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APT Electronics Co., Ltd.

廣東晶科電子股份有限公司

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

(Stock Code: 2551)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS

SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS

The Board announces that from the Listing Date to the date of this announcement, the Group has subscribed for certain structured deposit products provided by licensed banks in China, including Bank of Communications and Bank of China. The Company subscribed from the Bank of Communications for structured deposit products on January 24, 2025, February 10, 2025, and April 28, 2025 (the “**Bank of Communications Subscriptions**”). The Company subscribed from the Bank of China for four structured deposit products on April 23, 2025 (the “**Bank of China Subscriptions**”). For further details, please refer to the sections headed “— Bank of Communications Subscriptions” and “— Bank of China Subscriptions” in this announcement.

LISTING RULES IMPLICATIONS

In respect of the Bank of Communications Subscriptions, as the structured deposit products subscribed by the Group from Bank of Communications are of a similar nature and were entered into with the same bank within a 12-month period, pursuant to Rule 14.22 of the Listing Rules, the highest applicable percentage ratio for each Bank of Communications Subscriptions I, II and III made on an aggregated basis exceeds 5% but is less than 25%. Each of Bank of Communications Subscriptions I, II and III constitutes a discloseable transaction of the Company, which are subject to the reporting, announcement and annual review requirements under Chapter 14 of the Listing Rules.

In respect of the Bank of China Subscriptions, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for each of the Bank of China Subscriptions I, II, III and IV are below 5%, therefore each Bank of China Subscription does not constitute a discloseable transaction of the Company on an individual basis. As the structured deposit products subscribed by the Group from Bank of China are of a similar nature and were all entered into on the same date, pursuant to Rule 14.22 of the Listing Rules, the highest applicable percentage ratio for the Bank of China Subscriptions I, II, III and IV made on an aggregated basis exceeds 5% but is less than 25%. Bank of China Subscriptions constitute a discloseable transaction of the Company under the Listing Rules and is subject to the reporting, announcement and annual review requirements under Chapter 14 of the Listing Rules.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, the counterparties to the Subscriptions are all independent third parties to the Company, therefore, the Subscriptions do not constitute connected transactions under Chapter 14A of the Listing Rules.

SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS

The Board announces that from the Listing Date to the date of this announcement, the Group has subscribed for certain structured deposit products provided by licensed banks in China, including Bank of Communications and Bank of China. The Company subscribed from the Bank of Communications for structured deposit products on January 24, 2025, February 10, 2025, and April 28, 2025 (the “**Bank of Communications Subscriptions**”). The Company subscribed from the Bank of China for four structured deposit products on April 23, 2025 (the “**Bank of China Subscriptions**”). For further details, please refer to the sections headed “— Bank of Communications Subscriptions” and “— Bank of China Subscriptions”, respectively, in this announcement.

The Subscriptions were funded from surplus cash reserves generated by daily operations of the Group.

Bank of Communications Subscriptions

The principal terms of the Bank of Communications Subscriptions I, II and III are set out in the table below:

No.	Bank of Communications Subscriptions	Subscription Date	Product Name	Type of Product	Term of product	Annualized Return Rate as set out in the Subscription Agreements	Subscription Amount (RMB'000)
1.	Bank of Communications Subscription I	January 24, 2025	Bank of Communications Win-to-Fortune Fixed-term Structured Deposit 45 Days (Range Accrual Linked to Exchange Rate)	Principal-guaranteed Floating Yield Type — Conservative Product (1R) ^{Note 1}	45 days	1.2%–2.15%	50,000
2.	Bank of Communications Subscription II	February 10, 2025	Bank of Communications Win-to-Fortune Fixed-term Structured Deposit 14 Days (Currency-linked Bullish)	Principal-guaranteed Floating Yield Type — Conservative Product (1R) ^{Note 1}	14 days	0.8% or 1.45% or 1.65%	60,000
3.	Bank of Communications Subscription III	April 28, 2025	Bank of Communications Win-to-Fortune Fixed-term Structured Deposit 21 Days (Currency-linked Bullish)	Principal-guaranteed Floating Yield Type — Conservative Product (1R) ^{Note 1}	21 days	0.8% or 1.65% or 1.85%	77,000

Note 1: The Bank of Communications classifies product risk ratings into six levels: Conservative (1R), Prudent (2R), Balanced (3R), Growth (4R), Aggressive (5R), and Highly Aggressive (6R). The Bank of Communications' internal rating classifies the product as Conservative (1R), indicating an extremely low overall risk level, minimal return fluctuations, and a high degree of certainty in principal repayment and achieving expected returns.

Bank of China Subscriptions

The principal terms of the Bank of China Subscriptions I, II, III and IV are set out in the table below:

No.	Bank of China Subscriptions	Subscription Date	Product Name	Type of Product	Term of product	Annualized Return Rate as set out in the Subscription Agreements	Subscription Amount ^{Note 1} (RMB'000)
1.	Bank of China Subscription I	April 23, 2025	RMB Structured Deposit Products	Principal-guaranteed Floating Yield Type (Low Risk)	28 days	0.6400% or 2.9500%	10,500
2.	Bank of China Subscription II	April 23, 2025	RMB Structured Deposit Products	Principal-guaranteed Floating Yield Type (Low Risk)	36 days	0.6500% or 2.2000%	45,000
3.	Bank of China Subscription III	April 23, 2025	RMB Structured Deposit Products	Principal-guaranteed Floating Yield Type (Low Risk)	30 days	0.6500% or 2.9600%	9,500
4.	Bank of China Subscription IV	April 23, 2025	RMB Structured Deposit Products	Principal-guaranteed Floating Yield Type (Low Risk)	36 days	0.6500% or 2.2000%	20,000

Note 1: Pursuant to Rule 14.22 of the Listing Rules, the Bank of China Subscriptions I, II, III and IV were aggregated for the calculation of the applicable percentage ratios (calculated in accordance with Rule 14.07 of the Listing Rules).

BASIS FOR DETERMINING THE CONSIDERATION

The Directors confirm that the amount and terms of each Subscription were determined through arm's length negotiation between the Group and Bank of Communications and Bank of China respectively (as the case may be), based on ordinary commercial terms, taking into account the rationality of the investment terms, risk level and expected return rate of such structured deposit products.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

To make reasonable use of the surplus cash reserves generated from the day-to-day operations of the Group and to enhance the overall capital return of the Group, and after considering the Group's normal operational funding needs and liquidity requirements, the Company decided to use part of the surplus cash reserves to subscribe to short-term structured deposit products. The Company has considered that: (i) subscription of the aforementioned structured deposit products represents the Group's cash management of temporarily idle funds without affecting daily operations, which is conducive to enhancing the efficiency of the Group's fund utilization, increasing investment returns, and generating more returns for the Group and Shareholders; (ii) the subscribed structured deposit products feature principal guarantee, low return volatility and short terms (within three months), and are essentially risk-free in nature; and (iii) the Group has established and improved corresponding internal control measures to ensure the standardization of the subscription activities, effectively safeguarding the interests of the Group and Shareholders.

Therefore, the Directors (including all the independent non-executive Directors) are of the view that the terms of the structured deposit products under each Subscription are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

DETAILS OF THE PARTIES

The Group

The Group is a provider of intelligent vision products and system solutions encompassing intelligent automotive vision, high-end lighting and advanced display. Leveraging industry insights and proactive approaches to technological innovation, the Group houses a broad array of "LED+" technologies that integrate LED technologies with integrated circuits, electronic control, software, sensors, optics and others. The Group designs, develops and manufactures a wide range of LED intelligent vision products and system solutions, namely, LED products and system solutions, covering functions of illumination, display, sensing, decoration and interaction, with intelligent features. Specifically, the LED intelligent vision products of the Group encompass intelligent automotive vision products, high-end lighting products and advanced display products.

Bank of Communications Co., Ltd.

Bank of Communications is a licensed bank in China and a joint stock company incorporated in the PRC with limited liability. Its H shares and A shares are listed on the Main Board of the Stock Exchange (Stock Code: 03328) and the Shanghai Stock Exchange (Stock Code: 601328), respectively. It mainly provides a wide range of financial products and services to customers worldwide. The ultimate beneficial owner of Bank of Communications is the Ministry of Finance of the People's Republic of China.

Bank of China Limited

Bank of China is a licensed bank in China and a joint stock company incorporated in the PRC with limited liability. Its H shares and A shares are listed on the Main Board of the Stock Exchange (Stock Code: 03988) and the Shanghai Stock Exchange (Stock Code: 601988), respectively. It mainly provides a wide range of financial products and services to customers worldwide. The ultimate beneficial owner of Bank of China is Central Huijin Investment Ltd.

As at the date of this announcement, having made all reasonable enquiries and to the best of the Directors' knowledge, information and belief, Bank of Communications, Bank of China and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

LISTING RULES IMPLICATIONS

In respect of the Bank of Communications Subscriptions, as the structured deposit products subscribed by the Group from Bank of Communications are of a similar nature and were entered into with the same bank within a 12-month period, pursuant to Rule 14.22 of the Listing Rules, the highest applicable percentage ratio for each Bank of Communications Subscriptions I, II and III made on an aggregated basis exceeds 5% but is less than 25%. Each of Bank of Communications Subscriptions I, II and III constitutes a discloseable transaction of the Company, which are subject to the reporting, announcement and annual review requirements under Chapter 14 of the Listing Rules.

In respect of the Bank of China Subscriptions, all applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for each of the Bank of China Subscriptions I, II, III and IV are below 5%, therefore each Bank of China Subscription does not constitute a discloseable transaction of the Company on an individual basis. As the structured deposit products subscribed by the Group from Bank of China are of a similar nature and were all entered into on the same date, pursuant to Rule 14.22 of the Listing Rules, the highest applicable percentage ratio for the Bank of China Subscriptions I, II, III and IV made on an aggregated basis exceeds 5% but is less than 25%. Bank of China Subscriptions constitute a discloseable transaction of the Company under the Listing Rules and is subject to the reporting, announcement and annual review requirements under Chapter 14 of the Listing Rules.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, the counterparties to the Subscriptions are all independent third parties to the Company, therefore, the Subscriptions do not constitute connected transactions under Chapter 14A of the Listing Rules.

REMEDIAL MEASURES TAKEN BY THE COMPANY

The Company should have complied with the relevant notification and announcement requirements under Chapter 14 of the Listing Rules in respect of the Subscriptions as and when such obligations arose. Regrettably, the Company acknowledges that such compliance with the Listing Rules has been delayed due to its unintentional oversight. The failure to make timely disclosure was due to a misunderstanding by the relevant responsible staff that these structured deposit products, being principal-guaranteed with floating returns and short terms (within three months), were akin to bank deposits, and therefore mistakenly believed that they would not constitute transaction(s) as defined under Chapter 14 of the Listing Rules. Recently, relevant internal departments of the Company revisited the relevant transactions and sought advice from the Board and professional advisers on the Listing Rules implications. Accordingly, the Company hereby publishes this announcement as soon as practicable to inform the Shareholders of the subscription of the structured deposit products. To prevent similar cases from occurring in the future, the Company has implemented the following remedial actions:

- (1) The Company has conducted a comprehensive review and self-examination of the purchase of structured deposit products and will conduct continued reviews of transactions under Chapter 14 of the Listing Rules.

- (2) The Company has provided and will continue to strengthen the training provided to responsible departments and staff and reinforce their existing knowledge relating to notifiable transactions. Upon identifying the oversight, the Company immediately engaged its compliance adviser, Maxa Capital Limited, to conduct a targeted training session on December 22, 2025 for relevant personnel from the Group, including Securities Department and Finance Department and other relevant staff. The training session focused on (i) strengthening understanding of regulatory requirements of notifiable transactions under Chapter 14 of the Listing Rules and connected transactions under Chapter 14A of the Listing Rules (including definitions of transactions); and (ii) enhancing internal review and approval processes and disclosure in annual reports.
- (3) With the assistance of the compliance adviser and legal adviser, the Company further understands the definition of wealth management products (“WMPs”) and has reminded the responsible departments and staff, to assess the Group’s existing and future WMPs transactions and to identify circumstances that are expected to trigger the disclosure obligations under the Listing Rules at an early stage, thereby preventing recurrence.
- (4) The Company has reinforced the coordination and reporting arrangements for notifiable transactions within the Group to reduce human clerical error by designating specific employees to monitor the transaction amount of any transactions falling into Chapter 14 of the Listing Rules, especially the subscription for WMPs.
- (5) The Company will work more closely with its internal legal and compliance department on compliance issues: The Company has designated a legal staff and consultant responsible for internal legal and compliance matters to monitor the daily subscription of WMPs. Before any proposed subscription of structured deposits or other WMPs, the Finance Department must notify the legal staff and consultant, who will re-calculate and re-assess applicable percentage ratios to determine whether each proposed subscription may constitute a discloseable transaction under Chapter 14 or connected transactions under Chapter 14A of the Listing Rules. Where appropriate, such process will also involve external legal advisor and compliance advisor. If the subscription of WMPs constitutes a discloseable transaction under Chapter 14 of the Listing Rules or connected transactions under Chapter 14A of the Listing Rules, the matter will be promptly escalated to the Securities Department, who will work with external legal advisor and compliance advisor to fulfill the reporting and disclosure requirements under Chapter 14 or 14A of the Listing Rules.

ENHANCED MEASURES TO STRENGTHEN COMPLIANCE MANAGEMENT AND INTERNAL CONTROL SYSTEMS

To prevent the recurrence of similar breaches of the Listing Rules, and on the basis of the remedial actions taken in respect of the untimely disclosure in this instance, the Company has conducted a comprehensive review of its internal compliance mechanisms and will further strengthen the following internal control and compliance management measures:

1. Enhanced Training for Responsible Staff and Management

The Company will provide regular training sessions for management and relevant staff on the Listing Rules, focusing on topics including but not limited to the nature of notifiable transactions, percentage ratio calculations and disclosure obligations, thereby improving the ability of staff to identify the transactions subject to the reporting and announcement requirements under the Listing Rules prior to execution. Responsible staff are advised that, if they are in any doubt about the above matters and transactions, they should consult the Securities Department in advance. The Securities Department will, where necessary, seek further advice from external legal advisor and compliance adviser.

As of the date of this announcement, the Company has re-circulated a detailed guideline relating to notifiable and connected transactions under the Listing Rules and will provide regular training to remind the responsible staff and the management in order to strengthen and reinforce their existing knowledge relating to notifiable and connected transactions, as well as their ability to identify potential issues at an early stage.

2. Strengthened Compliance Measures for Subsidiaries

The Company shall provide regular compliance training to responsible staff of its subsidiaries to ensure alignment in understanding and implementing of the Group's internal control requirements. Prior to undertaking any transaction excluding transactions of a revenue nature in the ordinary and usual course of business, each subsidiary must report such proposed transaction to the Company and obtain the required approval. Execution of any agreement and implementation of the transaction shall not proceed unless and until the Company has completed its approval process.

3. Regular Review of Internal Control Effectiveness

The Company commits to conducting at least an annual review of internal governance procedures relating to the Listing Rules and will reinforce its internal communication protocols. This includes clarifying the channels and responsibilities for employees to report upwards, as well as mandating that management meetings formally discuss the compliance implications of significant operational developments, such as acquisitions, to prevent oversight.

DEFINITIONS

Unless the context otherwise requires, the following terms have the following meanings in this announcement:

“Bank of China”	Bank of China Limited (中國銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares and A shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 03988) and the Shanghai Stock Exchange (Stock Code: 601988), respectively
“Bank of Communications”	Bank of Communications Co., Ltd. (交通銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H shares and A shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 03328) and the Shanghai Stock Exchange (Stock Code: 601328), respectively
“Board” or “Board of Directors”	the board of Directors of the Company
“China” or the “PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region and Taiwan of China
“Company”, “our Company” or “the Company”	APT Electronics Co., Ltd. (廣東晶科電子股份有限公司), a limited company established in the PRC on August 30, 2006, the H Shares of which have been listed on the Main Board of the Stock Exchange since November 8, 2024 (Stock Code: 02551)
“Director(s)”	director(s) of our Company
“Group” or “our Group”	the Company and its subsidiaries
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any entity or person who, to the best of our Directors knowledge, information and belief, is not a connected person of the Company (as defined under the Hong Kong Listing Rules)

“Listing Date”	November 8, 2024, on which the H Shares were listed and from which dealings therein were first permitted to take place on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	Shareholder(s) of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscriptions”	the Bank of Communications Subscriptions and the Bank of China Subscriptions
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

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

Hong Kong, February 10, 2026

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