**457,323,420.70**		**457,323,420.70**	**8.60%**	**228,661.71**
Entity 4	**338,610,688.57**		**338,610,688.57**	**6.37%**	
Entity 5	**326,061,697.68**		**326,061,697.68**	**6.13%**	**163,030.85**
Total	**2,587,563,662.85**		**2,587,563,662.85**	**48.66%**	**1,124,476.49**

2. Other receivables

Unit: RMB

Item	Closing balance	Opening balance
Dividends receivable	**622,000,000.00**	922,000,000.00
Other receivables	**13,191,782,997.21**	7,631,196.10
Total	**13,813,782,997.21**	929,631,196.10

(1) Dividends receivable

1) *Classification of dividends receivable*

Unit: RMB

Item (or Investee)	Closing balance	Opening balance
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.		200,000,000.00
Luxshare iTech (Zhejiang) Co., Ltd.	**250,000,000.00**	200,000,000.00
Dongguan Leader Precision Industry Co., Ltd.	**172,000,000.00**	172,000,000.00
Xiexun Electronic (Ji'an) Co., Ltd.		250,000,000.00
Luxshare Electronic Technology (Kunshan) Co., Ltd.	**200,000,000.00**	100,000,000.00
Total	**622,000,000.00**	922,000,000.00

(2) Other receivables

1) *Classification of other receivables by nature of funds*

Unit: RMB

Nature of funds	Closing book balance	Opening book balance
Petty Cash	**35,481.63**	67,548.03
Deposits, Guarantees	**8,015,252.64**	7,566,085.96
Other		35,909.82
Current accounts	**13,183,772,516.60**	
Total	**13,191,823,250.87**	7,669,543.81

2) Disclosures by aging

Unit: RMB

Aging	Closing book balance	Opening book balance
Within 1 year (inclusive)	**13,191,823,250.87**	7,669,543.81
Undue	**13,191,823,250.87**	7,669,543.81
Total	**13,191,823,250.87**	7,669,543.81

3) Classification and disclosure by bad debt provision method

Unit: RMB

	Closing balance					Opening balance				
	Book balance		Bad-debt provision			Book balance		Bad-debt provision		
Category	Amount	Proportion	Amount	Provision proportion	Book value	Amount	Proportion	Amount	Provision proportion	Book value
Among which,										
Provision for bad debts on a portfolio basis	**13,191,823,250.87**	**100.00%**	**40,253.66**		**13,191,782,997.21**	7,669,543.81	100.00%	38,347.71	0.50%	7,631,196.10
Among which,										
Aging portfolio	**8,050,734.27**	**0.06%**	**40,253.66**	**0.50%**	**8,010,480.61**	7,669,543.81	100.00%	38,347.71	0.50%	7,631,196.10
Related party group in the scope of consolidation	**13,183,772,516.60**	**99.94%**			**13,183,772,516.60**					
Total	**13,191,823,250.87**	**100.00%**	**40,253.66**		**13,191,782,997.21**	7,669,543.81	100.00%	38,347.71		7,631,196.10

Name of category for which bad-debt provision is made on a portfolio basis:

Unit: RMB

Name	Book balance	Closing balance Bad-debt provision	Provision proportion
Aging portfolio	**8,050,734.27**	**40,253.66**	**0.50%**
Total	**8,050,734.27**	**40,253.66**	

Descriptions on basis for determining the group:

Provision for Bad Debts is made according to the Expected Credit Loss General Model:

Unit: RMB

Bad-debt provision	Phase I Expected Credit Loss for the Next 12 Months	Phase II Lifetime Expected Credit Loss (No Credit Impairment Incurred)	Phase III Lifetime Expected Credit Loss (Credit Impairment Incurred)	Total
Balance as of 1 January 2026	38,347.71			38,347.71
Balance as of 1 January 2026 in current period				
Current provision	1,905.95			1,905.95
Balance as of 30 June 2026	40,253.66			40,253.66

Criteria for stage classification and the provision ratios for bad debt provision

Significant changes in the book balance of loss provisions for the current period

☐Applicable ☑Not applicable

4) Provision, recovery, or reversal of bad debt provision for the current period

Bad-debt provision in the current period:

Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Provision	Recovery or reversal	Transfer or write-off	Other	
Other receivables	38,347.71	1,905.95				**40,253.66**
Total	38,347.71	1,905.95				**40,253.66**

Significant Amounts of Bad Debt Provision Reversals or Recoveries for the Current Period:

Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the provision ratio for the original bad debt reserve and its reasonableness

5) Other receivables actually written off during the period

Unit: RMB

Item	Amount of write-off

Among which, the write-offs of significant other receivables:

Unit: RMB

Entity name	Nature of other receivables	Amount of write-off	Reason for write-off	Write-off procedures performed	If it is generated by related party transactions

Descriptions on the write-offs of other receivables:

6) *Other receivables categorized by the end-of-period balances of the top five debtors*

Unit: RMB

Entity name	Nature of funds	Closing balance	Aging	The proportion of the end-of-period balance to the total amount of other receivables	End-of-period balance of bad debt provision
Entity 1	Current accounts	**2,980,710,000.00**	Undue	22.60%	
Entity 2	Current accounts	**1,476,460,000.00**	Undue	11.19%	
Entity 3	Current accounts	**1,051,000,000.00**	Undue	7.97%	
Entity 4	Current accounts	**815,716,016.60**	Undue	6.18%	
Entity 5	Current accounts	**726,739,000.00**	Undue	5.51%	
Total		**7,050,625,016.60**		53.45%	

3. Long-term equity investments

Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	**30,310,742,919.33**	**28,560,179.80**	**30,282,182,739.53**	29,825,966,170.11	28,560,179.80	29,797,405,990.31
Investment in associates and joint ventures	**386,638,238.75**	**34,372,608.46**	**352,265,630.29**	317,382,552.34	34,372,608.46	283,009,943.88
Total	**30,697,381,158.08**	**62,932,788.26**	**30,634,448,369.82**	30,143,348,722.45	62,932,788.26	30,080,415,934.19

(1) Investment in subsidiaries

Unit: RMB

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period				Closing balance (book value)	Closing balance of provision for impairment
			Additional investment	Reduced investment	Provision for impairment	Other		
Xiexun Electronic (Ji'an) Co., Ltd.	272,594,349.66		208,164.24				**272,802,513.90**	
Suining Luxshare Precision Industry Co., Ltd.	4,610,695.05		115,827.90				**4,726,522.95**	
Luxshare Precision Technology Co., Ltd.	158,059,935.32						**158,059,935.32**	
ICT-LANTO LIMITED	987,362,500.26						**987,362,500.26**	
Luxshare Precision Limited	34,309,356.25		216,320.24				**34,525,676.49**	
Lanto Electronic Limited	3,838,429,556.91		91,448,330.66				**3,929,877,887.57**	
Dongguan Leader Precision Industry Co., Ltd.	72,154,629.73		62,400.30				**72,217,030.03**	
Luxshare Precision Industry (Kunshan) Co., Ltd.	534,325,458.02		766,092.72				**535,091,550.74**	
Wan'an Xiexun Electronic Co., Ltd.	40,619,117.30			7,600.46			**40,611,516.84**	
Fujian JK Wiring Systems Co., Ltd.	147,461,494.86		105,159.46				**147,566,654.32**	
Xingning Luxshare-ICT Electronics Co., Ltd.	1,655,522.88		67,661.76				**1,723,184.64**	
Luxshare Precision Industry (Chuzhou) Co., Ltd.	795,911,701.04		1,139,550.30				**797,051,251.34**	
SuK Kunststofftechnik GmbH	33,746,516.14						**33,746,516.14**	
Fengshun Luxshare Precision Industry Co., Ltd.	10,350,943.05		15,005.16				**10,365,948.21**	
Shenzhen Luxshare Acoustics Technology Ltd.	13,781,455.56	28,560,179.80	461,044.88				**14,242,500.44**	28,560,179.80
Dongguan Luxshare Precision Industry Co., Ltd.	1,056,441,292.77		1,105,986.56				**1,057,547,279.33**	
Luxshare Automation (Jiangsu) Ltd.	121,130,587.03		4,064,743.50				**125,195,330.53**	
Shenzhen Luxshare Smart Life Co., Ltd.	21,000,000.00						**21,000,000.00**	
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.	1,141,193,588.51		1,833,127.16				**1,143,026,715.67**	
Dongguan Xuntao Electronics Co., Ltd.	-716,213.72		1,198,082.04				**481,868.32**	
Luxshare Electronic Technology (Kunshan) Co., Ltd.	2,407,621,343.61		20,351,957.04				**2,427,973,300.65**	
Luxshare Precision Accessory (Kunshan) Ltd.	105,584,218.15			88,553.62			**105,495,664.53**	
Luxshare Precision Industry (Enshi) Co., Ltd.	106,595,580.36			384,143.54			**106,211,436.82**	

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
Yongxin County Boshuo Electronics Co., Ltd.	2,628,540.48		66,986.54				**2,695,527.02**	
LUXSHAR E-ICT Co., Ltd.	5,743,116.41		323,151.94				**6,066,268.35**	
Taiwan Luxshare Precision Limited	332,171,493.24		18,223,472.54				**350,394,965.78**	
Luxshare-ICT, Inc.	89,369,765.13		5,282,356.14				**94,652,121.27**	
Korea Luxshare-ICT Co., Ltd.	6,706,610.60		21,012.92				**6,727,623.52**	
LUXSHARE-ICT EUROPE LIMITED	182,206.32						**182,206.32**	
Merry Electronics (Suzhou) Co., Ltd.	38,879,304.31		2,195,619.08				**41,074,923.39**	
Suzhou Luxshare Technology Co., Ltd.	70,693,020.29		363,623.48				**71,056,643.77**	
Merry Electronics (Huizhou) Co., Ltd.	6,198,417.99		144,222.26				**6,342,640.25**	
Jiangxi ASAP Electronics Co., Ltd.	2,696,746.27			10,430.82			**2,686,315.45**	
Luxshare Precision Industry (Baoding) Co., Ltd.	3,551,354.37		289,655.12				**3,841,009.49**	
Shanxi Luxshare Precision Industry Co., Ltd.	5,619,381.57		143,427.20				**5,762,808.77**	
Dongguan Luxshare Smart-Link Electronic Technology Co., Ltd	992,578.74			3,038.28			**989,540.46**	
Bozhou Lanto Electronic Limited	13,473,333.23		415,057.84				**13,888,391.07**	
Huzhou Jiuding Electronic Co., Ltd.	4,860,577.69		100,106.24				**4,960,683.93**	
Xinyu Xiexun Electronics Co., Ltd	5,832,449.41		122,732.16				**5,955,181.57**	
Luxshare Precision Industry (Suzhou) Co., Ltd.	133,062,533.44		285,236.46				**133,347,769.90**	
Luxshare iTech (Zhejiang) Co., Ltd.	877,665,149.31		7,424,703.76				**885,089,853.07**	
Bozhou Xuntao Electronics Co., Ltd.	281,764.46						**281,764.46**	
Dongguan Luxshare Technology Co., Ltd.	1,280,155,832.15		16,557,929.26				**1,296,713,761.41**	
Xuancheng Luxshare Precision Industry Co., Ltd.	828,101,895.78		2,413,235.66				**830,515,131.44**	
Beijing Luxshare Acoustic Technology Co., Ltd.	25,907,312.96		1,189,060.28				**27,096,373.24**	
Luxshare Intelligent Manufacture Technology (Changshu) Co., Ltd.	1,456,494,251.51		6,539,584.16				**1,463,033,835.67**	

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
Xingning Luxshare-ICT Electronics Co., Ltd.	536,650.24		10,532.38				**547,182.62**	
SpeedTech Corp.	7,882,480.03		1,703,673.52				**9,586,153.55**	
Luxshare Technologies Limited	2,321,682.80						**2,321,682.80**	
Changshu Luxshare Industrial Investment Management Co., Ltd.	163,927,000.00						**163,927,000.00**	
Kunshan Luxshare Enterprise Management Development Co., Ltd.	200,000,000.00						**200,000,000.00**	
Luxshare Precision Industry (Jiangsu) Co., Ltd.	2,476,517.51		350,599.60				**2,827,117.11**	
Rida Intelligent Manufacture Technology (Rugao) Co., Ltd.	38,880,047.15		1,293,839.82				**40,173,886.97**	
Luxis Technology (Kunshan) Co., Ltd.	256,572,838.02		1,082,738.64				**257,655,576.66**	
Luxcase Precision Technology (Yancheng) Co., Ltd.	557,377.31		52,911.26				**610,288.57**	
Luxshare Electronic Technology (Enshi) Co., Ltd.	45,000,000.00						**45,000,000.00**	
Liding Electronic Technology (Dongguan) Co., Ltd.	252,944,212.90		40,113.26				**252,984,326.16**	
Luxis Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	336,514,268.43		2,494,731.08				**339,008,999.51**	
Luxshare Precision Technology (Nanjing) Co., Ltd.	56,491,311.97		682,663.18				**57,173,975.15**	
Luxshare Electronic (Shanghai) Co., Ltd.	9,085,850.09		510,888.50				**9,596,738.59**	
Ri Ming Computer Accessory (Shanghai) Co., Ltd.	64,749,494.34		5,827,031.70				**70,576,526.04**	
Shengrui Electronic Technology (Shanghai) Co., Ltd.	1,019,353.01		116,063.58				**1,135,416.59**	
Ri Shan Computer Accessories (Jia Shan) Co., Ltd.	49,885,658.52		8,914,429.44				**58,800,087.96**	
LUXSHARE-ICT (VIETNAM) LIMITED	3,912,418.66		264,924.28				**4,177,342.94**	
Hangzhou Xuntao Technology Co., Ltd.	14,633,434.47						**14,633,434.47**	
Da Chuang Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	30,042,467.18		327,267.04				**30,369,734.22**	
Fengshun Luxshare Intelligent Manufacture Co., Ltd.	250,080,546.63		2,633.10				**250,083,179.73**	

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
Luxshare Smart Manufacturing Electronic Services (Kunshan) Co., Ltd.	204,724,641.32		496,485.08				**205,221,126.40**	
Luxshare Precision Industry (Wuhu) Co., Ltd.	4,267,250.67		431,238.24				**4,698,488.91**	
Dongguan Huarong Communications Technology Co., Ltd.	752,282.01		33,726.22				**786,008.23**	
Luxshare Precision Accessory (Suzhou) Ltd.	10,548,613.96		594,005.28				**11,142,619.24**	
Zhejiang Puxing Electronic Technology Co., Ltd.	839,654.67						**839,654.67**	
Luxshare Rechuan Technology (Huizhou) Co., Ltd.	7,645,846.04		263,540.58				**7,909,386.62**	
Luxshare Automotive Technology (Shanghai) Co., Ltd.	2,373,612.30		303,956.30				**2,677,568.60**	
Luxshare Precision Industry (Hubei) Co., Ltd.	4,304,195.65		512,144.50				**4,816,340.15**	
Luxshare-ICT (Van Trung) Company Limited	3,116,886.21		20,545.84				**3,137,432.05**	
Huzhou Luxshare Precision Industry Co., Ltd.	173,654,735.44		187,374.04				**173,842,109.48**	
Luxcase Precision Technology (Yancheng) Co., Ltd	5,792,179,269.36		3,456,960.06				**5,795,636,229.42**	
CASETEK SINGAPORE PTE. LTD.	2,686,945.33		43,479.36				**2,730,424.69**	
Luxcase Precision Technology (Kunshan) Co., Ltd.	14,283,580.88		3,715,508.10				**17,999,088.98**	
Luxshare Precision Industry (Mingguang) Co., Ltd.	213,500.00						**213,500.00**	
Shenzhen Huarong Technology Co., Ltd.	1,264,023.89		4,456.22				**1,268,480.11**	
Dongguan Luxshare Holdings Co., Ltd.	131,800,000.00						**131,800,000.00**	
Shantou Luxshare Technologies Co., Ltd.	7,332.16						**7,332.16**	
Time Interconnect Technology (Jiangxi) Limited	2,848,147.18		74,980.02				**2,923,127.20**	
Time Interconnect Technology (Kunshan) Limited	3,542,352.65		115,292.06				**3,657,644.71**	
Luxshare Precision Industry (Anhui) Co., Ltd.	213,203.08		46,783.06				**259,986.14**	
Dongguan Huarong Supply Chain Management Co., Ltd.	28,356.18			779.04			**27,577.14**	
Huiju Dachuang Information (Shanghai) Co., Ltd.	459,599.51		6,985.12				**466,584.63**	

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
Chuzhou Luxshare Technologies Co., Ltd.	898,687.19		58,221.78				**956,908.97**	
ASAP Technology (Jiangxi) Co., Ltd.	-1,308,571.19		1,273,970.88				**-34,600.31**	
Luxshare Technologies (Xi'an) Co., Ltd.	-1,652,154.57			43,703.14			**-1,695,857.71**	
Luxshare New Energy (Anhui) Co., Ltd.	1,317,950.37		121,091.00				**1,439,041.37**	
Lilianxun Da Intelligent Terminal (Jiashan) Co., Ltd.	7,084,531.24		3,853,642.22				**10,938,173.46**	
Luxshare Technologies International, Inc.	2,523,989.92		478,974.96				**3,002,964.88**	
Luxshare Communications (Shanghai) Co., Ltd.	1,500,000,000.00						**1,500,000,000.00**	
Luxshare Intelligent Manufacture Technology (Suzhou) Co., Ltd.	248,210,546.71		78,762,624.44				**326,973,171.15**	
Luxshare Precision Industry (Henan) Co., Ltd.	13,904,924.90		8,709,219.36				**22,614,144.26**	
Lisheng Intelligent Technology (Shanghai) Co., Ltd.	7,302,500.84		3,794,159.50				**11,096,660.34**	
Qorvo Beijing Limited	3,150,044.64		1,018,235.78				**4,168,280.42**	
Lisheng Intelligent Technology (Chengdu) Co., Ltd.	93,588.83			23,397.20			**70,191.63**	
Qorvo Dezhou Limited	592,178.69		123,069.16				**715,247.85**	
Luxshare Precision Industry (Handan) Co., Ltd.	417,088.04		82,556.20				**499,644.24**	
LUXCASE KOREA CO., LTD.	124,323.41		22,120.50				**146,443.91**	
Luxshare Precision Industry (Hefei) Co., Ltd.	102,947.71		35,709.54				**138,657.25**	
Cosmo Industrial (Dongguan) Co., Ltd.	486,661.93		34,743.70				**521,405.63**	
Cosmo Crew Limited	112,306.60		38,955.86				**151,262.46**	
LUXSHARE INDIA PRIVATE LIMITED	28,076.65		9,738.96				**37,815.61**	
Kunming Luxshare Technology Co., Ltd.	2,738,644,516.82		123,006.96				**2,738,767,523.78**	
Luxshare Intelligent Electronics (Jiaxing) Co., Ltd.	7,780,000.00		21,866,000.00				**29,646,000.00**	
EXCELLOX, INC.	12,864.15		38,439.68				**51,303.83**	
Luxshare Communications (Hong Kong) Co., Limited	10,291.32		30,751.76				**41,043.08**	
Huangshi Zhitong Electronics Co., Ltd.	44,638.61		91,729.94				**136,368.55**	
Jiaxing Yongrui Electronics Technology Co., Ltd.	740,589.31		2,029,270.30				**2,769,859.61**	

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period: Additional investment	Reduced investment	Provision for impairment	Other	Closing balance (book value)	Closing balance of provision for impairment
Kunming Zhitong Electronics Co., Ltd.	210,843.48		839,971.04				**1,050,814.52**	
Luxshare Power (Kunshan) Co., Ltd.	3,779,801.30		525,858.12				**4,305,659.42**	
LuxPC Union Co., Ltd.	1,739,940.56		3,521,125.46				**5,261,066.02**	
Shanghai Luxshare Electronics Technology Co., Ltd.	1,760,459.42		5,280,909.58				**7,041,369.00**	
Shanghai Luxshare Information Technology Co., Ltd.	3,865,832.49		10,338,290.90				**14,204,123.39**	
Luxshare Supply Chain Technology (Shenzhen) Co., Ltd.	3,979,571.07		96,121,270.56				**100,100,841.63**	
Shenzhen Luxshare Zhitong Technology Co., Ltd.	1,684,020.59		4,782,543.06				**6,466,563.65**	
Wuxi Litong Information Technology Co., Ltd.	339,356.38		891,570.80				**1,230,927.18**	
Xi'an Luxshare Information Technology Co., Ltd.	1,635,805.69		4,984,144.52				**6,619,950.21**	
LUXSHARE TECHNOLOGIES SG PTE. LTD.	280,766.50		97,389.62				**378,156.12**	
Luxshare Energy (Jiangxi) Co., Ltd.	2,748,168.56		759,266.16				**3,507,434.72**	
Aijie Technology (Kunshan) Co., Ltd.			14,800,000.00				**14,800,000.00**	
Jiangxi Xiexun Intelligent Equipment Co., Ltd.			445,680.56				**445,680.56**	
Luxshare Supply Chain Technology (Wuxi) Co., Ltd.			33,516.26				**33,516.26**	
Lanto Precision Intelligent Manufacturing (Kunshan) Co., Ltd.			30,999.50				**30,999.50**	
Lishun Precision Technology (JiaShan) Co., Ltd.			46,499.28				**46,499.28**	
Total	29,797,405,990.31	28,560,179.80	485,338,395.32	561,646.10			**30,282,182,739.53**	28,560,179.80

(2) Investment in associates and joint ventures

Unit: RMB

Investee	Opening balance (book value)	Opening balance of provision for impairment	Increase and decrease in the current period								Closing balance (book value)	Closing balance of provision for impairment
			Additional investment	Reduced investment	Investment profit or loss recognized under equity method	Others comprehensive income adjustment	Other changes in equity	Declare d cash dividends or profits	Provision for impairment	Other		
I. Joint ventures												
II. Associates												
Zhuhai Kinwong Flexible Circuit Co., Ltd.	193,314,048.51	34,372,608.46			8,894,120.58						**202,208,169.09**	34,372,608.46
Lisheng Automotive Technology (Guangzhou) Co., Ltd.	89,695,895.37		112,500,000.00		-52,138,434.17						**150,057,461.20**	
Subtotal	283,009,943.88	34,372,608.46	112,500,000.00		-43,244,313.59						**352,265,630.29**	34,372,608.46
Total	283,009,943.88	34,372,608.46	112,500,000.00		-43,244,313.59						**352,265,630.29**	34,372,608.46

Determining the recoverable amount by subtracting the disposal costs from the fair value

☐Applicable ☑Not applicable

Determining the recoverable amount by the present value of expected future cash flows

☐Applicable ☑Not applicable

Reasons for the significant differences between the above information and the information used in impairment tests in previous years or external information

None

Reasons for significant differences between the information used in impairment tests in previous years and the actual situation in the current year

None

(3) Other descriptions

None

4. Operating revenue and cost of sales

Unit: RMB

Item	Amount for the current period		Amount for the previous period	
	Income	Cost	Income	Cost
Principal business	**7,841,238,725.51**	**7,331,946,945.32**	6,399,828,045.60	6,147,372,615.96
Other business	**371,089,590.52**	**133,440,435.72**	136,010,926.32	101,872,843.65
Total	**8,212,328,316.03**	**7,465,387,381.04**	6,535,838,971.92	6,249,245,459.61

Breakdown of operating revenue and cost of sales

Unit: RMB

Classification of contract	Segment 1		Segment 2				Total	
	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales	Operating revenue	Cost of sales
Business type								
Among which,								
Classified by operating area								
Among which,								
Type of market or customer								
Among which,								
Contract type								
Among which,								
Classified by time of transfer of goods								
Among which,								
Classified by contract term								
Among which,								
Classified by sales channel								
Among which,								
Total								

5. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Long-term equity investment incomes accounted for by the cost method	**2,500,000,000.00**	–1,058,103.73
Long-term equity investment incomes accounted for by the equity method	**–43,244,313.59**	–12,610,164.22
Investment income from disposal of trading financial assets	**56,865,051.48**	51,488,531.21
Investment income from wealth management products	**125,291,852.16**	168,868,045.20
Gains from derecognition of financial assets at amortized cost	**–2,394,063.89**	
Total	**2,636,518,526.16**	206,688,308.46

6. Others

None.

XX. Supplementary Information

1. Breakdown of non-recurring profit and loss for the current period

☑Applicable ☐Not applicable

Unit: RMB

Item	Amount	Remark
Profit/loss on disposal of non-current assets	22,604,678.79	
Government grants recognized in profit or loss (excluding government grants that are closely related to the business of the Company, in accordance with national policy requirements, enjoyed according to specific criteria, and having a continuous impact on the Company's profit or loss)	585,318,449.67	
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 operations related to the Company's normal business operations	1,301,667,912.66	
Gain or loss on assets under entrusted investment or management	821,215,180.58	
Other non-operating revenue and expenses except the above items	–16,256,260.60	
Other profit and loss items that meet the definition of non-recurring profit and loss	–115,780,759.28	
Less: effect of income tax	380,401,003.07	
Effect of minority interests (after tax)	337,547,777.06	
Total	1,880,820,421.69	—

Other profits and losses items conforming to the definition of non-recurring profits and losses

☐Applicable ☑Not applicable

The Company does not have other profits and losses items conforming to the definition of non-recurring profits and losses

Explanation on the definition of non-recurring profit/loss items listed in Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities No.1 — Non-recurring Profit or Loss as recurring profit/loss items

☐Applicable ☑Not applicable

2. ROE and earnings per share

Profit in the reporting period	Weighted average ROE	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to ordinary shareholders of the Company	8.76%	1.0774	1.0526
Net profit after deduction of non-recurring profit and loss attributable to ordinary shareholders of the Company	6.73%	0.8190	0.8002

3. Accounting data differences under domestic and foreign accounting standards

(1) Differences of net profit and net assets in financial reports disclosed according to international financial reporting standards (IFRS) and chinese accounting standards at the same time

☐Applicable ☑Not applicable

(2) Difference of net profit and net asset in financial reports disclosed according to overseas accounting standards and chinese accounting standards at the same time

☐Applicable ☑Not applicable

(3) Descriptions on the reasons for the differences of accounting data under the accounting standards at home and abroad, and the name of the overseas institution if difference adjustment is made to the data audited by an overseas audit institution

4. Others

None.