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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
EPC CONTRACT

THE EPC CONTRACT

On March 5, 2025, Guangzhou Lynway (a wholly-owned subsidiary of the Company), as principal, and SYC, as contractor, entered into the EPC Contract, under which Guangzhou Lynway engaged SYC to provide EPC services for the Project for a total contract sum of RMB276,008,866.32.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the EPC Contract and the transactions contemplated thereunder exceed 5% but all are less than 25%, the EPC Contract and the transactions contemplated thereunder constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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I. PRINCIPAL TERMS OF THE EPC CONTRACT

The principal terms of the EPC Contract are as follows:

Date

March 5, 2025

Parties

- (1) Guangzhou Lynway (as the principal);
- (2) SYC (as the contractor).

To the best of the knowledge, information, and belief of the Company, having made all reasonable enquiries, SYC (the contractor) and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Subject Matter

Guangzhou Lynway, as the principal, engaged SYC, as the contractor, to provide engineering, procurement and construction (EPC) services for the Project.

Consideration

The total contract sum payable by Guangzhou Lynway to SYC under the EPC Contract is RMB276,008,866.32.

The contract sum under the EPC Contract was determined after arm's length negotiations between the parties and through a tender process. In particular, the Group considered, among other factors: (a) the costs and prevailing market prices of construction materials and equipment; (b) the design and construction proposals submitted by bidders (including proposed schedules, costs, and other commercial terms); (c) the quality standards and specifications of the EPC services to be provided by the contractor; (d) the reputation, background, capabilities, experience, and track record of the contractor; and (e) prevailing market prices for comparable EPC services.

Payment Terms

The contract sum shall be paid according to the following milestones:

- (1) the advance payment is 10% of the total contract sum excluding the photovoltaic fee and is payable upon execution of the EPC Contract and receipt of the performance bond submitted by SYC;
- (2) the first progress payment is 15% of Each Building Construction Price (as defined below) and is payable within 15 calendar days after completion of foundation piling works;
- (3) the second progress payment is 5% of Each Building Construction Price and is payable within 15 calendar days after completion of pile caps;
- (4) the third progress payment is 10% of Each Building Construction Price and is payable within 15 calendar days after all main structural steel components have been delivered to the site. For non-steel-structure projects, it is payable upon completion of 50% of the main structural framework;
- (5) the fourth progress payment is 15% of Each Building Construction Price and is payable within 15 calendar days after completion of installation of the main structural steel works. For non-steel-structure projects, it is payable upon completion of 100% of the main structural framework;
- (6) the fifth progress payment is 10% of Each Building Construction Price and is payable within 15 calendar days after completion of roof waterproofing works and maintenance structure works;
- (7) the sixth progress payment is 10% of Each Building Construction Price and is payable within 15 calendar days after all major utility equipment has been delivered to the site. If there is no major utility equipment, it is payable upon completion of 50% of mechanical and electrical engineering works (“**M&E works**”);
- (8) the seventh progress payment is 10% of Each Building Construction Price and is payable within 15 calendar days after completion of plant works and M&E works;
- (9) the eighth progress payment is 5% of the total contract sum and is payable within 15 calendar days after successful completion of project acceptance inspection;

- (10) the final settlement payment is 5% of the total contract sum and is payable within 15 calendar days after completion of the final account settlement;
- (11) the warranty deposit is 5% of the total contract sum and is payable within 15 calendar days after expiry of the quality warranty period.

The above first to seventh progress payments shall be calculated and paid based on the construction price allocated to each individual building (the “**Each Building Construction Price**”), namely the research and development building, production workshop No. 1, production workshop No. 2, the dormitory and the canteen, and shall be made in accordance with the actual construction progress of each such building.

The total contract sum under the EPC Contract will be financed by the Group’s internal resources.

II. INFORMATION OF THE PARTIES

(a) The Group

APT Electronics Co., Ltd., a joint stock company established under the laws of the PRC with limited liability, was listed on the Stock Exchange on November 8, 2024 with the stock code 2551. The Group is a provider of intelligent vision products and system solutions covering intelligent automotive vision, advanced display and high-end lighting. Leveraging profound industry insights and continuous technological innovation, the Group deeply integrates LED technologies with integrated circuits, electronic control, software, sensors, optics and other technologies to form its core “LED+” technology system. Meanwhile, the Group has built a full industry chain vertical integration advantage spanning from core devices to intelligent modules and further to comprehensive system solutions. The Group transcends the multidimensional boundaries of light, electricity, computing and sensing, achieving a systematic expansion from traditional light sources to intelligent vision. Its green, energy-efficient and rapidly evolving “LED+” technologies continue to empower its intelligent vision products and system solutions, enabling the Group to achieve long-term development in high-value and high-growth markets.

Guangzhou Lynway, a wholly-owned subsidiary of the Company, is a limited liability company established under the laws of the PRC and is principally engaged in the design, research and development, production and sales of intelligent automotive vision products.

(b) SYC

SYC is a limited liability company established under the laws of the PRC and is principally engaged in the provision of services including construction engineering design, special equipment design, territorial spatial planning, construction works execution, and intelligent building systems design. As at the date of this announcement, SYC is wholly-owned by China Electronics Engineering Design Institute Co., Ltd.* (中國電子工程設計院股份有限公司). China Electronics Engineering Design Institute Co., Ltd. is ultimately owned by the State-owned Assets Supervision and Administration Commission of the State Council.

III. REASONS AND BENEFITS OF ENTERING INTO THE EPC CONTRACT

The reason for entering into the EPC Contract was to develop the Project. The Project involves the engineering and construction of Guangzhou Lynway's production facilities, research and development centre, and staff dormitory. The Project was undertaken to expand the Group's production capacity and research and development capabilities in support of its intelligent automotive vision business, to meet operational and customer demand.

Therefore, the Directors are of the view that the terms of the EPC Contract and the transaction contemplated thereunder are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

IV. LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the EPC Contract and the transactions contemplated thereunder exceed 5% but all are less than 25%, the EPC Contract and the transactions contemplated thereunder constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

V. COMPLIANCE ENHANCEMENT MEASURES

As one of the Group's primary businesses is the production and research and development of intelligent automotive vision products and the Project was intended solely for the Group's own production, research and development and operational purposes in its ordinary course of business, the Company, in a general business sense, initially believed that the transaction under the EPC Contract was conducted in its ordinary course of business with revenue nature and would fall within the exemption under Rule 14.04(1)(g) of the Listing Rules and therefore failed to make timely disclosure in respect of the EPC Contract.

Following a recent internal reassessment and after consulting professional advisers, the Company noted that the EPC Contract and the transactions contemplated thereunder did not fall within the exemption under Rule 14.04(1)(g) and are therefore subject to the relevant requirements under Chapter 14 of the Listing Rules. The Company hereby publishes this announcement to disclose the details of the EPC Contract in order to keep the Shareholders informed. In addition, the Group has taken the following steps with a view to ensuring ongoing compliance with the relevant requirements of the Listing Rules and further enhancing its internal control management. These measures include:

- (a) the Company has conducted a comprehensive review and self-examination of the procurement of construction services and will conduct ongoing reviews of transactions under Chapter 14 of the Listing Rules;
- (b) the Company will continue to strengthen the relevant training provided to responsible departments and staff and reinforce their knowledge of the relevant requirements under the Listing Rules;
- (c) where the Group proposes to enter into any contract that may constitute a transaction under Chapter 14 (notifiable transactions) or Chapter 14A (connected transactions) of the Listing Rules, including but not limited to EPC contracts, equipment procurement contracts, and wealth management or investment product agreements, the relevant business department and procurement department shall, prior to the execution of such contract, submit the principal terms of the contract and the proposed commercial arrangements to the Company's securities department for review. Based on the information provided, the Company's securities department will advise on compliance requirements under the Listing Rules. If required, the Company's securities department will report transaction details to senior management or the Board (as appropriate) as soon as practicable and will arrange for notification, publication, and/or shareholders' approval (as applicable) in accordance with the Listing Rules; and
- (d) the Company will also work closely with and seek advice in a timely manner from professional advisers on compliance issues, including seeking advice if there is doubt as to the application of the Listing Rules or when issues with complex Listing Rules implications arise.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following defined expressions shall have the following meanings:

“Board”	the board of directors of the Company
“China” or “PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region and Taiwan, China
“Company”	APT Electronics Co., Ltd. (廣東晶科電子股份有限公司), the H Shares of which have been listed on the Stock Exchange (Stock Code: 2551)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EPC”	engineering, procurement and construction
“EPC Contract”	the EPC contract entered into between Guangzhou Lynway and SYC on March 5, 2025, under which Guangzhou Lynway engaged SYC to provide EPC services in relation to the Project
“Group”	the Company and its subsidiaries
“Guangzhou Lynway”	Lynway Vision Automotive Parts (Guangzhou) Co., Ltd.* (領為視覺汽車零部件(廣州)有限公司), a limited liability company under the laws of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Project”	the project for the production and research and development base of Greater Bay Area Headquarters of Guangzhou Lynway
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SYC”	S.Y. Technology, Engineering & Construction Co., Ltd. (世源科技工程有限公司), a limited liability company under the laws of the PRC
“%”	percent

* *For identification purposes only*

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

Hong Kong, October 20, 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; and Ms. Zhang He, Ms. Lin Nan, Ms. Ding Hui and Mr. Chan Chi Kong as independent non-executive Directors.