Stock Code: 688007 **Stock Short Name: Appotronics**

Appotronics Corporation Limited

Annual Report 2024

April 2025

2024

This is the 2024 Annual Report (English version) voluntarily disclosed by Appotronics Corporation Limited. In the event of any discrepancy between the English and Chinese versions of this Report, the Chinese version shall prevail.

Section III. Discussion and Analysis of the Management

I. Discussion and Analysis of Business Situations

(I) Analysis of business operations during the reporting period

In 2024, adhering to the dev

With the in-depth implementation of China's economic transition and high-quality development, portions of the robot, or embed the light emitting outlet at any portion of the robot to achieve more flexible display, hence providing the robot with the capabilities emotion perception and expression for interaction with human beings. Given the implementation of robots in various application scenarios and the expansion of the market size, our ALPD® semiconductor laser light source modules are expected to become a key link in the robot industry chain.

(3) The integration between AR glasses and new technologies, such as AI large models, has created a new development stage for products

At present, AR glasses are promoting the transition of virtual-real synthesis technologies from concept verification to large-scale industrial application. Global technology giants and innovative enterprises are eager to make a layout to strive for breakthroughs in fundamental technologies, such as optical display and human-machine interaction, hence achieving iteration and upgrade of AR equipment towards lightweight, immersive experience, scenario adaptation, *etc.*

In the rapid development of AI technologies, open-source large models featuring “low cost, high performance, and strong reasoning”, such as DeepSeek, come out one after the other, which created an inevitable trend for the industry to connect various application terminals to AI large models; as a result, AR glasses will become one of the important terminals for the implementation of AI technologies. According to Wellsenn, the global shipment of AI smart glasses is expected to reach 80.00 million in 2030, and the market penetration rate will increase to about 4.3%.

In the field of AR glasses, we mainly explored two parts - the light engine and the waveguide lens, and prepared multiple technical routes, including LCOS, DLP, MicroLed, laser scanning,

During the reporting period, we developed a split-type optical fiber light engine, the first of its kind

5	Household products	39,047.00	4,809.89	31,769.70	Mass production	In terms of smart mini projector products, engage in the research and development of high-performance and high-cost-effectiveness products, and make breakthroughs in technological innovation, product form innovation, and quality upgrade. In terms of laser TVs, engage in the research and development of products with advantageous performance such as high brightness and eye-friendliness to meet various user requirements.	Leading in the industry	Smart mini projector and household laser TV.
Total	**-**	**126,914.00**	**24,771.28**	**92,433.31**	**-**	**-**	**-**	**-**

patents related to AR and AI technologies, our R&D teams have achieved over 80 additional patents related to AR and AI granted or filed during the reporting period. As of December 31, 2024, we had a total of 241 patents filed and granted in the AR and AI fields, indicating an increase of 36.16% year on year. In terms of technology patents for automotive core components, we had 92 new patents granted and filed for automotive optics technologies during the reporting period; as of December 31, 2024, we had a total of 264 patents for automobile technologies granted and filed, an increase of 26.32% year on year.

In terms of technology leadership, the Company's original semiconductor laser light source technology has become the mainstream technology in the current laser display field, and as the underlying key architecture technology, it has been used more than 686 times by leading companies in the same industry, such as Philips of the Netherlands, Osram of Germany, and Epson of Japan.

3. **Relying on the technical advantages of core components, an all-round strategic arrangement for application scenarios is made**

We continuously made breakthroughs towards the upstream of the laser industry to build core components for the laser industry, and drive the innovation of downstream application scenarios with the breakthroughs in core components. Meanwhile, given the rapid development of AI, AR, and smart robot

R&D expenses	247,712,822.82	280,932,800.35	-11.82
Net cash flow from operating activities	87,220,645.17	364,082,055.08	-76.04
Net cash flow from investment activities	235,313,663.36	-328,864,633.65	N/A
Net cash flow from financing activities	-295,510,117.47	1,797,013.72	-16,544.51

Description of reasons for changes in the selling expenses: The selling expenses decreased by 32.72% year on year, primarily due to the decrease in the employee benefits and marketing expenses during the reporting period year on year;

Description of reasons for changes in the financial expenses: The financial expenses decreased by RMB 9.2421 million year on year, primarily due to the year-on-year decrease in interest incomes and foreign exchange gains;

Description of reasons for changes in the net cash flows from operating activities: The net cash flow from operating activities decreased by 76.04% year on year, which was primarily due to the increase in the operating capital required in response to the growth in our automotive business, and the increase in restricted monetary funds;

Description of reasons for changes in the net cash flows from investment activities: The net cash flow from investment activities increased by RMB 564.1783 million year on year, primarily due to the recovery of mature wealth management products;

Description of reasons for changes in the net cash flow from financing activities: The net cash flow from financing activities decreased by RMB 297.3071 million year on year, primarily due to the decrease in borrowings compared with last year and the repurchase of the Company’s shares.

Detailed description of major changes in the business types, profit composition or profit sources of the Company

Ĭ Applicable ã N/A

2. Analysis of revenue and costs

ã Applicable Ĭ N/A

During the reporting period, our operating revenue was RMB 2.419 billion, increased by 9.27% year on year.

(1). Main business by sector, product, region, and sales mode

In RMB 0’000

Main business by sector						
Sector	**Operating revenue**	**Operating costs**	**Gross margin (%)**	**% Change in operating revenue**	**% Change in operating cost**	**% Change in gross margin**
Laser display	241,857.44	173,383.74	28.31	9.27	20.81	-6.85 percentage points

4	Supplier 4	6,234.05	3.32	No
5	Supplier 5	5,539.17	2.95	No
Total	-	**57,276.49**	**30.48**	-

Description of purchase from a single supplier accounting for over 50% of the total purchase value, new supplier in the top 5 suppliers, or serious dependence on a small number of suppliers during the reporting period

Ĭ Applicable ã N/A

3. Expenses

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period	% Change
Selling expenses	186,516,285.46	277,237,296.91	-32.72
Administrative expenses	163,191,057.84	157,092,724.49	3.88
Financial expenses	-10,207,841.54	-19,449,983.65	N/A
R&D expenses	247,712,822.82	280,932,800.35	-11.82

(1) The selling expenses decreased by 32.72% year on year, primarily due to the decrease in employee benefits and marketing expenses during the reporting period year on year;

(2) The financial expenses decreased by RMB 9.2421 million year on year, primarily due to the year-on-year decrease in interest incomes and foreign exchange gains.

4. Cash flow

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period	% Change
Net cash flow from operating activities	87,220,645.17	364,082,055.08	-76.04
Net cash flow from investment activities	235,313,663.36	-328,864,633.65	N/A
Net cash flow from financing activities	-295,510,117.47	1,797,013.72	-16,544.51

(1) The net cash flow from operating activities decreased by 76.04% year on year, which was primarily due to the increase in the operating capital required in response to the growth in our automotive business, and the increase in restricted monetary funds of the subsidiary Appotronics HK;

(2) The net cash flow from investment activities increased by RMB 564.1783 million year on year,

(III) Analysis of assets and liabilities

ã Applicable Ĭ N/A

1. Status of assets and liabilities

In RMB

Project	Balance at the end of the current period	% of total assets at the end of the current period	Balance at the end of the prior period	% of total assets at the end of the prior period	% Change in amount	Remark
Held-for-trading financial assets	179,936,739.21	4.23	514,010,000.00	12.18	-64.99	Primarily due to the redemption of mature bank structural deposits at the end of the year
Notes receivable	4,749,524.13	0.11	8,951,308.71	0.21	-46.94	Primarily due to the decrease in commemme EtÀo17

(IV) Analysis of operation information of the industry

ã Applicable Ǐ N/A

For the analysis of operation information of the industry during the reporting period, refer to "Section III Discussion and Analysis of Business Situations - II. Main business, business model, status of industry and R&D activities during the reporting period".

(V) Analysis of investments

Overall analysis of external equity investments

ã Applicable Ĭ N/A

In RMB

Investment amount in the reporting period (in RMB)	Investment in the same period of the prior year (in RMB)	Range of change
6,242,039.74	144,726,776.43	-95.69%

1. Material equity investments

Ĭ Applicable ã N/A

2. Material non-equity investments

Ĭ Applicable ã N/A

3. Financial assets at fair value

ã Applicable Ĭ N/A

In RMB

Asset category	Opening balance	Gain or loss on changes in fair value for the period	Cumulative fair value changes included in equity	Impairment of the current period	Purchase amount for the current period	Sale/redemption for the current period	Other changes	Closing balance
Equities	12,880,000.00	10,062,500.00				22,942,500.00		0
Others	519,592,819.38	-14,246,766.41	-4,900,000.00			334,845,222.91	100,183,505.66	283,564,335.72
Total	**532,472,819.38**	**-4,184,266.41**	**-4,900,000.00**			**357,787,722.91**	**100,183,505.66**	**283,564,335.72**

In RMB 0’000

Company name	Main business	Registered capital	Shareholding percentage	Total assets	Net assets	Operating revenue	Net profit

VI. Discussion and analysis of the Company’s future development

(I) Structure and trend of the industry

ã Applicable Ǐ N/A

For details of the industry pattern and trend analysis, refer to “Section III Discussion and Analysis of the Management - II. Main business, business model, status of industry and R&D activities during the reporting period - (III) Industry in which the Company operates - 3. Development of new technologies, new industries, new types of operation and new modes during the reporting period, and the future trend”.

(II) Development strategy of the Company

ã Applicable Ǐ N/A

Facing the future, we are dedicated to becoming a pioneer in the laser industry; under the mission and vision of ñNew light, New Lifeò, the Company insists on the strategic direction of “core technologies + core components + application scenarios” to continuously promote breakthrough innovation of laser technologies, accelerate the expansion of application scenarios, enhance the in-depth industrialization of laser technologies such as laser display and laser lighting, and build a bigger and stronger laser display ecology.

(III) Business plan

ã Applicable Ǐ N/A

In 2025, while continuously making breakthroughs in the upstream in the laser industry to build core components, we further increased investments in cutting-edge fields, so that the breakthroughs in the upstream drove the innovation of the downstream scenarios to implement upstream core components in new racetracks and large racetracks, especially focusing on new scenarios created by new AI technologies. In 2025, we will stay innovation-driven, continue to increase R&D investment in forward-looking technology arrangement and innovation and product technology development, so as to build energy for the sustainable development of the Company.

1. Core component business

We will continuously enhance our core competitiveness by improving our capabilities of R&D for innovative products and accelerating product iteration, and actively strive for more innovative application scenarios while maintaining stable and continuous output of existing products. To enhance the competitiveness of core components, we implemented innovation for laser light engines in aspects of technologies, product forms, application scenarios, *etc.*, and released a split-type optical fiber light engine in January 2025, which is the first of its kind in the industry. At present, we are taking active measures to communicate with major customers in the application fields of robots, smart terminals, medical, *etc.*, and jointly explore the implementation solutions for application scenarios of split-type optical fiber light engines, hence assisting customers in achieving product innovation and interaction.

2. Achieve synergy between dual headquarters to continuously build a smart supply chain system

In March 2025, the Appotronics headquarters building with both R&D and office

Section IV. Corporate Governance

I. Corporate governance

ã Applicable Ǐ N/A

During the reporting period, in strict compliance with the requirements of the *Company Law*, the *Securities Law*, the *Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange*, the *Guidelines on Self-regulatory Supervision of Listed Companies on the Science and Technology Innovation Board of the Shanghai Stock Exchange*, other laws and regulations, and the *Articles of Association*, with reference to the actual operation conditions of the Company, the Company and its directors, supervisors, and senior officers constantly improved the corporate governance structure and continuously improved the internal governance and control measures to improve the level of standardized operation and governance level of the Company. During the reporting period, the actual conditions of corporate governance complied with the requirements of normative documents on the governance of listed companies. We will continuously insist on complying with relevant laws and regulations and continuously improve our governance regulations, to practically safeguard the interests of investors.

(I) About the Company and controlling shareholder

During the reporting period, the controlling shareholder and actual controller of the Company strictly followed the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange*, the *Guidelines on Self-regulatory Supervision of Listed Companies on the Science and Technology Innovation Board of the Shanghai Stock Exchange*, and other regulations to standardize its acts, and to exercise the rights and practically fulfill the obligations as a shareholder in accordance with law. All our major decisions were made through the corresponding approval procedure set forth in the *Articles of Association etc.*, and we have a complete business system; while the controlling shareholder and actual controller did not bypass the general meeting of shareholders to directly or indirectly interfere with the decision-making and operating activities of the Company. The Company neither had funds occupied by the controlling shareholder nor provided a guarantee for the controlling shareholder, and had an independent and complete business system and capabilities of independent operation.

(II) About shareholders and the general meeting of shareholders

The general meeting of shareholders is the highest authority of the Company. During the reporting period, the Company held 4 general meetings of shareholders. The Company convened, held, voted, and made information disclosure of the general meetings of shareholders in strict compliance with the *Company Law*, the Articles of Association, the *Rules of Procedure for the General Meeting of Shareholders*, and relevant laws and regulations, normative documents, and the Company's rules and regulations, where lawful and valid resolutions were made under the witness of lawyers on site, who also issued legal opinions. We treated all shareholders equally, and took lawful and effective measures for on-site attendance, online attendance, *etc.*, so that more shareholders could attend the general meetings of shareholders to fully safeguard the equal rights of all shareholders, especially small- and mediumduties of supervision, check, *etc.* over major events and financial conditions of the Company and over directors and senior officers, so as to actively safeguard the legitimate rights and interests of the Company and all shareholders.

(V) About information disclosure and investor relations management

During the reporting period, we further improved the efforts for information disclosure management in compliance with the relevant laws and regulations and the *Management Regulations of Information Disclosure*, the *Management Regulations for Investor Relation*, *etc.* We made information disclosure in a truthful, accurate, complete, timely, and fair manner, and kept the disclosed content easy to understand to fully disclose risks for view by all shareholders. The designated website for information disclosure of the Company is the website of the Shanghai Stock Exchange (www.sse.com.cn), the designated journals of information disclosure are China Securities Journal, Shanghai Securities News, Securities Daily, and Securities Times, to ensure fair access to information about the Company by shareholders.

We attached importance to the investor relations management. We provide a public and transparent platform for communication with investors, so that investors can query about the operation of the Company through multiple channels, including on-site survey, investor telephone number (0755-32950536), investor email (ir@appotronics.com), online performance briefing, the "E Interaction Platform" of the Shanghai Stock Exchange, and the WeChat official account (Appotronics).

Ĭ Applicable ã N/A

Explanation about the general meetings of shareholders

ã Applicable Ĭ N/A

During the reporting period, the Company held 1 annual general meeting of shareholders and 3 extraordinary general meetings of shareholders. After being certified by the law firm engaged by the Company, the convening and holding procedures of general meetings of shareholders, the qualifications of the persons attending the meeting and conveners, the voting procedures and results complied with the relevant provisions of the *Company Law*, the *Rules for General Meetings of Shareholders* and other laws, regulations and normative documents as well as the provisions of the *Articles of Association*, and were legal and valid. All proposals submitted by the Board of Directors of the Company to the general meeting of shareholders were reviewed and passed.

IV. Implementation of and changes in arrangements of differentiated voting rights during the reporting period

Ĭ Applicable ã N/ v Ĭ Applicable ű Ǿ3

VI. Directors, supervisors, and senior officers

(I) Changes in shareholding and remunerations of current directors, supervisors, senior officers and key technical staff and the former directors, supervisors, senior officers and key technical staff who left the post during the reporting period

ã Applicable Ĭ N/A

Unit: Share

Name	Title	Gender	Age	Beginning date of term of office	Expiry date of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Change in shareholding	Cause of change	Total remuneration (inclusive of tax) received from the Company during the reporting period (in RMB 0'000)	Whether or not receive any remuneration from any affiliate of the Company
LI Yi	Chairman	Male	54	July 18, 2018	September 17, 2027	0	0	-	-	320.50	No
	General Manager			December 31, 2021							
	Key technical staff (Left the post)			-	August 29, 2024						
YU Zhuoping	Director	Male	64	March 29, 2022	September 17, 2027	0	0	-	-	18	No
NING Cunzheng	Director	Male	66	December 25, 2023	September 17, 2027	0	0	-	-	18	No
CHEN Youchun	Independent director	Male	48 Sept	August 3, 2021	September 17,						

ZHOU
Shunyuan

Hongdeng	(Left the post)			2021	2024						
WANG Yanyun	Employee representative supervisor (Left the post)	Female	47	July 18, 2018	September 18, 2024	0	0	-	-	26.35	No
WANG Lin	Key technical staff (Left the post)	Male	43	-	June 28, 2024	240,752	294,252	53,500	Equity incentive and purchase on the secondary market	-	No
Total	-	-	-	-	-	**1,466,498**	**1,827,498**	**361,000**	-	**796.63**	-

Note:

1. As of the end of the reporting period, Mr. LI Yi held shares in the Company indirectly through shareholding platforms, including Appotronics Holdings, Yuanshi Laser, Appotronics Daye, Appotronics Hongye, Jinleijing, and Appotronics Chengye; Ms. WANG Yingxia, Ms. GAO Lijing, Ms. WANG Yanyun, Mr. HU Fei, Mr. YU Xin, Mr. GUO Zuqiang, Mr. WANG Lin, et. al. held shares in the Company indirectly through the shareholding platforms Appotronics Hongye and Appotronics Daye; Mr. YU Xin and Mr. GUO Zuqiang held shares in the Company indirectly through the shareholding platform Appotronics Daye; and Mr. WANG Lin held shares in the Company indirectly through the shareholding platform Appotronics Hongye.

2. During the reporting period, the term of office of the Company's second Board of Directors and the second Board of Supervisors expired. The Company held the 35th meeting of the second Board of Directors and the 26th meeting of the second Board of Supervisors on August 29, 2024, and the first meeting of employee representatives in 2024 and the second extraordinary general meeting of shareholders in 2024 on September 18, 2024, where the election of a new Board of Directors and Board of Supervisors was completed smoothly.

Mr. LIANG Huaquan, a former director, left the post as an independent director of the Company due to personal job arrangement, and disclosed the (pre-tax) subsidy of independent director he obtained from the Company from January 2024 to the date when he left the post; at the same time, the Company held the 3rd meeting of the third Board of Directors on November 1, 2024 and the 3rd extraordinary general meeting of shareholders in 2024 on November 18, 2024, where Mr. CAI Qiaowu was elected as

Berlin, Germany and Tsinghua University. He was elected as a national high-end talent in 2012, and has been a permanent professor of the Department of Electronics at Tsinghua University since 2014, and founded the International Center for Nanophotonics Research at Tsinghua University in 2018, serving as the first director. In 2016, he was honored as the Person of the Year by *Scientific Chinese*. In 2023, he was elected as a Class A Talent of the Shenzhen Pengcheng Peacock Program. Mr. NING Cunzheng is a fellow of the International Institute of Electrical and Electronics Engineers, a fellow

	department at BIEL Crystal, information center director of Bonsen Electric Appliances Co., Ltd., and the deputy director of the procedure and information department at Holitech Technology Co., Ltd.
WANG Maoying	WANG Maoying, female, born in June 1980, Chinese, with no right of permanent residence abroad, bacheloróŝ degree. After joining Appotronics Corporation Limited in September 2018, she is currently the deputy administrative director, and used to work at Vienna Hotels Group, Shenzhen Kuang-Chi Institute of Advanced Technology, TCL Multimedia, *etc.*
WANG Yingxia	WANG Yingxia, female, born in September 1982, Chinese, with no right of permanent residence abroad, got the bachelor degree. She is currently the financial director of Appotronics Corporation Limited, and has successively served as the financial director and financial manager of YLX Incorporated, and the deputy director of the finance department and employee representative director of Appotronics Corporation Limited.
CHEN Yasha	CHEN Yasha, female, born in January 1990, Chinese, with no right of permanent residence abroad, obtained the masteróŝ degree in finance, and the qualification certificate of board secretary of the science and technology innovation board and the qualification certificate of board secretary of the new third board. She joined the Company's board office in September 2018 and is currently the secretary of the Board of Directors of Appotronics Corporation Limited.
YU Xin	YU Xin, male, born in February 1980, Chinese, with no right of permanent residence abroad, received a doctorate from Tsinghua University. He is currently a key technical staffer and vice president of Appotronics Corporation Limited, and has successively served as a senior software engineer at Schlumberger Technologies Co., Ltd., a senior researcher at Shenzhen Zhongguang Industrial Technology Research Institute, and a senior researcher the general manager of the Cinema Solutions Business Unit, and the general manager of the Innovation Center and Cinema Business Division of Appotronics Corporation Limited.
HU Fei	HU Fei, male, born in March 1980, Chinese, with no right of permanent residence abroad, received bachelor's, master's and doctoral degrees from Tsinghua University, and master's degree from Rensselaer Polytechnic Institute. He is currently a key technical staffer of Appotronics Corporation Limited., and has successively served as a software engineer of Optical Research Associates, the vice president of research and development of YLX Incorporated and Appotronics Corporation Limited, and the chief technology officer and deputy general manager of Appotronics Corporation Limited.
WANG Zeqin	WANG Zeqin, male, born in December 1977, Chinese, with no right of permanent residence abroad, obtained a bachelor's degree from Jilin University, majoring in optoelectronic technology. He is currently a key technical staffer of Appotronics Corporation Limited, and has successively served as an R&D engineer and an R&D expert of O-Net Information Technology (Shenzhen) Co., Ltd., a researcher of YLX Incorporated, the R&D director of R&D center, the person in charge of core component R&D center and complete machine R&D center of Appotronics Corporation Limited.
GUO Zuqiang	GUO Zuqiang, male, born in April 1990, Chinese, with no right of permanent residence abroad, received a master's degree from Tsinghua University. He is currently a key technical staffer of Appotronics Corporation Limited, and has successively served as an optical engineer of YLX Incorporated and the R&D manager of Appotronics Corporation Limited.

Other information

Ĭ Applicable ã N/A

(II)

Name	Corporate shareholder	Posts held at corporate shareholder	Beginning date of term of office	Expiry date of term of office
	Shenzhen Appotronics Holdings Limited	Executive Director	January 2014	-

Shenzhen Appotronics Day (r)-2.2 6 ( )-11 (D.2 (y [S.92 T/P /)R/)-2.2 (r)st)2 (m)-13 (c)-2.2 (r) /carcrm.5 ( )L.3 (i)P3.6 (a))TJ0 Tc 0 Tw 2.

LI Yi

remuneration of such director	

	director		

[redacted]

27th meeting of the second Board of Directors	January 31, 2024	The meeting reviewed and passed the *Proposal on Repurchase of Shares of the Company through a Call Auction*, and the *Proposal on Changing the Registered Capital and Amending the Articles of Association*.
28th meeting of the second Board of Directors	March 11, 2024	The meeting reviewed and passed the *Proposal on Investment in a Wholly-owned Subsidiary*, and the *Proposal on Investment to Establish a Wholly-owned Su3 a Warly*

		in 2024.

VIII. Performance of duties by the directors

(I) Attendance by the directors of the meetings of the Board of Directors and shareholders

Director Name	Whether or not an independent director	Attendance of the meetings of the Board of Directors						Attendance of the general meetings of shareholders
		Meetings the director should have attended in this year	Meetings attended in person	Meetings attended through communication equipment	Meetings attended by proxy	Absence times	Whether the director has been absent from two consecutive meetings	General meetings of shareholders attended
LI Yi	No	17	17	13	0	0	No	4
YU Zhuoping	No	17	17	13	0	0	No	4
NING Cunzheng	No	17	17	13	0	0	No	4
ZHOU Shunyuan	No	3	3	2	0	0	No	

(V) The Remuneration and Appraisal Committee held 3 meetings during the reporting period

Date of meeting	Content of meeting	Major opinions and suggestions	Performance of other duties
January 16, 2024	The meeting reviewed and passed 3 proposals, including the *Proposal on Discarding Certain Restricted Shares Granted but Not Vested*.	All proposals were reviewed and passed	None

1. Formulation of policies for cash dividends

In April 2022, the Board of Directors of the Company formulated the *Plan of Returns to Shareholders for the Next Three Years* in accordance with relevant laws and regulations and the Articles of Association, which established a clear profit distribution mechanism on the basis of actively providing

(IV) Proposals for profit distribution and capitalization of capital reserve in the current period

ã Applicable Ĭ N/A

In RMB

Number of bonus shares distributed per 10 shares	-
Cash dividends distributed per 10 shares (inclusive of tax)	0.25
Number of shares distributed out of the capital reserve per 10 shares	-
Amount of cash dividend (tax inclusive)	11,420,998.83
Net profit attributable to the shareholders of ordinary shares of the listed company reported in the consolidated financial statements	27,953,093.89
Ratio of the cash distribution amount to the net profit attributable to the shareholders of ordinary shares of the listed company reported in the consolidated financial statements (%)	40.86
The amount of repurchase of shares by cash included in cash dividends	119,432,441.36
Total dividend amount (tax inclusive)	130,853,440.19
Ratio of the total distribution amount to the net profit attributable to the shareholders of ordinary shares of the listed company reported in the consolidated financial statements (%)	468.12

2021 Second Restricted Share Incentive Plan	Achieved	1,426,021.25
2022 Restricted Share Incentive Plan	Achieved	1,103,696.65
Total	**-**	**2,529,717.90**

(II) Incentives already disclosed in interim announcements about which no new information is available

ã Applicable Ĭ N/A

Summary	**Reference**
The Company held the 25th meeting of the second Board of Directors and the 23rd meeting of the second Board of Supervisors on January 16, 2024, where the *Proposal on Invalidating Partial Granted but Not Vested Restricted Shares*, the *Proposal on Vesting Criteria for the First Vesting Period in the Reserved Grant under 2021 Second Restricted Share Incentive Plan*, and the *Proposal on Vesting Criteria for the First Vesting Period in the Reserved Grant under 2022 Restricted Share Incentive Plan*, were reviewed and passed.	See the relevant announcements disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on

normal without concealing matters to be disclosed or material defects or omissions that affect the operation and development of the Company, which were under effective control.

XVI. Explanation about the auditor's report on internal controls

ã Applicable Ĭ N/A

For the specific content, see the *Auditor's Report on Internal Controls for 2024*

energy and reduce emissions. For example, our ALPD® laser light source cinema projection solution, with a total of about 379 million operating hours in China, saved about 682 million kWh of electricity and reduced carbon dioxide emissions by about 0.5868 million tons.

With respect to our headquarters building that was put into use officially, we were committed to constructing a green building that can withstand the risks caused by climate change. The building has passed the bronze certification of the Shenzhen Green Building Standard and was designed with a sponge city system. With the total runoff control rate of 73.44% and the annual runoff pollution reduction rate of 58.75%, it meets the requirements in the *Special Plan for Sponge City in Nanshan District, Shenzhen* and the construction land planning permit. Thanks to the landscaping area of 199.88 square meters and the forest and grass vegetation recovery rate of 100%, it can effectively prevent and control soil erosion, reduce operating risks, and promote the long-term stable development of the Company.

4. Adhered to the people-oriented principle, and contributed to the social value

Always adhering to the core idea of “people-oriented”, we spared no effort in building an equal,

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II. Environment

Whether mechanisms related to environmental protection have been established	Yes
Investment in environmental protection funds during the reporting period (unit: RMB 0'000)	23.36

(I) Whether the Company is a major polluter identified by the environmental protection authority

Ĭ Yes ã No

Durehe reporti1B perethe Company had no production or operati1B entity i1cluded i1 the list of major polluters identified by the environmental protection authority.

(II) Administrateve penaltees emposed due to enveronmental essues during threporting period

Durehe reporti1B perethe Company experie1ced no admi1etrative penalty imposed due to environmental issues.

(III) Information on resource and energy consumpteon and emesseons

ã Applicable Ĭ N/A

As a leadi1B global supplier of laser core components, we have origi1al technologies and core patents; based on the ALPD® semiconductor laser light source technologies and architectures, we have applied our core components e1 various scenarios. Given the characteretics of high light effeie1cy, energy save and environmental protection of laser light sources, our producti on qualifees as a low energy consumption mode.

In daily production and operation, the resources we consume mainly include electrye and water, and our emissions mainly include wate ga, wate water, and solid waste. Dure1g the reporti1g perio1.4 (e)3 (n864 ( )]T460.14

operating environment, continuously optimizing production and operation processes by using advanced energy-saving technologies, and actively promoting waste recycling and resource recycling to reduce the impact of our production on the environment. To achieve efficient energy management, we made continuous efforts to establish and improve the energy management system, and passed the ISO50001 certification in 2024. We insisted on the idea of energy conservation, emission reduction, and energy efficiency improvement by incorporating energy management into daily production management, so as to achieve the objectives of energy conservation and reduction in energy consumption in a planned and orderly manner.

3. Emission of wastes and pollutants

ã Applicable Ĭ N/A

- Waste water treatment

The domestic waste water from the office of the Company was treated uniformly by the office building and the property management company of the industrial park, which was discharged into the municipal sewage pipeline only after reaching the relevant standard through pre-treatment. During the reporting period, a third-party testing institution conducted a test on the waste water from the Company's production activities in accordance with the *Discharge Limits of Water Pollutants*, a local standard of Guangdong Province, and the results indicated that the waste water discharge complied with the discharge standard.

- Waste gas treatment

Our production and operation activities generate few waste gas, mainly including tin-containing waste gas and non-methane total hydrocarbons. We treated waste gas by UV photolysis, activated carbon adsorption, air purification equipment and other means. According to the inspection conducted in acct 0.ar3i

(II) Promoting scientific and technological innovation

As one of the first companies listed on the STAR Market, we always keep technological innovation at the core of our development, considering technological innovation as the soul for us to move ahead, and incorporate technological innovation in the entire process from basic research, creation of new applications, and smart production, to social applications; we make continuous efforts to consolidate and expand key core technologies, empower talents throughout the industry chain, maintain high R&D investments, improve the intellectual property system, build capabilities for systematic innovation, and actively radiate to the entire industry. In 2024, we invested RMB 248 million in R&D efforts.

During the reporting period, we attached great importance to the R&D investment for AI technologies in the hope of achieving application of AI in the field of semiconductor lact hs pD tgh R& ve a ad-]TJ0R&[m2 (lle) our confidential information, maintain data integrity, prevent internal and external threats from causing damage to the Company, and enhance the reliability, sustainability, and reputation of our operations. We also provide internal centralized file storage and backup services for core departments, such as the finance, R&D, and sales departments, to prevent loss of information assets due to hacker attacks or lost employee equipment. In addition, we released client and server antivirus and encryption security audit software to further enhance data security protection on personal computers and servers.

(V) Types of public charity activities and contributions thereto

Type	Number	Remark
External donations		
Where: Funds (RMB 0'000)	-	-
Value of materials (RMB 0'000)	1.36	Donated commercial projectors to the Portuguese Volunteer Confederation

1. Specific information about public charity activities

ã Applicable Ĭ N/A

During the reporting period, we donated projectors to the Portuguese Volunteer Confederation (CPV) to support the operation of its volunteer projects. The CPV, founded in 2010, has 45 federation organizations covering 1.2 million volunteer communities in Portugal. The projectors donated were quickly put into use upon their arrival, as an efficient and multi-functional presentation tool, have been widely used in workshops and community activities, becoming long-term valuable assets for local organizations.

2. Information on consolidation and expansion of the results of poverty alleviation, rural revitalization and other specific work

Ĭ Applicable ã N/A

Specific description

Ĭ Applicable ã N/A

(VI) Protection of the rights and interests of shareholders and creditors

Sound, transparent, and balanced corporate governance is crucial for the healthy development of the Company. Appotronics operates in strict compliance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and other laws, regulations, and regulatory requirements. The Board of Directors of the Company is the standing decision-making body, and has set up four committees, namely the Audit Committee, the Strategy and ESG Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. We have built a governance structure consisting of the "the general meeting of shareholders, the Board of Directors, the Board of Supervisors, and the management" that are provided with a clear division of duties and cooperate properly to continuously optimize the operating mechanism and improve governance effects.

During the reporting period, we repurchased shares for a total of three times to repurchase 7.1269 million shares of the Company in the amount of RMB 119 million. Moreover, we de-registered 5.8425

optimized the entire processing consisting of "search, filing, maintenance, application, and hierarchical management". We encourage R&D personnel to put forward high-quality patent proposals, and enhance efforts for the review and search of patents and trademarks to strictly control the filing quality. Meanwhile, we implement hierarchical patent management, improve the patent database, promote the digitalization of intellectual property rights, and carry out electronic processes to create an efficient and accurate management system. In addition, we always pay attention to new policies and regulations on intellectual property rights and regularly carry out early warning efforts to reduce risks associated with intellectual property rights during the process of development.

As of the end of the reporting period, we had a total of 2,993 patents filed and granted, including 2,287 patents granted throughout the world, including 1,189 patents for invention; in addition, we received the Excellent Award of the 25th China Patent Award.

(XI) Other information about the performance of social responsibilities

ã Applicable Ǐ N/A

During the reporting period, we used exhibition halls as a carrier to actively carry out popular science education activities, hence disseminating knowledge about semicote CCpei(e)7.2

Section VI. Significant Matters

I. Fulfillment of covenants

(I) Covenants made by the actual controller, shareholders, affiliates and acquirer of the Company, the Company itself and other related parties during the reporting period or the outstanding covenants made by them in the prior periods

ã Applicable Ĭ N/A

Background of covenant	Covenant Type	Covenantor	Content of covenant	Date of covenant	Whether there's a time limit for the fulfillment of the covenant	Period of covenant	Whether the covenant has been strictly fulfilled on time	Reason for failure to fulfill the covenant on time (if applicable)	Action plan if failing to fulfill the covenant on time
Covenant related to IPO	Restriction on the sale of shares	Covenant by the actual							

Fee payable to domestic accounting firm	140
Audit period of domestic accounting firm	9
Name of registered accountants from the domestic accounting firm	WEI Biaowen, NIU Chunjun
Total years of audit services of registered accountants from the domestic accounting firm	Mr. WEI Biaowen has 4 years of experience in audit services, and Mr. NIU Chunjun has 5 years of experience in audit services

	Name	Fee
Accounting firm for internal control audit	Pan-China Certified Public Accountants (Special General Partnership)	15
Sponsor	Huatai United Securities Co., Ltd.	-

Explanation about the appointment and termination of appointment of the accounting firm

ã Applicable Ĭ N/A

The Company engaged Pan-China Certified Public Accountants (Special General Partnership) as the institution for the audit of the 2024 annual financial statements and the internal control audit for financial reports with an annual fee of RMB 1.40 million (tax inclusive).

Explanation about re-appointment of the accounting firm during the audit period

Ĭ Applicable ã N/A

Explanation about the decrease in the audit fees compared with the previous year by over 20% (including 20%)

Ĭ Applicable ã N/A

VII. Delisting risks

(I) Reasons causing the delisting risk warning

Ĭ Applicable ã N/A

(II) Response measures to be taken by the Company

Ĭ Applicable ã N/A

(III) Risk of delisting and the reason

Ĭ Applicable ã N/A

VIII. Matters related to bankruptcy and reorganization

Ĭ Applicable ã N/A

				initiated intellectual property litigation about a dispute over liabilities for damages, the plaintiff held that the defendant, Delta Electronics, Inc., initiated an intellectual property litigation maliciously against the plaintiff, hence infringed the rights and interests of the plaintiff.				the case	
Espedeo Holdings Limited	Appotronics Hong Kong Limited	-	Contract dispute	HKIAC/A24154 arbitration case of contract dispute, in which the claimant held that the respondent violated the relevant agreement and resulted in economic losses to the claimant.	No less than USD 3.1671 million	No	Received the notice of arbitration	In trial	-

Note: Espedeo Holdings Limited is a wholly-owned subsidiary of GDC BVI.

(III) Other information

ã Applicable Ĭ N/A

X. Penalties imposed on the listed company and its directors, supervisors, senior officers, controlling shareholder, actual controller for suspected violation of laws and regulations and rectification of the relevant violations

Yhange in market demands

Ĭ Applicable ã N/A

XI. Credit standing of the Company and its controlling shareholder and actual controller during the reporting period

Ĭ Applicable ã N/A

XII. Material related-party transactions

(I) Related-party transactions in connection with day-to-day operation

1. Matters already disclosed in interim announcements about which no new information is available

Ĭ Applicable ã N/A

2. Matters already disclosed in interim announcements about which there's new information available

ã Applicable Ĭ N/A

In RMB 0'000

Category of related-party transaction	Related party	Expected amount for the current period	Actually incurred amount in the current period	Reason for the great difference between the expected amount and the actual amount
Provision of goods, leases, and services to a related party	China Film Equipment Co., Ltd. and its affiliates	4,000.00	2,585.50	Change in market demands
	Xiaomi Communications Co., Ltd. and its affiliates	20,000.00	15,627.87	Change in market demands
	YLX Incorporated anQq98.841 reffiliates			

of labor services from a related party	affiliates			

(III) Significant related-party transactions involving joint external investments

1. Matters already disclosed in interim announcements about which no new information is available

Ĭ Applicable ã N/A

2.

								any		
Shenzhen Meisheng Industry Co., Ltd.	Appotronics Corporation Limited	Office, R&D, factory, and employee dormitory	1,346.95	2022.12.01	2024.11.30	-	-	-	No	
Shenzhen Appotronics Holdings Limited	Appotronics Corporation Limited	Office, R&D, factory, and employee dormitory	815.84	2024.12.09	2027.12.31	-	-	-	Yes	Controlling shareholder

Description of lease

None

(II) Guarantees

ã Applicable Ĭ N/A

In RMB 0'000

External guarantees provided by the Company (excluding those provided for the subsidiaries)													
Guarantor	**Relationship between the guarantor and the listed company**	**Obligor**	**Guaranteed amount**	**Commencement date of guarantee (signing date of agreement)**	**Inception date of guarantee**	**Expiry date of guarantee**	**Type of guarantee**	**Collateral (if any)**	**Whether the obligation guaranteed has been discharged**	**Whether the obligation guaranteed has become overdue**	**Amount of the overdue obligation guaranteed**	**Counter-guarantee**	**Related-party guarantee or not**	**Related-party relation**
Total amount of guarantees provided during the reporting period (excluding those provided for subsidiaries)						0								
Balance of guarantees at the end of the reporting period (excluding those provided for subsidiaries) (A)						0								

Guarantees provided by the Company or its subsidiaries for the subsidiaries of the Company									
Guarantor	**Relationship between the guarantor and the listed company**	**Obligor**	**Relationship between the obligor and the listed company**	**Guaranteed amount**	**Commencement date of guarantee (signing date of agreement)**	**Inception date of guarantee**	**Expiry date of guarantee**	**Type of guarantee**	**Whether the obligation guaranteed has been**

Limited		Cinema Technology (Beijing) Co., Ltd.	subsidiary			2024	tee period is three years from the date of terminating the claims determination period.	liability				
Appotronics Corporation Limited	Headquarters	CINEAPPO Laser Cinema Technology (Beijing) Co., Ltd.	Controlled subsidiary	10,000	October 30, 2024	October 30, 2024	The guarantee period is three years from the date of terminating the claims determination period.	Joint and several liability	No	No	-	No
Appotronics Corporation Limited	Headquarters	Formovie (Chongqing) Innovative Technolo	Controlled subsidiary	6,000	October 15, 2024	April 26, 2022	April 25, 2028	Joint and several liability	No	No	-	No

(2) Entrusted wealth management of single items

ã Applicable Ĭ N/A

In RMB 0’000

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Start date of entrusted wealth management	End date of entrusted wealth management	Source of funds	Use of funds	Restricted or not	Remuneration determination method	Annualized rate of yield	Expected income (if any)	Actual profit or loss	Outstanding amount	Overdue amount	amete Pn -1.148 Td[()003 Tc 0.003 Tw 1.125 3.43 3 Tw 1.125 3.430(ot)]TJ2.568 0 Td( )Tj EMC an

XIV. Use of offering proceeds

ã Applicable Ĭ N/A

(I) Overall use of funds raised

ã Applicable Ĭ N/A

In RMB 0'000

Source of offering proceeds	Date of receiving offering proceeds	Total offering proceeds	Net offering proceeds (1)	Total offering proceeds committed in the prospectus or offering circular (2)	Total excess offering proceeds (3) = (1) - (2)	Cumulative total offering proceeds used as of the end of the reporting period (4)	Where: Cumulative total excess offering proceeds used as of the end of the reporting period (5)	Cumulative investment progress of offering proceeds as of the end of the reporting period (%) (6)=(4)/(1)	Cumulative investment progress of excess offering proceeds used as of the end of the reporting period (%) (7)=(5)/(3)	Amount invested in this year (8)	Ratio of the amount invested in this year (%) (9)=(8)/(1)	Total offering proceeds with the purpose changed
Initial public offering	July 16, 2019											

investment project in the prospectus or offering circular	ge of investment is involved	amount planned with offering proceeds (1)	ted in this year	proceeds used as of the end of the reporting period (2)	progress as of the end of the reporting period (%) (3)=(2)/(1)	to reach the working condition for its intended use [Note 1]	pleted or not	ment progress meets the progress planned	for failing to achieve the plan of investment progress	realized in the current year	results achieved by the project	changes it41

2. Breakdown of the use of excess offering proceeds

ã Applicable Ĭ N/A

In RMB 0'000

Purpose	Nature	Total excess offering proceeds planned for investment (1)	Cumulative total offering proceeds used as of the end of the reporting period (2)	Cumulative investment progress as of the end of the reporting period (%) (3)=(2)/(1)	Remark
Repurchase in 2022	Repurchase	2,000.00	1,937.73	96.89	-
First repurchase in 2024	Repurchase	4,121.12	4,121.12	100	-
Second repurchase in 2024	Repurchase	954.69	954.69	100	-
Total	**-**	**7,075.81**	**7,013.54**	**-**	**-**

(III) Change in or termination of investment projects during the reporting period

6) The Company held the 27th meeting of the second Board of Directors on January 31, 2024, approving the *Proposal on Repurchase of Shares of the Company through a Call Auction* through deliberation, and agreeing upon the Company's using the excess offering proceeds and own funds to repurchase some RMB-denominated ordinary shares (A shares) issued by it through a call auction via the stock trading system of the Shanghai Stock Exchange, with the repurchase price not exceeding RMB 27.00 per share (inclusive), the repurchase funds totaling no more than RMB 60.00 million (inclusive) and no less than RMB 30.00 million (inclusive), and the repurchase period being no more than 6 months from the date on which this share repurchase plan is approved by the general meeting of shareholders.

The Company held the 31st meeting of the second Board of Directors on April 17, 2024, approving the *Proposal on the Company's Second Repurchase of Shares in 2024 through a Call Auction* through deliberation, and agreeing upon the Company's using the excess offering proceeds and own funds to repurchase some RMB-denominated ordinary shares (A shares) issued by it through a call auction via the stock trading system of the Shanghai Stock Exchange, with the repurchase price not exceeding RMB 27.00 per share (inclusive), the repurchase funds totaling no more than RMB 30.00 million (inclusive) and no less than RMB 20.00 million (inclusive), and the repurchase period being no more than six months

Section VII. Changes in Shares and Shareholders

I. Changes in share capital

(I) Statement of changes in shares

1. Statement of changes in shares

Unit: Share

	Before the change		+/-					After the change	
	Number	Percentage (%)	New shares	Bonus shares	Capitalization of capital reserve	Others	Subtotal	Number	Percentage (%)
I. Non-tradable shares	0	0	0	0	0	0	0	0	0
1. Shares held by the State	0	0	0	0	0	0	0	0	0
2. Shares held by State-owned corporations	0	0	0	0	0	0	0	0	0
3. Shares held by other domestic investors	0	0	0	0	0	0	0	0	0
Where: Shares held by domestic non-state-owned corporations	0	0	0	0	0	0	0	0	0
Shares held by domestic natural persons	0	0	0	0	0	0	0	0	0
4. Shares held by foreign investors	0	0	0	0	0	0	0	0	0
Where: Shares held by foreign corporations	0	0	0	0	0	0	0	0	0
Shares held by foreign natural persons	0	0	0	0	0	0	0	0	0
II. Tradable shares	462,211,338	100	0	0	0	-2,920,193	-2,920,193	459,291,145	100
1. RMB-denominated ordinary shares	462,211,338	100	0	0	0	-2,920,193	-2,920,193	459,291,145	100
2. Foreign currency-denominated shares	0	0	0	0	0	0	0	0	0

listed domestically

(II) Changes in non-tradable shares

Ĭ Applicable ã N/A

(II) Shares held by top 10 shareholders and top 10 holders of tradable shares as of the end of the reporting period

Unit: Share

Shares held by top 10 shareholders (excluding shares lent out under the refinancing arrangement)							
Shareholder (Full name)	Change during the reporting period	Balance of shares held as of the end of the reporting period	Percentage (%)	Number of non-tradable shares held	Shares pledged, marked, or frozen		Nature of shareholder
					Status of shares	Number	
Shenzhen Appotronics Holdings Limited	0	79,762,679	17.37	0	None	-	Domestic non-state owned corporation
Shenzhen Yuanshi Laser Industrial Investment Consulting Partnership (LP)	0	24,139,500	5.26	0	None	-	Domestic non-state owned corporation
Nantong Strait Appotronics Investment Partnership (LP)	0	18,381,208	4.00	0	None	-	Domestic non-state owned corporation
Shenzhen Appotronics Daye Investment Partnership (LP)	0	17,056,167	3.71	0	None	-	Domestic non-state owned corporation
Shenzhen Appotronics Hongye Investment Partnership (LP)	0	13,601,344	2.96	0	None	-	Domestic non-state owned corporation
Shenzhen Appotronics Chengye Consulting Partnership (LP)	0	10,394,846	2.26	0	None	-	Domestic non-state owned corporation
Shenzhen Jinleijing Investment Limited Partnership (LP)	0	9,892,706	2.15	0	None	-	Domestic non-state owned corporation
LUO Xiaobin	2,546,000	8,550,004	1.86	0	None	-	Domestic natural person
Bank of China Limited - Stable Income Bond Securities Investment Fund of E Fund	-3,171,521	6,866,571	1.50	0	None	-	Others
Hong Kong Securities Clearing Company Limited	-404,198	3,563,657	0.78	0	None	-	Foreign corporation

Explanation about entrusted voting rights, proxy voting rights, waiver of voting rights by the shareholders above	N/A
Affiliates or concert parties among the shareholders stated above	1. As of December 31, 2024, the following entities in top 10 shareholders of the Company constituted persons acting in concert: Shenzhen Appotronics Holdings Limited, Shenzhen Yuanshi Laser Industrial Investment Consulting Partnership (LP), Shenzhen Appotronics Daye Investment Partnership (LP), Shenzhen Appotronics Hongye Investment Partnership (LP), Shenzhen Jinleijing Investment Limited Partnership (LP), and Shen

Number of non

IV. Controlling shareholder and actual controller

(I) Controlling shareholder

1. Legal person

ã Applicable Ĭ N/A

Name	Shenzhen Appotronics Holdings Limited
Principal or legal representative	LI Yi
Date of establishment	January 17, 2014
Main business	Investment holding
Shares held in other domestic or foreign listed companies during the reporting period	None
Other information	N/A

2. Natural person

Ĭ Applicable ã N/A

3. Special explanation if the Company does not have a controlling shareholder

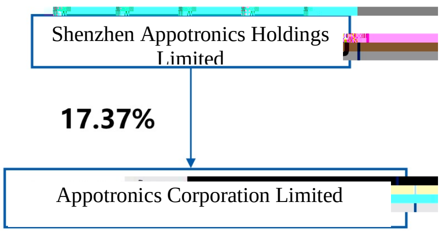
Ĭ Applicable ã N/A

4. Explanation about the change in the controlling shareholder during the reporting period

Ĭ Applicable ã N/A

5. Block diagram of the controlling shareholder's ownership of and control over the Company

ã Applicable Ĭ N/A



(II) Actual controller

1. Legal person

Ĭ Applicable ã N/A

2. Natural person

ã Applicable Ĭ N/A

Name	LI Yi
Nationality	China
Whether or not have right of residence in any other country or region	Yes
Main occupation and title	Chairman & General Manager of the Company
Whether or not control any domestic or foreign listed company in the past 10 years	None

	million (inclusive)
Planned period of repurchase	Within 6 months from the date when the Board of Directors reviewed and adopted the plan of share repurchase (this repurchase plan has been fully implemented during the reporting period)
Purpose of repurchase	For an ESOP or equity incentives
Number repurchases (shares)	2,184,455
Ratio of the number repurchased to the target shares involved in equity incentives (%) (if any)	N/A
Progress of selling the repurchased shares by the Company through a call auction	N/A

The Company held the 35th meeting of the second Board of Directors and the 26th meeting of the second Board of Supervisors on August 29, 2024, and the 2nd extraordinary general meeting of shareholders in 2024 on September 18, 2024, where the *Proposal on Adjusting the Use of Shares Repurchased by the Company and Reducing the Registered Capital* was considered and adopted, approving the Company to adjust the use of the 5,842,483 shares in the special securities account for repurchase to de-registration, accounting for 1.26% of the Company's total share capital of 465,133,628 shares prior to the de-registration. On November 5, 2024, the Company completed the efforts of de-registering the repurchased shares, so that the total share capital changed from 465,133,628 shares to 459,291,145 shares, and the registered capital was reduced from RMB 465,133,628 to RMB 459,291,145.

Section VIII. Preferred Shares

Ĭ Applicable ã N/A

Section IX. Bonds

I. Corporate bonds (including enterprise bonds) and non-financial corporate debt financing instruments

Ĭ Applicable ã N/A

II. Convertible corporate bonds

Ĭ Applicable ã N/A

Goodwill			
Long-term prepaid expenses	VII. 28	1,638,295.71	6,318,145.33
Deferred tax assets	VII. 29	90,057,468.25	85,364,732.19
Other non-current assets	VII. 30	14,404,981.14	29,348,748.27
Total non-current assets		1,299,856,781.85	1,304,866,247.32
Total assets		4,255,663,351.00	4,220,570,891.16
Current Liabilities:			
Short-term borrowings	VII. 32	86,796,568.44	80,036,500.00
Loans from the central bank			
Taking from banks and other financial institutions			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable	VII. 35	184,786,728.04	76,001,079.07
Accounts payable	VII. 36	351,760,010.32	247,318,466.10
Advance from customers	VII. 37	91,209,867.92	110,573,711.24
Contract liabilities	VII. 38ßfE		

Where: Preferred shares			
Perpetual bonds			
Capital reserve	VII. 55	1,554,154,511.33	1,616,489,567.43
Less: Treasury shares	VII. 56	29,891,962.32	19,377,297.59
Other comprehensive income	VII. 57	8,631,417.00	7,550,073.78
Special reserve			
Surplus reserve	VII. 59	103,160,084.90	84,873,365.32
General risk reserve			
Undistributed profit	VII. 60	644,702,699.21	667,122,406.05
Total owners' (or shareholders') equity attributable to owners of the parent company		2,740,047,895.12	2,818,869,452.99
Minority interests		-70,167,222.08	-22,231,278.98
Total owners' (or shareholders') equity		2,669,880,673.04	2,796,638,174.01
Total liabilities and owners' (or shareholders') equity		4,255,663,351.00	4,220,570,891.16

Principal of the Company: LI Yi Person in Charge of the Accounting Work: WANG Yingxia

Person in Charge of the Accounting Body: WANG Yingxia

Balance Sheet of the Parent Company

December 31, 2024

Prepared dAC5.2 0051004A11.4 056801 0.48 ref278.52 5 -182 5 LtSgerha68 (n)10.6 of.011 Tw

instruments			
Other non-current financial assets			
Investment properties			

Capital reserve		1,572,337,894.75	1,625,258,496.25

Less: Treasury shares

Equivalents			

[redacted]hanges in Owners' Equity

[redacted]ember 2024

In RMB

[redacted]	2024							
[redacted]ent company								
[redacted]	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Subtotal	Minority interests	Total owner's equity
[redacted]		84,873,365.32		667,122,406.05				

.2-5 ie (.2-5 s (f)8.6 Q7)]TJET241.95123.08 re2 51 27.6 .5 (9)]TJ0.007 Tw 8.04

by owners															
2. Capital contribution from holders of other equity instruments															
[redacted]											[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[redacted]

2. Transfer to general risk reserve															
3. Distributions to owners (or shareholders)											-24,635,205.93		-24,635,205.93	-11,040,000.00	-35,675,205.93
4. Others															

2. Capital contribution from holders of other equity instruments									[redacted]		
3. Share-based payment recognized in owners' equity	[redacted]				5,432,785.09		[redacted]		[redacted]	[redacted]	5,432,785.09
4. Others	[redacted]				-103,075,293.63	10,514,664.73	[redacted]			[redacted]	-119,432,441.36
(III) Profit distribution									18,286,719.58	-50,372,800.73	-32,086,081.15

[redacted]

Add: Changes in accounting policies										
Corrections of prior period errors										
Others										
II. Opening balance of the current year	457,107,538.00				1,541,789,874.63	19,377,297.59		74,242,241.33	579,741,763.06	2,633,504,119.43
III. Changes for the year (decrease is indicated by “-”)	5,103,800.00				83,468,621.62			9,353,583.26	59,547,043.36	157,473,048.24
(I) Total comprehensive income									93,535,832.55	93,535,832.55

III. Company Profile

1. Profile

ã Applicable Ǐ N/A

Appotronics Corporation Limited (hereinafter referred to as “Company” or “the Company”), formally named as Shenzhen Appotronics Optoelectronics Technology Inc. (hereinafter referred to as “Appotronics Inc.”), was jointly invested and established by LI Yi and XU Yanzheng, registered in Nanshan Branch of Market Supervision and Regulation Bureau of Shenzhen Municipality on October 24, 2006, and headquartered in Shenzhen City, Guangdong Province. The Company holds the business license bearing the unified social credit code of 91440300795413991N. Its registered capital is RMB 459,291,145.00 divided into 459,291,145 shares (RMB 1.00 per share), including 459,291,145 unrestricted A shares. The Company’s shares were listed for trading on Shanghai Stock Exchange on July 22, 2019.

The Company can be classified into the computer, communication and other electronic equipment manufacturing industry. It mainly engages in research and development, production, sales and leasing of laser display core components and complete equipment, and can provide customers with technical research and development services and customized products. Its products mainly include automotive optical products, laser optical engines, laser business and education projectors, smart mini projectors, laser TVs, laser large venue projectors and laser digital cinema projectors.

These financial statements have been approved by the 7th meeting of the third Board of Directors on April 28, 2025 for public disclosure.

IV. Basis of Preparation of Financial Statements

1. Basis of preparation

The Company’s financial statements are prepared on a going-concern basis.

2. Going concern

ã Applicable Ǐ N/A

The Company has detected no events or circumstances that may cast significant doubt upon its ability to continue as a going concern within 12 months from the reporting period.

V. Significant Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates:

ã Applicable Ǐ N/A

Important note: The Company establishes the specific accounting policies and makes the specific accounting estimates with respect to inventories, depreciation of fixed assets, construction in progress, intangible assets, recognition of revenues and other transactions and events according to the actual production and operation characteristics of the Company.

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

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises and truly and completely reflect the Company’s financial position, operating results, changes in shareholders’ equity, cash flows and other related information.

2. Accounting period

The Company’s accounting year is from January 1 to December 31 of each calendar year.

3. Operating cycle

ã Applicable Ĭ N/A

The Company has a relatively short operating cycle, and determines the liquidity of assets and liabilities on the basis of 12 months.

4. Functional currency

The Company adopts RMB as its functional currency.

5. Method and basis for determination of materiality

ã Applicable Ĭ N/A

The Company prepares and discloses financial statements on the principle of materiality. With respect to matters involving materiality determination criteria for the disclosure in the notes to these financial statements, the method for determining and the basis for selecting the materiality criteria are as

the balance sheet date; owners' equity items other than "undistributed profits" are translated at the spot exchange rates at the dates on which such items arose; income and expense items in the income statement are translated at the exchange rates that approximate the actual spot exchange rates on the dates of the transactions. Exchange differences arising from such translations are recognized in other comprehensive income.

11. Financial instruments

ã Applicable Ĭ N/A

1. Classification of financial assets and financial liabilities

On initial recognition, the Company's financial assets are classified into three categories, including (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; and (3) financial assets at fair value through profit or loss for the current period.

Upon initial recognition, the Company's financial liabilities are classified into four categories, including (1) financial liabilities at fair value through profit or loss for the current period; (2) financial liabilities arising as a result of the transfer of financial assets not meeting the criteria for derecognition or continuing involvement in the financial assets transferred; (3) financial guarantee contracts not falling under Clauses (1) and (2), and loan commitments not falling under Clause (1) and below market interest rate; and (4) financial liabilities at amortized cost.

2. Recognition, measurement and derecognition of financial assets and financial liabilities

(1)

using the effective interest method are recognized in profit or loss for the current period, and other gains or losses are recognized in other comprehensive income. Upon derecognition, the aggregate gains or losses previously recognized in other comprehensive income are transferred to profit or loss for the current period.

3) Investments in equity instruments at fair value through other comprehensive income t per

4) Financial liabilities at amortized cost

Financial liabilities at amortized cost are subsequently measured at amortized cost using the

Category of combination	Basis for determining a group	Method for measuring expected credit losses
		comparison table of the age of other receivables and rate of expected credit loss, and calculate the expected credit losses.

Other receivables - group of deposit and security receivable

ã Applicable Ĭ N/A

Refer to V.11 of Section X for details

16. Inventories

ã Applicable Ĭ N/A

Categories of inventories, costing method of inventories transferred out, inventory counting system, and amortization method for low cost and short-lived consumable items and packaging materials

ã Applicable Ĭ N/A

1. Categories of inventories

Inventories mainly include finished goods or commodities held for sale in the ordinary course of businesses, work in progress in the process of production or materials and supplies consumed in the process of production or rendering service.

2. Costing method of inventories upon delivery

The actual cost of inventories upon delivery is calculated using the moving weighted average method.

3. Inventory counting system

The perpetual inventory system is maintained for stock system.

4. Amortization method for low cost and short-lived consumable items and packaging materials

(1) Low cost and short-lived consumable items

Low cost and short-lived consumable items are amortized using the immediate write-off method.

(2) Packaging materials

Low cost and short-lived consumable items are amortized using the immediate write-off method.

Recognition standard and method for provision of impairment for inventory

ã Applicable Ĭ N/A

At the balance sheet date, inventories are measured at the lower of cost and net realizable value. If the net realizable value is below the cost, a provision for decline in value of inventories is made. For inventories directly used for sale, the net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale and relevant taxes. For inventories required for processing, the net realizable value is determined as the estimated selling price of finished goods in the ordinary course of business less the estimated costs of completion, and the estimated costs necessary to make the sale and relevant taxes. As at the balance sheet date, if in the same item of inventories, some are agreed with contractual prices while the others are not, the net realizable value for such inventories is determined separately, and compared with the costs of the two parts of inventories distinctively, so as to determine the provisions or reversal of provisions for decline in value of inventories separately.

Calculation method and determination basis of the net realizable value of each age combination for which the net realizable value of inventories is determined by age

Ǐ Applicable ã N/A

17. Contract assets

ã Applicable Ǐ N/A

Recognition method and criteria of contract assets

ã Applicable Ǐ N/A

Rights owned by the Company for unconditionally collecting the consideration from customers (that is, depending only on the time) are presented as receivables, and rights for collecting the consideration for goods that have been transferred to customers (depending on other factors than the time) are presented as contract assets.

Category of combination and determination basis for which the provision of bad debts is made by combination of credit risk characteristics

ã Applicable Ǐ N/A

Refer to V.11 of Section X for details

Aging calculation method for identifying combination of credit risk characteristics based on the age

ã Applicable Ǐ N/A

Refer to V.11 of Section X for details

Determination standard for individually making provision for bad debts

ã Applicable Ǐ N/A

Refer to V.11 of Section X for details

18. Non-current assets or disposal groups classified as held for sale

Ǐ Applicable ã N/A

Recognition standard and accounting method for non-current assets or disposal groups classified as held for sale

Ǐ Applicable ã N/A

Determination standard and presentation method for discontinued operation

Ǐ Applicable ã N/A

19. Long-term equity investments

ã Applicable Ǐ N/A

1. Judgments on joint control and significant influence

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities of such arrangement require unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy making of an entity, but does not control or jointly control over those policies.

2. Determination of investment cost

(1) In case of an equity investment acquired through a business combination involving entities under common control, if the acquirer pays consideration for the business combination by cash, transfer of non-monetary assets, assumption of liabilities or issuance of equity securities, the in5 (u)-5-4.1 (in5 (u)-5-4.1 0.096 Tv

income of the period in which the date of acquisition falls, except for other comprehensive income arising from re-measurement of changes in net liabilities or net assets of defined benefit plans.

(3) In the event of no business combination: The initial investment cost is the purchase price actually paid if it is acquired by cash, or the fair value of the equity securities issued if it is acquired through issuance of equity securities, or determined in accordance with the *Accounting Standards for Business Enterprises No. 12*

24. Biological assets

Ĭ Applicable ã N/A

25. Oil and gas assets

Ĭ Applicable ã N/A

26. Intangible assets

(1). Service life and determination basis thereof, estimation, amortization method, or verification process

ã Applicable Ĭ N/A

1. Intangible assets include land use rights, patents, and software and are measured at cost initially.

2. An intangible asset with a finite service life is amortized over its service life in a systematical and rational expected realization of economic benefits relative to the intangible asset, or is amortized using the straight line method if it is impossible to determine expected realization reliably. The details are as follows:

Item	Service life and determination basis thereof	Amortization method

(2) Expenses of direct investments

The expenses of direct investments refer to the relevant expenditures actually incurred by the Company for conducting R&D activities, including: 1) expenses of materials, fuels, and power directly consumed; 2) expenses for developing and manufacturing molds and process equipment for intermediate tests and product trials, expenses for the procurement of samples, sample devices, and general tests not constituting fixed assets, and inspection expenses for trial products; and 3) the expenses for the maintenance, adjustment, check, inspection, repair, etc. of the instrument and devices used in R&D activities.

(3) Depreciation expenses and long-term prepaid expenses

Depreciation expenses refer to the depreciation costs of instrument, equipment, and buildings used in R&D activities.

Where the instrument, equipment, and buildings used in R&D activities are also used for non-R&D activities at the same time, necessary records are kept for the use of such instrument, equipment, and buildings, and the depreciation expenses actually incurred are allocated between the R&D expenses and the production and operation expenses by using a reasonable method based on the actual working hours and areas in use.

Long-term prepaid expenses refer to the long-term prepaid expenses incurred during the reconstruction, modification, decoration, and repair of R&D facilities, which shall be collected according to the expenditures actually incurred, and be amortized on an average basis for the specified period.

(4) Amortization expenses of intangible assets

The amortization expenses of intangible assets refer to the amortization expenses of software, intellectual property rights, and non-patented technologies (know-how, license, design, calculation method, etc.) used in R&D activities.

(5) Development expenses for outsourced R&D

Development expenses for outsourced R&D refer to the expenses incurred in R&D activities conducted by other domestic and overseas institutions or individuals engaged by the Company (the results of such R&D activities being owned by the Company and being closely related to the main business of the Company).

(6) Other expenses

Other expenses refer to other expenses directly related to R&D activities except for the expenses above, including expenses for technical books and materials, material translation expenses, expert consulting fees, insurance premiums for high-tech R&D projects, expenses for the search, demonstration, evaluation, appraisal and acceptance of R&D results, expenses for the application, registration, and agency of intellectual property rights, meeting expenses, travel expenses, communication expenses, etc.

Expenditures incurred during the research phase of internal research and development projects are recognized as current expenses when they occur. Expenditures on an internal research and development project at development phase are recognized as an intangible asset if all the following conditions are met:

The short-term employee benefits actually incurred are recognized as liabilities in the accounting period during which employee services are rendered, and included in profit or loss for the current period or the cost of related assets.

(2). Accounting treatment of post-employment benefits

ã Applicable Ǐ N/A

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

(1) In the accounting period during which employee services are rendered, the amount in contribution as calculated according to the defined contribution plan is recognized as liabilities and included in profit or loss for the current period or the cost of related assets.

(2) The accounting treatment of a defined benefit plan generally involves the following steps:

1) According to the projected unit credit method, use the unbiased and consistent actuarial assumptions to estimate demographic variables and financial variables, measure the obligation arising from the defined benefit plan and determine the period to which the relevant obligation belongs. Meanwhile, discount the obligation arising from the defined benefit plan, in order to determine the present value of the defined benefit plan obligation and the current service cost;

2) If the defined benefit plan has assets, the deficit or surplus resulting after reducing the present value of the defined benefit plan obligation by the fair value of the defined benefit plan is recognized as a net liability or asset of the defined benefit plan. If the defined benefit plan has a surplus, the net assets of the defined benefit plan are measured at the lower of surplus in the defined benefit plan and asset ceiling;

3) At the end of the reporting period, the cost of employee benefits arising from the defined benefit plan is recorded as service cost, net interest on the net liabilities or net assets of the defined benefit plan, and changes arising from re-measurement of the net liabilities or net assets of the defined benefit plan, wherein the service cost and the net interest on the net liabilities or net assets of the defined benefit plan are included in profit or loss for the current period or the cost of related assets, and the changes arising from re-measurement of the net liabilities or net assets of the defined benefit plan are included in other comprehensive income, which will not be reserved to profit or loss in subsequent periods, but may be transferred within the scope of equity.

(3). Accounting treatment of termination benefits

ã Applicable Ǐ N/

If termination benefits are provided to employees, the liabilities of employee benefits from the

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

Ǐ Applicable ã N/A

31. Provisions

ã Applicable Ǐ N/A

1. An obligation arising from any external guarantee, litigation, product quality warranty, onerous contract or other contingencies is recognized as a provision if it is a present obligation assumed by the Company, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably measured.

2. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation. The carrying amount of provisions is reviewed at the balance sheet date.

32. Share-based payments

ã Applicable Ǐ N/A

1. Categories of share-based payments

Share-based payments include equity-settled share-based payments and cash-settled share-based payments

2. Accounting treatment for implementation, modification and termination of share-based payment plan

(1) Equity-settled share-based payments

Equity-settled share-based payments in exchange for services rendered by employees that can be executed immediately upon being granted, are measured at the fair value of the equity instruments at the grant date, and recognized as related costs or expenses with a corresponding adjustment to capital reserve. At each balance sheet date during the vesting period, equity-settled share-based payments in exchange for services rendered by employees that cannot be executed until services in the vesting period are completed or required performance conditions are satisfied, are measured at the fair value of the equity instruments at the grant date based on the best estimate of exercisable numbers of equity instruments, and recognized as related costs or expenses with a corresponding adjustment to capital reserve.

For equity-settled share-based payments in exchange for services rendered by other parties, if the fair value of services from other parties can be measured reliably, they are measured at the fair value of services from other parties at the date when such services are received. If the fair value of services from other parties cannot be measured reliably but the fair value of the equity instruments can be measured reliably, they are measured at the fair value of the equity instruments at the date when such services are received. The fair value of the equity instruments are recognized as related costs or expenses, with a corresponding increase in owners' equity.

(2) Cash-settled share-based payments

Cash-settled share-based payments in exchange for services rendered by employees that can be executed immediately upon being granted, are recognized as related costs or expenses based on the fair value of liabilities assumed by the Company at the grant date, with a corresponding increase in liability. At each balance sheet date during the vesting period, cash-settled share-based payments in exchange for services rendered by employees that cannot be executed until services in the vesting period are completed or required performance conditions are satisfied, are measured at the fair value of liabilities assumed by the Company based on the best estimate of exercisable conditions, and recognized as related costs or expenses and relevant liabilities.

(3) Modification and termination of share-based payment plan

In case the Company modifies a share-based payment plan, if the modification increases the fair value of the equity instruments granted, the Company will include the incremental fair value of the equity instruments granted in the measurement of the amount recognized for services received. If the modification increases the number of the equity instruments granted, the Company will include the fair value of additional 5.3 (nc)0.8 (l)5.3 (ude)0.8 ( )0.d ( )ee .3 (l)5.2 (i)5.3 (50.d a)0.a(nc)0.8 6[b)16.4inced i14 Tw 16.1480.8

An obligation meeting one of the following conditions is one to be performed within a period of time, and the remaining are obligations to be performed at a specific time p considered.

(4) If a contract contains two or more performance obligations, at the beginning date of the contract, the Company allocates the transaction price to individual performance obligations according to the relative proportion of the individual sale prices of the goods promised under such individual performance obligations.

3. Specific methods for revenue recognition

(1) Revenue from sales of goods

Revenue from sales of goods denotes contractual obligations to be performed at a time point. Our sales include sales to the domestic market and sales to foreign markets.

Goods sold to the domestic market: 1) Under the direct sale model and the distribution mode, the Company recognizes the revenue when the goods sent have been delivered to customers with customers' receipt given to the Company. For goods sold attached with return conditions, the Company recognizes the revenue according to the amount of the consideration expected to be received by the Company on the basis of transferring goods to the customer, and recognizes liabilities to write off the revenue according to the expected amount to be refunded due to the return of goods; for goods required for installment and inspection after sales, the Company recognizes the revenue when such goods have been installed and inspected with customers' acceptance certificate given to the Company. Where the Company shares the profit from the sales of products by downstream end customers, the revenue from such profit sharing is recognized at the best estimate of the variable consideration determined according to an expected value, which variable consideration is estimated reasonably at the time of revenue recognition. 2) Under the commissioned sales mode, the Company recognizes the revenue when it receives the list of commissioned sales from the customer.

Goods exported to overseas markets: The Company mainly adopts FCA for export of goods. Under this mode, the Company recognizes the revenue when it delivers goods at the designated location with export customs clearance procedures completed.

(2) E-commerce platform revenue

In the e-commerce platform model, the e-commerce platform is responsible for product promotion and order management. Consumers place orders and pay directly to the e-commerce platform, and the e-commerce platform arranges third-party logistics through the Company or ships directly to the consumer by the e-commerce platform after receiving the consumer's payment. The specific revenue recognition time points are: for domestic e-commerce platforms, revenue is recognized according to the time of end customers' receipt; for foreign e-commerce platforms, revenue is recognized after the Company receives and checks the confirmation list of the e-commerce platform according to the reconciliation time agreed in the contract.

(3) Other incomes

Other incomes denote contractual obligations to be performed at a time point/during a specific period of time. For installation services provided by the Company, the Company recognizes the revenue when it has completed the services and received customers' acceptance certificate; for repair and maintenance services provided by the Company, the Company recognizes the revenue when it has completed the services and received payments; for patent license services provided by the Company, the Company recognizes the revenue when the patent license is delivered; for technology development services provided by the Company, the Company recognizes the revenue when it has completed the services or when the agreed time point of service acceptance is reached.

(2). Different revenue recognition and measurement methods for businesses of the same type but operated under different modes

Ĭ Applicable ã N/A

35. Contract costs

Ĭ Applicable ã N/A

36. Government grants

ã Applicable Ĭ N/A

1. Government grants are recognized if (1) the Company meets the conditions attached to the government grants; and (2) the Company will receive the government grants. Government grants in the

recognizing the relevant costs, expenses or losses, included in profit or loss for the current period or offset against the relevant costs. Government grants related to income as compensation for costs, expenses or losses already incurred are directly included in profit or loss for the current period or offset against the relevant costs.

4. Government grants related to daily operations of the Company are recognized in other income or offset against the relevant costs and expenses depending on the nature of economic business. Government grants not related to daily operations of the Company are recognized in non-operating revenue or expenses.

5. Accounting treatment of policy preferential loans and interest subsidies

(1) If the Ministry of Finance appropriates the interest subsidies to the lending bank, who then grants the loan to the Company at the policy preferential rate, the loan is stated as the amount actually

reasonable certainty that the lessee will obtain ownership of the leased asset by the end of the lease term, the Company depreciates the leased asset over its remaining service life. If there is no reasonable certainty that the lessee will obtain ownership of the leased asset by the end of the lease term, the Company depreciates the leased asset over the shorter of the lease term and its remaining service life.

(2) Lease liabilities

On the lease inception date, the Company recognizes the present value of lease payments not paid as lease liabilities. The interest rate implicit in the lease is used as the discount rate for calculating the present value of the lease payments; if the interest rate implicit in the lease cannot be determined, the incremental borrowing interest rate of the Company is used as the discount rate. The difference between the lease payments and the present value thereof is considered as unrecognized financing charges; in each period during the lease term, interest expenses are recognized in the profit or loss for the current period according to the discount rate of the present value of recognized lease payments. Variable lease payments not included in measurement of lease liabilities are recognized in the profit or loss for the current period when they actually arise.

Where, after the lease inception date, there are changes in the substantial fixed payment, the payables expected on the basis of the residual value of the guarantee, the index or ratio used for determining the lease payment, and the evaluation results or actual exercise of purchase option, renewal option or lease termination option, the Company re-measures the lease liability as per the present value of the lease payment after change, and adjusts the book value of the right-of-use assets accordingly. Where the book value of the right-of-use assets has been reduced to zero, but the lease liability still needs to be further reduced, the Company includes the residual amount in the current profit or loss.

Categorization standard and accounting method for leases as the lessor

ã Applicable Ǐ N/A

On the lease inception date, the Company classifies a lease in which almost all the risks and rewards related to the ownership of the leased asset have been substantially transferred as a finance lease, and recognizes all other leases as operating leases.

Operating lease

In each period during the lease term, the Company recognizes lease payments as rental incomes by using the straight line method; initial direct expenses incurred are capitalized, and amortized on the same basis for recognizing lease incomes and recognized in the profit or loss for each period. The variable lease payments acquired by the Company that are related to operating leases and not recognized in lease payments are recognized in the profit or loss for the current period when they actually occur.

38. Deferred tax assets and deferred tax liabilities

ã Applicable Ǐ N/A

1. The difference between the tax base of an asset or liability and its carrying amount (or in case of an item not recognized as asset or liability whose tax base can be determined according to the applicable

tax law, the difference between its tax base and carrying amount) is recognized as a deferred tax asset or deferred tax liability according to the tax rate applicable to the period in which the asset or liability is expected to be recovered or settled.

2. Deferred tax assets are recognized to the extent of the amount of income tax payable that will be available in future periods against which deductible temporary differences are deductible. At the balance sheet date, deferred tax assets not recognized in prior periods are recognized if there's conclusive evidence that it is probable that sufficient taxable income will be available in future periods against which the deductible temporary differences are deductible.

3. At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of the deferred tax assets to be utilized. If it is probable that sufficient taxable income will be probably available, the reduced amount is reversed.

4. The income taxes and deferred taxes are included in profit or loss for the current period as income tax expenses or gains, except the income taxes arising from any: (1) business combination; or (2) transaction or event directly recognized in owners' equity.

5. The Company presents deferred tax assets and deferred tax liabilities as net amounts after offsetting if: (1) the Company has the legal right to settle the current income tax assets and liabilities on a net basis; and (2) the deferred tax assets and deferred tax liabilities are related to the income taxes levied by the same taxation authority on the same taxation subject, or are not related to the same taxation subject but in every significant future period for reversing deferred income assets and liabilities, the involved taxation subjects intend to settle the current income tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

39. Other significant accounting policies and accounting estimates

Ǐ Applicable ã N/A

40. Changes in significant accounting policies and accounting estimates

(1). Changes in significant accounting policies

ã Applicable Ǐ N/A

In RMB

the Ministry of Finance since January 1, 2024, and has made retrospective adjustment to information in the comparable period		
The Company has implemented the provisions on "Accounting of quality warranty with the nature of guarantee that are not individual performance obligations" in the *Interpretation of the Accounting Standards for Business Enterprises No. 18* released by the Ministry of Finance since January 1, 2024, and has made retrospective adjustment to information in the comparable period	Selling expenses	-23,442,636.08
The Company has implemented the provisions on "Accounting of quality warranty with the nature of guarantee that are not individual performance obligations" in the *Interpretation of the Accounting Standards for Business Enterprises No. 18* released by the Ministry of Finance since January 1, 2024, and has made retrospective adjustment to information in the comparable period	Cash payments for goods purchased and services received	23,442,636.08
The Company has implemented the provisions on "Accounting of quality warranty with the nature of guarantee that are not individual performance obligations" in the *Interpretation of the Accounting Standards for Business Enterprises No. 18* released by the Ministry of Finance since January 1, 2024, and has made r4.3186 w233 as(t8 (d8 T)4.31.3 a)4. rs aj(r)TJu retrospec (t)5.2 (r)3.6 63.84(d ha)048 rem8apay r thevivo Tf-0.00e		

and construction tax		
Education surcharges	The actual amount of turnover tax paid	3%
Local education surcharges	The actual amount of turnover tax paid	2%
Enterprise income tax	Taxable income	6.5%, 8.25%, 8.7%, 8.84%, 15%, 16.5%, 19%, 20%, 21%, 23.2%, 25%, 25.8%

Disclosure of taxpayers with different rates of enterprise income tax:

ã Applicable Ĭ N/A

Taxpayer	**Rate of enterprise income tax (%)**
The Company	15%
Formovie (Chongqing) Innovative Technology Co., Ltd.	15%
Appotronics Hong Kong Limited	8.25%, 16.5%
Beijing Orient Appotronics Technology Co., Ltd.	20%
JoveAI Innovation, Inc.	8.7%, 8.84%, 21%
Appotronics USA, Inc.	8.84%, 21%
Formovie Technology Inc	21%
JoveAI Limited	Tax exemption
WEMAX LLC	21%
Appotronics Technology (Changzhou) Co., Ltd.	20%
Qingda Appotronics (Xiamen) Technology Co., Ltd.	20%
Shenzhen Appotronics Home Line Technology Co., Ltd.	20%
Shenzhen Appotronics Laser Technology Co., Ltd.	20%
Shenzhen Appotronics Xiaoming Technology Co., Ltd.	20%
JoveAI Asia Company Limited	20%
Formovie Limited	16.5%
Chongqing Ewei Ecommerce Co., Ltd.	20%
Chongqing Guangbo Ecommerce Co., Ltd.	20%
Shenzhen Orange Juice Energy Technology Co., Ltd.	20%
Tianjin Bonian Film Partnership (LP)	Tax exemption
CINEAPPO Laser Cinema Technology (Beijing) Co., Ltd.	15%
Hong Kong Orange Juice Energy Technology Co., Limited	16.5%
Wemax Inc.	6.5%, 21%
Shenzhen Weiwoqi Trading Co., Ltd.	20%
Yaoyouguang (Chongqing) Technology Co., Ltd.	20%
Appotronics International Limited	

1. Appotronics Hong Kong Limited, as domiciled in Hong Kong, one of which can apply the two-level income tax system, namely, applying the tax rate of 8.25% for the first HKD 2 million taxable income and 16.5% for the remaining taxable income

2. JoveAI Limited, as domiciled in the Cayman Islands, is exempt from enterprise income tax

3. Appotronics USA, Inc., as domiciled in the United States, applies the federal enterprise income tax rate of 21% and the California state enterprise income tax rate of 8.84%

4. JoveAI Innovation, Inc., as domiciled in the United States, applies the federal enterprise income tax rate of 21%, the California state enterprise income tax rate of 8.84%, and the Delaware state enterprise income tax rate of 8.7%

5. Formovie Technology Inc., as domiciled in the United States, applies the federal enterprise income tax rate of 21%

6. JoveAI Asia Company Limited, as domiciled in Vietnam, applies the enterprise income tax rate of 20%

7. WEMAX LLC, as domiciled in the United States, applies the federal enterprise income tax rate of 21%

8. Formovie Limited, as domiciled in Hong Kong, applies the income tax rage of 16.5%

9. Hong Kong Orange Juice Energy Technology Co., Limited, as domiciled in Hong Kong, applies the income tax rate of 16.5%

10. Wemax Inc, as domiciled in the United States, applies the federal enterprise income tax rate of 21%, and the New York state enterprise income tax rate of 6.5%

11. Appotronics International Limited, as domiciled in Hong Kong, applies the income tax rate of 16.5%

12. Appotronics International 1 Limited, as domiciled in Hong Kong, applies the income tax rate of 16.50%

13. Appotronics International 2 Limited, as domiciled in Hong Kong, applies the income tax rage of 16.50%

14. Appotronics Hong Kong Holding Limited, as domiciled in Hong Kong, applies the income tax rage of 16.50%

15. Appotronics Technology (Hong Kong) Limited, as domiciled in Hong Kong, applies the income tax rate of 16.50%

16. Appotronics Japan Co., Ltd., as domiciled in Japan, applies the legal person tax (i.e., corporate income tax) at two rates: 15% and 23.2%. For companies with the registered capital less than or equal to JPY 100 million, the preferential tax rate of 15% is applicable for the profits below JPY 8.00 million. The tax rate 23.2% is applicable to other profits

17. Appotronics Holding B.V., as domiciled in the Netherlands, applies the corporate income tax at two rates: the preferential tax rate of 19% is applicable for the profits below EUR 200,000, and the tax rate 25.8% is applicable to other profits

2. Tax incentives

ã Applicable Ĭ N/A

1. Enterprise income tax

(1) On December 19, 2022, the Company obtained the High-tech Enterprise Certificate (Certificate No.: GR202244206480) jointly issued by Shenzhen Science, Technology, and Innovation Commission, Shenzhen Finance Bureau and Shenzhen Tax Service of State Taxation Administration with a valid term of three years. Therefore, it paid the enterprise income tax at a rate of 15% in 2024.

(2) On November 28, 2022, Formovie (Chongqing) Innovative Technology Co., Ltd. obtained the High-tech Enterprise Certificate (Certificate No.: GR202251101763) jointly issued by Chongqing Municipal Science and Technology Bureau, Chongqing Finance Bureau and Chongqing Tax Service of State Taxation Administration with a valid term of three years.

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(5). Provision for bad debts

ã Applicable Ĭ N/A

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off or cancellation	Other changes	
Provision for bad debts made by group	393,328.68		143,353.71			249,974.97
Total	393,328.68		143,353.71			249,974.97

Including significant amounts recovered or reversed from the current provision for bad debts:

Ĭ Applicable ã N/A

Other information:

None

(6). Notes receivable actually canceled in the current period

Ĭ Applicable ã N/A

In which significant amounts of notes receivable canceled are described below:

Ĭ Applicable ã N/A

Description of cancellation of notes receivable:

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

5. Accounts receivable

(1). Disclosure by age

ã Applicable Ĭ N/A

In RMB

Age	Closing balance of carrying amount	Opening balance of carrying amount
Within 1 year		
Where: Subitems within 1 year		
Subtotal of items within 1 year	321,282,627.05	174,956,389.44
1 to 2 years	6,430,683.47	18,036,240.20
2 to 3 years	4,228,742.93	19,637,948.14
Over 3 years	2,756,821.04	204,186.09
Total	334,698,874.49	212,834,763.87

(2). Disclosure by categories of provision for bad debts

ã Applicable Ĭ N/A

In RMB

Category	Closing balance					Opening balance				
	Carrying amount		Provision for bad debts		Book value	Carrying amount		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Percentage of provision (%)		Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made individually	3,002,096.65	0.90	3,002,096.65	100.00		17,568,210.65	8.25	17,568,210.65	100.00	
Where:										
Provision for bad debts made by group	331,696,777.84	99.10	21,501,455.67	6.48	310,195,322.17	195,266,553.22	91.75	14,976,545.32	7.67	180,290,007.90
Where:										

Description of significant changes in the balance of accounts receivable with changed provisions for losses in the current period

Ĭ Applicable ã N/A

(3).

Total	-	**16,186,263.24**	-	-	-

Description of cancellation of accounts receivable

Ĭ Applicable ã N/A

(5). Top five closing balances of accounts receivable and contract assets categorized by debtors

ã Applicable Ĭ N/A

In RMB

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision
Top 1	120,596,567.87		120,596,567.87	35.78	6,029,828.39
Top 2	50,569,431.74		50,569,431.74	15.00	2,528,471.59
Top 3	24,358,333.97		24,358,333.97	7.23	1,217,916.71
Top 4	20,649,686.90		20,649,686.90	6.13	1,032,484.35
Top 5	14,553,601.00		14,553,601.00	4.32	727,680.05
Total	230,727,621.48		230,727,621.48	68.46	11,536,381.09

Other information

None

Other information:

Ĭ Applicable ã N/A

6. Contract assets

(1).

In RMB

Category	Closing balance					Opening balance				
	Carrying amount		Provision for bad debts		Book value	Carrying amount		Provision for bad debts		Book value
	Amount	Percentage (%)	Amount	Percentage of provisi						

Ĭ Applicable ã N/A

(4). Description of provision for bad debts made on contract assets during the period

ã Applicable Ĭ N/A

In RMB

Item	Opening balance	Changes for the current period				Closing balance	Reason
		Provision in the current period	Recovery or reversal in the period	Write-off/cancellation in the period	Other changes		
Provision for impairment made by group	227,317.78	363,724.28				591,042.06	
Total	227,317.78	363,724.28				591,042.06	

(3) Receivables financing which are undue as at the balance sheet date but endorsed or discounted by the Company at the end of the period

ã Applicable Ĭ N/A

In RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bills	468,511,287.87	
Total	468,511,287.87	

The acceptors of bank acceptance bills are commercial banks with high credit. Because it is less probable that bank acceptance bills will not get paid at maturity, the Company has derecognized endorsed or discounted bank acceptance bills.

ã Applicable Ĭ N/A

Item by group: Group of bank acceptance bills

In RMB

Name	Closing balance		
	Financing amount receivable	Provision for bad debts	Percentage of provision (%)
Group of bank acceptance bills	12,552,177.09		
Total	12,552,177.09		

Description of provision for bad debts made by group

Ĭ Applicable ã N/A

Provision for bad debts made in accordance with the general model of ECL

Ĭ Applicable ã N/A

Basis for determination of each stage and percentage of provision for bad debts

N/A

Description of significant changes in the balance of receivables financing with changed provisions for losses in the current period:

Ĭ Applicable ã N/A

(5) Provision for bad debts

Ĭ Applicable ã N/A

Including significant amounts recovered or reversed from the current provision for bad debts:

Ĭ Applicable ã N/A

Other information

None

(6) Receivables financing actually canceled in the current period

Ĭ Applicable ã N/A

In which significant amounts of receivables financing canceled are described as below:

Ĭ Applicable ã N/A

(8) Other information:

Ĭ Applicable ã N/A

	amount	amount

Goods on hand	270,178,013.09	45,009,487.56	225,168,525.53	260,003,554.90	46,351,531.91	213,652,022.99
Turnover materials						
Consumable biological assets						
Contract performance cost	3,684,751.39		3,684,751.39	4,121,745.02	1,554,079.22	2,567,665.80
Materials in transit	676,811.80		676,811.80	180,136.65		180,136.65
Goods upon delivery	15,392,556.94	3,522,474.01	11,870,082.93	19,510,688.24	3,546,615.45	15,964,072.79
Materials for consigned processing	11,230,106.48	1,107,146.90	10,122,959.58	8,934,579.86	491,879.01	8,442,700.85
Total	709,823,682.85	114,304,437.66				

Item	Specific basis for determining the net realizable value	Reason for reversing the provision for decline in value of inventory	Reason for writing off the provision for decline in value of inventory
Raw materials	The net realizable value of raw materials is determined as the historical average selling price or actual average selling price of finished goods in the ordinary course of business less the estimated costs of completion, and the estimated costs necessary to make the sale and relevant taxes.	For the inventories of which a provision for decline in value has been made in prior period, their net realizable values have increased	The Company has consumed/sold the inventories for which a provision for decline in value of inventory has been made during the current period
Work in progress, and materials for consigned processing	The net realizable value is determined as the historical average selling price or actual average selling price of finished goods in the ordinary course of business less the estimated costs of completion, and the estimated costs necessary to make the sale and relevant taxes.	No reversal	

(5). Description of amortization of contract performance cost during the period

ã Applicable Ĭ N/A

In RMB

Item	Opening balance	Increase of the current period	Amortization of the current period	Reversal or write-off	Closing balance
Entrusted development	2,495,126.88	8,571,100.96	7,381,476.45		3,684,751.39
Overseas freight	72,538.92		72,538.92		
Subtotal	2,567,665.80	8,571,100.96	7,454,015.37		3,684,751.39

Other information

Ĭ Applicable ã N/A

11. Held-for-sale assets

Ĭ Applicable ã N/A

12. Non-current assets due within one year

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance
Debt investments due within one year		
Other debt investments due within one year		
Long-term receivables due within one year	70,070,776.42	51,499,061.03
Total	**70,070,776.42**	**51,499,061.03**

Debt investments due within one year

Ĭ Applicable ã N/A

Other debt investments due within one year

Ĭ Applicable ã N/A

Other description of non-current assets due within one year

None

13. Other current assets

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance

Financing income not realized							%
Total	**40,253,314.94**	**3,062,438.61**	**37,190,876.33**	**28,410,593.87**	**2,410,050.74**	**26,000,543.13**	

(2). Disclosure by categories of provision for bad debts

ã Applicable Ĭ N/A

In RMB

Category	**Closing balance**					Opening balance				
	Carrying amount		**Provision for bad debts**		**Book value**	**Carrying amount**		**Provision for bad debts**		**Book value**
	Amoun									

Description of provision for bad debts made by group

Ĭ Applicable ã N/A

(3). Provision for bad debts made in accordance with the general model of ECL

Ĭ Applicable ã N/A

Basis for determination of each stage and percentage of provision for bad debts

N/A

Description of significant changes in the balance of long-term receivables with changed provisions for losses in the current period:

Ĭ Applicable ã N/A

Basis for recognizing the amount of bad debt provisions and evaluating whether the credit risk of financial instruments has been increased significantly in the current period

Ĭ Applicable ã N/A

(4). Provision for bad debts

ã Applicable Ĭ N/A

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off or cancellation	Other changes	
Provision for bad debts made by group	2,410,050.74	6,491,974.25			5,839,586.38	3,062,438.61
Total	**2,410,050.74**	**6,491,974.25**			**5,839,586.38**	**3,062,438.61**

Other information

Ĭ Applicable ã N/A

17. Long-term equity investments

(1). Description of long-term equity investments

ã Applicable Ĭ N/A

In RMB

Investees J	Opening balance	Changes for the current period	Closing balance	Closing balance of provision for impairment
		T Additio m0.05300530̃04.2 ( )]TJ-0.0ı1 Tc 0.011(oW)30.925 -1.149 T.7 16(v)-8.s[(I)1e5.9 1>17.2 (m)]TJ-0.004 Tc 0.204 -1.134 Td[(e)-7.8 (n		

18. Investment in other equity instruments

(1). Description of investment in other equity instruments

ã Applicable Ĭ N/A

In RMB

Item	[illegible]

19. Other non-current financial assets

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance
Financial assets classified as financial assets at fair value through profit or loss	84,000,000.04	
Where: Equity investment	84,000,000.04	
Total	**84,000,000.04**	

Other information

Ĭ Applicable ã N/A

20. Investment properties

Measurement mode of investment properties

N/A

21. Fixed assets

Pr201.ted b 32b 32yyef-2.2 (yw 9.341 0 Td( )TjEMC /P /MCID 37 BDC /TT0 1 Tf-11.33 -1.71 (n)-3.9 (t)0.5 (e)-2.2 (d)-3.8

construction in progress					
(3) Currency movement	74,079.18	18,018.05	14,104.60		106,201.83
3. Decrease	7,806,166.20	613,529.51	3,275,932.17	67,527,405.15	79,223,033.03
(1) Disposal or retirement	6,300,785.74	613,529.51	3,184,197.55	1,807,692.20	11,906,205.00
(2) Transfer to inventories	1,505,380.46		91,734.62	65,719,712.95	67,316,828.03
4. Closing balance	198,394,011.36	3,394,391.47	74,862,100.50	646,798,398.89	923,448,902.22
II. Accumulated depreciation					
1. Opening balance	97,159,897.17	855,965.15	38,239,794.57	425,973,312.89	562,228,969.78
2. Increase of the current period	25,771,262.54	619,043.76	9,324,039.52	97,148,812.65	132,863,158.47
(1) Provision	25,713,796.11	617,333.67	9,308,037.91	97,148,812.65	132,787,980.34
(2) Currency movement	57,466.43	1,710.09	16,001.61		75,178.13
3. Decrease of the current period	3,769,053.12	582,853.03	2,534,906.47	46,833,148.54	53,719,961.16
(1) Disposal or retirement	3,563,163.99	582,853.03	2,478,799.15	1,712,438.20	8,337,254.37
(2) Transfer to inventories	205,889.13		56,107.32	45,120,710.34	45,382,706.79
4. Closing balance	119,162,106.59	892,155.88	45,028,927.62	476,288,977.00	641,372,167.09
III. Provision for impairment					
1. Opening balance	1,935,931.82			4,145,011.28	6,080,943.10
2. Increase of the current period					

	Carrying amount	Provision for impairment	Book value	Carrying amount	Provision for impairment	Book value
Headquarter buildings	395,113,584.12		395,113,584.12	344,481,907.55		344,481,907.55
Assets to be leased	1,816,827.27		1,816,827.27	3,295,231.31		3,295,231.31
Decoration construction	9,520,213.62		9,520,213.62			
Total	**406,450,625.01**		**406,450,625.01**	**347,777,138.86**		**347,777,138.86**

(2). Changes in significant constructions in progress for the current period

ã Applicable Ĭ N/A

In RMB

P-A8 (r)42.3 (o)-107 (j)-.6 (c)TJ0.025 Tc -0.020 Tw 11338 -11 47 Tdt( )Tj-0.004 Tc 0.004 Tw-09338 -11 47 Td[(n)-107 (am)107 (eB)TJ0 Tc 0 Tw( )TjEM

(2). Impairment test of productive biological assets measured at cost

Ĭ Applicable ã N/A

(3). Productive biological assets measured at fair value

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

24. Oil and gas assets

(1) Description of oil and gas assets

Ĭ Applicable ã N/A

(2) Impairment test of oil and gas assets

Ĭ Applicable ã N/A

Other information

None

25. Right-of-use assets

(1) Description of right-of-use assets

ã Applicable Ĭ N/A

In RMB

Item	Houses and buildings	Total
I. Original book value		
1. Opening balance	85,664,854.60	85,664,854.60
2. Increase of the current period	101,940,012.76	101,940,012.76
(1) Lease in	101,903,143.52	101,903,143.52
(2) Exchange rate changes	36,869.24	36,869.24
3. Decrease of the current period		

3. Decrease				
(1) Disposal				
4. Closing balance	3,669,349.86			3,669,349.86
IV. Book value				
1. Closing balance		258,993,499.74	13,025,678.49	272,019,178.23
2. Opening balance		270,014,499.78	11,946,546.44	281,961,046.22

The proportion of intangible assets generated by the Company's internal research and development to the balance of intangible assets at the end of the period is 0.

(2). Data resources recognized as intangible assets

Ĭ Applicable ã N/A

(3). Land use rights of which certificates of title have not been obtained

Ĭ Applicable ã N/A

(4) Impairment test of intangible assets

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

27. Goodwill

(1). Original book value of goodwill

Ĭ Applicable ã N/A

(2). Impairment provision of goodwill

Ĭ Applicable ã N/A

(3). Relevant information of groups of assets or combinations of groups of assets where the goodwill is recognized

Ĭ Applicable ã N/A

Changes in groups of assets or combinations of groups of assets

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

(4). Specific method for determining the recoverable amount

The recoverable amount is determined as the fair value net of disposal expenses

Ĭ Applicable ã N/A

The recoverable amount is determined according to the present value of the estimated future cash flows

Ĭ Applicable ã N/A

Reason for the obvious difference between the information above and the information used in the impairment test in previous years or external information

Ĭ Applicable ã N/A

Reason for the obvious difference between the information used by the Company in the impairment test in previous years and the actual conditions of the corresponding year

Ĭ Applicable ã N/A

(5). Performance covenant and impairment of the corresponding goodwill

There is a performance covenant and the reporting period or the prior period is within the pe the te a troormrm

Provisions	32,607,986.78	4,891,198.02	34,841,473.16	5,226,220.97
Share-based payment expenses	12,806,222.60	1,920,933.39	61,226,650.97	9,183,997.65
Other current liabilities	8,541,614.81	1,281,242.22	4,991,932.34	748,789.85
Deferred income	1,199,899.95	179,984.99	2,718,881.63	407,832.24
Lease liabilities	112,072,741.16	17,097,695.94	34,994,645.59	5,283,800.22
Held-for-trading financial assets			990,000.00	148,500.00
Deductible losses	276,091,526.71	52,156,587.97	239,029,918.69	35,854,487.80
Total	**707,892,077.12**	**117,241,923.59**	**663,593,976.49**	**99,573,807.84**

(2). Deferred tax liabilities that are not offset

ã Applicable Ĭ N/A

In RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Long-term receivables	81,467,921.55	12,220,188.23		

Other information

None

31. Items of restricted assets

ã Applicable Ĭ N/A

In RMB

Item	Closing				Opening			
	Carrying amount	Book value	Type of restriction	Restriction	Carrying amount	Book value	Type of restriction	Restriction

Ĭ Applicable ã N/A

39. Employee benefits payable

(1). Presented by employee benefits payable

ã Applicable Ĭ N/A

In RMB

Item	Opening balance	Increase of the current period	Decrease of the current period	Closing balance
I. Short-term employee benefits	60,944,415.43	392,576,834.66	394,963,291.58	58,557,958.51
II. Post-employment benefits-defined contribution plan	235,754.95	17,113,745.07	16,710,167.50	639,332.52
III. Termination benefits	5,694,064.09	4,250,885.40	9,221,095.08	723,854.41
IV. Other benefits due within one year				
Total	**66,874,234.47**	**413,941,465.13**	**420,894,554.16**	**59,921,145.44**

(2). Presented by short-term employee benefits

ã Applicable Ĭ N/A

In RMB

Item	Opening balance	Increase of the current period	Decrease of the current period	Closing balance
I. Wages or salaries, bonuses, allowances and subsidies	60,435,649.24	351,193,227.65	353,410,297.87	58,218,579.02
II. Staff welfare	276,355.00	8,346,257.13	8,449,400.36	173,211.77
III. Social security contributions	151,646.45	11,089,834.17	11,127,351.04	114,129.58
Where: Medical insurance	143,966.79	10,049,181.18	10,086,513.66	106,634.31

3. Enterprise annuity contribution				
Total	**235,754.95**	**17,113,745.07**	**16,710,167.50**	**639,332.52**

Other information

Ĭ Applicable ã N/A

40. Taxes payable

ã Applicable Ĭ N/A

In RMB

Ĭ Applicable ã N/A

(3). Dividends payable

Presented by categories

Ĭ Applicable ã N/A

(4). Other payables

Other payables presented by nature

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance
Withholding	519,438.92	519,802.15
Deposits/margins	11,333,729.28	14,940,040.78
Withdrawals in advance	61,241,052.17	35,291,543.85
Temporary receipts payable	892,918.90	3,391,122.39
Total	**73,987,139.27**	**54,142,509.17**

Other payables with significant amounts aged more than 1 year or overdue

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

42.

Item	Closing balance	Opening balance
Rebates payable	10,482,071.00	

45. Long-term borrowings

(1). Categories of long-term borrowings

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance
Pledge and mortgage borrowings	125,195,126.01	136,305,570.04
Guaranteed loans	59,980,000.00	136,980,000.00
Credit loans	96,650,000.00	97,000,000.00
Interests payable	258,422.66	364,061.18
Total	**282,083,548.67**	**370,649,631.22**

Description for categories of long-term borrowings

None

Other information

Ĭ Applicable ã N/A

46. Bonds payable

(1). Bonds payable

Ĭ Applicable ã N/A

(2). Specific information about bonds payable: (excluding other financial instruments such as preferred shares, perpetual bonds and others classified as financial liabilities)

Ĭ Applicable ã N/A

(3). [illegible]

reserve to capital premium (share premium). Pan-China Certified Public Accountants LLP audited this capital increase and issued a Capital Verification Report (Tian Jian Yan (2024) No. 7-13).

On November 5, 2024, the Company de-registered the 5,842,483 shares repurchased and reduced its share capital by RMB 5,842,483.00.

54. Other equity instruments

(1). Basic information of other financial instruments including outstanding preferred shares and perpetual bonds at the end of the period

Ĭ Applicable ã N/A

(2). Changes in financial instruments including outstanding preferred shares and perpetual bonds at the end of the period

Ĭ Applicable ã N/A

Changes of other equity instruments in the current period, reasons for such change and basis for related accounting treatments

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

55. Capital reserve

ã Applicable Ĭ N/A

In RMB

Item	Opening balance	Increase of the current period	Decrease of the current period	Closing balance
Capital premium (share premium)	1,468,447,805.00	52,564,282.09	112,343,057.62	1,408,669,029.47
Other capital reserve	148,041,762.43	9,919,212.72	12,475,493.29	145,485,481.86
Total	**1,616,489,567.43**	**62,483,494.81**	**124,818,550.91**	**1,554,154,511.33**

Othe deciption, incuding c in the cre peiod aeons for cge

1) Refeo V(I) 38(2) for the inease inhtal reserve - shareeium in theurre peiod;

2) Refeo V(I) 32 fo th dease inhcaptal reserv- oh captal reservnhen pio

3) Unde the021 Snd Retricehaencntiveahe tota ee of ety- settled share-baepaymes aounteo RMB 1,241,369.34, in which RMB 1,241,369.34 wa reognizn thtal reservoher capital reserv;

4) Unde the022 Reticee Incivean, theota eeof ety- settled share-based paesaounteto RMB 990,691.46, in whicRMB 990,691.46 wareognizin thecta rerveother capital resee);

5) In 2022, the Company granted restricted shares to the actual controller through its shareholding platform. The total expense of equity-settled share-based payments amounted to RMB 5,518,051.09, in which RMB 5,518,051.09 was recognized in the capital reserve (other capital reserve);
6) On January 1, 2021, the Company granted restricted shares to senior officer of subsidiaries through its shareholding platform. The total expense of equity-settled share-based payments amounted to RMB 297,657.11, in which RMB 201,811.53 was recognized in the capital reserve (other capital reserve) and RMB 95,845.58 was charged to the amount attributable to minority interests;
7) In 2022, Chongqing Formovie, a subsidiary of the Company, deliberated and adopted the Resolution on Granting Equity Shares of Shenzhen Fengye Investment Consulting Limited Partnership (Limited Partnership), under which shares of Chongqing Formovie are granted to employees. In the current period, the total expense of equity-settled share-based payments amounted to RMB 1,113,659.46, in which RMB 436,443.15 was recognized in the capital reserve (other capital reserve), and RMB 677,216.31 was charged to the amount attributable to minority interests;
8) Based on the equity interests diluted due to capital increase in the Company's participating company, the capital reserve (other capital reserve) of RMB 1,530,846.15 was recognized;
9) Based on the Company's acquisition of equity interests from minority shareholders, the capital reserve (share premium) was reduced by RMB 3,370,716.72;
10) Based on the Company's acquisition of equity interests from minority shareholders through the exercise of convertible bonds, the capital reserve (share premium) was reduced by RMB 5,897,047.27;
11) Based on the de-registration of the Company's subsidiary, the capital reserve (other capital reserve) was reduced by RMB 291.55;
12) On December 31, 2024, the closing fair value of equity-settled share-based payments experienced changes, which reduced the deferred tax assets by RMB 3,333,268.03, reduced the capital reserve (other capital reserve) by RMB 3,101,980.54, and reduced the minority interests by RMB 231,287.49.
13) On November 5, 2024, the Company de-registered treasury shares, which reduced by the capital reserve (share premium) by RMB 103,075,293.63.

56. Treasury shares

ã Applicable Ǐ N/A

In RMB

Item	Opening balance	Increase of the current period	Decrease of the current period	Closing balance

II. Other comprehensive income that will be reclassified to profit or loss	12,450,073.78	-16,752,932.52	-17,834,275.74			1,081,343.22	-317,428.87	13,531,417.00
Where: Other comprehensive income that will be reclassified to profit or loss under the equity method	-16,306,810.51	-1,527,465.23	-17,834,275.74			16,306,810.51		
Changes in fair value of other debt investments								
Amount of financial assets reclassified to other comprehensive income								
Provision for credit impairment of other debt investments								
Reserve for cash flow hedges								
Exchange differences on translation of financial statements denominated in foreign currencies	28,756,884.29	-15,225,467.29				-15,225,467.29	-317,428.87	13,531,417.00
Total other comprehensive income	7,550,073.78	-16,752,932.52	-17,834,275.74			1,081,343.22	-317,428.87	8,631,417.00

Other description, including adjustments on transferring effective portion of cash flow hedges to amount upon initial recognition of the hedged item

None

58. Special reserve

Ĭ Applicable ã N/A

59. Surplus reserve

ã Applicable Ĭ N/A

In RMB

Item	Opening balance

1. As a result of the retrospective adjustment of the *Accounting Standards for Business Enterprises* and related new regulations, undistributed profits at the beginning of the period were affected by RMB 0.00.
2. Retained profits at the beginning of the period were affected by RMB 0.00 due to changes in accounting policies.
3. Retained profits at the beginning of the period were affected by RMB 0.00 due to the correction of significant accounting errors.
4. Retained profits at the beginning of the period were affected by RMB 0.00 due to changes in the scope of consolidation resulting from business combination involving entities under common control.
5. Retained profits at the beginning of the period were affected by RMB 0.00 in total due to other adjustments.

On June 3, 2024, at the 2023 annual general meeting of shareholders, the *Proposal on Preliminary Plan on Profit Distribution for 2023* was reviewed and passed, approving to make profit distribution on the basis of the total shares on the record date of interest distribution - the Company proposed to distribute to all shareholders a cash dividend of RMB 0.7 (tax inclusive) for every 10 shares. The total cash dividend to be paid is RMB 32,086,081.15.

61. Operating revenue and operating costs

(1). Description of operating revenue and operating costs

ã Applicable Ǐ N/A

In RMB

Item	Current period		Prior period	
	Revenue	Cost	Revenue	Cost
Main business	2,418,574,391.82	1,733,837,423.57	2,213,356,977.95	1,435,201,005.16
Other business				
Total	**2,418,574,391.82**	**1,733,837,423.57**	**2,213,356,977.95**	**1,435,201,005.16**

(2). Breakdown of operating revenue and operating costs

Ĭ Applicable ã N/A

Other information

ã Applicable Ĭ N/A

In RMB

1) Breakdown of revenue from contracts with customers by the type of goods or services

Item	Current period		Prior period	
	Revenue	Cost	Revenue	Cost
Laser optical engine	1,049,823,687.26	790,632,967.99	507,173,216.98	288,863,674.33
Complete laser projector	839,600,111.80	636,215,284.67	1,132,584,285.59	824,300,273.09
Others	207,986,024.43	181,702,932.36	204,432,985.18	175,765,940.26
Subtotal	**2,097,409,823.49**	**1,608,551,185.02**	**1,844,190,487.75**	**1,288,929,887.68**

2) Breakdown of revenue from contracts with customers by operating region

Item	Current period		Prior period	
	Revenue	Cost	Revenue	Cost
Domestic	1,820,138,791.84	1,443,409,202.44	1,494,048,400.22	1,084,482,584.05
Overseas	277,271,031.65	165,141,982.58	350,142,087.53	204,447,303.63
Subtotal	**2,097,409,823.49**	**1,608,551,185.02**	**1,844,190,487.75**	**1,288,929,887.68**

3) Breakdown of revenue from contracts with customers by the transfer time of goods or services

Item	Current period	Prior period
Revenue recognized at a time point	2,090,818,285.03	1,838,714,320.05
Revenue recognized for a period of time	6,591,538.46	5,476,167.70
Subtotal	**2,097,409,823.49**	**1,844,190,487.75**

(3). Description of performance obligations

ã Applicable Ĭ N/A

In RMB

Item	Time when obligations are performed	Main payment provisions	Nature of the goods to be transferred by the Company	Main responsible person or not	Amounts to be refunded to customers by the Company	Type of quality warranty provided by the Company and relevant obligations
Sales of goods	Upon delivery of goods	The payment term is general a specific period following the delivery of products	Product	Yes	None	Quality warranty with the nature of guarantee
Rendering of services	Upon the rendering of services	Normally advance receipts	Technical services	Yes	None	None

Rendering of services	Upon the rendering of services	Normally advance receipts	Lease services	Yes	None	None
Total	-	-	-	-		-

(4). Description of allocation to remaining performance obligations

Ĭ Applicable ã N/A

(5). Material contract changes or material adjustment in transaction prices

Ĭ Applicable ã N/A

Other information

None

62. Taxes and surcharges

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period
City maintenance and construction tax	4,265,440.47	3,531,311.38
Stamp duty	1,708,514.55	1,499,223.49
Education surcharges	1,836,692.98	1,546,743.38
Local education surcharges	1,228,673.61	1,031,162.25
Others	101,059.64	159,604.45
Total	**9,140,381.25**	**7,768,044.95**

Other information

None

63. Selling expenses

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period
Employee benefits	81,027,699.23	98,106,453.46
Marketing fees	52,137,592.06	118,059,262.30
Service fees	13,639,628.80	21,964,113.14
Travel expenses	8,413,781.55	7,796,836.26
Business entertainment expenses	3,679,939.30	2,826,688.91
Advertising and business promotion expenses	2,716,775.14	3,794,167u.8
Other expenses	24,900,869.38	24,689,780.46
Total	**186,516,285.46**	**277,237,296.91**

Other information

None

64. Administrative expenses

ã Applicable Ĭ N/A

Classified by nature	Current period	Prior period

Held-for-trading financial assets	11,999,239.21	130,000.00
Where: Gains from changes in fair values generated by derivative financial instruments		
Held-for-trading financial liabilities		
Investment properties measured at fair value		
Other non-current financial assets	-16,183,505.62	
Total	**-4,184,266.41**	**130,000.00**

Other information

None

71. Losses of credit impairment

ã Applicable Ǐ N/A

In RMB

Item	Current period	Prior period
Impairment losses of notes receivable	143,353.71	-275,713.53
Impairment losses of accounts receivable	-8,401,541.45	-586,531.51
Impairment losses of other receivables	-1,548,163.69	-309,115.58
Impairment losses of debt investments		
Impairment losses of other debt investments		
Impairment losses of long-term receivables	-652,387.87	424,001.28
Impairment losses related to financial guarantees		
Impairment losses of non-current assets due within one year	-5,839,586.38	-6,232,088.46
Total	**-16,298,325.68**	**-6,979,447.80**

Other information

None

72. Impairment losses of assets

ã Applicable Ǐ N/A

In RMB

Item	Current period	Prior period
I. Impairment losses of contract assets	-363,724.28	945,310.21
II. Losses of decline in value of inventories and impairment losses of contract performance cost	-63,202,258.76	-58,362,634.11
III. Impairment losses of long-term equity investments		-11,606,996.75
IV. Impairment losses of investment properties		
V. Impairment losses of fixed assets	-4,340,134.76	-5,236,534.09
VI. Impairment losses of materials for construction		
VII. Impairment losses of construction in progress		
VIII. Impairment losses of productive biological assets		
IX. Impairment losses of oil and gas assets		
X. Impairment losses of intangible assets		
XI. Goodwill impairment losses		
XII. Others		
Total	**-67,906,117.80**	**-74,260,854.74**

Other information

None

73. Gains from disposal of assets

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period
Gains from disposal of assets	-287,204.24	151,469.26
Total	**-287,204.24**	**151,469.26**

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78. Items in cash flow statement

(1). Cash related to operating activities

Other cash receipts related to operating activities

ã Applicable Ǐ N/A

In RMB

Item	Current period	Prior period
Interest income	23,330,366.17	31,705,192.68
Government grants	9,365,679.75	36,467,444.30
Recovery of security deposits	23,414,876.62	48,740,274.02
Other tran/P ÆT 120.24 12.001 reW nBT10.5		

(increase is indicated by "-")		
Increase in payables from operating activities (decrease is indicated by "-")	261,734,832.15	-151,127,567.85
Others	1,928,213.60	8,489,415.17
Net cash flow from operating activities	87,220,645.17	364,082,055.08

Item	Amount for the current period	Amount for the prior period	Reason

Item	Major overseas operation place	Functional currency	Basis for selection
Appotronics Hong Kong Limited	Hong Kong	USD	Common currency
Appotronics USA, Inc.	USA	USD	Local currency
JoveAI Limited	Cayman Islands	USD	

Sale and leaseback transactions and determination basis

ã Applicable Ĭ N/A

None

The total cash outflow related to lease is RMB 42,419,017.09.

Item

VIII. R&D Expenditures

1. Presentation by the nature of expenses

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period
Employee benefits	168,225,238.76	188,475,365.59
Material consumption expenses	21,175,755.74	32,923,076.62
Depreciation and amortization expenses		

Company name	Method of obtaining equity	Time point of obtaining equity	Capital contribution	Proportion of contribution
Appotronics Technology (Hong Kong) Limited	Newly established	February 2, 2024	14,724,396.00	100.00%
Shenzhen Qingfeng Property Management Co., Ltd.	Newly established	May 23, 2024	100,000.00	100.00%
Appotronics Hong Kong Holding Limited	Newly established	May 31, 2024		100.00%
Appotronics Japan Co., Ltd.	Newly established	May 31, 2024		100.00%
Appotronics Holding B.V.	Newly established	May 31, 2024		100.00%

2) Decreased scope of combination

Company name	Method of disposing equity	Time point of disposing equity	Net assets on the disposal date	Net profits from the beginning of the period to the disposal date
Appotronics Technology (Changzhou) Co., Ltd.	Liquidated	October 16, 2024		8,993,272.36
Shenzhen Weiwoqi Trading Co., Ltd.	Liquidated	July 8, 2024		23.36
Formovie Technology Inc	Liquidated	July 2024		22,036.97
WEMAX LLC	Liquidated	May 2024		8,376,991.53

6. Others

Ĭ Applicable ã N/A

X. Equity in Other Entities

1. Equity in subsidiaries

(1). Composition of enterprise group

ã Applicable Ǐ N/A

In RMB 0’000

Subsidiary	Principal operation place	Registered capital	Registration place	Business nature	Proportion of shareholding (%)		Acquisition method
					Direct	Indirect	
Shenzhen Appotronics Laser Display Technology Co., Ltd.	Shenzhen	CNY 3,000.00	Shenzhen	R&D and sales of laser display products	100.00		Business combination involving entities under common control
Appotronics Technology (Changzhou) Co., Ltd.	Changzhou	CNY 2,000.00	Changzhou	Technical research and development of projection equipment, screen and electronic computer.	100.00		Establishment
Shenzhen Appotronics Software Technology Co., Ltd.	Shenzhen	CNY 1,000.00	Shenzhen	Technical development and sales of computer software and hardware	100.00		Establishment
Shenzhen Appotronics Display Device Co., Ltd.	Shenzhen	CNY 300.00	Shenzhen	Technical development, sales, and technical services for display products; Import and export business	100.00		Establishment
WEMAX LLC	USA	USD 30.00	USA	Sales of laser equipment		100.00	Establishment
Shenzhen Appotronics Xiaoming Technology Co., Ltd.	Shenzhen	CNY 200.00	Shenzhen	Development, consultation and transfer of laser display technology	100.00		Establishment
Shenzhen Appotronics Home Line Technology Co., Ltd.	Shenzhen	CNY 100.00	Shenzhen	Software development related to semiconductor optoelectronic products	100.00		Establishment
Shenzhen Appotronics Laser Technology Co., Ltd.	Shenzhen	CNY 100.00	Shenzhen	Software development for semiconductor optoelectronic devices	100.00		Establishment
Tianjin Bonian Film Partnership (LP)	Tianjin	CNY 824.70	Tianjin	No specific business conducted	99.00	1.00	Business combination not involving entities under common

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Appotronics Hong Kong Limited	Hong Kong	USD 4,320.00	Hong Kong	Production, research, and development of semiconductor optoelectronic products, sales and consulting, investment and video content value-added services		100.00	Establishment

Appotronics Hong Kong Holding Limited	Hong Kong	HKD 1.00	Hong Kong	No specific business conducted	100.00		Establishment
Appotronics Japan Co., Ltd.	Japan	JPY 1000.00	Japan	No specific business conducted		100.00	Establishment
Appotronics Technology (Hong Kong) Limited	Hong Kong	HKD 1.00	Hong Kong	No specific business conducted	100.00		Establishment
Appotronics Holding B.V.	Netherlands	EUR 5.00	Netherlands	No specific business conducted		100.00	Establishment

(2). Significant non-wholly subsidiaries

ã Applicable Ĭ N/A

In RMB

Subsidiaries	Shareholding by minority shareholders Ratio	Profit or loss attributable to minority shareholders for the current period	Dividends declared for distribution to minority shareholders in the current period	Closing balance of minority interests
Formovie (Chongqing) Innovative Technology Co., Ltd.	60.81%	-67,383,321.94		-229,354,310.66
CINEAPPO Laser Cinema Technology (Beijing) Co., Ltd.	32.20%	33,854,997.03	21,252,000.00	174,855,182.94

Description of the difference between the proportion of shareholding by minority shareholders and their proportion of voting rights in a subsidiary

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

(3). Significant financial information of significant non-wholly-owned subsidiaries

ã Applicable Ĭ N/A

In RMB

Subsidiaries	Closing balance	Opening balance

Other information

None

(4). Significant limitations on use of the group assets and pay off the group debts

Ĭ Applicable ã N/A

(5). Financial or other support provided to structured entities included in consolidated financial statements:

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

2. Changes of shares of owrti4srrll stiern cnttion

Deferred income	878,377.59	927,200.00	930,699.16	874,878.43	Related to incomes

counterparty ranking, guarantee methods, collateral category, and repayment way) and forward-looking information.

3. Refer to VII.4, VII.5, VII.6, VII.7, VII.9, and VII.16 of Section X for details of reconciliation of the opening balance and the closing balance of provision for impairment of financial instruments.

4. Credit risk exposure and credit risk concentration

The Company's credit risk is primarily from cash and bank balances and receivables. In order to control the risks associated with aforementioned items, the Company has taken the following measures.

(1) Cash and bank balances

The credit risk of the Company is limited because the Company has deposited bank deposits and other monetary funds in banks with high credit ratings.

(2) Receivables and contract assets

The Company regularly evaluates the creditworthiness of its customers with deals on credit, and selects to deal with approved and creditworthy customers subject to the results of the credit assessment with monitoring the balance of its receivables, so as to ensure that the Company is not exposed to significant risk of bad debt.

No collaterals are required since the Company only deals with third parties that are approved and creditworthy. The concentrated credit risks are managed by customers. As of December 31, 2024, the Company is exposed to certain concentration of credit risks, as the Company's accounts receivable and contract assets from top 5 customers have accounted for 68.46% of the total balance of accounts receivable and contract assets (December 31, 2023: 59.01%). The Company held no collateral or other credit ranking measures for the balance of accounts receivable and contract assets.

The maximum exposure to the Company is the carrying amount of each financial asset in the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk that the Company is in shortage of funds in performing obligations that are settled by delivering cash or another financial asset. Liquidity risk may arise from an inability to sell a financial asset at fair value as soon as possible, a counterparty's inability to pay its contractual liabilities, the accelerated maturity of liabilities, or an inability to generate expected cash flows.

In order to control this risk, the Company balances the continuity and flexibility of financing by using various financing measures such as notes settlement and bank loans comprehensively and adopting both long-term and short-term financing methods to optimize the financing structure. The Company has received credit facilities from a number of commercial banks to satisfy its working capital requirements and capital expenditures.

Financial liabilities classified by remaining maturity dates

In RMB

Item	Closing balance				
	Book value	**Undiscounted contract amount**	**Within 1 year**	**1-3 years**	**Over 3 years**
Bank	539,333,538.22	563,810,505.88	269,031,293.45	209,030,180.60	85,749,031.83

Item	Closing balance				
	Book value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
borrowings					
Notes payable	184,786,728.04	184,786,728.04	184,786,728.04		
Accounts payable	351,760,010.32	351,760,010.32	351,760,010.32		

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the currency risk is primarily associated with the Company’s monetary assets and liabilities dominated in foreign currencies. If the monetary assets and liabilities dominated in foreign currencies are imbalanced in a short time, the

(2) Financial assets derecognized due to transfer

ã Applicable Ǐ N/A

In RMB

Item	Method of transferring financial assets	Amount of financial assets derecognized	Gains or losses associated with derecognition
Receivables financing	Discounting	458,947,261.37	-3,173,096.28
Notes receivable	Endorsement	2,817,325.00	
Receivables financing	Endorsement	9,564,026.50	
Total	**-**	**471,328,612.87**	**-3,173,096.28**

(3) Transferred financial assets with continuous participation

Ǐ Applicable ã N/A

Other information

Ǐ Applicable ã N/A

XIII. Disclosure of Fair Value

1. The closing balance of the fair value of assets and liabilities measured at fair value

ã Applicable Ǐ N/A

In RMB

Item	Closing balance of fair value			
	Level 1 - fair value measurement	Level 2 - fair value measurement	Level 3 - fair value measurement	Total
I. Continuous fair value measurement				
(I) Held-for-trading financial assets			263,936,739.25	263,936,739.25

3. Valuation techniques and qualitative and quantitative information of key parameters adopted for continuous and non-continuous level 2 fair value measurement items

Ĭ Applicable ã N/A

4. Valuation techniques and qualitative and quantitative information of key parameters adopted for continuous and non-continuous level 3 fair value measurement items

ã Applicable Ĭ N/A

With respect to the bank wealth management products held by the Company, the fair value thereof is determined by estimating and discounting the future cash flow according to the expected return rate.

The Company uses specific valuation techniques to determine fair value, and important parameters used include the net assets of the investee and the costs of commercial bills at the end of the period.

5. Reconciliation between opening and closing carrying amounts and sensitivity analysis of

Shenzhen Appotronics Holdings Limited	Shenzhen	R&D and sales of semiconductor products

Other information

None

5. Related-party transactions

(1). Sales and purchase of goods, rendering and receipt of services

China Film Equipment Co., Ltd. and its affiliates	Laser digital cinema projector, laser light source, lease services	25,855,022.37	26,982,529.63
YLX Incorporated and its affiliates	Parts	1,597,268.79	4,123,489.91
Shenzhen Zhongjian Technology Co., Ltd.	Service	463,238.77	41,903.98
GDC Technology Limited (BVI) and its affiliates	Cinema projector, spare parts, and software	289,788.18	441,254.26
Beijing Donview Education Technology Co., Ltd. and its affiliates	Laser business education projector	47,050.43	40,002.03
Huayu Automotive Systems Co., Ltd. and its affiliates	Service	73,510.00	Ha
Subtotal		**184,604,575.78**	

The Company as the lessee

Prepayments	China Film Equipment Co., Ltd. and its affiliates	1,582,451.98	913.6 (026,8 (51.9)8 48 (8)]TJ95.216 0 Td( )TjEM

	period							
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Management members			2,922,290.00	46,113,350.89			2,184,900.00	44,140,002.44
Management members (Chongqing Formovie)							2,141,482.50	3,995,734.90
Total			2,922,290.00	46,113,350.89			4,326,382.50	48,135,737.34

Outstanding share options or other equity instruments at the end of the period

ã Applicable Ĭ N/A

Category of payee	**Outstanding share options at the end of the period**		**Outstanding other equity instruments at the end of the period**	
	Exercise price range	**Remaining contractual period**	**Exercise price range**	**Remaining contractual period**
Management members	RMB 4.3-22.771/share	7 months		
Management members (Chongqing Formovie)	RMB 1-3.42/share	18 months		

Other information

None Ȯ ow Ǿ î î d a O

Amounts of equity-settled share-based payments accumulated in capital reserve	143,348,067.49	19,271,589.58
Total expenses recognized arising from equity-settled share-based payments	8,049,258.77	1,113,659.46

3. Cash-settled share-based payments

Ĭ Applicable ã N/A

4. Share-based payment expenses in the current period

ã Applicable Ĭ N/A

In RMB

Category of payee	Expenses of equity-settled share-based payments	Expenses of cash-settled share-based payments
Management members	9,162,918.23	
Total	**9,162,918.23**	

Other information

None

5. Modification to and termination of share-based payments

Ĭ Applicable ã N/A

6. Others

Ĭ Applicable ã N/A

XVI. Commitments and Contingencies

1. Significant commitments

Ĭ Applicable ã N/A

2. Contingencies

2. Civil litigation and arbitration where the Company acted as the defendant

As of December 31, 2024, the important information about civil litigation and arbitration in which the Company acted as a defendant is specifically as follows:

Case No.	Cause (i)4AI

4. Description of other events after the balance sheet date

ã Applicable Ǐ N/A

Our main business is the production and sales of laser display core components and complete equipment products. The Company consider this business as a whole for management and appraisal of operating results. Therefore, the Company does not need to disclose segment information. Refer to VII.61 of Section X for the breakdown of the Company's revenue.

(2). Financial information of reporting segments

Ĭ Applicable ã N/A

(3). If the Company has no reporting segments, or cannot disclose the total assets and liabilities of reporting segments, specify the reasons

Ĭ Applicable ã N/A

(4). Other information

Ĭ Applicable ã N/A

7. Other significant transactions and matters having an impact on the decisions of investors

Ĭ Applicable ã N/A

8. Others

Ĭ Applicable ã N/A

XIX. Notes to Key Items in the parent Company's Financial Statements

1. Accounts receivable

(1). Disclosure by age

ã Applicable Ĭ N/A

In RMB

Age	Closing balance of carrying amount	Opening balance of carrying amount
Within 1 year		
Where: Subitems within 1 year		
Subtotal of items within 1 year	465,460,213.98	248,513,107.85
1 to 2 years	132,881,135.17	168,649,179.18
2 to 3 years	106,318,262.97	40,720,444.20
Over 3 years	25,237,626.12	13,741,038.86
Total	**729,897,238.24**	**471,623,770.09**

(2). Disclosure by categories of provision for bad debts

ã Applicable Ĭ N/A

In RMB

Category

	Amount	Percentage (%)	Amount	Percentage of provision (%)		Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made individually	766,700.00	0.11	766,700.00	100.00		863,700.00	0.18	863,700.00	100.00	llylly debts

Total	**193,949,915.95**	**14,022,764.69**	**7.23**

Description of provision for bad debts made by group

Ǐ Applicable ã N/A

Provision for bad debts made in accordance with the general model of ECL

Ǐ Applicable ã N/A

Basis for determination of each stage and percentage of provision for bad debts

Refer to V.11 of Section X for details.

Description of afn(i)5.2 frcinti8y.7 (c)0.8 (c)0.8 (t)5.3 (i)5.2ta /P r/C2_0 1 Tf-0.005 Tc 0.005 T

Entity	Nature of accounts receivable	Cancellation amount	Reason for write-off	Write-off procedure performed	Whether the amounts are from related-party transactions
Appotronics Technology (Changzhou) Co., Ltd.	Goods payment	11,153,179.24	The counterparty is de-registered	Verify the operating conditions of the counterparty, and subject to proper approval by the Company	Yes
Total	-	**11,153,179.24**	-	-	-

Description of cancellation of accounts receivable

Ĭ Applicable ã N/A

(5). Top five closing balances of accounts receivable and contract assets categorized by debtors

ã Applicable Ĭ N/A

In RMB

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision
Top 1	344,113,768.40		344,113,768.40	47.02	
Top 2	120,596,567.87		120,596,567.87	16.48	6,029,828.39
Top 3	63,408,235.05		63,408,235.05	8.66	
Top 4	55,229,437.28		55,229,437.28	7.55	
Top 5	25,726,224.16		25,726,224.16	3.51	
Total	**609,074,232.76**		**609,074,232.76**	**83.22**	**6,029,828.39**

Other information

None

Other information

Ĭ Applicable ã N/A

2. Other receivables

Presented by items

ã Applicable Ĭ N/A

In RMB

Item	Closing balance	Opening balance
Interests receivable		
Dividends receivable		
Other receivables	377,595,695.99	15,382,402.91

Total	**377,595,695.99**	**15,382,402.91**

Other information

Ĭ Applicable ã N/A

Interests receivable

(1). Categories of interests receivable

Ĭ Applicable ã N/A

(2). Significant interests overdue

Ĭ Applicable ã N/A

(3). Disclosure by categories of provision for bad debts

Ĭ Applicable ã N/A

Provision for bad debts made indi

ã N/A

Ĭ A@Plicableã N/A

Description of cancellation

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

Dividends receivable

(6). Dividends receivable

Ĭ Applicable ã N/A

(7). Significant dividends receivable aged more than 1 year

Ĭ Applicable ã N/A

(8). Disclosure by categories of provision for bad debts

Ĭ Applicable ã N/A

Provision for bad debts made individually

Ĭ Applicable ã N/A

Explanation about provision for bad debts made individually

Ĭ Applicable ã N/A

Provision for bad debts made by group

Ĭ Applicable ã N/A

Provision for bad debts made in accordance with the general model of ECL

Ĭ Applicable ã N/A

Basis for determination of each stage and percentage of provision for bad debts

N/A

Description of significant changes in the balance of dividends receivable with changed provisions for losses in the current period:

Ĭ Applicable ã N/A

(9). Provision for bad debts

Ĭ Applicable ã N/A

Including significant amounts recovered or reversed from the current provision for bad debts

Ĭ Applicable ã N/A

Other information

None

(10).

In which significant amounts of dividends receivable canceled are described as below

Ĭ Applicable ã N/ ₽

Top 2	21,046,960.12	5.57	Receivables from related parties in the scope of consolidation	Within 1 year	
Top 3	11,630,803.31	3.08	Receivables from related parties in the scope of consolidation	Within 1 year; 1-2 years	
Top 4	8,892,678.98	2.36	Deposits/margins/petty cash	Within 1 year	444,633.95
Top 5	3,574,618.00	0.95	Deposits/margins/petty cash	Over 3 years	178,730.90
Total	**367,515,423.65**	**97.33**	**-**	**-**	**623,364.85**

(17). Presentation in other receivables due to centralized fund management

Ǐ Applicable ã N/A

Other information

Ǐ Applicable ã N/A

3. Long-term equity investments

ã Applicable Ǐ N/A

In RMB

Item	Closing balance		Opening balance
	Carrying amoffijETEI		

Beijing Orient Appotronics Technology Co., Ltd.	5,900,000.00						5,900,000.00	
Shenzhen Appotronics Xiaoming Technology Co., Ltd.		12,000,000.00						12,000,000.00
Formovie (Beijing) Technology Co.,Ltd.	3,325,738.82						3,325,738.82	
Qingda Appotronics (Xiamen) Technology Co., Ltd.	4,272,207.21	827,792.79					4,272,207.21	827,792.79
Shenzhen Appotronics Laser Display Technology Co., Ltd.	18,966,857.26						18,966,857.26	
Appotronics Hong Kong Limited	305,944,668.85		98,265.05	306,042,933.90				
JOVEAI Innovation	800,010.02							

Appotronics International Limited			30,127,358.78				30,127,358.78	
Appotronics Technology (Hong Kong) Limited			14,724,396.00				14,724,396.00	

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“Others” in “changes for the current period” indicate an additional investment made by another shareholder, which diluted the amount of the equity interests held by the Company.

4. Operating revenue and operating costs

(1). Description of operating revenue and operating costs

ã Applicable Ĭ N/A

In RMB

Item	Current period		Prior period	
	Revenue	Cost	Revenue	Cost
Main business	1,634,247,969.49	1,325,107,966.02	1,120,351,462.42	792,526,113.10

Item	Time when obligations are performed	Main payment provisions	Nature of the goods to be transferred by the Company	Main responsible person or not	Amounts to be refunded to customers by the Company	Type of quality warranty provided by the Company and relevant obligations
Sales of goods	Upon delivery of goods	The payment term is general a specific period following the delivery of products	Product	Yes	None	Quality warranty with the nature of guarantee
Total	-	-	-	-	-	-

(4). Description of allocation to remaining performance obligations

Ĭ Applicable ã N/A

(5). Material contract changes or material adjustment in transaction prices

Ĭ Applicable ã N/A

Other information

None

5. Investment income

ã Applicable Ĭ N/A

In RMB

Item	Current period	Prior period
Gains from long-term equity investment accounted for using the cost method	143,374,100.00	7,452,000.00
Gains from long-term equity investment accounted for using the equity method	-1,124,968.52	-163,837.89
Investment income from disposal of long-term equity investments	12,336,143.05	
Investment income from held-for-trading financial assets during the holding period		

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Making Public Offering of Securities No. 1 - Non-recurring Profit or Loss as recurring profit or loss items.

Ĭ Applicable ã N/A

Other information

Ĭ Applicable ã N/A

2. Return on net assets and earnings per share

ã Applicable Ĭ N/A

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	1.01	0.06	0.06
Net profit after deduction of non-recurring profits or losses attributable to ordinary shareholders of the Company	1.16	0.07	0.07

3. Differences in accounting data under Chinese accounting standards and overseas accounting standards

Ĭ Applicable ã N/A

4. Others

Ĭ Applicable ã N/A

Chairman: LI Yi

Date of Approval for submission by the Board of Directors: April 28, 2025

Revision information

Ĭ Applicable ã N/A