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**APT Electronics Co., Ltd.**  
**廣東晶科電子股份有限公司**

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

**(Stock Code: 2551)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED JUNE 30, 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of APT Electronics Co., Ltd. (the “**Company**”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended June 30, 2025. This announcement, containing the full text of the 2025 interim report of the Company, complies with the relevant disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of interim results. The Group’s interim results for the six months ended June 30, 2025 have been reviewed by the audit committee of the Company.

**PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This results announcement will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.apl-hk.com](http://www.apl-hk.com)). The Company’s 2025 interim report will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited and will be despatched to the Shareholders who have indicated their wish to receive a printed copy in due course.

By order of the Board  
**APT Electronics Co., Ltd.**  
**Xiao Guowei David**  
*Chairperson of the Board*

Hong Kong, August 28, 2025

*As at the date of this announcement, the Board comprises Mr. Xiao Guowei David and Mr. Hou Yu as executive Directors, Mr. Chan Philip Ching Ho, Mr. Yuan Lie Ming Peter and Mr. Huang Guansheng as non-executive Directors, and Ms. Zhang He, Ms. Lin Nan, Ms. Ding Hui and Mr. Chan Chi Kong as independent non-executive Directors.*

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. XIAO Guowei David<sup>1</sup>  
(Chairperson and chief strategic officer)  
Mr. HOU Yu (President)

### Non-executive Directors

Mr. CHAN Philip Ching Ho<sup>1</sup>  
Mr. YUAN Lie Ming Peter<sup>1</sup>  
Mr. HUANG Guansheng<sup>1</sup>  
Mr. WU Nan-Yang<sup>2</sup>  
Mr. ZHENG Xin<sup>2</sup>

### Independent Non-executive Directors

Ms. ZHANG He<sup>1</sup> (former name: Ms. ZHANG Xiaomiao)  
Ms. LIN Nan<sup>1</sup>  
Ms. DING Hui<sup>1</sup>  
Mr. CHAN Chi Kong<sup>1</sup>

## SUPERVISORS

Mr. LI Wenhong<sup>1</sup> (Chairperson)  
Mr. LUO Xiaoyun<sup>1</sup>  
Mr. OU Weineng<sup>3</sup>

## STRATEGY COMMITTEE

Mr. XIAO Guowei David (Chairperson)  
Mr. HOU Yu  
Mr. CHAN Philip Ching Ho  
Mr. YUAN Lie Ming Peter  
Mr. WU Nan-Yang<sup>2</sup>  
Ms. LIN Nan

## AUDIT COMMITTEE

Ms. ZHANG He (Chairperson)  
Ms. LIN Nan  
Mr. CHAN Chi Kong

## REMUNERATION AND APPRAISAL COMMITTEE

Ms. LIN Nan (Chairperson)  
Mr. XIAO Guowei David  
Ms. DING Hui

## NOMINATION COMMITTEE

Ms. DING Hui (Chairperson)  
Mr. XIAO Guowei David  
Ms. ZHANG He

## JOINT COMPANY SECRETARIES

Mr. ZHENG Longfeng  
Mr. CHUNG Ming Fai

## AUTHORIZED REPRESENTATIVES

Mr. XIAO Guowei David  
Mr. ZHENG Longfeng

## ALTERNATE TO THE AUTHORIZED REPRESENTATIVES

Mr. CHUNG Ming Fai

## AUDITOR

### Ernst & Young

Certified Public Accountants  
Registered Public Interest Entity Auditor  
27/F, One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong

## COMPLIANCE ADVISOR

### Maxa Capital Limited

Unit 2602, 26/F, Golden Centre  
188 Des Voeux Road Central  
Sheung Wan  
Hong Kong

### Notes:

1. Each of the aforementioned Directors and non-employee representative supervisors were elected at the 2024 annual general meeting held on May 29, 2025 as Directors of the fourth session of the Board of Directors and Supervisors of the Supervisory Committee with the date effective.
2. Mr. WU Nan-Yang and Mr. ZHENG Xin retired and no longer serve as Directors at the 2024 annual general meeting held on May 29, 2025, and Mr. WU Nan-Yang has also ceased to serve as a member of the Strategy Committee.
3. Mr. OU Weineng was re-elected as an employee representative supervisor of the fourth session of the Supervisory Committee at the employee representatives meeting held on April 24, 2025.



## Corporate Information

### LEGAL ADVISORS

*AS TO HONG KONG LAW:*

**Clifford Chance**

27/F, Jardine House  
One Connaught Place  
Central  
Hong Kong

*AS TO PRC LAW:*

**AllBright Law Offices**

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Pudong New Area  
Shanghai, PRC

### REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Guangdong Province, PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong Science Park  
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Hong Kong

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### COMPANY WEBSITE

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### STOCK CODE

2551

### LISTING DATE

November 8, 2024

### PRINCIPAL BANKS

**Bank of China Nansha Jinzhou Branch**

First Floor, 93 Jinling North Road  
Nansha District, Guangzhou  
Guangdong Province  
PRC

**China Merchants Bank Nansha Branch**

F/5, Nanshacheng  
8 Jingang Avenue  
Nansha District, Guangzhou  
Guangdong Province  
PRC

**Bank of Communications Ninghai Branch**

Building 2, Financial Center  
1 Xuemian Road  
Ninghai County, Ningbo  
Zhejiang Province  
PRC

# Management Discussion and Analysis

## BUSINESS REVIEW

### I. The Industry where the Company Operates

The Group is a provider of intelligent vision products and system solutions, and its business covers intelligent automotive vision, high-end lighting and advanced display. Leveraging industry insights and proactively pursuing technological innovation, we integrate LED technologies with integrated circuits (ICs), electronic control, software, sensors, optics and others to form our core “LED+” technology. Our green, energy-efficient and rapidly evolving “LED+” technologies further empower our intelligent vision products and systems solutions, enabling us to penetrate high-value and high-growth markets, and realizing the successful strategic transformation from a traditional LED manufacturer to an intelligent vision product and system provider integrating advanced “LED+” technologies.

#### ***Intelligent Automotive Vision Market***

In the first half of 2025, China's automotive industry faced a deep adjustment period under the dual pressures of new energy transformation and global competition, presenting a complex landscape of high growth, low profitability, and intense internal competition. Domestic brands rapidly expanded their market share by leveraging their electrification advantages. However, a new round of price competition initiated by leading automakers triggered industry-wide price reductions, characterized by significant price cuts across a wide range of models. The ripple effects of this price war extended to the supply chains, where manufacturers of automotive lamps and other components faced pressure from a general decrease in price. The government intervened with timely policy interventions and guidance, promoting reforms in payment terms, phasing out inefficient production capacity, and accelerating industry consolidation. Chinese automakers are expected to achieve simultaneous growth in both volume and profit in the new energy and intelligence vehicle sectors.

LED intelligent automotive lamps, valued for their energy efficiency, long lifespan, and safety features like Adaptive Driving Beam (ADB), have seen rapid period-on-period growth in penetration. Continuous advancements in technology have reduced costs and improved performance, further driving the popularity in the market and increasing the penetration of high-value-added products. Continuous rear lamps and interactive projection lamps have gained more widespread application.

Driven by both policy and market forces, as automotives become increasingly intelligent, intelligent automotive lamps have evolved from a simple lighting component into a core carrier for perception, decision-making and interaction. It plays an increasingly vital role in enhancing driving safety and improving user experience. Although price wars have put pressure on industry profitability, technology-leading companies will further enhance their competitiveness through strategies such as vertical integration for cost reduction and technological iteration and upgrades.

#### ***High-End Lighting and Advanced Display Markets***

With the continuous enhancements in LED chip technologies, packaging structures and advanced materials, the performance of high-end lighting and LCD TV backlight display devices has significantly improved with respect to color performance, reliability and light efficiency, etc., which has been crucial in providing more development opportunities and application scenarios for high-end lighting and LCD TV backlight displays, resulting in a notable increase of demand for high-end LED devices and modules. Compared to traditional lighting technologies, the energy efficiency of LED technologies is more closely aligned with the requirements of environmental protection policies. Government policies and regulations promoting energy conservation and environmental protection, coupled with increasing societal environment protection awareness, have driven the wide adoption of high-performance, high CRI LED devices and modules. Meanwhile, the rapid development and expansion of downstream application scenarios such as indoor and outdoor lighting, horticultural lighting, intelligent lighting, special lighting, backlight display, commercial display, the demand for diverse and customized lighting and display system has increased significantly. LED technology, leveraging its advantages of high luminous efficacy and long lifespan, has become the mainstream technology in the high-end lighting and LCD TV backlight display industries.

## Management Discussion and Analysis

During the Reporting Period, growth in the high-end lighting market was primarily driven by demand for LED replacements in retrofit projects within the existing market, as well as growing demand for LED products with high light quality, health-comfort lighting and intelligent lighting. Meanwhile, LED horticultural lighting is expected to enter its next growth phase fueled by the vertical farming.

In terms of demand in the advanced display markets, consumer demand for color saturation, authenticity and contrast on LCD TV continues to increase, promoting the rapid development of advanced backlight display products with high-contrast, high-resolution, high-color-gamut. Innovative technologies such as Mini LED and local dimming have optimized display effect, while the application of MicroLED technology in AR+AI glasses has demonstrated growth potential. These advancements have become the core driving force of the iteration of the new display products and have created development opportunities for enterprises with advanced display technology research and development capabilities. Benefiting from government subsidies, domestic TV sales and revenue both increased. According to AVC, the retail sales in the online market increased by 15% period-on-period, while the retail sales in the offline market increased by 16% period-on-period in January to June 2025. In terms of product mix, driven by the growing market demands for large-screen TVs and high-end TVs, Mini LED TV penetration during the “618” Sales Event increased from 16% last year to over 40%. Leading brands actively developed Mini LED models in the first half of the year, with continued resource allocation toward product development. During the “618” Sales Event, Mini LED TV sizes extended down to 55 inches, with mainstream models concentrated in the 75–85 inches.

## II. Business Review and Outlook

The Group is a leading enterprise in China providing intelligent vision products and system solutions integrating “LED+” technologies, and our business encompass intelligent automotive vision, high-end lighting and advanced display. Leveraging industry insights and proactively pursuing technological innovation, we develop a broad array of our core “LED+” technologies by integrating LED technologies with integrated circuits (ICs), electronic control, software, sensors, optics and others.

Leveraging our technological prowess, production capabilities, dedicated team, industry vertical integration strategy and customer resources, we completed our successful transformation from a traditional LED manufacturer to an intelligent vision products and system solutions provider that integrates “LED+” technologies, further optimized our revenue structure and enhanced our risk resilience, ensuring the sustainable development of the Company. Our rapidly evolving “LED+” technologies further empower our intelligent vision products and system solutions, enabling us to penetrate high-value, high-growth markets.

In the first half of 2025, the global economic environment was characterized by high volatility and uncertainty, with tariff and trade policy unpredictability triggering the restructuring of global supply chains and intensifying competition among manufacturing enterprises. While China’s economy demonstrated notable resilience, its recovery continued to face structural headwinds.

During the Reporting Period, the Group achieved revenue of RMB1,113 million, representing a period-on-period growth of 3.9%; and net profit of RMB11.232 million, representing a period-on-period decrease of 77.4%. The decrease in the Group’s net profit for the Reporting Period was mainly attributable to the decrease in profit from the intelligent automotive lamp segment, in particular: (i) the temporary decline in the unit price of lamp sales resulting from the intensified competition of the automobile industry during the first half of 2025; and (ii) the increase in expenses in relation to the investments in construction of the headquarters and research and development base of Lynway Vision (Guangzhou) in the Greater Bay Area, to support the proactive implementation of the Group’s strategic layout for future business expansion. Although these investments have temporarily increased costs and expenses during the Reporting Period, they contribute to enhancing the Group’s technical capabilities and order acquisition capacity, thereby laying a solid foundation for the long-term growth of the Group.

## Management Discussion and Analysis

It should be emphasized that the principal business of the Group consists of three major segments, namely intelligent automotive vision, advanced display and high-end lighting, which has demonstrated strong resilience to certain market risks, and its positive development trend remains unchanged. Among which, both advanced display and high-end lighting segments maintained positive and steady growth during the first half of 2025. Meanwhile, the automotive-grade device products have experienced a substantial period-on period increase in orders, demonstrating a strong product competitiveness and growth potential. The Group expects that as the strategic investments in various business segments gradually yield results and the further enhancement of its product technology competitiveness, the Group's growth potential in business will be progressively enhanced, with operational efficiency optimising significantly.

**In intelligent automotive vision products segment,** APT Electronics has achieved the vertical integration lay out of industry value chain of intelligent automotive lamp “devices-modules-systems”, offering cost-effective, one-stop solutions for LED intelligent automotive vision products, including intelligent automotive lamp systems and automotive-grade LED devices and modules for applications in the advanced demand fields of autonomous driving and intelligent automobiles. In terms of technologies and products of automotive-grade devices, in the first half of 2025, the Group focused on developing a series of industry-leading products including LED devices for autonomous driving (ADS) indicators with different power ratings and light color schemes, LED devices for interactive front and rear lighting applications with different colors and packaging sizes, new generation of LED devices for both high and low beams with high-power, high-brightness and high-reliability, and LED devices for automotive backlight applications. The newly developed products meet the advanced requirements of intelligent automobiles for automotive-grade applications, featuring high brightness, high reliability and unique light colors. In terms of automotive module technology and products, in the first half of 2025, the Group focused on developing Front Lighting Drive Module (LDM) products, headlamp lens module products of different sizes (including ADB lens modules), intelligent interactive signal display (ISD) module products with different pixels and color combinations, and automotive backlight modules with different zoning and drive solutions. In terms of intelligent automotive vision system technology and products, in the first half of 2025, the Group focused on developing a series of products including TFT-based augmented reality head-up displays (AR HUD), rear combination lamps with intelligent interactive signal display (ISD) functionality, and cost-effective front combination lamps. Intelligent automotive vision products include intelligent automotive lamp and automotive-grade LED devices and modules. During the Reporting Period, revenue from the intelligent automotive vision business amounted to RMB419 million, representing a period-on-period decline of 9.3%. The decline was mainly due to the decrease in the unit price of the lamp sales as a result of the intensified competition in the automotive industry in the first half of 2025, leading to a decrease in business revenue. However, during the Reporting Period, the sales of the Group's automotive-grade devices and module products increased significantly due to the growing number of mass production projects. Meanwhile, as the ongoing mass production of designated research projects, the automotive-grade device and module business will enter a phase of rapid growth. With the further development and designation of new customers and new projects, the market share of the automotive-grade device and module business will continue to increase.

**In advanced display segment,** the Group's advanced display device and module products are primarily used in mid-to high-end TVs, automotive displays and other fields for brand customers. The Group achieved significant growth in sales revenue for its advanced display products during the Reporting Period, with RMB354 million, representing a period-on-period growth of 30.3%. During the Reporting Period, the Group continued to increase its investment in the research and development of Mini LED and Micro LED technologies and products, particularly their advanced display applications in the field of artificial intelligence (AI). The Group further expanded production by investing in the construction of multiple industry-leading Mini LED backlight production lines. Meanwhile, the Group developed LED products integrating ICs with local dimming function, achieving mass production and delivery of multiple advanced display products.

## Management Discussion and Analysis

**In high-end lighting segment**, sales revenue remained stable at RMB340 million during the Reporting Period, representing an increase of 0.6% period-on-period. The Group insists on developing and selling high-value-added products has proven effective, and our products with high light quality and high luminous efficacy and can fulfill the requirements of special spectrums. For instance, the photoelectric conversion efficiency of our horticultural lighting products has reached the international leading level, becoming a key driver for the sustained growth of the high-end lighting business.

We will continue to uphold the innovation-driven, high-end manufacturing development philosophy. Through deepening vertical integration of the industrial value chain, intensifying technological innovation, reasonably expanding production capacity, and precisely targeting high-growth areas, we will focus on “LED+” innovation, striving to improve lean manufacturing and intelligent production system, aiming to become an industry-leading global tech company specializing in intelligent vision products and system solutions.

The Group has successfully completed the establishment of a patent strategic layout system covering the entire industrial chain. As of the end of the Reporting Period, the Group has obtained a cumulative total of 446 authorized patents in countries and regions including China, the United States, and Japan, including 125 invention patents.

***In terms of future key R&D directions, we will implement the Group’s main business areas focused on intelligent vision products and systems, and strengthen the innovation and development of related products and technologies:***

- (1) Intelligent automotive vision products: focusing on the needs of the autonomous driving and intelligent automobile sectors, we will research and develop a series of core components and technologies for intelligent automotive lights and automotive displays, including: intelligent projection headlamps systems with ten-thousand-level pixel high definition (HD) capacity, platform-based ADB lens modules for headlamps, AR-HUD systems with local dimming large-screen TFT, interactive signal display devices, modules, and systems for automotive applications, high-power, high-brightness LED devices and modules for automotive headlamp applications and new automotive display backlight LED devices and modules;
- (2) High-end lighting products: high-reliability, high-brightness, high-power LED devices for outdoor, horticultural lighting and special lighting applications, LED modules and application solutions for special lighting and intelligent lighting; and
- (3) Advanced display products: Mini LED backlight advanced display products and application solutions based on large-size display panels, MicroLED technology and AR+AI glasses display modules for artificial intelligence (AI) display applications, LED backlight devices and module products with dynamic dimming function and new RGB backlight LED device and module technologies and products.

In terms of operation management, the Group will comprehensively promote the application of artificial intelligence (AI) in product technology R&D, production manufacturing and operation management, aiming to enhance its intelligent manufacturing capability. The Group will adopt advanced digital systems to manage and control personnel, machines, materials, methods and conditions, so as to ensure consistency and stability in product production. Meanwhile, AI-driven data analysis will be utilized to optimize production processes, facilitate product traceability, and improve overall product manufacturing yield. The Group is currently leveraging AI technology to develop an intelligent agent cluster platform for the intelligent automotive vision sector. By integrating multiple business-specific intelligent agents that cover the entire product lifecycle from R&D to production and quality inspection, this platform will inject strong momentum into the Company’s long-term development.



# Management Discussion and Analysis

## FINANCIAL REVIEW

### Revenue Structure

During the Reporting Period, the Group's revenue was derived from intelligent automotive vision products, advanced display products and high-end lighting products. The Group achieved an overall revenue of RMB1,112.6 million in the first half of 2025, representing a period-on-period increase of 3.9%. The increase was primarily driven by the higher revenue in the advanced display field.

#### 1) Revenue by Product

Item	For the six months ended June 30,		2024		Revenue movement as compared to the corresponding period last year
	2025	Proportion of revenue (%)	Revenue RMB'000	Proportion of revenue (%)	
Intelligent automotive vision	<b>418,533</b>	<b>37.6%</b>	461,265	43.1%	(9.3)%
Advanced display	<b>354,444</b>	<b>31.9%</b>	272,003	25.4%	30.3%
High-end lighting	<b>339,643</b>	<b>30.5%</b>	337,628	31.5%	0.6%
Total	<b>1,112,620</b>	<b>100.0%</b>	1,070,896	100.0%	3.9%

Revenue from intelligent automotive vision products amounted to RMB418.5 million during the Reporting Period, representing a period-on-period decrease of 9.3%, the decrease was mainly due to the decline in the intelligent automotive lamp products business, specifically due to the intensified competition in the automobile industry in the first half of the year, the average selling price of the whole lamp sales decreased in stages, and resulting a decrease in business revenue. However, during the Reporting Period, the sales of the Group's automotive-grade devices and module products increased significantly due to their competitive product performance and growing number of mass production projects. Meanwhile, as the ongoing mass production of designated research projects, the automotive-grade device and module business will enter a phase of sustained and rapid growth. With the further development and designation of new customers and new projects, the market share of the automotive-grade device and module business will continue to increase.

Revenue from advanced display products amounted to RMB354.4 million during the Reporting Period, representing a period-on-period increase of 30.3%. The increase was primarily driven by the benefits brought by the application of large-size TV backlight modules and Mini LED display technologies, as well as the continuation of the national subsidy policies for home appliances, which contributed to the continuous increase in orders for the Group's advanced display products, resulting in a significant period-on-period increase in sales amount.

Revenue from high-end lighting products amounted to RMB339.6 million during the Reporting Period, representing a period-on-period increase of 0.6%, mainly due to the intensified competition in the high-end lighting product segment. On one hand, new LED applications have driven increased market demand, and the high-efficiency horticultural lighting market, which the Company has been focusing on, has shown growth momentum, leading to a higher proportion of high-end lighting products. On the other hand, due to declining prices of SMD packaging for general white lighting, revenue in this area has decreased. As a result, overall revenue remained flat compared to the same period last year.

## Management Discussion and Analysis

### 2) Revenue by Geographical Location of Product Delivery

Item	For the six months ended June 30,		2024		Revenue movement as compared to the corresponding period last year
	2025	Proportion of revenue (%)	Revenue RMB'000	Proportion of revenue (%)	
Mainland China	893,694	80.3%	882,574	82.4%	1.3%
Overseas	218,926	19.7%	188,322	17.6%	16.3%
Total	1,112,620	100.0%	1,070,896	100.0%	3.9%

The Group's revenue from sales in Mainland China amounted to RMB893.7 million during the Reporting Period, representing a period-on-period increase of 1.3%. The increase was primarily driven by the significant increase of advanced display products, but revenue from intelligent automotive lamps declined due to price reductions resulting from intensified competition in China's automotive market; the revenue from the sales overseas amounted to RMB218.9 million, representing a period-on-period increase of 16.3%. The increase was primarily driven by the continuous increase in demand for horticultural lighting orders from overseas markets.

### Financial Condition

#### 1) Assets

As of June 30, 2025, the total assets of the Group amounted to RMB2,940.4 million, representing a decrease of 5.2% from RMB3,101.5 million as of December 31, 2024. Among them: non-current assets were RMB1,074.7 million, representing an increase of 1.4% from RMB1,060.0 million as of December 31, 2024, primarily due to the Group's production capacity expansion and asset investments in upgrades for certain equipments, as well as normal depreciation and amortization of non-current assets; current assets were RMB1,865.7 million, representing a decrease of 8.6% from RMB2,041.5 million as of December 31, 2024, primarily due to the Group's performance typically being stronger in the second half of the year compared to the first half of the year, and the concentrated recovery of receivables corresponding to peak season performance during the first half of the Reporting Period affected by customer credit terms, leading to a significant reduction in account receivable balances at the end of the Reporting Period. Fluctuations in assets are attributable to the cyclical nature of performance and the impact of credit terms on collections, consistent with the Company's operating practices.

#### 2) Liabilities

As of June 30, 2025, the Group's total liabilities amounted to RMB1,667.7 million, representing a decrease of 7.7% from RMB1,806.7 million as of December 31, 2024. Among them: non-current liabilities were RMB246.1 million, representing an increase of 542.6% from RMB38.3 million as of December 31, 2024, primarily due to during the current period, the subsidiary Lynway Vision meeting the additional conditions for a government grants of RMB200 million received in previous years, which was recognized as deferred income; current liabilities were RMB1,421.6 million, representing a decrease of 19.6% from RMB1,768.4 million as of December 31, 2024, primarily due to the expansion of the Group's business scale in the second half of 2024 affected by fluctuations in the cyclical nature of performance, leading to payables for higher material procurement needs settled during the first half of 2025 in accordance with the settlement cycle, resulting in a decrease in accounts payable at the end of the Reporting Period.

# Management Discussion and Analysis

## Liquidity and Financial Resources

During the Reporting Period, the Group's net operating cash inflow was RMB4.0 million, representing a period-on-period decrease of 94.2%. The decline was primarily due to the Group's increased payables for procurement of raw materials in the second half of 2024 to cope with the surging orders, which were paid in the first half of 2025, resulting in higher operating cash outflows in the current period. Additionally, to maintain its technological edge and enhance product technical level to cope with an increasingly competitive market environment, the Group increased its R&D investment, resulting in a significant reduction in operating cash inflows.

The bank and cash balances of the Group as at June 30, 2025 were approximately RMB544.0 million.

The total interest-bearing bank borrowings of the Group as at June 30, 2025 were approximately RMB190.1 million. The repayment terms of approximately RMB164.7 million of the interest-bearing bank borrowings are due within one year and approximately RMB25.4 million after one year, respectively.

The Group had sufficient working capital to meet the requirements of its daily liquidity and capital investment needs.

## Capital Structure

The financial department under the Group is responsible for its financial risk management, aiming to ensure that the liquidity structure of the assets, liabilities and other commitments of the Group could meet its funding needs on an ongoing basis. The borrowings of the Group were mainly settled in RMB, while its cash and cash equivalents were mainly held in RMB, U.S. dollars and Hong Kong dollars. The Group maintained an appropriate portfolio of equity and debt during the Reporting Period to ensure an effective capital structure. As of June 30, 2025, the outstanding loans of the Group were RMB-denominated loans. Our bank borrowings comprised both secured and unsecured bank loans, with products including bill discounting, working capital loans, and fixed-term loans, carrying effective interest rates ranging from 1.17% to 2.95% per annum. As of June 30, 2025, the gearing ratio of the Group was 14.9%, calculated as total bank borrowings divided by total equity as of the end of the Reporting Period.

The Group monitored the capital structure by using the debt/asset ratio, with its policies to maintain financial stability and support the sustainable, healthy development of the Group's business. As of June 30, 2025, the debt/asset ratio of the Group was 56.7% (December 31, 2024: 58.3%). The slight change in the debt/asset ratio was mainly due to the increase in capital investment from the Group's business expansion. The Group maintained its financial stability amidst business development.

## Contingent Liabilities

As of June 30, 2025, the Group did not have any contingent liabilities.

## Foreign Exchange Risk

The business operations of our Group are primarily concentrated in Mainland China, with the majority of its assets and liabilities denominated in RMB, except for certain bank balances which are denominated in U.S. dollars, and Hong Kong dollars. During the Reporting Period, the Group did not experience any material difficulties or impact on its operations or liquidity as a result of fluctuations in currency exchange rates. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group believes that the Group will have sufficient foreign currencies to meet its foreign exchange needs and will take effective measures to prevent foreign exchange risks.

## Capital Expenditure

During the Reporting Period, the capital expenditures of the Group amounted to RMB99.2 million which were mainly used for the investment in equipment upgrades aimed at expanding production capacity and improving efficiency. The capital expenditures of the Group were mainly funded by the Group's own funds, bank borrowings as well as cash inflow from the operating activities of the Group.

# Management Discussion and Analysis

## Capital Commitments

During the Reporting Period, the capital commitments of the Group were mainly related to the acquisition of property, plant and equipment and intangible assets. The total amount of capital expenditures contracted but not incurred as at June 30, 2025 was RMB346.7 million, mainly attributable to the construction investments of Guangzhou Lynway.

## Restricted Assets

As of June 30, 2025, the Group had restricted assets with a total carrying amount of RMB431.8 million for bank facilities. These assets include pledged and restricted bank deposits of RMB99.4 million, trade and bills receivables of RMB40.7 million, property, plant and equipment of RMB235.8 million and restricted right-of-use assets of RMB55.9 million.

## Significant Investments Held

As at June 30, 2025, the Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Company's total assets).

## Future Plans for Significant Investments and Capital Assets

As of June 30, 2025 and up to the date of this interim report, the Group did not have any plans for significant external investments and capital assets.

## Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures.

## EMPLOYEES AND EMOLUMENT POLICY

As at June 30, 2025, the total number of employees of the Group was 2,345 (December 31, 2024: 2,459). Staff costs (including Directors' remuneration) of the Group for the Reporting Period amounted to approximately RMB194,264 thousand (June 30, 2024: RMB168,519 thousand), and the total remuneration of the Group's Directors, Supervisors and senior management for the Reporting Period amounted to approximately RMB7,420 thousand (June 30, 2024: RMB7,294 thousand).

Our success depends on our ability to attract, retain and motivate qualified personnel. We use various methods for our recruitment, including campus recruitment, internal and external recommendation and recruiting through headhunting firms or agents, to satisfy our demands for different types of talents, and we adopt high standards and stringent procedures in our recruitment to ensure the quality of new hiring. Our employees typically enter into standard labor contracts with us.

We provide competitive compensation packages. Remuneration packages for our employees mainly comprise basic salary and performance-based bonus. In addition, we are required under the PRC law to make contributions to statutory employee benefit plans (including pension plans, medical insurance and housing funds) at a certain percentage of our employees' salaries, including bonus and allowance up to a maximum amount specified by the local government. We set performance targets for our employees primarily based on their position and department, and we periodically review their performance. The results of such reviews are used in their salary determinations, bonus awards and promotion appraisals. To maintain and enhance the knowledge and skill levels of our workforce, we provide our employees with internal training, including orientation programs for new employees and technical training for existing employees. We also offer external training opportunities to our management team and other staff.

## TREASURY POLICY

The Group has adopted a prudent treasury management policy to (i) ensure that the Group's funds are properly and efficiently collected and deployed such that there is no material shortfall in cash which may interrupt the Group's daily business operations; and (ii) maintain adequate liquidity to cover the Group's operation cash flows, and administrative expenses. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.



# Corporate Governance and Other Information

## CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining a high standard of corporate governance which are crucial to our development and safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions set out in Part II of the CG Code in Appendix C1 to the Listing Rules (as in effect from time to time) as its own code of corporate governance.

The Board reviews its corporate governance practices from time to time in order to meet the rising expectation of stakeholders, and to comply with increasingly stringent regulatory requirements as well as fulfill its commitment to excellence in corporate governance. After reviewing the Company's corporate governance practices and the relevant regulations of the CG Code, the Board is satisfied that the Company has fully complied with all the applicable code provisions as set out in the CG Code during the Reporting Period.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

## CHANGES IN INFORMATION OF DIRECTORS, CHIEF EXECUTIVES AND SUPERVISORS PURSUANT TO LISTING RULES 13.51B(1)

Changes in the information of Directors, chief executives and Supervisors since the publication of the 2024 annual report of the Company are as follows:

Following the expiry of the terms of the third session of the Board, Mr. XIAO Guowei David and Mr. HOU Yu were elected as executive Directors, Mr. CHAN Philip Ching Ho, Mr. YUAN Lie Ming Peter and Mr. HUANG Guansheng were elected as non-executive Directors, and Ms. ZHANG He, Ms. LIN Nan, Ms. DING Hui and Mr. CHAN Chi Kong were elected as independent non-executive Directors of the fourth session of the Board at the annual general meeting held on May 29, 2025. The term of office of each of them as a Director of the fourth session of the Board is three years, with effect from May 29, 2025.

Following the expiry of their terms of office as Supervisors, Mr. LI Wenhong and Ms. LUO Xiaoyun were elected as the non-employee representative supervisors of the fourth session of the Supervisory Committee. In addition to the non-employee representative supervisors, Mr. OU Weineng was re-elected as an employee representative supervisor of the fourth session of the Supervisory Committee at the employee representatives meeting held on April 24, 2025. The re-election of Mr. OU Weineng was not subject to the approval by the Shareholders at a general meeting. The term of office of each of them as a Supervisor of the fourth session of the Supervisory Committee is three years, with effect from May 29, 2025.

At the first meeting of the fourth session of the Board held on May 29, 2025, it was resolved that Mr. Hou Yu was re-appointed as the President of the Company for a term with effect from May 29, 2025 to the date of expiry of the term of office of the fourth session of the Board.

For details, please refer to the circular of the Company dated May 7, 2025 and the announcements of the Company dated April 24, 2025 and May 29, 2025, respectively.

Saved as disclosed above and in this interim report, during the Reporting Period and up to the date of this interim report, the Company is not aware of any changes in Directors', chief executive's and Supervisors' information pursuant to Rule 13.51B(1) of the Listing Rules.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' and Supervisors' dealings in securities of the Company. Having made specific enquiries of all the Directors and Supervisors, each of them has confirmed that he/she has complied with all the applicable code provisions under the Model Code throughout the Reporting Period.

## Corporate Governance and Other Information

As required by the Company, the officers and relevant employees of the Company are also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when he/she possesses insider information in relation not those securities. No incident of non-compliance with the Model Code by the Directors, Supervisors and the relevant employees of the Company were noted by the Company during the Reporting Period.

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

On November 8, 2024, the Company was successfully listed on the Hong Kong Stock Exchange. The net proceeds received by the Group from the Global Offering (after deducting underwriting fees and relevant expenses) amounted to HK\$79.04 million. The Company will apply such net proceeds in accordance with the purposes as set out in the Prospectus.

The table below sets out the planned applications of the net proceeds from the Global Offering and actual usage as at the end of the Reporting Period:

Use of Proceeds	Percentage of total net proceeds	Allocation of net proceeds (HK\$ million)	Unutilised net proceeds as at January 1, 2025 (HK\$ million)	Utilised net proceeds during the Reporting Period (HK\$ million)	Unutilised net proceeds as at June 30, 2025 (HK\$ million)	Expected timeline for utilization of unutilized net proceeds
Expanding our production capacity in intelligent automotive vision in an effort to continue promoting its development, meeting customer demands, optimising our regional layout and further increasing our market share.	70%	55.33	0	0	0	N/A
Technological innovation and product upgrades to continually improve our technologies, accelerate our research & development on cutting-edge technologies, optimize and expand our product pipeline and expand our research & development team.	20%	15.81	15.81	1.54	14.27	December 31, 2025
Working capital and for general corporate uses to support our day-to-day business operations and growth.	10%	7.90	7.90	1.40	6.50	December 31, 2025
	100%	79.04	23.71	2.94	20.77	

The expected timeline for utilization of the unutilized net proceeds from the Global Offering will be on or before December 31, 2025. This is based on the Company's best estimate of future market conditions and may be subject to adjustment in accordance with our actual business operations.

There has been no change in the utilization of the net proceeds from the Global Offering since its Listing.

# Corporate Governance and Other Information

## AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 set out in Part II of the CG Code. The terms of reference of the Audit Committee has been published on the websites of the Stock Exchange and the Company, respectively.

The Audit Committee currently consists of three independent non-executive Directors, namely Ms. ZHANG He (Chairperson), Ms. LIN Nan and Mr. CHAN Chi Kong. Ms. ZHANG He currently serves as the Chairperson of the Audit Committee. Mr. CHAN Chi Kong has appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are as follows:

- (i) to review significant financial policies of the Company and their implementation, and supervise the financial activities of the Company;
- (ii) to review the financial information and relevant disclosures of the Company;
- (iii) to supervise and evaluate the risk management and internal control of the Company;
- (iv) to supervise and evaluate the work of internal audit of the Company and report to the Board;
- (v) to propose the appointment or dismissal of an external accounting firm;
- (vi) to facilitate communications and monitor the relationship between the internal audit department and the external accounting firm;
- (vii) to monitor the non-compliance of the Company in respect of the financial reports and the risk management and internal control; and
- (viii) other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the Shares are listed and the requirements of the Memorandum and the Articles of Association, and as authorized by the Board.

## REVIEW OF INTERIM RESULTS AND APPROVAL OF INTERIM REPORT

The Audit Committee has reviewed and agreed with the management on the Group's unaudited interim condensed consolidated financial statements, interim results announcement and interim report for the six months ended June 30, 2025. There is no disagreement by Ernst & Young or the Audit Committee with respect to the accounting treatment adopted by the Company.

The Audit Committee has also discussed matters with respect the accounting principles and practices adopted by the Group with the senior management of the Company. The interim report and the consolidated financial statements of the Group for the six months ended June 30, 2025 were approved and authorised for issue by the Board on August 28, 2025.

## DIVIDENDS

The Board has resolved not to recommend the payment of an interim dividend for the six months ended June 30, 2025.

## Corporate Governance and Other Information

### DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

#### Long positions in the Shares or underlying Shares of the Company

Name of Director/ Chief Executive	Capacity/Nature of Interest	Class of Shares	Number of Shares <sup>(1)</sup>	Approximate Percentage of Shareholding in the Company <sup>(1)</sup> (%)
Mr. Xiao <sup>(2)(3)(4)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Mr. Chan <sup>(2)(3)(5)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Mr. Yuan <sup>(2)(3)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Mr. Hou Yu <sup>(6)</sup>	Interest of spouse	Domestic Unlisted Shares	3,500,000 (L)	0.65
		H Shares	1,500,000 (L)	0.28

#### Notes:

- (1) The letter "L" denotes the person's long position in the Shares. The calculation is based on the total number of 537,146,709 Shares in issue as at June 30, 2025, which comprised 283,000,066 Domestic Unlisted Shares and 254,146,643 H Shares.
- (2) As of June 30, 2025, Advanced Photoelectronic was held as to (i) 11.14% by Mr. Xiao, (ii) 17.76% by APTESS Company Limited ("APTESS"), which is wholly-owned by Mr. Xiao, (iii) 32.66% by Giant Power Limited, which is wholly-owned by Mr. Yuan, (iv) 3.91% by Mr. Chan, (v) 1.74% by Ms. Loh, spouse of Mr. Chan, and (vi) 32.79% by other Shareholders, none of which held more than one third therein.
- (3) Pursuant to the acting-in-concert agreement dated January 1, 2021, Mr. Xiao, Mr. Chan, Mr. Yuan, APTESS, Giant Power Limited are parties acting in concert in respect of their shareholding interests in Advanced Photoelectronic and/or our Company. Therefore, each of Mr. Xiao, Mr. Chan, Mr. Yuan, APTESS and Giant Power Limited is deemed to be interested in the interest of each other under the SFO.



## Corporate Governance and Other Information

- (4) As of June 30, 2025, Mr. Xiao was the general partner of Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment. Therefore, Mr. Xiao is deemed to be interested in the 14,105,000, 6,567,670, 5,279,328 and 6,581,700 Shares held by each of Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment in the Company, respectively. Pursuant to the acting-in-concert agreement dated December 8, 2023, Advanced Photoelectronic, Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment are parties acting in concert. Therefore, each of Advanced Photoelectronic, Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment is deemed to be interested in the interest of each other under the SFO.
- (5) Mr. Chan and Ms. Loh are spouses, and hence are deemed to be interested in the interest of each other under the SFO.
- (6) Mr. HOU Yu and Ms. GAO Tao are spouses, and hence are deemed to be interested in the interest of each other under the SFO.

Save as disclosed above, as at June 30, 2025, to the best knowledge of the Directors, Supervisors or the chief executive of the Company, none of the Directors, Supervisors or chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at June 30, 2025, so far as the Directors are aware, the following persons (other than the Directors, Supervisors or chief executive of the Company) or entities had an interest or a short position in the Shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Substantial Shareholder	Capacity/Nature of Interest	Class of Shares	Number of Shares <sup>(1)</sup>	Approximate Percentage of Shareholding in the Company <sup>(1)</sup> (%)
Advanced Photoelectronic <sup>(2)(3)(4)</sup>	Beneficial owner	Domestic Unlisted Shares	149,824,524 (L)	27.89
		H Shares	52,483,352 (L)	9.77
	Interest held jointly with other persons	Domestic Unlisted Shares	21,492,215 (L)	4.00
		H Shares	11,041,483 (L)	2.06
Jingyu Investment <sup>(2)(3)(4)</sup>	Beneficial owner	Domestic Unlisted Shares	8,316,000 (L)	1.55
		H Shares	5,789,000 (L)	1.08
	Interest held jointly with other persons	Domestic Unlisted Shares	163,000,739 (L)	30.35
		H Shares	57,735,835 (L)	10.75

## Corporate Governance and Other Information

Name of Substantial Shareholder	Capacity/Nature of Interest	Class of Shares	Number of Shares <sup>(1)</sup>	Approximate Percentage of Shareholding in the Company <sup>(1)</sup> (%)
Jingshi Investment <sup>(2)(3)(4)</sup>	Beneficial owner	Domestic Unlisted Shares	2,778,790 (L)	0.52
		H Shares	3,802,910 (L)	0.71
	Interest held jointly with other persons	Domestic Unlisted Shares	168,537,949 (L)	31.38
		H Shares	59,721,925 (L)	11.12
	Beneficial owner	Domestic Unlisted Shares	6,200,617 (L)	1.15
		H Shares	367,053 (L)	0.07
Jingling Investment <sup>(2)(3)(4)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	165,116,122 (L)	30.74
		H Shares	63,157,782 (L)	11.76
	Beneficial owner	Domestic Unlisted Shares	4,196,808 (L)	0.78
		H Shares	1,082,520 (L)	0.20
	Interest held jointly with other persons	Domestic Unlisted Shares	167,119,931 (L)	31.11
		H Shares	62,442,315 (L)	11.62
APTESS <sup>(2)(3)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Ms. Loh <sup>(5)</sup>	Interest of spouse	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Giant Power Limited <sup>(2)(3)</sup>	Interest held jointly with other persons	Domestic Unlisted Shares	171,316,739 (L)	31.89
		H Shares	63,524,835 (L)	11.83
Yaoning Technology <sup>(6)</sup>	Beneficial owner	Domestic Unlisted Shares	34,291,286 (L)	6.38
		H Shares	34,291,287 (L)	6.38

## Corporate Governance and Other Information

Name of Substantial Shareholder	Capacity/Nature of Interest	Class of Shares	Number of Shares <sup>(1)</sup>	Approximate Percentage of Shareholding in the Company <sup>(1)</sup> (%)
Ningbo Chunhuaqiushi Technology Co., Ltd. (寧波春畫秋時科技有限公司) (“ <b>Ningbo Chunhuaqiushi</b> ”) <sup>(6)</sup>	Interest in a controlled corporation	Domestic Unlisted Shares	34,291,286 (L)	6.38
		H Shares	34,291,287 (L)	6.38
Ningbo Meishan Bonded Port Area Angbu Investment Co., Ltd. (寧波梅山保稅港區昂步投資有限公司) (“ <b>Angbu Investment</b> ”) <sup>(6)</sup>	Interest in a controlled corporation	Domestic Unlisted Shares	34,291,286 (L)	6.38
		H Shares	34,291,287 (L)	6.38
Mr. LI Xingxing <sup>(6)</sup>	Interest in a controlled corporation	Domestic Unlisted Shares	34,291,286 (L)	6.38
		H Shares	34,291,287 (L)	6.38
Guangdong Yueke Finance Investment Co., Ltd. (廣東省粵科財政股權投資有限公司) (“ <b>Yueke Investment</b> ”) <sup>(7)</sup>	Beneficial owner	Domestic Unlisted Shares	23,712,360 (L)	4.41
Guangdong Technology Financial Group Co., Ltd. (廣東省粵科金融集團有限公司) (“ <b>Yueke Group</b> ”) <sup>(7)</sup>	Interest in a controlled corporation	Domestic Unlisted Shares	32,408,013 (L)	6.03
Guangdong Yuecai Investment Holding Co., Ltd. (廣東粵財投資控股有限公司) (“ <b>Yuecai Holding</b> ”) <sup>(8)</sup>	Interest in a controlled corporation	H Shares	15,522,243 (L)	2.89
SU Yongchun (蘇永春) <sup>(9)</sup>	Interest in a controlled corporation	H Shares	13,290,000 (L)	2.47

Notes:

- (1) The letter “L” denotes the person’s long position in the Shares. The calculation is based on the total number of 537,146,709 Shares in issue as at June 30, 2025, which comprised 283,000,066 Domestic Unlisted Shares and 254,146,643 H Shares.
- (2) As of June 30, 2025, Advanced Photoelectronic was held as to (i) 11.14% by Mr. Xiao, (ii) 17.76% by APTCESS, which is wholly-owned by Mr. Xiao, (iii) 32.66% by Giant Power Limited, which is wholly-owned by Mr. Yuan, (iv) 3.91% by Mr. Chan, (v) 1.74% by Ms. Loh, spouse of Mr. Chan, and (vi) 32.79% by other Shareholders, none of which held more than one third therein.

## Corporate Governance and Other Information

- (3) Pursuant to the acting-in-concert agreement dated January 1, 2021, Mr. Xiao, Mr. Chan, Mr. Yuan, APTeSS, Giant Power Limited are parties acting in concert in respect of their shareholding interests in Advanced Photoelectronic and/or our Company. Therefore, each of Mr. Xiao, Mr. Chan, Mr. Yuan, APTeSS and Giant Power Limited is deemed to be interested in the interest of each other under the SFO.
- (4) As of June 30, 2025, Mr. Xiao was the general partner of Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment. Therefore, Mr. Xiao is deemed to be interested in the 14,105,000, 6,567,670, 5,279,328 and 6,581,700 Shares held by each of Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment in the Company, respectively. Pursuant to the acting-in-concert agreement dated December 8, 2023, Advanced Photoelectronic, Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment are parties acting in concert. Therefore, each of Advanced Photoelectronic, Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment is deemed to be interested in the interest of each other under the SFO.
- (5) Mr. Chan and Ms. Loh are spouses, and hence are deemed to be interested in the interest of each other under the SFO.
- (6) As of June 30, 2025, Yaoning Technology was owned as to 85% by Ningbo Chunhuaqiushi, which was owned as to 95% by Angbu Investment, which was in turn wholly-owned by Mr. LI Xingxing. Therefore, Mr. LI Xingxing, Angbu Investment and Ningbo Chunhuaqiushi is deemed to be interested in the Shares held by Yaoning Technology.
- (7) As of June 30, 2025, Yueke Investment was wholly-owned by Yueke Group, and Guangdong Technology Venture Capital Co., Ltd. (廣東省科技風險投資有限公司) ("**Guangdong Technology VC**") was owned as to 80% by Yueke Group. Therefore, Yueke Group is deemed to be interested in the Shares held by Yueke Investment and the 8,695,653 Shares held by Guangdong Technology VC.
- (8) As of June 30, 2025, Guangzhou Yuecai Yuanhe Venture Capital Partnership (Limited Partnership) (廣州粵財源合創業投資合夥企業(有限合夥)) ("**Yuecai Yuanhe**"), Guangdong Yuecai Emerging Industry Equity Investment Fund Partnership (L.P.) (廣東粵財新興產業股權投資基金合夥企業(有限合夥)) ("**Yuecai Emerging**"), Guangzhou Chuangying Jianke Investment Partnership (L.P.) (廣州創盈健科投資合夥企業(有限合夥)) ("**Chuangying Jianke**"), Guangdong SME Equity Investment Fund Limited (廣東中小企業股權投資基金有限公司) ("**SME Fund**") and Zhuhai Hengqin Yixingbanyue Investment Partnership (L.P.) (珠海橫琴依星伴月投資合夥企業(有限合夥)) ("**Yixingbanyue**") were private equity funds, the fund managers of which were all controlled by Yuecai Holding. Therefore, Yuecai Holding is deemed to be interested in the Shares held by each of Yuecai Yuanhe, Yuecai Emerging, Chuangying Jianke, SME Fund and Yixingbanyue.
- (9) As of June 30, 2025, SU Yongchun was the general partner of Xinyu Dingdekai Investment Management Centre (Limited Partnership) (新餘鼎德凱投資管理中心(有限合夥)) ("**Dingdekai**") and Xinyu Guanmaoyuan Investment Management Center (Limited Partnership) (新餘官茂原投資管理中心(有限合夥)) ("**Guanmaoyuan**"). Therefore, SU Yongchun is deemed to be interested in the Shares held by Dingdekai and Guanmaoyuan.

Save as disclosed above, as at June 30, 2025, the Directors are not aware of any other person (other than the Directors, Supervisors or chief executive of the Company) or entities who had an interest or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

As at June 30, 2025, there were no treasury shares held by the Company.



## Corporate Governance and Other Information

### CONTINUING DISCLOSURE OBLIGATIONS UNDER RULES 13.20, 13.21 AND 13.22 OF THE LISTING RULES

The Company did not have any continuing disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules during the Reporting Period.

### PENSION SCHEME

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

### SHARE INCENTIVE SCHEMES

The Share Incentive Schemes do not constitute a share scheme under Chapter 17 of the Listing Rules. During the Reporting Period, the Company did not directly issue new Shares to the participants of the Share Incentive Schemes (the **"Participants"**). After the grant of the awards of the Share Incentive Scheme I, the Share Incentive Scheme II and the Share Incentive Scheme III, the Participants of the respective Share Incentive Schemes have become limited partners of Jingyu Investment, Jingrui Investment or Jingshi Investment and Jingling Investment and are indirectly interested in the incentive shares under the terms and conditions contained in relevant agreements of Share Incentive Scheme I, Share Incentive Scheme II and Share Incentive Scheme III, respectively.

The awards of the Share Incentive Schemes are subject to regulatory lock-up requirement and a stipulated lock-up period commencing from the grant date until two years after the Listing Date. During the lock-up period of the Share Incentive Schemes, the Participants shall not dispose of, or request to dispose of, or transfer to external parties or the other Participants under the Share Incentive Schemes, their limited partnership interests in the employee shareholding platforms.

As of June 30, 2025, all of the restricted share units under the Share Incentives Schemes have been granted to certain eligible Participants as an award under the respective Share Incentive Schemes.

### SUBSEQUENT EVENT AND MATERIAL CHANGES

Saved as disclosed herein, after due and careful consideration, our Directors confirm that, there has not been any material adverse change in financial or trading position or prospects of the Company since June 30, 2025, and there has been no event since June 30, 2025 and up to the date of this interim report which would materially affect the information set out in this interim report.

# Independent Review Report

## To the directors of APT Electronics Co., Ltd.

(Incorporated in the People's Republic of China with limited liability)

### INTRODUCTION

We have reviewed the interim financial information set out on pages 22 to 48, which comprises the condensed consolidated statement of financial position of APT Electronics Co., Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”) as issued by the International Accounting Standards Board (“**IASB**”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

## Ernst & Young

Certified Public Accountants

Hong Kong

28 August 2025

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>REVENUE</b>	4	<b>1,112,620</b>	1,070,896
Cost of sales		<b>(944,863)</b>	(873,922)
Gross profit		<b>167,757</b>	196,974
Other income and gains	4	<b>17,500</b>	11,143
Selling and distribution expenses		<b>(35,229)</b>	(20,689)
Administrative expenses		<b>(68,555)</b>	(77,319)
Research and development expenses		<b>(55,696)</b>	(44,638)
Other expenses		<b>(9,774)</b>	(10,906)
Finance costs		<b>(2,038)</b>	(1,479)
<b>PROFIT BEFORE TAX</b>	5	<b>13,965</b>	53,086
Income tax expense	6	<b>(2,733)</b>	(3,307)
<b>PROFIT FOR THE PERIOD</b>		<b>11,232</b>	49,779
Attributable to:			
Owners of the parent		<b>11,232</b>	49,779
<b>EARNING PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted (RMB)	8	<b>0.02</b>	0.10

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

For the six months ended 30 June 2025

		For the six months ended 30 June	
Notes		2025	2024
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
	<b>PROFIT FOR THE PERIOD</b>	<b>11,232</b>	49,779
	<b>OTHER COMPREHENSIVE LOSS</b>		
	Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
	Financial assets at fair value through other comprehensive loss:		
	Changes in fair value	(149)	(14)
	Income tax effect	21	1
		(128)	(13)
	Exchange differences on translation of foreign operations	(94)	13
	Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	(222)	—
	<b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX</b>	<b>(222)</b>	—
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>11,010</b>	49,779
	Attributable to:		
	Owners of the parent	<b>11,010</b>	49,779



# Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	852,975	836,859
Right-of-use assets		141,737	138,990
Goodwill		13,523	13,523
Other intangible assets		23,104	24,940
Deferred tax assets		33,567	36,224
Other non-current assets		9,872	9,446
Total non-current assets		1,074,778	1,059,982
<b>CURRENT ASSETS</b>			
Inventories	10	249,606	284,911
Trade and bills receivables	11	960,134	1,092,491
Contract assets		9,848	7,658
Prepayments, deposits and other receivables		18,768	25,043
Financial assets at fair value through profit or loss		83,343	42,613
Pledged deposits		99,400	88,283
Cash and cash equivalents		444,553	500,534
Total current assets		1,865,652	2,041,533
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	12	901,706	1,178,783
Other payables and accruals	13	348,242	491,985
Tax payable		—	2,130
Contract liabilities		3,936	12,578
Interest-bearing bank and other borrowings		164,734	80,846
Lease liabilities		3,019	2,094
Total current liabilities		1,421,637	1,768,416
<b>NET CURRENT ASSETS</b>		444,015	273,117
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,518,793	1,333,099

# Interim Condensed Consolidated Statement of Financial Position (continued)

30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings		25,350	14,415
Lease liabilities		10,100	5,801
Deferred income		205,349	11,268
Deferred tax liabilities		5,311	6,755
Total non-current liabilities		246,110	38,239
Net assets		1,272,683	1,294,860
<b>EQUITY</b>			
Equity attributable to owners of the parent			
Share capital	14	537,147	537,147
Reserves		735,536	757,713
Total equity		1,272,683	1,294,860

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the parent								
					Fair value reserve of financial assets at fair value				
	Share capital	Capital reserve*	Share-based payment reserve*	Foreign currency translation reserve*	comprehensive income*	Special reserve — safety fund*	Statutory reserve*	Retained profits*	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024 (audited)	537,147	290,725	17,311	279	(142)	14,977	35,220	399,343	1,294,860
Profit for the period	—	—	—	—	—	—	—	11,232	11,232
Exchange differences on translation of foreign operations	—	—	—	(94)	—	—	—	—	(94)
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	—	—	—	—	(128)	—	—	—	(128)
Total comprehensive income for the period	—	—	—	(94)	(128)	—	—	11,232	11,010
Dividend declared (note 7)	—	—	—	—	—	—	—	(36,526)	(36,526)
Share-based payments (note 15)	—	—	3,791	—	—	—	—	—	3,791
Deferred tax on share-based payments	—	—	(452)	—	—	—	—	—	(452)
Safety fund	—	—	—	—	—	5,130	—	(5,130)	—
At 30 June 2025 (unaudited)	537,147	290,725	20,650	185	(270)	20,107	35,220	368,919	1,272,683

## Interim Condensed Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2025

				Attributable to owners of the parent					
					Fair value reserve of financial assets at fair value				
	Share capital RMB'000	Capital reserve* RMB'000	Share-based payment reserve* RMB'000	Foreign currency translation reserve* RMB'000	through other comprehensive income* RMB'000	Special reserve — safety fund* RMB'000	Statutory reserve* RMB'000	Retained profits* RMB'000	Total equity RMB'000
At 31 December 2023 (audited)	480,078	192,492	8,987	159	(29)	7,011	29,410	308,255	1,026,363
Profit for the period	—	—	—	—	—	—	—	49,779	49,779
Exchange differences on translation of foreign operations	—	—	—	13	—	—	—	—	13
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	—	—	—	—	(13)	—	—	—	(13)
Total comprehensive income for the period	—	—	—	13	(13)	—	—	49,779	49,779
Share-based payments (note 15)	—	—	4,609	—	—	—	—	—	4,609
Safety fund	—	—	—	—	—	3,961	—	(3,961)	—
Contributions from shareholders	18,429	24,742	—	—	—	—	—	—	43,171
At 30 June 2024 (unaudited)	498,507	217,234	13,596	172	(42)	10,972	29,410	354,073	1,123,922

\* These reserve accounts comprise the consolidated reserves of RMB735,536,000 (30 June 2024: RMB757,713,000) in the consolidated statement of financial position.



# Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		13,965	53,086
Adjustments for:			
Finance costs		2,038	1,479
Interest income		(4,022)	(2,432)
Foreign exchange losses, net		—	—
Depreciation of property, plant and equipment		56,052	61,164
Amortisation of intangible assets		5,320	4,965
Depreciation of right-of-use assets		3,355	1,324
Net loss on disposal of property, plant and equipment		135	360
Fair value losses/(gains) on financial assets at fair value through profit or loss		1,907	(526)
Write-down of inventories to net realisable value		9,322	8,020
Investment income from financial assets at fair value through profit or loss	4	(1,662)	(1,652)
(Reversal of impairment)/impairment losses of financial assets and contract assets, net	5	(1,648)	2,421
Share-based payment expenses		3,791	4,609
Decrease/(increase) in inventories		25,984	(44,155)
Decrease/(increase) in trade and bills receivables		134,233	(116,430)
Increase in contract assets		(2,235)	(716)
Decrease/(increase) in prepayments, deposits and other receivables		6,330	(1,325)
(Decrease)/increase in trade and bills payables		(213,095)	102,881
Decrease in other payables and accruals		(220,344)	(2,035)
(Decrease)/increase in contract liabilities		(8,641)	158
Increase/(decrease) in deferred income		194,080	(1,325)
Cash generated from operations		4,865	69,871
Interest received		4,022	2,432
Income tax paid		(4,921)	(3,109)
Net cash flows from operating activities		3,966	69,194

# Interim Condensed Consolidated Statement of Cash Flows (continued)

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash flows from operating activities	3,966	69,194
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of items of property, plant and equipment	320	10,513
Purchases of items of property, plant and equipment	(95,497)	(77,112)
Purchases of intangible assets	(3,693)	(3,168)
Proceeds from disposal of financial assets at fair value through profit or loss	978,913	660,000
Purchases of financial assets at fair value through profit or loss	(1,021,550)	(564,000)
Placement of pledged time deposits	(184,814)	(116,337)
Withdrawal of pledged time deposits	173,698	105,674
Investment income from financial assets at fair value through profit or loss	1,662	1,652
Net cash flows (used in)/from investing activities	(150,961)	17,222
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New bank borrowings	120,365	14,710
Capital contribution from shareholders	—	43,170
Repayment of bank borrowings	(25,596)	(29,400)
Interest paid	(1,803)	(1,472)
Payment of lease liabilities	(1,106)	—
Payment of listing expenses	—	103
Net cash flows from financing activities	91,860	27,111
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(55,135)	113,527
Cash and cash equivalents at beginning of the period	500,534	209,878
Effect of foreign exchange rate changes, net	(846)	333
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	444,553	323,738
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	543,953	401,442
Less: Pledged deposits	99,400	77,704
Cash and cash equivalents as stated in the consolidated statement of financial position and the consolidated statement of cash flows	444,553	323,738

# Notes to Interim Condensed Consolidated Financial Information

30 June 2025

## 1. CORPORATE AND GROUP INFORMATION

APT Electronics Co., Ltd. (the “**Company**”) is a joint stock company with limited liability established in the People’s Republic of China (“**PRC**”). The registered office of the Company is located at 33 South Huanshi Avenue, Nansha District, Guangzhou, Guangdong Province, China. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) were:

- manufacture and sale of light-emitting diode (“**LED**”) related products
- manufacture and sale of automotive intelligent vision products

### 2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The unaudited interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to IAS 21

*Lack of Exchangeability*

The adoption of the above amended IFRS Accounting Standard has no significant financial effect on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their service and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

### Geographical information

Major operating entities are domiciled in the Mainland China. Most of the revenues of the Group from external customers are generated in the Mainland China. Besides, most of the assets of the Group are located in the Mainland China. Thus, no geographic information is presented.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 3. OPERATING SEGMENT INFORMATION (Continued)

### Information about major customers

Revenue from the major customers which amounted to 10% or more of the Group's revenue is set out below:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Customer I	307,286	416,074
Customer II	176,536	120,531
Customer III	N/A	119,007

N/A represents revenue from the customer which amounted to less than 10% of the Group's revenue.

## 4. REVENUE, OTHER INCOME AND GAINS

### Revenue

An analysis of the Group's revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers	1,112,620	1,070,896

### Disaggregated revenue information for revenue from contracts with customers

#### (i) Disaggregated revenue information

	For the six months ended 30 June	
Segments	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Types of products</b>		
Automotive intelligent vision	418,533	461,265
High-end lighting	339,643	337,628
Advanced display	354,444	272,003
Total	1,112,620	1,070,896
<b>Geographical markets</b>		
Mainland China	893,694	882,574
Outside Mainland China	218,926	188,322
Total	1,112,620	1,070,896
<b>Timing of revenue recognition</b>		
Goods or services transferred at a point in time	1,112,620	1,070,896



# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 4. REVENUE, OTHER INCOME AND GAINS (Continued)

### Disaggregated revenue information for revenue from contracts with customers (Continued)

#### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

#### *Sale of intelligent vision products and systems*

The performance obligation is satisfied upon delivery of the intelligent vision products and systems, and payment is generally due within 60 to 120 days from delivery, except for new customers and customers of automotive intelligent vision development services, where payment in advance is normally required.

### Other income and gains

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Other income</b>		
Interest income	4,022	2,432
Government grants*	8,725	1,865
Rental income	—	276
Others	2,579	3,415
Total other income	15,326	7,988
<b>Gains</b>		
Gain on foreign exchange differences	512	977
Investment income from financial assets at fair value through profit or loss	1,662	1,652
Fair value gains on financial assets at fair value through profit or loss	—	526
Total gains	2,174	3,155
Total other income and gains	17,500	11,143

\* Government grants mainly represent incentives received from local governments for the purpose of compensation on research and development contribution, local economic contribution and purchases of items of property, plant and equipment. There are no unfulfilled conditions or contingencies relating to these grants.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 5. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of inventories sold	944,863	873,922
Depreciation of property, plant and equipment*	56,052	61,164
Depreciation of right-of-use assets*	3,355	1,324
Amortisation of intangible assets and other assets	5,320	4,965
Research and development costs	55,696	44,638
Lease payments not included in the measurement of lease liabilities	155	196
Listing expenses	—	17,701
Employee benefit expenses (excluding directors', supervisors' and chief executive's remuneration):		
Wages, salaries and other allowances	166,393	142,347
Pension scheme contributions and social welfare**	20,742	16,323
Share-based payment expenses	2,444	2,555
Total	189,579	161,225
Foreign exchange differences, net	235	977
(Reversal of impairment)/impairment losses on financial assets and contract assets, net	(1,648)	2,421
Write-down of inventories to net realisable value	9,322	8,020
Fair value (losses)/gains on financial assets at fair value through profit or loss	(1,907)	526
Loss on disposals of property, plant and equipment and other assets	135	360

\* The depreciation of property, plant and equipment and right-of-use assets are included in "Cost of sales", "Selling and distribution expenses" and "Administrative expenses" in profit or loss, respectively.

\*\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

### Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the report periods.

### Mainland China

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the “**CIT Law**”), the Company and subsidiaries which operate in Mainland China were subject to CIT Law at a rate of 25% on the taxable income, except for those which are subject to tax concession as set out below:

- (a) In 2021, the Company was accredited as a High and New Technology Enterprise (“**HNTE**”) with an effective period of consecutive three years, the Company renewed the HNTE status in 2024. Therefore the Company was entitled to a preferential CIT rate of 15% for the Reporting Period.
- (b) In 2022, a subsidiary of the Group was accredited as a HNTE, and was entitled to a preferential CIT rate of 15% for the reporting period.
- (c) In 2024, pursuant to a Circular of the Ministry of Finance and the State Administration of Taxation of the PRC on the Preferential Policies for Enterprise Income Tax in Guangzhou Nansha, a certain subsidiary located in Nansha pioneering area was entitled to a preferential CIT rate of 15% for the reporting period.

The income tax expenses of the Group for the reporting period is analysed as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current income tax	1,950	3,122
Deferred income tax	783	185
Total	2,733	3,307

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 7. DIVIDEND

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous year, declared and paid during the following year (tax inclusive)	36,526	—

The final dividend of RMB0.68 per 10 ordinary share (tax inclusive) in respect of the year ended 31 December 2024 was approved in the annual general meeting of the Company, and was subsequently paid on 13 August 2025.

## 8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the reporting period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 537,146,709 (six months ended 30 June 2024: 496,582,834) outstanding during the reporting period.

No adjustment has been made to the basic earnings per share amount presented for the reporting period for a dilution as the Group had no potentially dilutive ordinary shares in issue during the reporting period.

The calculation of basic earnings per share are based on:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the Company:	11,232	49,779

	For the six months ended 30 June	
	2025	2024
	'000	'000
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period	537,147	496,583



# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets at a cost of approximately RMB95,497,000 (30 June 2024: RMB51,311,000).

During the six months ended 30 June 2025, depreciation of RMB56,052,000 (six months ended 30 June 2024: RMB61,164,000) was charged and assets with a net book value of RMB412,000 were disposed of by the Group during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB497,000), resulting in a net loss on disposal of RMB135,000 (six months ended 30 June 2024: RMB360,000).

## 10. INVENTORIES

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Raw materials and consumables	<b>77,299</b>	96,132
Work in progress	<b>29,771</b>	30,789
Finished goods	<b>120,173</b>	132,046
Contract costs	<b>22,363</b>	25,944
Total	<b>249,606</b>	284,911

## 11. TRADE AND BILLS RECEIVABLES

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Trade receivables	<b>897,236</b>	941,321
Bills receivable	<b>83,063</b>	172,616
Impairment	<b>(20,165)</b>	(21,446)
Total	<b>960,134</b>	1,092,491

The Group's trading terms with its customers are mainly on credit. The credit period is generally 60 to 120 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade receivables are non-interest-bearing.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 11. TRADE AND BILLS RECEIVABLES (Continued)

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Within 60 days	<b>546,054</b>	752,126
61 to 120 days	<b>272,218</b>	243,549
121 to 180 days	<b>102,109</b>	58,096
181 days up to 1 year	<b>19,177</b>	34,850
1 year to 2 years	<b>20,576</b>	3,870
Total	<b>960,134</b>	1,092,491

## 12. TRADE AND BILLS PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Within 1 year	<b>897,797</b>	1,175,611
1 to 2 years	<b>1,996</b>	2,035
2 to 3 years	<b>835</b>	59
Over 3 years	<b>1,078</b>	1,078
Total	<b>901,706</b>	1,178,783

Trade payables to third parties of the Company are non-interest-bearing. The trade payables to third parties are normally settled on credit terms of one to three months after the invoice date.

The fair values of trade payables as at the end of the reporting period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 13. OTHER PAYABLES AND ACCRUALS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Deposits received	2,547	2,280
Payroll and welfare payable	37,576	48,931
Other payables	261,228	223,452
Dividends payable	36,526	—
Government subsidy payable	—	200,000
Other tax payables	10,365	17,322
Total	348,242	491,985

## 14. SHARE CAPITAL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid: Ordinary shares of RMB1.00 each	537,147	537,147

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At 1 January 2024	480,078,011	480,078
New issues for the share incentive schemes (a)	18,428,698	18,429
New issues for the initial public offering (b)	38,640,000	38,640
At 31 December 2024 (Audited) and 30 June 2025 (Unaudited)	537,146,709	537,147

Note:

- (a) As at 31 December 2023, 18,429,698 shares were issued for the share incentive schemes, details of which are included in note 15. As at 18 January 2024, all the 18,429,698 shares issued were fully paid in cash.
- (b) In connection with the initial public offering of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 November 2024, 38,640,000 ordinary shares of a par value of RMB1 each were issued at a price of HK\$3.61 per share for a total cash consideration, before deducting the underwriting fees, commissions and other estimated listing expenses, of approximately HK\$139,490,000 (approximately RMB128,485,000).

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 15. SHARE-BASED PAYMENTS

On 31 May 2019, the Company granted the Group's employees and directors restricted shares through a scheme ("the Share Incentive Scheme I"), which are subject to restrictions on transfer, termination and such other limitations set forth in the scheme. The relevant portion of restricted shares shall vest on the relevant vesting date, which is determined by the board of directors.

On 4 December 2023, the Company revised the Share Incentive Scheme I in relation to the exercise periods and established new employee shareholding platforms under the Share Incentive Scheme II and Share Incentive Scheme III. Restricted shares were granted under the Share Incentive Scheme II and Share Incentive Scheme III to the participants as awards. After the grant of the awards, the participants became partners of the employee shareholding platforms and are indirectly interested in the incentive shares under the terms and conditions contained in the relevant agreements.

The shares granted to employees and directors under the Share Incentive Scheme I and Share Incentive Scheme II shall vest and become exercisable after the completion of the public offering of H shares by the Company and the expiration of the corresponding restriction period.

The shares granted to employees under the Share Incentive Scheme III shall vest and become exercisable when the following conditions are met: (i) the completion of the public offering by the Company, (ii) the expiration of the corresponding restriction period and (iii) the satisfaction of annual performance milestones resulting in vesting in four equal tranches of 25% over a period of four years.

The fair value of services received in exchange for shares granted to employees and directors was measured by reference to the fair value of shares granted and the subscription price paid by employees and directors. The recent transaction price method was used to determine the fair value of underlying equity of the Company.

The number of restricted shares at the end of the reporting period as follows:

	<b>30 June 2025 '000 (Unaudited)</b>	31 December 2024 '000 (Audited)
Restricted shares granted by the Company under the schemes	<b>32,534</b>	32,534

## 16. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Audited)
Construction in progress	<b>346,707</b>	70,626

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS

### (a) Name and relationship of related parties

Name	Relationship
Epistar Corporation	Shareholder of the Company with more than 5% of indirect shareholding
Zhejiang Yaoning Technology Group Co., Ltd.	Shareholder of the Company with more than 5% of direct shareholding
Yenrich Technology Corp.	Controlled by the ultimate controlling shareholders of Epistar Corporation
Lextar Electronics (Chuzhou) Corp.	Controlled by the ultimate controlling shareholders of Epistar Corporation
Shenzhen Epiklyn Co., Ltd.	Controlled by the ultimate controlling shareholders of Epistar Corporation
EPISKY CORPORATION (XIAMEN) LTD.	Controlled by the ultimate controlling shareholders of Epistar Corporation
Guangdong AscenPower Semiconductor Co., Ltd.	Controlled by the ultimate controlling person of the Company
Guangdong AccoPower Semiconductor Co., Ltd.	Controlled by the ultimate controlling person of the Company
Zhejiang Geely Automobile Parts & Components Stock Co., Ltd.	Geely Related Group*
Sichuan LYNK&CO Automobile Manufacturing Co., Ltd.	Geely Related Group
Zhejiang Jirun Meishan Auto Parts Co., Ltd.	Geely Related Group
Yuyao LYNK&CO Automobile Parts Co., Ltd.	Geely Related Group
Ningbo Hangzhou Bay Geely Auto Parts Co., Ltd.	Geely Related Group
LYNK&CO Investment Co., Ltd.	Geely Related Group
Qizheng New Energy Automobile (Jinan) Co., Ltd.	Geely Related Group
Zhejiang ZEEKR Automobile Research & Development Co., Ltd.	Geely Related Group
ZEEKR Automobile (Hangzhou Bay New District, Ningbo) Co., Ltd.	Geely Related Group
LYNK&CO Automobile Sales Co., Ltd.	Geely Related Group
Wuhan Geely Auto Parts Co., Ltd.	Geely Related Group
Wuhan Lotus Cars Co., Ltd.	Geely Related Group
Chongqing Livan Automotive Manufacturing Company Limited	Geely Related Group
Zhejiang Jisu Supply Chain Management Company Limited	Geely Related Group
Zhejiang Jizhi New Energy Automotive Technology Co., Ltd.	Geely Related Group
ZEEKR Intelligent Technology Holding Limited	Geely Related Group
Xi'an Geely Automobile Co., Ltd.	Geely Related Group
Geely Auto Group Co., Ltd.	Geely Related Group
Wuhan Lotus Cars Sales Limited	Geely Related Group
Geely Automobile Research Institute (Ningbo) Co., Ltd.	Geely Related Group
Zhejiang Geely Business Service Co., Ltd.	Geely Related Group
Smart Automobile Sales (Nanning) Co., Ltd.	Geely Related Group
Chongqing Livan Automotive Research Institute Limited	Geely Related Group
Smart Automobile Co., Ltd.	Geely Related Group
CaoCao Inc.	Geely Related Group

\* Geely Related Group includes entities relating to Zhejiang Geely Holding Group Company Limited and Li Shufu.



# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

(b) The Group had the following transactions with related parties during the period:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from goods and services (note i)		
Geely Related Group	307,286	416,074
Epistar Corporation	58,202	32,521
	<b>365,488</b>	<b>448,595</b>
Purchase of goods and services (note ii)		
Geely Related Group	5,065	3,088
Epistar Corporation	59,461	74,598
	<b>64,526</b>	<b>77,686</b>
Rental income (note iii)		
Guangdong AscenPower Semiconductor Co., Ltd	—	276
	<b>—</b>	<b>276</b>

- (i) The sales to the related parties were made according to the published prices and conditions offered to the major customers of the Group. The credit terms granted to the related parties were generally in line with the credit terms granted to other customers.
- (ii) The purchases from the related parties were made according to the published prices and conditions offered by the related parties to their major customers. The credit terms granted by the related parties were generally in line with the credit terms granted to their major customers.
- (iii) The rental fees with the related parties were made according to the agreed prices.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

(c) Outstanding balances with related parties during the period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade and bills receivables		
Epistar Corporation	24,490	19,319
Geely Related Group	181,916	249,669
Impairment	(5,304)	(5,430)
	201,102	263,558
Trade payables		
Epistar Corporation	49,311	66,484
Other payables and accruals		
Geely Related Group	5,244	7,632
Contract liabilities		
Geely Related Group	3,002	11,820

As at 31 December 2024 and 30 June 2025, all the remaining balances with related parties are trade in nature.

(d) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short term employee benefits	5,566	4,721
Share-based payment expenses	1,854	2,573
Total compensation of key management personnel	7,420	7,294

Further details of directors', supervisors' and chief executive's emoluments are included in note 17.(e) to the interim condensed consolidated financial information.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

### (e) Directors', supervisors' and chief executive's remuneration

Directors', supervisors' and chief executive's remuneration for the period/year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	For the six months ended 30 June		For the year ended 31 December	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2024 RMB'000 (Audited)	2023 RMB'000 (Audited)
Fees	355	354	709	300
Other emoluments:				
Salaries, allowances and benefits in kind	2,476	2,106	4,706	4,197
Performance related bonuses	411	213	922	1,559
Share-based payment expenses	1,346	2,053	3,111	1,416
Pension scheme contributions	97	91	184	146
Subtotal	4,330	4,463	8,923	7,318
Total	4,685	4,817	9,632	7,618

### (i) Independent non-executive directors

The fees paid to independent non-executive directors during the period/year were as follows:

	For the six months ended 30 June		For the year ended 31 December	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2024 RMB'000 (Audited)	2023 RMB'000 (Audited)
Fees	355	354	709	300
Ms. ZHANG He	80	80	160	100
Ms. LIN Nan	80	80	160	100
Ms. DING Hui	80	80	160	100
Mr. CHAN Chi Kong	115	114	229	—
Total	355	354	709	300

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

### (e) Directors', supervisors' and chief executive's remuneration (Continued)

#### (ii) Executive directors, non-executive directors, chief executive and supervisors

Six months ended 30 June 2025	Fees RMB'000 (Unaudited)	Salaries, allowances and benefits in kind RMB'000 (Unaudited)	Performance related bonuses RMB'000 (Unaudited)	Share-based payment expenses RMB'000 (Unaudited)	Pension scheme contributions RMB'000 (Unaudited)	Total remuneration RMB'000 (Unaudited)
Executive directors:						
Mr. XIAO Guowei	—	962	206	1,120	37	2,325
Mr. HOU Yu*	—	940	147	191	37	1,315
Subtotal	—	1,902	353	1,311	74	3,640
Non-executive directors:						
Mr. YUAN Lie Ming Peter	—	—	—	—	—	—
Mr. WU Nan-Yang	—	—	—	—	—	—
Mr. CHAN Philip Ching Ho	—	—	—	—	—	—
Mr. HUANG Guansheng	—	—	—	—	—	—
Mr. ZHENG Xin	—	—	—	—	—	—
Subtotal	—	—	—	—	—	—
Supervisors:						
Mr. OU Weineng**	—	574	58	35	23	690
Ms. LUO Xiaoyun	—	—	—	—	—	—
Mr. LI Wenhong	—	—	—	—	—	—
Subtotal	—	574	58	35	23	690
Total	—	2,476	411	1,346	97	4,330

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

### (e) Directors', supervisors' and chief executive's remuneration (Continued)

#### (ii) Executive directors, non-executive directors, chief executive and supervisors (Continued)

Six months ended	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
30 June 2024	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Executive director:						
Mr. XIAO Guowei	—	834	90	1,828	35	2,787
Non-executive directors:						
Mr. YUAN Lie Ming Peter	—	—	—	—	—	—
Mr. WU Nan-Yang	—	—	—	—	—	—
Mr. CHAN Philip Ching Ho	—	—	—	—	—	—
Mr. ZHENG Xin	—	—	—	—	—	—
Subtotal	—	—	—	—	—	—
Chief executive:						
Mr. HOU Yu	—	824	89	191	35	1,139
Supervisors:						
Mr. OU Weineng**	—	448	34	34	21	537
Ms. LUO Xiaoyun	—	—	—	—	—	—
Mr. LI Wenhong	—	—	—	—	—	—
Subtotal	—	448	34	34	21	537
Total	—	2,106	213	2,053	91	4,463

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

### (e) Directors', supervisors' and chief executive's remuneration (Continued)

#### (ii) Executive directors, non-executive directors, chief executive and supervisors (Continued)

Year ended	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
31 December 2024	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Executive director:						
Mr. XIAO Guowei	—	1,691	501	2,693	71	4,956
Non-executive directors:						
Mr. YUAN Lie Ming Peter	—	—	—	—	—	—
Mr. WU Nan-Yang	—	—	—	—	—	—
Mr. CHAN Philip Ching Ho	—	—	—	—	—	—
Mr. ZHENG Xin	—	—	—	—	—	—
Subtotal	—	—	—	—	—	—
Chief executive:						
Mr. HOU Yu	—	1,694	320	352	70	2,436
Supervisors:						
Mr. OU Weineng**	—	1,321	101	66	43	1,531
Ms. LUO Xiaoyun	—	—	—	—	—	—
Mr. LI Wenhong	—	—	—	—	—	—
Subtotal	—	1,321	101	66	43	1,531
Total	—	4,706	922	3,111	184	8,923



# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

### (e) Directors', supervisors' and chief executive's remuneration (Continued)

#### (ii) Executive directors, non-executive directors, chief executive and supervisors (Continued)

Year ended	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
31 December 2023	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Executive director:						
Mr. XIAO Guowei	—	1,680	659	930	53	3,322
Non-executive directors:						
Mr. YUAN Lie Ming Peter	—	—	—	—	—	—
Mr. WU Nan-Yang	—	—	—	—	—	—
Mr. CHAN Philip Ching Ho	—	—	—	—	—	—
Subtotal	—	—	—	—	—	—
Chief executive:						
Mr. HOU Yu	—	1,551	577	395	52	2,575
Supervisors:						
Mr. OU Weineng**	—	966	323	91	41	1,421
Ms. LUO Xiaoyun	—	—	—	—	—	—
Mr. LI Wenhong	—	—	—	—	—	—
Subtotal	—	966	323	91	41	1,421
Total	—	4,197	1,559	1,416	146	7,318

\* Mr. HOU Yu was the chief executive of the Company, he was also appointed as the executive director of the Company with effect from May 2025.

\*\* Mr. OU Weineng did not receive any remuneration from the Company in his capacity as supervisor. However, he received remuneration from the Company for his services in additional roles beyond his supervisory duties for the reporting period.

### (f) Other transactions:

On 25 June 2025, the Company subscribed for the subscription shares in the international offering of CaoCao Inc. at a cost of approximately RMB14,350,000, the investment was treated as financial assets at fair value through profit or loss. The fair value of the investment in CaoCao Inc. was approximately RMB12,099,000 as at 30 June 2025.

# Notes to Interim Condensed Consolidated Financial Information (continued)

30 June 2025

## 18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Financial assets				
Financial assets at fair value through profit or loss	<b>83,343</b>	42,613	<b>83,343</b>	42,613
Financial liabilities				
Interest-bearing bank and other borrowings	<b>52,512</b>	65,237	<b>52,049</b>	64,773

Management has assessed that the fair values of cash and cash equivalents, restricted deposits, trade receivables, financial assets included in prepayments, deposits and other receivables (current), trade payables, financial liabilities included in other payables and accruals (current), interest-bearing bank borrowings (current) approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance team headed by the chief finance controller/his or her designator is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the finance head. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the finance head.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 19. APPROVAL OF THE FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 28 August 2025.

## Definitions

“Advanced Photoelectronic”	Advanced Photoelectronic Technology Limited (微晶先進光電科技有限公司), formerly known as Advanced Packaging Technology Limited (微晶先進封裝技術有限公司), a limited company established in Hong Kong on February 17, 2003, and member of our Controlling Shareholder Group
“Articles” or “Articles of Association”	the articles of association of our Company, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors of our Company
“CG Code”	the “Corporate Governance Code” as contained in Appendix C1 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, but for the purpose of this interim report and for geographical reference only and except where the context requires, references in this interim report do not apply to Hong Kong, Macau Special Administrative Region and Taiwan, China
“Company”, “our Company”, “the Company” or “APT Electronics”	APT Electronics Co., Ltd. (廣東晶科電子股份有限公司), H Shares of which are listed on the Stock Exchange with stock code of 2551
“Controlling Shareholder(s)” or “Controlling Shareholder Group”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Xiao, Mr. Chan, Mr. Yuan, APTCESS Company Limited, Giant Power Limited, Ms. Loh, Advanced Photoelectronic, Jingyu Investment, Jingling Investment, Jingrui Investment and Jingshi Investment, as further detailed in the section headed “Relationship with Our Controlling Shareholder Group” in the Prospectus
“Director(s)”	director(s) of our Company
“Domestic Unlisted Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi and not listed on any stock exchange
“Global Offering”	the global offering of the H Shares, details of which are set forth in the Prospectus
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
“Guangzhou Lynway”	Lynway Vision Automobile Parts (Guangzhou) Co., Ltd.* (領為視覺汽車零部件(廣州)有限公司)
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Share(s)”	overseas listed foreign shares in the share capital of our Company with nominal value of RMB1.00 each, which are to be subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange

## Definitions

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”, “HK dollars” or “HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“IFRS(s)”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Committee
“Jingling Investment”	Guangzhou Jingling Investment Partnership (Limited Partnership) (廣州晶領投資合夥企業(有限合夥)), a limited partnership established in the PRC on October 25, 2023, one of our employee shareholding platforms and member of our Controlling Shareholder Group
“Jingrui Investment”	Guangzhou Jingrui Investment Partnership (Limited Partnership) (廣州晶瑞投資合夥企業(有限合夥)), a limited partnership established in the PRC on November 30, 2023, one of our employee shareholding platforms and member of our Controlling Shareholder Group
“Jingshi Investment”	Guangzhou Jingshi Investment Partnership (Limited Partnership) (廣州晶實投資合夥企業(有限合夥)), a limited partnership established in the PRC on November 30, 2023, one of our employee shareholding platforms and member of our Controlling Shareholder Group
“Jingyu Investment”	Guangzhou Jingyu Equity Investment Partnership (Limited Partnership) (廣州晶裕股權投資合夥企業(有限合夥)), a limited partnership established in the PRC on September 29, 2017, one of our employee shareholding platforms and member of our Controlling Shareholder Group
“Listing”	the listing on the H Shares on the Main Board of the Hong Kong Stock Exchange
“Listing Date”	November 8, 2024, on which our H Shares are listed and from which dealings therein are first permitted to take place on the Hong Kong Stock Exchange
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM Board of the Stock Exchange
“Model Code”	the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix C3 to the Listing Rules
“Mr. Chan”	Mr. CHAN Philip Ching Ho (陳正豪), our non-executive Director and member of our Controlling Shareholder Group

## Definitions

“Mr. Xiao”	Mr. XIAO Guowei David (肖国偉), our executive Director, chairperson of the Board, the chief strategic officer and member of our Controlling Shareholder Group
“Mr. Yuan”	Mr. YUAN Lie Ming Peter (袁立明), our non-executive Director and member of our Controlling Shareholder Group
“Ms. Loh”	Ms. LOH Rebecca May-Leung (勞美良), the spouse of Mr. Chan and member of our Controlling Shareholder Group
“Nomination Committee”	the nomination committee of the Board
“Prospectus”	the prospectus of the Company dated October 31, 2024
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Reporting Period”	the six months ended June 30, 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“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 Incentive Scheme I”	the share incentive scheme adopted by our Company on May 31, 2019 and renewed on December 9, 2023
“Share Incentive Scheme II”	the share incentive scheme adopted by our Company on December 8, 2023
“Share Incentive Scheme III”	the share incentive scheme adopted by our Company on December 4, 2023
“Share Incentive Schemes”	the Share Incentive Scheme I, the Share Incentive Scheme II and the Share Incentive Scheme III
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each
“Shareholder(s) ”	holder(s) of the Share(s)
“Strategy Committee”	the strategy committee of the Board
“subsidiary(ies) ”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	member(s) of our Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“treasury shares”	has the meaning ascribed to it under the Listing Rules

## Definitions

“US\$” or “US dollars”	United States dollars, the lawful currency of the United States
“US” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“Yaoning Technology”	Zhejiang Yaoning Technology Group Co., Ltd. (浙江耀寧科技集團有限公司), formerly known as Zhejiang Yaoning Technology Co., Ltd. (浙江耀寧科技有限公司), a limited liability company established in the PRC on December 22, 2020 and our substantial shareholder
“%”	per cent

*In this document, the terms “associate,” “close associate,” “connected person,” “core connected person,” “connected transaction” and “substantial shareholder” shall have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.*

*Certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.*

*For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.*



## Glossary of Technical Terms

*This glossary of technical terms contains explanations of certain technical terms used in this document. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.*

“ADB”	adaptive driving beam, a technology that adjusts the direction and intensity of the light of the vehicle’s headlamps based on road conditions to enhance the driver’s view and minimize glare for other drivers
“automotive OEM”	the original equipment manufacturer, which assembles and installs automotive parts during the construction of a new vehicle
“AI”	artificial intelligence
“CAGR”	compound annual growth rate
“COB”	chip-on-board, a packaging process that integrates multiple LED chips into a circuit board
“CRI”	color rendering index, a quantitative measure of the ability of a light source to reveal the colors of various objects faithfully in comparison with a natural or standard light source
“HD”	high definition
“HUD”	head-up display, a display that projects important information onto the windscreen without requiring the drivers to look away from their usual viewpoint
“IC”	integrated circuit, a small unit or package which is made as a single indivisible structure (such as a chip) and is electrically equivalent to a conventional circuit of many separate components
“IP”	intellectual property
“IR”	infrared, a type of electromagnetic radiation with wavelength just greater than that of the red end of the visible light spectrum but less than that of microwaves
“IT”	information technology
“LED+’ technologies”	technologies which integrate LED technologies with integrated circuits (ICs), electronic control, software, sensors, optics and others, which are rapidly changing the landscape of the high-end LED intelligent vision industry
“LCD”	liquid-crystal display, a flat-panel display or other electronically modulated optical device that uses the light-modulating properties of liquid crystals combined with polarizers

## Glossary of Technical Terms

“leadframe”	a packaging carrier in LED or IC devices that secures LED or IC chips, offering mechanical support, electrical connection and heat conduction. It typically comprises a metal sheet, plastic materials, etc.
“LED”	light-emitting diode, a semiconductor diode that emits light when current flows through it
“LED device”	a semiconductor device that emits light, manufactured through the LED packaging process
“LED module”	an integral unit assembled by single or multiple LED devices, driving circuits, control circuits, etc.
“lm/W”	lumen per watt
“local dimming”	an LED backlight technology used in LCD display to improve picture quality. It works by dimming the backlight areas of the screen that need to be dark, while keeping the backlight bright parts of the screen bright, thereby increasing the contrast ratio and creating a better image
“Mini LED”	light-emitting diodes with chip size ranging from 100μm to 300μm
“photoelectric conversion efficiency”	the percentage of electrical energy that a lighting product converts into visible light, serving as a crucial metric for measuring performance and energy efficiency of lighting products
“R&D”	research and development
“SMD”	surface-mounted device, an LED packaging device with positive and negative electrodes on the package substrate, which can be assembled onto PCB through SMT process
“Tier-1 supplier”	a company that supplies parts or systems directly to automotive OEMs. Other types of suppliers in the automotive industry include Tier-2 and Tier-3 suppliers. Tier-2 suppliers supply to Tier-1 suppliers. Tier-3 suppliers supply to Tier-2 suppliers
“W”	watt