
APPENDIX I**ACCOUNTANTS’ REPORT**

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF TIANJIN ATOMROBOT CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED**Introduction**

We report on the historical financial information of Tianjin Atomrobot Co., Ltd. (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-76, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023 and 2024 (the “Relevant Periods”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023 and 2024 and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-4 to I-76 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated 28 January 2026 (the “Document”) in connection with the initial [REDACTED] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants’ Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of

APPENDIX I**ACCOUNTANTS' REPORT**

expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023 and 2024 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim financial information

We have reviewed the interim financial information of the Group which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the nine months ended 30 September 2024 and 2025, and the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2025 and other explanatory information (the "Interim Financial Information").

The directors of the Company are responsible for the preparation of the Interim Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

APPENDIX I

ACCOUNTANTS' REPORT

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the financial years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025.

Certified Public Accountants
Hong Kong

APPENDIX I

ACCOUNTANTS’ REPORT

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “**Underlying Financial Statements**”).

The Historical Financial Information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
REVENUE	5	93,491	135,260	91,143	156,960
Cost of sales		(77,612)	(104,399)	(73,626)	(111,658)
Gross profit		15,879	30,861	17,517	45,302
Other income and gains	5	8,314	8,964	6,676	7,474
Selling and marketing expenses		(24,749)	(34,465)	(18,991)	(24,003)
Administrative expenses		(16,631)	(20,752)	(11,661)	(12,670)
Research and development expenses		(19,364)	(29,799)	(18,498)	(14,432)
Reversal/(Impairment) losses on financial assets and contract assets		(1,032)	(694)	(285)	65
Other expenses		(1,290)	(175)	(101)	(89)
Finance costs	7	(380)	(1,008)	(783)	(709)
PROFIT/(LOSS) BEFORE TAX	6	(39,253)	(47,068)	(26,126)	938
Income tax expenses	10	–	–	–	–
PROFIT/(LOSS) FOR THE YEAR/PERIOD		<u>(39,253)</u>	<u>(47,068)</u>	<u>(26,126)</u>	<u>938</u>
Attributable to:					
Owners of the parent		<u>(39,253)</u>	<u>(47,068)</u>	<u>(26,126)</u>	<u>938</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT					
Basic and diluted (<i>RMB</i>)	12	<u>(2.22)</u>	<u>(2.60)</u>	<u>(1.46)</u>	<u>0.05</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD		<u>(39,253)</u>	<u>(47,068)</u>	<u>(26,126)</u>	<u>938</u>

For the details of pre-[REDACTED] investments, please refer to Note 31 to this report.

APPENDIX I

ACCOUNTANTS' REPORT

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		As at
		2023	2024	30 September
		RMB'000	RMB'000	2025
				RMB'000
				(Unaudited)
NON-CURRENT ASSETS				
Property, plant and equipment	13	12,772	16,146	21,761
Investment properties	14	1,125	1,025	950
Right-of-use assets	15	12,616	27,253	22,171
Other intangible assets	16	287	120	119
Contract assets	21	70	329	76
Prepayments, other receivables and other assets	22	–	2,977	–
Total non-current assets		26,870	47,850	45,077
CURRENT ASSETS				
Inventories	19	58,381	70,807	39,753
Trade and bills receivables	20	12,312	13,376	34,307
Contract assets	21	2,558	5,006	5,328
Prepayments, other receivables and other assets	22	6,553	10,135	12,417
Financial assets at fair value through profit or loss	23	116,924	151,987	121,667
Financial assets at fair value through other comprehensive income	24	1,534	540	2,016
Restricted cash	25	3,281	3,056	5,715
Cash and cash equivalents	25	27,468	17,443	20,605
Total current assets		229,011	272,350	241,808
CURRENT LIABILITIES				
Trade and bills payables	26	53,162	80,082	69,416
Other payables and accruals	27	13,557	22,394	20,807
Interest-bearing bank and other borrowings	29	7,610	8,949	9,242
Lease liabilities	15	3,970	5,702	4,520
Contract liabilities	28	39,770	41,910	20,784
Provision	30	1,348	1,641	1,329
Total current liabilities		119,417	160,678	126,098
NET CURRENT ASSETS		109,594	111,672	115,710
TOTAL ASSETS LESS CURRENT LIABILITIES		136,464	159,522	160,787
NON-CURRENT LIABILITIES				
Lease liabilities	15	8,307	7,605	4,095
Provision	30	133	339	737
Total non-current liabilities		8,440	7,944	4,832
Net assets		128,024	151,578	155,955
EQUITY				
Equity attributable to owners of the parent				
Paid-in capital/Share capital	31	17,766	18,693	19,468
Reserves	33	110,258	132,885	136,487
Total equity		128,024	151,578	155,955

For the details of pre-[REDACTED] investments, please refer to Note 31 to this report.

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	<i>RMB'000</i> <i>(Note 31)</i>	<i>RMB'000</i> <i>(Note 33)</i>	<i>RMB'000</i> <i>(Note 32)</i>	<i>RMB'000</i> <i>(Note 33)</i>	<i>RMB'000</i>
As at 1 January 2023	16,755	186,746	23,431	(104,655)	122,277
Total comprehensive loss for the year	–	–	–	(39,253)	(39,253)
Capital injection by shareholders	1,011	43,989	–	–	45,000
As at 31 December 2023	<u>17,766</u>	<u>230,735</u>	<u>23,431</u>	<u>(143,908)</u>	<u>128,024</u>

Year ended 31 December 2024

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	<i>RMB'000</i> <i>(Note 31)</i>	<i>RMB'000</i> <i>(Note 33)</i>	<i>RMB'000</i> <i>(Note 32)</i>	<i>RMB'000</i> <i>(Note 33)</i>	<i>RMB'000</i>
As at 1 January 2024	17,766	230,735	23,431	(143,908)	128,024
Total comprehensive loss for the year	–	–	–	(47,068)	(47,068)
Share-based payments <i>(note 32)</i>	–	–	10,622	–	10,622
Capital injection by shareholders	927	59,073	–	–	60,000
As at 31 December 2024	<u>18,693</u>	<u>289,808</u>	<u>34,053</u>	<u>(190,976)</u>	<u>151,578</u>

APPENDIX I

ACCOUNTANTS’ REPORT

Nine months ended 30 September 2024 (Unaudited)

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	<i>RMB'000</i> (Note 31)	<i>RMB'000</i> (Note 33)	<i>RMB'000</i> (Note 32)	<i>RMB'000</i> (Note 33)	<i>RMB'000</i>
As at 1 January 2024	17,766	230,735	23,431	(143,908)	128,024
Total comprehensive loss for the period	–	–	–	(26,126)	(26,126)
Capital injection by shareholders	927	59,073	–	–	60,000
As at 30 September 2024	<u>18,693</u>	<u>289,808</u>	<u>23,431</u>	<u>(170,034)</u>	<u>161,898</u>

Nine months ended 30 September 2025 (Unaudited)

	Attributable to owners of the parent					
	Share capital	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	<i>RMB'000</i> (Note 31)	<i>RMB'000</i> (Note 33)	<i>RMB'000</i> (Note 33)	<i>RMB'000</i> (Note 32)	<i>RMB'000</i> (Note 33)	<i>RMB'000</i>
As at 1 January 2025	–	18,693	289,808	34,053	(190,976)	151,578
Total comprehensive income for the period	–	–	–	–	938	938
Share-based payments (note 32)	–	–	–	2,664	–	2,664
Capital injection by shareholders	–	775	–	–	–	775
Conversion into a joint stock company	19,468	(19,468)	(103,336)	–	103,336	–
As at 30 September 2025	<u>19,468</u>	<u>–</u>	<u>186,472</u>	<u>36,717</u>	<u>(86,702)</u>	<u>155,955</u>

* These reserve accounts represent the total consolidated reserves of RMB110,258,000, RMB132,885,000 and RMB136,487,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 30 September 2025, respectively.

APPENDIX I

ACCOUNTANTS' REPORT

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		(39,253)	(47,068)	(26,126)	938
Adjustments for:					
Finance costs	7	380	1,008	783	709
Loss on disposal of items of property, plant and equipment	6	1,379	318	43	519
Fair value gain on financial assets at fair value through profit or loss	5	(1,924)	(2,064)	(1,454)	(1,489)
Foreign exchange differences, net	5	(50)	(29)	(46)	(91)
Bank interest income	5	(114)	(85)	(70)	(53)
Depreciation of property, plant and equipment	6,13	3,205	4,610	3,458	3,482
Depreciation of investment property	6,14	100	100	75	75
Depreciation of right-of-use assets	6,15	3,747	4,908	3,635	5,082
Amortisation of other intangible assets	6,16	139	167	129	104
Share-based payment expenses	32	-	10,622	-	2,664
(Reversal)/Impairment losses on financial assets and contract assets	6,20,21	1,032	694	285	(65)
Impairment of inventories to net realisable value	6	925	1,081	1,933	1,169
		(30,434)	(25,738)	(17,355)	13,044
Decrease/(increase) in inventories		(11,677)	(13,507)	(17,956)	29,885
Decrease/(increase) in restricted cash		(3,281)	225	(173)	(2,659)
Decrease/(increase) in trade receivables and bills		9,499	(521)	(19,252)	(22,408)
(Increase)/decrease in contract assets		(983)	(2,950)	2,705	(3)
(Increase)/decrease in prepayments, other receivables and other assets		34,924	(2,582)	(43,007)	(3,318)
(Decrease)/increase in trade payables and bills		1,151	26,920	56,403	(10,666)
Increase/(decrease) in other payables and accruals		(54,873)	8,837	39,179	(1,587)
Increase/(decrease) in contract liabilities		39,770	2,140	(6,821)	(21,126)
Increase in provision		928	499	812	85
Cash used in operations		(14,976)	(6,677)	(5,465)	(18,753)
Interest received		114	85	70	53
Income tax paid		-	-	-	36
Net cash flows used in operating activities		(14,862)	(6,592)	(5,395)	(18,664)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of land use rights		-	(14,420)	(14,420)	-
Purchases of items of property, plant and equipment		(7,211)	(11,278)	(3,130)	(6,638)
Purchase of other intangible assets		(286)	-	-	(103)
Purchase of financial assets at fair value through profit or loss		(95,000)	(50,000)	(50,000)	(183,000)
Proceeds from maturity of financial assets at fair value through profit or loss		45,000	17,000	16,000	214,809
Collection/(Advance) to a third party		-	(1,000)	-	1,000
Net cash flows from/(used in) investing activities		(57,497)	(59,698)	(51,550)	26,068

APPENDIX I

ACCOUNTANTS’ REPORT

	<i>Notes</i>	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> <i>(Unaudited)</i>	<i>RMB’000</i> <i>(Unaudited)</i>
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of interest-bearing bank borrowings		(5,000)	(13,300)	(11,500)	(7,700)
New bank loans and other borrowings		7,610	14,639	13,390	7,993
Capital contribution by shareholders		45,000	60,000	60,000	775
Lease payments	15	(4,287)	(4,635)	(3,205)	(5,123)
Interest paid		(179)	(468)	(412)	(278)
Net cash flows from/(used in) financing activities		43,144	56,236	58,273	(4,333)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS					
		(29,215)	(10,054)	1,328	3,071
Cash and cash equivalents at beginning of year/period		56,633	27,468	27,468	17,443
Effect of foreign exchange rate changes, net		50	29	46	91
Cash and cash equivalents at end of year/period		27,468	17,443	28,842	20,605
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS					
Cash and bank balances	25	27,468	17,443	28,842	20,605
Cash and cash equivalents as stated in the statements of cash flows and statements of financial position		27,468	17,443	28,842	20,605

APPENDIX I

ACCOUNTANTS’ REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	As at 31 December		As at
		2023	2024	30 September
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> <i>(Unaudited)</i>
NON-CURRENT ASSETS				
Property, plant and equipment	13	5,154	5,070	6,560
Investment properties	14	1,125	1,025	950
Right-of-use assets	15	3,825	16,686	15,426
Other intangible assets	16	38	28	27
Investments in subsidiaries	17	50,000	110,000	110,000
Contract assets	21	–	53	–
Total non-current assets		60,142	132,862	132,963
CURRENT ASSETS				
Inventories	19	36,077	37,001	26,713
Trade and bills receivables	20	16,624	11,421	27,667
Contract assets	21	1,359	2,168	2,185
Prepayments, other receivables and other assets	22	2,779	4,176	4,368
Financial assets at fair value through profit or loss	23	71,239	57,322	32,754
Financial assets at fair value through other comprehensive income	24	1,484	324	538
Restricted cash	25	3,281	2,859	5,714
Cash and cash equivalents	25	16,040	11,094	8,434
Total current assets		148,883	126,365	108,373
CURRENT LIABILITIES				
Trade and bills payables	26	49,451	52,852	52,063
Other payables and accruals	27	11,429	13,565	11,574
Interest-bearing bank and other borrowings	29	600	634	1,242
Lease liabilities	15	1,348	1,402	1,444
Contract liabilities	28	13,482	12,043	4,765
Provision	30	1,014	999	831
Total current liabilities		77,324	81,495	71,919
NET CURRENT ASSETS		71,559	44,870	36,454
TOTAL ASSETS LESS CURRENT LIABILITIES		131,701	177,732	169,417
NON-CURRENT LIABILITIES				
Lease liabilities	15	2,494	1,089	–
Provision	30	32	195	287
Total non-current liabilities		2,526	1,284	287
Net assets		129,175	176,448	169,130
EQUITY				
Paid-in capital/Share capital	31	17,766	18,693	19,468
Reserves	33	111,409	157,755	149,662
Total equity		129,175	176,448	169,130

For the details of pre-[REDACTED] investments, please refer to Note 31 to this report.

APPENDIX I

ACCOUNTANTS’ REPORT

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was incorporated in the People’s Republic of China (“PRC”) on 28 January 2013 as a limited liability company under the PRC laws. On 30 September 2025, the Company was converted to a joint stock company with limited liability, and a total of 19,468,253 shares with a par value of RMB1.00 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under the names of these shareholders on 30 September 2025. The registered office of the Company is located at No.1, Building 29, Tongchang, No. 156 Nanhai Road, Tianjin Economic and Technological Development Zone.

The Group was principally engaged in the design, development, and commercialization of industrial robots and offering of integrated robotics solutions.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of the subsidiaries are set out below:

Name	Place of registration and business	Registered share capital	Percentage of equity attributable to the Company	
			Direct	Principal activities
Chenxing (Nanjing) Automation Equipment Co., Ltd. (a) (b) (“辰星(南京)自動化設備有限公司”)	PRC/Chinese Mainland 13 October 2021	RMB45,000,000	100%	Sales of the robotics products and robotics solutions
Chenxing (Suzhou) Automation Equipment Co., Ltd. (a) (b) (“辰星(蘇州)自動化設備有限公司”)	PRC/Chinese Mainland 29 November 2019	RMB20,000,000	100%	Robotics solutions
Xinxiang Chenxing Xinsong Robot Co., Ltd. (a) (b) (“新鄉辰星新松機器人有限公司”)	PRC/Chinese Mainland 7 May 2021	RMB10,000,000	100%	Manufacture of components
Shenzhen Xiaobai Automation Technology Co., Ltd. (a) (b) (“深圳小百自動化科技有限公司”)	PRC/Chinese Mainland 3 June 2021	RMB10,000,000	100%	R&D and sale and service center for south China region
Wuxi Chenxing Times Technology Co., Ltd. (a) (b) (“無錫辰星時代技術有限公司”)	PRC/Chinese Mainland 29 July 2024	RMB10,000,000	100%	Production and sale of high-payload cobots
Beijing Xiaohu Robot Technology Co., Ltd. (a) (b) (“北京小合機器人科技有限公司”)	PRC/Chinese Mainland 25 January 2024	RMB10,000,000	100%	No substantial activities
Jiangsu Xiaoye Intelligent Equipment Co., Ltd. (a) (b) (“江蘇小野智能裝備有限公司”)	PRC/Chinese Mainland 19 November 2019	RMB10,000,000	100%	Production and sale of High-speed SCARA Robots

Notes:

- (a) The English name of the entity represents the best effort made by the directors of the Company in translating the Chinese name as it does not have English name and the English name is for reference only. The entity is registered as domestic limited liability company under PRC law.

APPENDIX I

ACCOUNTANTS’ REPORT

- (b) As at the date of this report, no audited financial statements have been prepared for the entities for the years ended 31 December 2023 and 2024 as the entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdictions of incorporation.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

For shares issued to pre-[REDACTED] investors (the “Investors”), pursuant to the supplemental agreements dated 6 August 2025 entered into between the Company and the Investors in relation to the termination of certain of special rights granted by the Company, including redemption rights, which are *void ab initio* as described in note 31 to this report, having taking into account the legal and regulatory framework of the Company’s jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-[REDACTED] Investments as equity throughout the Relevant Periods and the nine months ended 30 September 2024 and 2025. For the details of financial impacts, see note 31 of this report.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (“IASB”). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and the nine months ended 30 September 2024 and 2025.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. The Historical Financial Information are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

APPENDIX I

ACCOUNTANTS’ REPORT

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill) and liabilities; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Issued But Not Yet Effective IFRS Accounting Standards

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ¹
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ³
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ²
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ³
<i>Annual Improvements to IFRS Accounting Standards — Volume II</i>	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ²

1 No mandatory effective date yet determined but available for adoption

2 Effective for annual periods beginning on or after 1 January 2026

3 Effective for annual/reporting periods beginning on or after 1 January 2027

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, may result in changes in accounting policies but are unlikely to have a significant impact on the Group’s financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statements of profit or loss and other comprehensive income and statements of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group’s financial information.

2.3 Material Accounting Policies

Fair value measurement

The Group measures its financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

APPENDIX I

ACCOUNTANTS' REPORT

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and contract assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;

APPENDIX I

ACCOUNTANTS' REPORT

- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal estimated useful lives and residual value used for this purpose are as follows:

	<u>Estimated useful lives</u>	<u>Residual value (%)</u>
Leasehold improvements	Shorter of lease term and estimated useful life	–
Machineries	3-5 years	5%
Vehicles	4 years	5%
Electronic and office equipment	3-5 years	5%
Buildings	20 years	5%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

APPENDIX I

ACCOUNTANTS' REPORT

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation. Such properties are measured at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each investment property to its residual value over its estimated useful life. The estimated useful lives are as follows:

Buildings 20 years

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 7 to 10 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

APPENDIX I

ACCOUNTANTS' REPORT

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Plant and properties	12 to 60 months
Land use right	50 years
Equipment	36 months

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) *Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of property and plant (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

APPENDIX I

ACCOUNTANTS’ REPORT

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for “Revenue recognition” below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the profit or loss when the asset is derecognised, modified or impaired.

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

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

APPENDIX I

ACCOUNTANTS' REPORT

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

APPENDIX I

ACCOUNTANTS' REPORT

- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest-bearing bank and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

APPENDIX I

ACCOUNTANTS' REPORT

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

The Group provides for warranties in relation to the sale of certain products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

APPENDIX I

ACCOUNTANTS' REPORT

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sales of robotic solutions

Robotic solutions involve design, production, implement and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. The Group determines that the promised goods and services in robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

APPENDIX I

ACCOUNTANTS’ REPORT

Revenue from the sale of robotic solutions is recognised at point in time when the robotic solutions are accepted by the customers.

(b) Sales of robotics

Domestic revenue from the sale of robotics is recognised at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts.

(c) Provision of maintenance services

Revenue from the provision of maintenance services is recognised at the point in time when the maintenance service is completed and accepted by the customers.

(d) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Rental income

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates share award scheme, under which the group granted restricted shares to employees and directors via shareholding platform for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (“equity-settled transactions”).

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of restricted shares is determined by an external valuer using the market method. Further details are included in note 32 to the Historical Financial Information.

APPENDIX I

ACCOUNTANTS’ REPORT

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of restricted shares, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where restricted shares include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled restricted shares are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the restricted shares are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled restricted shares is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the restricted shares is recognised immediately.

Other employee benefits

Pension scheme

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

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

The Historical Financial Information are presented in RMB, which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group’s Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

APPENDIX I

ACCOUNTANTS’ REPORT

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on ageing for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of a customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables and contract assets is disclosed in note 20 and note 21 to the Historical Financial Information, respectively.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“**IBR**”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

Share-based payments

At the end of each Relevant Periods and the nine months ended 30 September 2024 and 2025, the Group estimates the number of share awards expected to vest, and will revise the estimate, if necessary, if subsequent information indicates that the number of share awards expected to vest differs from previous estimates, based on the estimation of satisfaction of vesting conditions. The fair value of the share awards to employees is determined by a third-party valuer using market method at the date they are granted. Further details are included in note 32 to the Historical Financial Information.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

APPENDIX I

ACCOUNTANTS’ REPORT

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of inventories

Net realizable value of an inventory item is the estimated selling price in the ordinary course of business, less estimated costs to be incurred to completion and disposal. Management estimates the net realisable value based on the current market condition and the historical experience of selling products of a similar nature which could change significantly as a result of changes in customer demand or competitor actions. The estimation is reassessed at the end of each reporting period. Where the actual outcome or expectation in future is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognized in the periods in which such estimates have been changed.

4. OPERATING SEGMENT INFORMATION

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

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

Geographical information

(a) Revenue from external customers

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Chinese Mainland*	90,139	123,476	88,844	144,646
Other countries/regions	3,352	11,784	2,299	12,314
	<u>93,491</u>	<u>135,260</u>	<u>91,143</u>	<u>156,960</u>

* Chinese Mainland means the People’s Republic of China excluding Hong Kong, Macau and Taiwan.

The revenue information above is based on the locations of the customers.

(b) Non-current assets

All of the Group’s non-current assets as at 31 December 2023, 2024 and 30 September 2025 are located in the Chinese Mainland. Accordingly, no geographical information of segment assets is presented.

Information about major customers

There are no customers (aggregated if under common control) which amounted to 10% or more of the Group’s revenue.

APPENDIX I

ACCOUNTANTS’ REPORT

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Revenue from contracts with customers	93,491	135,260	91,143	156,960

Revenue from contracts with customers

(a) Disaggregated revenue information

Timing of revenue recognition	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Goods transferred at a point in time	92,797	133,797	90,080	154,740
Services transferred at a point in time	694	1,463	1,063	2,220
	93,491	135,260	91,143	156,960

Types of goods or services	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Sales of robotics	64,966	89,382	55,593	107,080
Sales of robotic solutions	27,831	44,415	34,487	47,660
Rendering of services	694	1,463	1,063	2,220
	93,491	135,260	91,143	156,960

The following table shows the amounts of revenue recognised in the Relevant Periods and the nine months ended 30 September 2024 and 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods and the nine months ended 30 September 2024 and 2025:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period	21,567	37,445	32,160	40,450

APPENDIX I

ACCOUNTANTS’ REPORT

(b) Performance obligations

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

Sales of robotics

Revenue from the sales of robotics is recognised at the point in time when control of the products are transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts.

Sales of robotic solutions

Revenue from the sales of robotic solutions is recognised at the point in time when the robotic solutions are accepted by the customers.

Provision of maintenance services

Revenue from the provision of maintenance services is recognised at the point in time when the maintenance service is completed and accepted by the customers.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of each of the Relevant Periods and as at 30 September 2024 and 2025 were expected to be recognised as revenue almost within one year. The portion of the transaction price not recognized as revenue within one year were immaterial.

An analysis of other income and gains is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Other income				
Government grants	5,317	5,030	4,008	4,834
Income from selling scrap materials	328	452	437	335
Rental income from investment properties	148	148	110	110
Bank interest income	114	85	70	53
Others	433	1,156	551	562
	<u>6,340</u>	<u>6,871</u>	<u>5,176</u>	<u>5,894</u>
Gains				
Fair value gain on financial assets at fair value through profit or loss, net	1,924	2,064	1,454	1,489
Foreign exchange differences, net . .	50	29	46	91
	<u>1,974</u>	<u>2,093</u>	<u>1,500</u>	<u>1,580</u>
	<u>8,314</u>	<u>8,964</u>	<u>6,676</u>	<u>7,474</u>

Certain government grants related to the Group’s ongoing operations have been received, primarily comprising value-added tax (VAT) returns and compensation for expenses or losses already incurred. These grants are recognized in profit or loss on a systematic and rational basis, and there are no material conditions or contingencies attached.

APPENDIX I

ACCOUNTANTS’ REPORT

6. PROFIT/(LOSS) BEFORE TAX

The Group’s profit/(loss) before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Cost of sales*		77,612	104,399	73,626	111,658
Employee welfare (including directors’ and chief executive’s remuneration (note 8)):					
Salaries, allowances and benefits in kind		38,215	45,350	32,272	37,684
Share-based payment expenses	32	–	10,622	–	2,664
Pension scheme contributions****		2,275	3,003	2,146	2,516
		<u>40,490</u>	<u>58,975</u>	<u>34,418</u>	<u>42,864</u>
Depreciation of property, plant and equipment	13	3,205	4,610	3,458	3,482
Depreciation of Investment properties	14	100	100	75	75
Loss on disposal of items of property, plant and equipment		1,379	318	43	519
Amortisation of other intangible assets	16	139	167	129	104
Lease payments not included in the measurement of lease liabilities	15	1,840	3,025	2,602	1,861
Depreciation of right-of-use assets	15	3,747	4,908	3,635	5,082
(Reversal)/Impairment losses on financial assets and contract assets	20,21	1,032	694	285	(65)
Impairment of inventories to net realisable value**		925	1,081	1,933	1,169
Research and development expenses***		19,364	29,799	18,498	14,432
Foreign exchange gains, net	5	(50)	(29)	(46)	(91)
Fair value gain on financial assets at fair value through profit or loss, net	5	(1,924)	(2,064)	(1,454)	(1,489)

* The cost of sales includes employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed above for each type of expense.

** The impairment of inventories to net realisable value is recorded to cost of sales.

*** The research and development expenses include employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed above for each type of expense.

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

APPENDIX I

ACCOUNTANTS’ REPORT

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest on lease liabilities (note 15)	201	540	371	431
Interest on interest-bearing bank borrowings	168	339	307	199
Others	11	129	105	79
	<u>380</u>	<u>1,008</u>	<u>783</u>	<u>709</u>

For the details of pre-[REDACTED] investments, please refer to Note 31 to this report.

8. DIRECTORS’ AND CHIEF EXECUTIVE’S REMUNERATION

The remuneration of each of the Company’s directors and chief executive is set out below:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Fees	–	–	–	–
Other emoluments: Salaries, allowances and benefits in kind	494	473	356	355
Performance related bonuses	134	137	109	142
Pension scheme contributions	20	20	14	14
	<u>648</u>	<u>630</u>	<u>479</u>	<u>511</u>

(a) Independent non-executive directors

The Company had no independent non-executive directors during the period from 1 January 2023 to 30 September 2025.

(b) Executive directors and chief executives

The names of the directors and their remuneration during the Relevant Periods and the nine months ended 30 September 2024 and 2025 are as follows:

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2023				
Executive directors and chief executives:				
Mr. Liu Songtao (i)	259	69	10	338
Mr. Song Tao (ii)	235	65	10	310
Total	<u>494</u>	<u>134</u>	<u>20</u>	<u>648</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Year ended 31 December 2024					
Executive directors and chief executives:					
Mr. Liu Songtao (i)	243	66	–	10	319
Mr. Song Tao (ii)	230	71	–	10	311
Total	<u>473</u>	<u>137</u>	<u>–</u>	<u>20</u>	<u>630</u>

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Nine months ended 30 September 2024 (Unaudited)					
Executive directors and chief executives:					
Mr. Liu Songtao (i)	183	56	–	7	246
Mr. Song Tao (ii)	173	53	–	7	233
Total	<u>356</u>	<u>109</u>	<u>–</u>	<u>14</u>	<u>479</u>

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Nine months ended 30 September 2025 (Unaudited)					
Executive directors and chief executives:					
Mr. Liu Songtao (i)	182	89	–	7	278
Mr. Song Tao (ii)	173	53	–	7	233
Total	<u>355</u>	<u>142</u>	<u>–</u>	<u>14</u>	<u>511</u>

Notes:

- (i) Mr. Liu Songtao was appointed as an executive director of the Company from 30 December 2015.
- (ii) Mr. Song Tao was appointed as an executive director and chief executive of the Company from 30 December 2015.

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, the Company did not grant any share awards to the above directors, further details of which are included in the disclosures in note 32 to the Historical Financial Information.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

APPENDIX I

ACCOUNTANTS’ REPORT

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods and the nine months ended 30 September 2024 and 2025 included nil, nil, nil and nil director, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration for the remaining five, five, five and five, highest paid employees who are neither a director nor chief executive of the Company during the Relevant Periods and the nine months ended 30 September 2024 and 2025 are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Salaries, bonuses, allowances and benefits in kind	1,752	1,750	1,488	1,050
Performance related bonuses	314	387	194	290
Share-based payment expenses	–	2,729	–	572
Pension scheme contributions	44	43	35	36
Total	2,110	4,909	1,717	1,948

The numbers of non-director, non-chief executive and non-supervisor highest paid employees whose remuneration fell within the following band are as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Nil to HKD1,000,000	5	3	5	5
HKD1,000,001 to HKD1,500,000	–	2	–	–
Total	5	5	5	5

During the Relevant Periods, the employees were granted share awards, in respect of his services to the Group, further details of which are set out in note 32 to the Historical Financial Information. The fair value of such awards, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for each of the Relevant Periods is included in the above employees’ remuneration disclosures.

During the Relevant Periods and the nine months ended 30 September 2025, no highest paid employees waived or agreed to waive any remuneration, and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

10. INCOME TAX

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

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for the entities which are subject to preferential tax set out below:

The Company was qualified as a high and new technology enterprise (“HNTTE”) under relevant tax regulations in October 2021 and renewed in December 2024. Jiangsu Xiaoye Intelligent Equipment Co., Ltd. was qualified as a HNTTE in December 2022. They were qualified for a preferential corporate income tax rate of 15% during the Relevant Periods and the nine months ended 30 September 2025. This qualification is subject to triennial review by the Chinese Mainland tax authorities.

Certain subsidiaries of the Group have applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC’s State Administration of Taxation. Pursuant to the policy announced by the PRC’s State Administration of Taxation, during the period from 1 January 2022 to 31 December 2027 the portion of annual taxable income amount of a Small-Scaled Minimal Profit Corporate which exceeds RMB1,000,000 but does not exceed RMB3,000,000 shall be computed at a reduced rate of 25% as taxable income amount, and levied at a reduced tax rate of 20%.

APPENDIX I

ACCOUNTANTS’ REPORT

A reconciliation of the tax credit applicable to profit/(loss) before tax at the statutory rate for the jurisdiction in which the Group is domiciled and operated to the tax expense at the Group’s effective tax rate, is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Profit/(loss) before tax	(39,253)	(47,068)	(26,126)	938
Tax at the statutory tax rate	(9,813)	(11,767)	(6,532)	235
Effect of different tax rates	6,480	7,904	4,403	129
Expenses not deductible for tax . . .	173	116	67	65
Additional deductible allowance for research and development expenses (a)	(1,801)	(2,637)	(1,511)	(1,367)
Temporary differences and tax losses not recognised	4,961	6,384	3,573	938
Tax expense at the Group’s effective tax rate	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

(a) According to the Law of the PRC on Enterprise Income Tax, the Group are entitled to additional deduction of qualified research and development costs from the taxable income. The additional deduction percentage was 75% from 1 January 2022 to 30 September 2022, and it has increased to 100% since 1 October 2022. The Group has claimed such additional deduction for the Relevant Periods and the nine months ended 30 September 2024 and 2025.

11. DIVIDENDS

No dividends have been paid or declared by the Company during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the Relevant Periods and the nine months ended 30 September 2024 and 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculation of basic earnings/(loss) per share is based on:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000 (Unaudited)
Profit/(loss)				
Profit/(loss) attributable to ordinary equity holders of the parent (RMB’000)	(39,253)	(47,068)	(26,126)	938
Shares				
Weighted average number (’000) of ordinary shares outstanding during the year/period	17,659	18,075	17,868	18,701
Earnings/(loss) per share				
Basic (RMB)	<u>(2.22)</u>	<u>(2.60)</u>	<u>(1.46)</u>	<u>0.05</u>
Diluted (RMB)	<u>(2.22)</u>	<u>(2.60)</u>	<u>(1.46)</u>	<u>0.05</u>

APPENDIX I

ACCOUNTANTS’ REPORT

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023						
At 1 January 2023:						
Cost	4,271	7,589	1,492	1,526	65	14,943
Accumulated depreciation	(1,535)	(2,063)	(406)	(796)	–	(4,800)
Net carrying amount	<u>2,736</u>	<u>5,526</u>	<u>1,086</u>	<u>730</u>	<u>65</u>	<u>10,143</u>
At 1 January 2023, net of accumulated depreciation						
	2,736	5,526	1,086	730	65	10,143
Additions	837	633	166	443	5,134	7,213
Internal transfer	–	2,355	–	–	(2,355)	–
Disposals	–	(1,225)	(141)	(13)	–	(1,379)
Depreciation provided during the year	(1,668)	(972)	(261)	(304)	–	(3,205)
At 31 December 2023, net of accumulated depreciation	<u>1,905</u>	<u>6,317</u>	<u>850</u>	<u>856</u>	<u>2,844</u>	<u>12,772</u>
At 31 December 2023:						
Cost	5,108	9,352	1,517	1,956	2,844	20,777
Accumulated depreciation	(3,203)	(3,035)	(667)	(1,100)	–	(8,005)
Net carrying amount	<u>1,905</u>	<u>6,317</u>	<u>850</u>	<u>856</u>	<u>2,844</u>	<u>12,772</u>
	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024						
At 1 January 2024:						
Cost	5,108	9,352	1,517	1,956	2,844	20,777
Accumulated depreciation	(3,203)	(3,035)	(667)	(1,100)	–	(8,005)
Net carrying amount	<u>1,905</u>	<u>6,317</u>	<u>850</u>	<u>856</u>	<u>2,844</u>	<u>12,772</u>
At 1 January 2024, net of accumulated depreciation						
	1,905	6,317	850	856	2,844	12,772
Additions	1,941	3,394	796	489	1,682	8,302
Internal transfer	–	3,916	–	–	(3,916)	–
Disposals	–	(314)	–	(4)	–	(318)
Depreciation provided during the year	(1,545)	(2,217)	(377)	(471)	–	(4,610)
At 31 December 2024, net of accumulated depreciation	<u>2,301</u>	<u>11,096</u>	<u>1,269</u>	<u>870</u>	<u>610</u>	<u>16,146</u>
At 31 December 2024:						
Cost	7,049	16,348	2,313	2,441	610	28,761
Accumulated depreciation	(4,748)	(5,252)	(1,044)	(1,571)	–	(12,615)
Net carrying amount	<u>2,301</u>	<u>11,096</u>	<u>1,269</u>	<u>870</u>	<u>610</u>	<u>16,146</u>

APPENDIX I

ACCOUNTANTS' REPORT

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025						
At 1 January 2025						
Cost	7,049	16,348	2,313	2,441	610	28,761
Accumulated depreciation	(4,748)	(5,252)	(1,044)	(1,571)	–	(12,615)
Net carrying amount	<u>2,301</u>	<u>11,096</u>	<u>1,269</u>	<u>870</u>	<u>610</u>	<u>16,146</u>
At 1 January 2025, net of accumulated depreciation	2,301	11,096	1,269	870	610	16,146
Additions	1,825	5,052	110	103	2,526	9,616
Internal transfer	–	2,354	–	338	(2,692)	–
Disposals	–	(315)	(158)	(46)	–	(519)
Depreciation provided during the period	(460)	(2,434)	(268)	(320)	–	(3,482)
At 30 September 2025 (Unaudited), net of accumulated depreciation	<u>3,666</u>	<u>15,753</u>	<u>953</u>	<u>945</u>	<u>444</u>	<u>21,761</u>
At 30 September 2025 (Unaudited):						
Cost	8,874	23,439	2,265	2,836	444	37,858
Accumulated depreciation	(5,208)	(7,686)	(1,312)	(1,891)	–	(16,097)
Net carrying amount	<u>3,666</u>	<u>15,753</u>	<u>953</u>	<u>945</u>	<u>444</u>	<u>21,761</u>
The Company						
	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023						
At 1 January 2023:						
Cost	630	6,943	597	966	–	9,136
Accumulated depreciation	(144)	(1,904)	(332)	(603)	–	(2,983)
Net carrying amount	<u>486</u>	<u>5,039</u>	<u>265</u>	<u>363</u>	<u>–</u>	<u>6,153</u>
At 1 January 2023, net of accumulated depreciation	486	5,039	265	363	–	6,153
Additions	–	439	–	109	889	1,437
Internal transfer	–	858	–	–	(858)	–
Disposals	–	(1,192)	(91)	(1)	–	(1,284)
Depreciation provided during the year	(269)	(735)	(35)	(113)	–	(1,152)
At 31 December 2023, net of accumulated depreciation	<u>217</u>	<u>4,409</u>	<u>139</u>	<u>358</u>	<u>31</u>	<u>5,154</u>
At 31 December 2023:						
Cost	630	7,048	506	1,074	31	9,289
Accumulated depreciation	(413)	(2,639)	(367)	(716)	–	(4,135)
Net carrying amount	<u>217</u>	<u>4,409</u>	<u>139</u>	<u>358</u>	<u>31</u>	<u>5,154</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024						
At 1 January 2024:						
Cost	630	7,048	506	1,074	31	9,289
Accumulated depreciation	(413)	(2,639)	(367)	(716)	–	(4,135)
Net carrying amount	<u>217</u>	<u>4,409</u>	<u>139</u>	<u>358</u>	<u>31</u>	<u>5,154</u>
At 1 January 2024, net of accumulated						
depreciation	217	4,409	139	358	31	5,154
Additions	–	1,511	–	103	180	1,794
Internal transfer	–	81	–	–	(81)	–
Disposals	–	(217)	–	(3)	–	(220)
Depreciation provided during the year	(173)	(1,222)	(58)	(205)	–	(1,658)
At 31 December 2024, net of accumulated depreciation	<u>44</u>	<u>4,562</u>	<u>81</u>	<u>253</u>	<u>130</u>	<u>5,070</u>
At 31 December 2024:						
Cost	630	8,423	506	1,174	130	10,863
Accumulated depreciation	(586)	(3,861)	(425)	(921)	–	(5,793)
Net carrying amount	<u>44</u>	<u>4,562</u>	<u>81</u>	<u>253</u>	<u>130</u>	<u>5,070</u>
	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025						
At 1 January 2025						
Cost	630	8,423	506	1,174	130	10,863
Accumulated depreciation	(586)	(3,861)	(425)	(921)	–	(5,793)
Net carrying amount	<u>44</u>	<u>4,562</u>	<u>81</u>	<u>253</u>	<u>130</u>	<u>5,070</u>
At 1 January 2025, net of accumulated						
depreciation	44	4,562	81	253	130	5,070
Additions	–	469	–	–	2,506	2,975
Internal transfer	–	2,353	–	–	(2,353)	–
Disposals	–	(288)	–	(6)	–	(294)
Depreciation provided during the period	(44)	(987)	(43)	(117)	–	(1,191)
At 30 September 2025 (Unaudited), net of accumulated depreciation	<u>–</u>	<u>6,109</u>	<u>38</u>	<u>130</u>	<u>283</u>	<u>6,560</u>
At 30 September 2025 (Unaudited):						
Cost	630	10,958	506	1,168	283	13,545
Accumulated depreciation	(630)	(4,849)	(468)	(1,038)	–	(6,985)
Net carrying amount	<u>–</u>	<u>6,109</u>	<u>38</u>	<u>130</u>	<u>283</u>	<u>6,560</u>

APPENDIX I

ACCOUNTANTS’ REPORT

14. INVESTMENT PROPERTIES

The Group and The Company

	Total
	<i>RMB'000</i>
31 December 2023	
At 1 January 2023:	
Cost	2,095
Accumulated depreciation	(870)
Net carrying amount	<u>1,225</u>
At 1 January 2023, net of accumulated depreciation	1,225
Depreciation provided during the year	(100)
At 31 December 2023, net of accumulated depreciation	<u>1,125</u>
At 31 December 2023:	
Cost	2,095
Accumulated depreciation	(970)
Net carrying amount	<u>1,125</u>
	Total
	<i>RMB'000</i>
31 December 2024	
At 1 January 2024:	
Cost	2,095
Accumulated depreciation	(970)
Net carrying amount	<u>1,125</u>
At 1 January 2024, net of accumulated depreciation	1,125
Depreciation provided during the year	(100)
At 31 December 2024, net of accumulated depreciation	<u>1,025</u>
At 31 December 2024:	
Cost	2,095
Accumulated depreciation	(1,070)
Net carrying amount	<u>1,025</u>
	Total
	<i>RMB'000</i>
30 September 2025	
At 1 January 2025:	
Cost	2,095
Accumulated depreciation	(1,070)
Net carrying amount	<u>1,025</u>
At 1 January 2025, net of accumulated depreciation	1,025
Depreciation provided during the period	(75)
At 30 September 2025, net of accumulated depreciation	<u>950</u>
At 30 September 2025:	
Cost	2,095
Accumulated depreciation	(1,145)
Net carrying amount	<u>950</u>

APPENDIX I

ACCOUNTANTS’ REPORT

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and properties, and machineries used in its operations. Leases of plant and properties, and machineries generally have lease terms between 13 and 60 months. Lump sum payments were made up front to acquire the leased land from the owner with the lease period of 50 years. Leases of other property and plant and leases of laptop computers generally have lease terms of 12 months or less or are individually of low value.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

The Group

	Land use right	Plant and properties	Equipment	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	–	1,587	–	1,587
Additions	–	14,776	–	14,776
Depreciation charge	–	(3,747)	–	(3,747)
Net carrying amount	–	12,616	–	12,616
As at 31 December 2023 and 1 January 2024	–	12,616	–	12,616
Additions	14,420	4,489	636	19,545
Depreciation charge	(168)	(4,616)	(124)	(4,908)
Net carrying amount	14,252	12,489	512	27,253
As at 31 December 2024 and 1 January 2025	14,252	12,489	512	27,253
Depreciation charge	(216)	(4,707)	(159)	(5,082)
As at 30 September 2025 (Unaudited)	14,036	7,782	353	22,171

The Company

	Land use right	Plant and properties	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	–	156	156
Additions	–	4,172	4,172
Depreciation charge	–	(503)	(503)
Net carrying amount	–	3,825	3,825
As at 31 December 2023 and 1 January 2024	–	3,825	3,825
Additions	14,420	–	14,420
Depreciation charge	(168)	(1,391)	(1,559)
Net carrying amount	14,252	2,434	16,686
As at 31 December 2024 and 1 January 2025	14,252	2,434	16,686
Depreciation charge	(216)	(1,044)	(1,260)
As at 30 September 2025 (Unaudited)	14,036	1,390	15,426

APPENDIX I

ACCOUNTANTS’ REPORT

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

The Group

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Carrying amount at beginning of year/period . . .	1,587	12,277	13,307
New leases	14,776	5,125	–
Accretion of interest recognised during the year/period	201	540	431
Payments	(4,287)	(4,635)	(5,123)
Carrying amount at end of year/period	<u>12,277</u>	<u>13,307</u>	<u>8,615</u>
Analysed into:			
Current portion	3,970	5,702	4,520
Non-current portion	8,307	7,605	4,095

The Company

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Carrying amount at beginning of year/period . . .	1,070	3,842	2,491
New leases	4,172	–	–
Accretion of interest recognised during the year/period	38	119	57
Payments	(1,438)	(1,470)	(1,104)
Carrying amount at end of year/period	<u>3,842</u>	<u>2,491</u>	<u>1,444</u>
Analysed into:			
Current portion	1,348	1,402	1,444
Non-current portion	2,494	1,089	–

The maturity analysis of lease liabilities is disclosed in note 39.

APPENDIX I

ACCOUNTANTS’ REPORT

(e) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Interest on lease liabilities (note 7)	201	540	431
Depreciation charge of right-of-use assets (note 6)	3,747	4,908	5,082
Expenses relating to short-term leases (note 6)	1,840	3,025	1,861
Total amount recognised in profit or loss	<u>5,788</u>	<u>8,473</u>	<u>7,374</u>

16. OTHER INTANGIBLE ASSETS

The Group

	Software	Patents and licences	Total
	RMB'000	RMB'000	RMB'000
31 December 2023			
At 1 January 2023			
Cost	30	411	441
Accumulated amortisation	(30)	(271)	(301)
Net carrying amount	<u>–</u>	<u>140</u>	<u>140</u>
At 1 January 2023, net of accumulated amortisation			
Additions	286	–	286
Amortisation provided during the year	(51)	(88)	(139)
At 31 December 2023, net of accumulated amortisation	<u>235</u>	<u>52</u>	<u>287</u>
At 31 December 2023			
Cost	316	411	727
Accumulated amortisation	(81)	(359)	(440)
Net carrying amount	<u>235</u>	<u>52</u>	<u>287</u>
	Software	Patents and licences	Total
	RMB'000	RMB'000	RMB'000
31 December 2024			
At 1 January 2024			
Cost	316	411	727
Accumulated amortisation	(81)	(359)	(440)
Net carrying amount	<u>235</u>	<u>52</u>	<u>287</u>
At 1 January 2024, net of accumulated amortisation			
Additions	–	–	–
Amortisation provided during the year	(143)	(24)	(167)
At 31 December 2024, net of accumulated amortisation	<u>92</u>	<u>28</u>	<u>120</u>
At 31 December 2024			
Cost	316	411	727
Accumulated amortisation	(224)	(383)	(607)
Net carrying amount	<u>92</u>	<u>28</u>	<u>120</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Software	Patents and licences	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025			
At 1 January 2025			
Cost	316	411	727
Accumulated amortisation	(224)	(383)	(607)
Net carrying amount	<u>92</u>	<u>28</u>	<u>120</u>
At 1 January 2025, net of accumulated			
amortisation	92	28	120
Additions	103	–	103
Amortisation provided during the period	(96)	(8)	(104)
At 30 September 2025 (Unaudited), net of			
accumulated amortisation	<u>99</u>	<u>20</u>	<u>119</u>
At 30 September 2025 (Unaudited)			
Cost	419	411	830
Accumulated amortisation	(320)	(391)	(711)
Net carrying amount	<u>99</u>	<u>20</u>	<u>119</u>

The Company

	Software	Patents and licences	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023			
At 1 January 2023			
Cost	30	256	286
Accumulated amortisation	(30)	(208)	(238)
Net carrying amount	<u>–</u>	<u>48</u>	<u>48</u>
At 1 January 2023, net of accumulated			
amortisation	–	48	48
Additions	–	–	–
Amortisation provided during the year	–	(10)	(10)
At 31 December 2023, net of accumulated			
amortisation	<u>–</u>	<u>38</u>	<u>38</u>
At 31 December 2023			
Cost	30	256	286
Accumulated amortisation	(30)	(218)	(248)
Net carrying amount	<u>–</u>	<u>38</u>	<u>38</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Software	Patents and licences	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2024			
At 1 January 2024			
Cost	30	256	286
Accumulated amortisation	(30)	(218)	(248)
Net carrying amount	<u>–</u>	<u>38</u>	<u>38</u>
At 1 January 2024, net of accumulated amortisation			
Amortisation	–	38	38
Additions	–	–	–
Amortisation provided during the year	–	(10)	(10)
At 31 December 2024, net of accumulated amortisation			
Amortisation	–	28	28
At 31 December 2024			
Cost	30	256	286
Accumulated amortisation	(30)	(228)	(258)
Net carrying amount	<u>–</u>	<u>28</u>	<u>28</u>
	Software	Patents and licences	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
30 September 2025			
At 1 January 2025			
Cost	30	256	286
Accumulated amortisation	(30)	(228)	(258)
Net carrying amount	<u>–</u>	<u>28</u>	<u>28</u>
At 1 January 2025, net of accumulated amortisation			
Amortisation	–	28	28
Additions	8	–	8
Amortisation provided during the period	(1)	(8)	(9)
At 30 September 2025 (Unaudited), net of accumulated amortisation			
Amortisation	7	20	27
At 30 September 2025 (Unaudited)			
Cost	38	256	294
Accumulated amortisation	(31)	(236)	(267)
Net carrying amount	<u>7</u>	<u>20</u>	<u>27</u>

17. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Investments, at cost	73,115	133,598	133,598
Less: provision for impairment losses*	(23,115)	(23,598)	(23,598)
Total	<u>50,000</u>	<u>110,000</u>	<u>110,000</u>

* Some subsidiaries incurred losses or only carried out limited operational activities. The Company has recognised an impairment loss on investment in subsidiaries amounted to RMB9,780,000, RMB483,000 and nil for the year ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, respectively.

APPENDIX I

ACCOUNTANTS’ REPORT

18. DEFERRED TAX

The Group

The movements in deferred tax assets/liabilities of the Group during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

	Financial assets at fair value through profit or loss	Right-of-use assets	Lease liabilities	Tax losses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	–	(186)	186	–	–
Deferred tax charged/(credited) to profit or loss during the year	(220)	(827)	757	290	–
At 1 December 2023	<u>(220)</u>	<u>(1,013)</u>	<u>943</u>	<u>290</u>	<u>–</u>
At 1 January 2024	(220)	(1,013)	943	290	–
Deferred tax charged/(credited) to profit or loss during the year	(475)	(694)	863	306	–
At 1 December 2024	<u>(695)</u>	<u>(1,707)</u>	<u>1,806</u>	<u>596</u>	<u>–</u>
At 1 January 2025	(695)	(1,707)	1,806	596	–
Deferred tax charged/(credited) to profit or loss during the period	(518)	618	(624)	524	–
At 30 September 2025 (Unaudited)	<u>(1,213)</u>	<u>(1,089)</u>	<u>1,182</u>	<u>1,120</u>	<u>–</u>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position.

The Group has accumulated tax losses of RMB145,096,000, RMB200,725,000 and RMB206,708,000 in aggregate as at 31 December 2023, 2024 and 30 September 2025, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in the Chinese Mainland. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

APPENDIX I

ACCOUNTANTS’ REPORT

The Company

The movements in deferred tax assets/liabilities of the Company during the Relevant Periods and the nine months ended 30 September 2025 are as follows:

	Financial assets at fair value through profit or loss	Right-of-use assets	Lease liabilities	Tax losses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	–	(160)	160	–	–
Deferred tax charged/(credited) to profit or loss during the year	(186)	(414)	361	239	–
At 1 December 2023	<u>(186)</u>	<u>(574)</u>	<u>521</u>	<u>239</u>	<u>–</u>
At 1 January 2024	(186)	(574)	521	239	–
Deferred tax charged/(credited) to profit or loss during the year	(348)	209	(147)	286	–
At 1 December 2024	<u>(534)</u>	<u>(365)</u>	<u>374</u>	<u>525</u>	<u>–</u>
At 1 January 2025	(534)	(365)	374	525	–
Deferred tax charged/(credited) to profit or loss during the period	(413)	156	(157)	414	–
At 30 September 2025 (Unaudited)	<u>(947)</u>	<u>(209)</u>	<u>217</u>	<u>939</u>	<u>–</u>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position.

The Company has accumulated tax losses of RMB108,602,000, RMB120,540,000 and RMB112,323,000 in aggregate as at 31 December 2023, 2024 and 30 September 2025, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in the Chinese Mainland. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

APPENDIX I

ACCOUNTANTS’ REPORT

19. INVENTORIES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Raw materials	14,360	30,533	14,875
Work in progress	227	3,571	9,490
Finished goods	44,719	38,709	18,563
	59,306	72,813	42,928
Less: provision for impairment loss	(925)	(2,006)	(3,175)
Total	<u>58,381</u>	<u>70,807</u>	<u>39,753</u>

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Raw materials	13,085	14,263	9,982
Work in progress	227	3,491	4,373
Finished goods	23,396	20,557	14,434
	36,708	38,311	28,789
Less: provision for impairment loss	(631)	(1,310)	(2,076)
Total	<u>36,077</u>	<u>37,001</u>	<u>26,713</u>

20. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Trade receivables	12,816	14,946	35,303
Less: impairment	(4,097)	(4,548)	(4,549)
Trade receivables, net	8,719	10,398	30,754
Bills receivable	3,593	2,978	3,553
Net carrying amount	<u>12,312</u>	<u>13,376</u>	<u>34,307</u>

The Group generally requires its customers to make payments at different stages of the sales transactions, however, the Group grants certain credit periods to customers with a good payment history. The credit periods of individual customers are considered on a case-by-case basis and are set out in the sales contracts, as appropriate. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

APPENDIX I

ACCOUNTANTS’ REPORT

An ageing analysis of the trade receivables as at 31 December 2023, 2024 and 30 September 2025, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Within 12 months	6,904	8,550	29,107
13 to 24 months	1,525	1,772	340
25 to 36 months	290	76	1,307
Total	<u>8,719</u>	<u>10,398</u>	<u>30,754</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
At beginning of year/period	3,128	4,097	4,548
Impairment	969	451	1
At end of year/period	<u>4,097</u>	<u>4,548</u>	<u>4,549</u>

An impairment analysis is performed at 31 December 2023, 2024 and 30 September 2025 using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The bills receivable held by the Group were mostly issued by reputable banks and had short-term maturities. Therefore, the impairment loss for bills receivable was immaterial as at the end of each of the Relevant Periods and 30 September 2025.

Set out below is the information about the collective assessment by credit risk exposure on trade receivables:

	Book balance		Expected credit losses		Carrying amount <i>RMB'000</i>
	Amount	Percentage	Amount	Rate	
	<i>RMB'000</i>	(%)	<i>RMB'000</i>	(%)	
As at 31 December 2023					
Impairment based on individual assessment . .	3,676	28.7	2,905	79.0	771
Impairment based on collective assessment by credit risk portfolio . . .	9,140	71.3	1,192	13.0	7,948
	<u>12,816</u>	<u>100</u>	<u>4,097</u>	<u>32</u>	<u>8,719</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at 31 December 2023					
On a collective basis:					
Gross carrying amount (RMB’000)	6,370	2,019	526	225	9,140
Expected credit loss rate . .	3.7%	24.5%	44.7%	100.0%	13.0%
Expected credit losses (RMB’000)	238	494	235	225	1,192

Book balance		Expected credit losses		Carrying amount
Amount	Percentage	Amount	Rate	
<i>RMB’000</i>	(%)	<i>RMB’000</i>	(%)	

As at 31 December 2024					
Impairment based on individual assessment . .	3,935	26.3	3,164	80.4	771
Impairment based on collective assessment by credit risk portfolio . . .	11,011	73.7	1,384	12.6	9,627
	<u>14,946</u>	<u>100</u>	<u>4,548</u>	<u>30</u>	<u>10,398</u>

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
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As at 31 December 2024					
On a collective basis:					
Gross carrying amount (RMB’000)	9,004	1,342	194	471	11,011
Expected credit loss rate . .	5.0%	25.4%	60.8%	100.0%	12.6%
Expected credit losses (RMB’000)	454	341	118	471	1,384

Book balance		Expected credit losses		Carrying amount
Amount	Percentage	Amount	Rate	
<i>RMB’000</i>	(%)	<i>RMB’000</i>	(%)	

As at 30 September 2025 (Unaudited)					
Impairment based on individual assessment . .	3,007	8.5	2,236	74.4	771
Impairment based on collective assessment by credit risk portfolio . . .	32,296	91.5	2,313	7.2	29,983
	<u>35,303</u>	<u>100</u>	<u>4,549</u>	<u>13</u>	<u>30,754</u>

APPENDIX I

ACCOUNTANTS’ REPORT

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at 30 September 2025					
(Unaudited)					
On a collective basis:					
Gross carrying amount					
(RMB’000)	30,385	443	1,034	434	32,296
Expected credit loss rate	4.2%	23.3%	48.2%	100.0%	7.2%
Expected credit losses					
(RMB’000)	1,278	103	498	434	2,313

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> (Unaudited)
Trade receivables due from third parties	7,458	8,290	9,426
Trade receivables due from subsidiaries	22,604	21,234	43,064
Less: impairment	(16,607)	(19,255)	(26,993)
Trade receivables, net	13,455	10,269	25,497
Bills receivable	3,169	1,152	2,170
Net carrying amount	16,624	11,421	27,667

An ageing analysis of the trade receivables as at 31 December 2023, 2024 and 30 September 2025, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> (Unaudited)
Within 12 months	12,353	9,223	24,446
13 to 24 months	983	1,042	193
25 to 36 months	119	4	858
Total	13,455	10,269	25,497

The movement in the loss allowance for impairment of trade receivables are as follows:

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> (Unaudited)
At beginning of year/period	2,229	16,607	19,256
Impairment	14,378	2,649	7,737
At end of year/period	16,607	19,256	26,993

APPENDIX I

ACCOUNTANTS’ REPORT

Set out below is the information about the collective assessment by credit risk exposure on trade receivables:

	Book balance		Expected credit losses		Carrying amount RMB'000
	Amount	Percentage	Amount	Provision rate	
	RMB'000	(%)	RMB'000	(%)	
As at 31 December 2023					
Impairment based on individual assessment					
Due from third parties . . .	3,132	10.4	2,361	75.4	771
Due from subsidiaries . . .	22,604	75.2	13,510	59.8	9,094
Impairment based on collective assessment by credit risk portfolio . . .					
	4,326	14.4	736	17.0	3,590
	<u>30,062</u>	<u>100</u>	<u>16,607</u>	<u>55</u>	<u>13,455</u>

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at 31 December 2023					
On a collective basis:					
Gross carrying amount (RMB'000)	2,583	1,303	215	225	4,326
Expected credit loss rate . .	3.7%	24.6%	44.7%	100.0%	17.0%
Expected credit losses (RMB'000)	95	320	96	225	736

	Book balance		Expected credit losses		Carrying amount RMB'000
	Amount	Percentage	Amount	Provision rate	
	RMB'000	(%)	RMB'000	(%)	
As at 31 December 2024					
Impairment based on individual assessment					
Due from third parties . . .	2,746	9.3	1,975	71.9	771
Due from subsidiaries . . .	21,234	71.9	16,666	78.5	4,568
Impairment based on collective assessment by credit risk portfolio . . .					
	5,544	18.8	614	11.1	4,930
	<u>29,524</u>	<u>100</u>	<u>19,255</u>	<u>65</u>	<u>10,269</u>

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at 31 December 2024					
On a collective basis:					
Gross carrying amount (RMB'000)	4,888	364	12	280	5,544
Expected credit loss rate . .	4.8%	25.5%	66.7%	100.0%	11.1%
Expected credit losses (RMB'000)	233	93	8	280	614

APPENDIX I

ACCOUNTANTS’ REPORT

Set out below is the information about the credit risk exposure on trade receivables:

	Book balance		Expected credit losses		Carrying amount RMB'000
	Amount	Percentage	Amount	Provision rate	
	RMB'000	(%)	RMB'000	(%)	
As at 30 September 2025					
(Unaudited)					
Impairment based on individual assessment					
Due from third parties . . .	2,503	4.8	1,732	69.2	771
Due from subsidiaries . . .	43,064	82.0	24,579	57.1	18,485
Impairment based on collective assessment by credit risk portfolio . . .					
	6,923	13.2	682	9.9	6,241
	<u>52,490</u>	<u>100</u>	<u>26,993</u>	<u>51.4</u>	<u>25,497</u>
	<u>Within 12 months</u>	<u>13 to 24 months</u>	<u>25 to 36 months</u>	<u>Over 36 months</u>	<u>Total</u>
As at 30 September 2025					
(Unaudited)					
On a collective basis:					
Gross carrying amount					
(RMB'000)	6,237	251	169	266	6,923
Expected credit loss rate . .	4.4%	23.1%	48.5%	100.0%	9.9%
Expected credit losses					
(RMB'000)	<u>276</u>	<u>58</u>	<u>82</u>	<u>266</u>	<u>682</u>

21. CONTRACT ASSETS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Contract assets arising from:			
Warranty retention	2,705	5,655	5,658
Less: Impairment of contract assets	(77)	(320)	(254)
Total	<u>2,628</u>	<u>5,335</u>	<u>5,404</u>
Analysed into:			
Current portion	2,558	5,006	5,328
Non-current portion	<u>70</u>	<u>329</u>	<u>76</u>

APPENDIX I

ACCOUNTANTS’ REPORT

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Contract assets arising from:			
Warranty retention	1,395	2,339	2,273
Less: Impairment of contract assets	(36)	(118)	(88)
Total	<u>1,359</u>	<u>2,221</u>	<u>2,185</u>
Analysed into:			
Current portion	1,359	2,168	2,185
Non-current portion	–	53	–
	<u>–</u>	<u>53</u>	<u>–</u>

Contract assets are initially recognized for the revenue from sales of products and the receipt of retention consideration is conditional on expiration of the warranty period. Upon expiration of the warranty period, the amounts recognized as contract assets are reclassified as trade receivables.

The movements in the loss allowance for impairment of contract assets are as follows:

The Group

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
At beginning of year/period	14	77	320
Impairment/(reversal of impairment) on contract assets (note 6)	63	243	(66)
At end of year/period	<u>77</u>	<u>320</u>	<u>254</u>

The Company

	Year ended 31 December		Nine months ended 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
At beginning of year/period	–	36	118
Impairment/(reversal of impairment) on contract assets	36	82	(30)
At end of year/period	<u>36</u>	<u>118</u>	<u>88</u>

An impairment analysis is performed at 31 December 2023, 2024 and 30 September 2025 using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

APPENDIX I

ACCOUNTANTS’ REPORT

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Prepayments	3,647	7,947	7,057
Deposits	1,541	1,383	1,553
Other receivables	1,365	3,782	3,807
	<u>6,553</u>	<u>13,112</u>	<u>12,417</u>
Impairment allowance	–	–	–
Total	<u>6,553</u>	<u>13,112</u>	<u>12,417</u>
Analysed into:			
Current portion	6,553	10,135	12,417
Non-current portion	–	2,977	–
	<u>–</u>	<u>2,977</u>	<u>–</u>

As at 31 December 2023 and 2024 and 30 September 2025, impairment of other receivable was measured based on 12-month expected credit losses if they were not past due and there was no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit losses.

The financial assets included in the above balances have no recent history of default and past due amounts. In addition, there was no significant change in the economic factors based on the assessment of the forward-looking information, so the ECLs in respect of these balances are minimal.

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Prepayments	1,112	1,776	2,497
Deposits	765	865	765
Other receivables	902	1,525	1,095
Due from subsidiaries	15	3,622	15,503
	<u>2,794</u>	<u>7,788</u>	<u>19,860</u>
Impairment allowance	(15)	(3,612)	(15,492)
Total	<u>2,779</u>	<u>4,176</u>	<u>4,368</u>
Analysed into:			
Current portion	2,779	4,176	4,368
Non-current portion	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>

APPENDIX I

ACCOUNTANTS’ REPORT

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Structured deposits	–	–	45,046
Wealth management products	116,924	151,987	76,621
	<u>116,924</u>	<u>151,987</u>	<u>121,667</u>

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Wealth management products	71,239	57,322	32,754
	<u>71,239</u>	<u>57,322</u>	<u>32,754</u>

As at 31 December 2023 and 2024 and 30 September 2025, the financial assets at fair value through profit or loss represented wealth management products and structured deposits issued by certain banks in the Chinese Mainland, with expected return rates ranging from 1% to 2.56% per annum. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Bills receivable, at fair value	1,534	540	2,016
	<u>1,534</u>	<u>540</u>	<u>2,016</u>

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Bills receivable, at fair value	1,484	324	538
	<u>1,484</u>	<u>324</u>	<u>538</u>

APPENDIX I

ACCOUNTANTS’ REPORT

25. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Cash and bank balances	27,468	17,443	20,605
Restricted cash	3,281	3,056	5,715
	<u>30,749</u>	<u>20,499</u>	<u>26,320</u>

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Denominated in			
RMB	30,471	19,128	23,134
USD	278	1,371	2,923
EUR	–	–	263
	<u>30,749</u>	<u>20,499</u>	<u>26,320</u>

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Cash and bank balances	16,040	11,094	8,434
Restricted cash	3,281	2,859	5,714
	<u>19,321</u>	<u>13,953</u>	<u>14,148</u>

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Denominated in			
RMB	19,043	12,582	11,150
USD	278	1,371	2,735
EUR	–	–	263
	<u>19,321</u>	<u>13,953</u>	<u>14,148</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2023, 2024 and 30 September 2025, the Group and the Company have assessed the credit risk of cash and cash equivalents and restricted cash to be minimal as they were placed in reputable financial institutions.

APPENDIX I

ACCOUNTANTS’ REPORT

The RMB is not freely convertible into other currencies, however, under the Chinese Mainland’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at 31 December 2023, 2024 and 30 September 2025, the Group’s and the Company’s restricted cash represented bank deposits pledged to issue the bank acceptance notes.

26. TRADE AND BILLS PAYABLES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)
Trade payables	43,753	70,356	50,370
Bills payables	9,409	9,726	19,046
	<u>53,162</u>	<u>80,082</u>	<u>69,416</u>

An ageing analysis of the trade payables as at 31 December 2023, 2024 and 30 September 2025, based on the invoice date, is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)
Within 1 year	33,189	58,779	40,842
13 to 24 months	8,062	5,971	5,106
25 to 36 months	1,831	4,784	2,549
Over 36 months	671	822	1,873
	<u>43,753</u>	<u>70,356</u>	<u>50,370</u>

The trade payables are non-interest-bearing and are normally settled within 30 to 90 days upon receipt of the VAT invoice from suppliers.

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)
Trade payables	39,992	43,324	33,017
Bills payables	9,459	9,528	19,046
	<u>49,451</u>	<u>52,852</u>	<u>52,063</u>

APPENDIX I

ACCOUNTANTS’ REPORT

An ageing analysis of trade payables as at 31 December 2023, 2024 and 30 September 2025, based on the invoice date, is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Within 1 year	31,015	34,498	27,761
13 to 24 months	7,091	3,572	3,374
25 to 36 months	1,215	4,821	823
Over 36 months	671	433	1,059
	<u>39,992</u>	<u>43,324</u>	<u>33,017</u>

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Trade payables due to subsidiaries	16,329	7,633	3,981
Trade payables due to third parties	23,663	35,691	29,036
	<u>39,992</u>	<u>43,324</u>	<u>33,017</u>

27. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Payroll and welfare payable	3,832	6,157	5,449
Deposit	30	1,373	935
Other payable	7,034	11,992	7,198
Other tax payable	2,661	2,872	7,225
	<u>13,557</u>	<u>22,394</u>	<u>20,807</u>

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Payroll and welfare payable	2,104	2,217	2,273
Other payable	4,154	5,943	3,012
Due to subsidiaries	3,934	4,010	4,297
Other tax payable	1,237	1,395	1,992
	<u>11,429</u>	<u>13,565</u>	<u>11,574</u>

Other payables are non-interest-bearing, unsecured and repayable on demand.

APPENDIX I

ACCOUNTANTS’ REPORT

28. CONTRACT LIABILITIES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Advance receipts from sales contract	39,770	41,910	20,784

Contract liabilities represented advances received to deliver robot bodies and robotics solutions.

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Advance receipts from sales contract:			
Due from third parties	13,482	12,043	4,765
	<u>13,482</u>	<u>12,043</u>	<u>4,765</u>

29. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at 31 December 2023		
	Effective interest rate	Maturity	
	(%)		RMB'000
Current			
Bank loans*	3.15-4	2024	7,000
Other borrowings**	0.55	2024	610
Total			<u>7,610</u>

	As at 31 December 2024		
	Effective interest rate	Maturity	
	(%)		RMB'000
Current			
Bank loans*	2.9-3.65	2025	7,700
Other borrowings**	0.93	2025	1,249
Total			<u>8,949</u>

	As at 30 September 2025 (Unaudited)		
	Effective interest rate	Maturity	
	(%)		RMB'000
Current			
Bank loans*	2.88-3.5	2026	8,000
Other borrowings**	0.86	2025	1,242
Total			<u>9,242</u>

* As at 31 December 2023, 2024 and 30 September 2025, Mr. Song Tao, a shareholder of the company, jointly guaranteed portions of these borrowings with other two persons amounting to RMB4,000,000, RMB7,000,000, and RMB8,000,000, respectively. The remaining portions of the borrowings were solely guaranteed by another shareholder of the company Mr. Liu Songtao.

APPENDIX I

ACCOUNTANTS’ REPORT

The Company

	As at 31 December 2023		
	Effective interest rate	Maturity	
	(%)		RMB’000
Current Other borrowings**	0.55	2024	600
			600
	As at 31 December 2024		
	Effective interest rate	Maturity	
	(%)		RMB’000
Current Other borrowings**	0.93	2025	634
			634
	As at 30 September 2025 (Unaudited)		
	Effective interest rate	Maturity	
	(%)		RMB’000
Current Other borrowings**	0.86	2025	1,242
			1,242

** Other borrowings represents proceeds received from notes receivable with recourse to banks before their maturity. As the Group retains the obligation to repay the bank in the event of default by the original obligors, the proceeds are classified as secured short-term borrowings rather than being derecognized.

30. PROVISION

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB’000	RMB’000	RMB’000 (Unaudited)
Analysed into:			
Current portion	1,348	1,641	1,329
Non-current portion	133	339	737
Total	1,481	1,980	2,066
			Warranties
At 1 January 2023			552
Additional			1,467
Utilised			(538)
At 31 December 2023 and 1 January 2024			1,481
At 1 January 2024			1,481
Additional			1,862
Utilised			(1,363)
At 31 December 2024 and 1 January 2025			1,980
At 1 January 2025			1,980
Additional			1,727
Utilised			(1,641)
At 30 September 2025 (Unaudited)			2,066

APPENDIX I

ACCOUNTANTS’ REPORT

The Company

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Analysed into:			
Current portion	1,014	999	831
Non-current portion	32	195	287
Total	<u>1,046</u>	<u>1,194</u>	<u>1,118</u>

	Warranties	
At 1 January 2023		381
Additional		1,046
Utilised		(381)
At 31 December 2023 and 1 January 2024		<u>1,046</u>
At 1 January 2024		1,046
Additional		1,162
Utilised		(1,014)
At 31 December 2024 and 1 January 2025		<u>1,194</u>
At 1 January 2025		1,194
Additional		923
Utilised		(999)
At 30 September 2025 (Unaudited)		<u>1,118</u>

31. SHARE CAPITAL/PAID-IN CAPITAL

A summary of movements in the Company’s paid-in capital/share capital is as follows:

Paid-in capital

	<i>RMB'000</i>
At 1 January 2023	16,755
Capital injection by shareholders*	1,011
At 31 December 2023	<u>17,766</u>

	<i>RMB'000</i>
At 1 January 2024	17,766
Capital injection by shareholders*	927
At 31 December 2024	<u>18,693</u>

	<i>RMB'000</i>
At 1 January 2025	18,693
Capital injection by shareholders*	775
Conversion into a joint stock company**	(19,468)
As at 30 September 2025 (Unaudited)	<u>—</u>

APPENDIX I

ACCOUNTANTS’ REPORT

Share capital

	Number of shares <i>(in thousand)</i>	Share capital <i>RMB'000</i>
At 1 January 2025	–	–
Conversion into a joint stock company**	19,468	19,468
At 30 September 2025 (Unaudited)	<u>19,468</u>	<u>19,468</u>

* During the years ended 31 December 2023, 2024 and the nine months ended 30 September 2025, paid-in capital increased by RMB1,011,000, RMB927,000 and RMB775,000, respectively, with the capital injection by shareholders.

** Pursuant to the shareholders’ resolution dated 28 September 2025, shareholders of the Company agreed to convert the Company into a joint stock company with limited liability with registered capital of RMB19,468,253 (19,468,253 shares with a nominal value of RMB1.00 each).

Pursuant to the shareholders agreements entered into between the Company and the Investors (collectively, the “Agreements”) as of 30 September 2025, the Company issued 12,574,892 shares to the Investors for a total net cash proceed of approximately RMB307,000,000 (collectively the “Investments”). Pursuant to the Agreements, the Investors were granted by the Company with special rights which included redemption rights. There was no exercise of redemption rights granted by the Company throughout the Relevant Periods and the nine months ended 30 September 2025.

On 6 August 2025, the Company and the Investors entered into supplemental agreements, agreeing that the redemption rights granted by the Company to the Investors have been irrecoverably terminated and shall be *void ab initio*. Taking into account the legal and regulatory framework of the Company’s jurisdiction and the governing law of the supplemental agreements, the directors considered that it is appropriate to present the Investments as equity throughout the Relevant Periods and the nine months ended 30 September 2024 and 2025.

Had the redemption rights granted by the Company to the Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the supplemental agreements, the redemption financial liabilities, total current liabilities and net liabilities would have been:

	As at 31 December		As at 30 September
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Redemption financial liabilities	302,617	389,312	–
Total current liabilities	422,034	549,990	126,098
Net liabilities	(174,593)	(237,734)	155,956

The financial cost associated with the redemption financial liabilities, the net loss for the year/period and basic and dilutive earning per share would have been:

	Year ended 31 December		Nine Months ended 30 September	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Financing cost associated with the redemption financial liabilities	(24,252)	(26,695)	(18,985)	(18,270)
Total net losses	(63,505)	(73,763)	(45,111)	(17,332)
Basic earnings per share	(3.60)	(4.08)	(2.52)	(0.93)
Diluted earnings per share	(3.60)	(4.08)	(2.52)	(0.93)

APPENDIX I

ACCOUNTANTS’ REPORT

32. SHARE-BASED PAYMENTS

The Company operates a restricted share incentive scheme (the “Scheme”) through certain shareholding platforms for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Scheme include the directors, senior management, and other employees of the Group.

In order to implement the Scheme, Tianjin Chenxing Xiongdi Partnership Enterprise (Limited Partnership) and Tianjin Chenxing Haoyou Enterprise Management Partnership Enterprise (Limited Partnership), (collectively, “Shareholding Platform”) were designated as employee shareholding platform to hold the shares of the Company awarded to the eligible participants as the ultimate beneficial owners. Under the Scheme, employees directly hold the restricted shares of the Shareholding Platform, and indirectly hold the shares of the Company. No cash settlement alternative was provided under the Scheme and the Group has no control over the Shareholding Platform.

Based on the service requirements of the Scheme, the restricted Shares of the Shareholding Platform will be vested in three tranches, with 40%, 30% and 30% of the total number of shares granted vested in the first, second and third years after the Company’s successful [REDACTED], respectively.

The fair value of the restricted shares as at the grant date were determined with reference to the fair value of shares less the subscription price. The fair value of the shares is measured as the market value at the grant date, which is determined by an external valuer using the marketing method, taking into account the latest transaction price and the terms and conditions upon which the restricted shares were granted.

The movements of the outstanding restricted shares granted under the Scheme during the Relevant Periods and the nine months ended 30 September 2024 and 2025 were as follows:

	Number of restricted shares	Weighted average subscription price per share
		<i>RMB</i>
At 1 January 2023	965,900	4.28
Granted during the year	150,000	13.50
At 31 December 2023	<u>1,115,900</u>	<u>5.52</u>
At 1 January 2024	1,115,900	5.52
Granted during the year	79,000	20.00
At 31 December 2024	<u>1,194,900</u>	<u>6.48</u>
At 1 January 2025	1,194,900	6.48
Granted during the period	110,000	20.00
At 30 September 2025 (Unaudited)	<u>1,304,900</u>	<u>7.62</u>
At 30 September 2024 (Unaudited)	<u>1,115,900</u>	<u>5.52</u>

The aforesaid transactions have been accounted for as share-based payment transactions. During the Relevant Periods and the nine months ended 30 September 2024 and 2025, the Group recognised share award expenses of nil, RMB10,622,000, nil and RMB2,664,000, respectively.

APPENDIX I

ACCOUNTANTS’ REPORT

33. RESERVES

The Group

The amounts of the Group’s reserves and the movements therein for the Relevant Periods and the nine months ended 30 September 2024 and 2025 are presented in the consolidated statements of changes in equity of the Historical Financial Information.

(i) *Capital reserve*

The Capital reserve of the Group mainly represents the premium in issuing shares.

(ii) *Share-based payment reserve*

The share-based payment reserve represents the equity-settled share scheme as set out in note 32 to the Historical Financial Information.

The Company

The amounts of the Company’s reserves and the movements therein for the Relevant Periods and the nine months ended 30 September 2025 are presented as follows:

	<u>Capital reserve</u>	<u>Share-based payment reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 1 January 2023	186,746	23,431	(89,619)	120,558
Total comprehensive loss for the year	–	–	(53,138)	(53,138)
Shareholders’ capital injection	43,989	–	–	43,989
As at 31 December 2023	<u>230,735</u>	<u>23,431</u>	<u>(142,757)</u>	<u>111,409</u>
	<u>Capital reserve</u>	<u>Share-based payment reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 1 January 2024	230,735	23,431	(142,757)	111,409
Total comprehensive loss for the year	–	–	(20,103)	(20,103)
Share-based payments	–	7,376	–	7,376
Shareholders’ capital injection	59,073	–	–	59,073
As at 31 December 2024	<u>289,808</u>	<u>30,807</u>	<u>(162,860)</u>	<u>157,755</u>
	<u>Capital reserve</u>	<u>Share-based payment reserve</u>	<u>Accumulated losses</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 1 January 2025	289,808	30,807	(162,860)	157,755
Total comprehensive loss for the period	–	–	(9,622)	(9,622)
Conversion into a joint stock company	(103,336)	–	103,336	–
Share-based payments	–	1,529	–	1,529
As at 30 September 2025 (Unaudited)	<u>186,472</u>	<u>32,336</u>	<u>(69,146)</u>	<u>149,662</u>

APPENDIX I

ACCOUNTANTS’ REPORT

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and the nine months ended 30 September 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB14,776,000, RMB5,125,000 and nil, respectively, in respect of lease arrangements for plant and properties and equipment.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	5,000	1,587	6,587
New leases	–	14,776	14,776
Lease payment	–	(4,287)	(4,287)
New bank loans and other borrowings	7,610	–	7,610
Repayment of bank borrowings and interest paid	(5,168)	–	(5,168)
Accretion of interest recognised during the year	168	201	369
At 31 December 2023	<u>7,610</u>	<u>12,277</u>	<u>19,887</u>
At 1 January 2024	7,610	12,277	19,887
New leases	–	5,125	5,125
Lease payment	–	(4,635)	(4,635)
New bank loans and other borrowings	14,639	–	14,639
Repayment of bank borrowings and interest paid	(13,639)	–	(13,639)
Accretion of interest recognised during the year	339	540	879
At 31 December 2024	<u>8,949</u>	<u>13,307</u>	<u>22,256</u>
At 1 January 2025	8,949	13,307	22,256
Lease payment	–	(5,123)	(5,123)
New bank loans and other borrowings	7,993	–	7,993
Repayment of bank borrowings and interest paid	(7,899)	–	(7,899)
Accretion of interest recognised during the period	199	431	630
At 30 September 2025 (Unaudited)	<u>9,242</u>	<u>8,615</u>	<u>17,857</u>

(c) Total cash outflow for leases

The total cash outflow for leases included in the statements of cash flows is as follows:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Within operating activities	1,840	3,025	2,602	1,861
Within financing activities	4,287	4,635	3,205	5,123
Total	<u>6,127</u>	<u>7,660</u>	<u>5,807</u>	<u>6,984</u>

APPENDIX I

ACCOUNTANTS’ REPORT

35. COMMITMENTS

The Group had no commitments at the end of the reporting period.

36. RELATED PARTY TRANSACTIONS

The Directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods and the nine months ended 30 September 2024 and 2025.

(a) Related parties:

The following individuals are related parties of the Group:

Name of related parties	Relationship with the Group
Mr. Liu Songtao	Shareholder, Chairman of the board of directors, Executive Directors, and Chief Technology Officer
Mr. Song Tao	Shareholder, Executive Director and General Manager

(b) Transactions with related parties:

As at 31 December 2023, 2024 and 30 September 2025, Mr. Song Tao with other two persons jointly guaranteed certain borrowings amounting to RMB4,000,000, RMB7,000,000, and RMB8,000,000, respectively.

As at 31 December 2023, 2024, Mr. Liu Songtao solely guaranteed certain borrowings amounting to RMB3,000,000, RMB700,000, respectively.

As at 31 December 2024 and 30 September 2025, Mr. Liu Songtao solely guaranteed certain lease liabilities amounting to RMB504,000, RMB323,000 respectively.

(c) Compensation of key management personnel of the Group

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Salaries, allowances and benefits in kind	606	569	428	447
Performance related bonuses	121	119	89	101
Share-based payment expenses	–	1,936	–	349
Pension scheme contributions	17	19	14	14
Total	<u>744</u>	<u>2,643</u>	<u>531</u>	<u>911</u>

Further details of directors’ and the chief executive’s remuneration are included in note 8 to the Historical Financial Information.

(d) Guarantee provided by related parties:

Pursuant to the shareholders agreements entered into among the Company, shareholders and the Pre-[REDACTED] Investors, the Investors were granted by Mr. Liu Songtao and Mr. Song Tao with special rights which included redemption rights. The Company has not provided any form of guarantee in connection with any potential failure of the single largest shareholders to fulfill their obligations relating to the redemption rights granted by the single largest shareholders. Accordingly, no financial liability regarding redemption rights granted by the single largest shareholders was recorded by the Company during Track Record Periods.

APPENDIX I

ACCOUNTANTS’ REPORT

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at 31 December 2023, 2024 and 30 September 2025 are as follows:

As at 31 December 2023

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Financial assets at fair value through profit or loss	116,924	–	–	116,924
Trade and bills receivables	–	1,534	12,312	13,846
Contract assets	–	–	2,628	2,628
Financial assets included in other receivables and other assets	–	–	2,906	2,906
Restricted cash	–	–	3,281	3,281
Cash and cash equivalents	–	–	27,468	27,468
Total	116,924	1,534	48,595	167,053

Financial liabilities

	Financial liabilities at amortised cost
	<i>RMB’000</i>
Lease liabilities	12,277
Trade and bills payables	53,162
Financial liabilities included in other payables and accruals	7,064
Interest-bearing bank and other borrowings	7,610
Total	80,113

As at 31 December 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Financial assets at fair value through profit or loss	151,987	–	–	151,987
Trade and bills receivables	–	540	13,376	13,916
Contract assets	–	–	5,335	5,335
Financial assets included in other receivables and other assets	–	–	5,165	5,165
Restricted cash	–	–	3,056	3,056
Cash and cash equivalents	–	–	17,443	17,443
Total	151,987	540	44,375	196,902

APPENDIX I

ACCOUNTANTS’ REPORT

Financial liabilities

	Financial liabilities at amortised cost
	<i>RMB'000</i>
Lease liabilities	13,307
Trade and bills payables	80,082
Financial liabilities included in other payables and accruals	13,365
Interest-bearing bank and other borrowings	8,949
	<u>115,703</u>

As at 30 September 2025 (Unaudited)

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets at fair value through profit or loss	121,667	–	–	121,667
Trade and bills receivables	–	2,016	34,307	36,323
Contract assets	–	–	5,404	5,404
Financial assets included in prepayments, other receivables and other assets	–	–	5,360	5,360
Restricted cash	–	–	5,715	5,715
Cash and cash equivalents	–	–	20,605	20,605
Total	<u>121,667</u>	<u>2,016</u>	<u>71,391</u>	<u>195,074</u>

Financial liabilities

	Financial liabilities at amortised cost
	<i>RMB'000</i>
Lease liabilities	8,615
Trade and bills payables	69,416
Financial liabilities included in other payables and accruals	8,133
Interest-bearing bank and other borrowings	9,242
Total	<u>95,406</u>

For the details of pre-[REDACTED] investments, please refer to Note 31 to this report.

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

APPENDIX I

ACCOUNTANTS’ REPORT

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

The fair values of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group’s own non-performance risk for interest-bearing bank and other borrowings during each of the Relevant Periods and the nine months ended 30 September 2024 and 2025 were assessed to be insignificant.

The Group has estimated the fair value of these unlisted investments, such as structured deposits and wealth management products (financial assets at fair value through profit or loss) and bills receivable (financial assets at fair value through other comprehensive income) using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group’s financial instruments:

Assets measured at fair value:

As at 31 December 2023

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	
	RMB’000	RMB’000	RMB’000	
Financial assets at fair value through profit or loss	–	116,924	–	116,924
Financial assets at fair value through other comprehensive income	–	1,534	–	1,534
Total	–	118,458	–	118,458

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	
	RMB’000	RMB’000	RMB’000	
Financial assets at fair value through profit or loss	–	151,987	–	151,987
Financial assets at fair value through other comprehensive income	–	540	–	540
Total	–	152,527	–	152,527

APPENDIX I

ACCOUNTANTS’ REPORT

As at 30 September 2025 (Unaudited)

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	
	RMB'000	RMB'000	RMB'000	
Financial assets at fair value through profit or loss	–	121,667	–	121,667
Financial assets at fair value through other comprehensive income	–	2,016	–	2,016
Total	–	123,683	–	123,683

During the Relevant Periods and the nine months ended 30 September 2024 and 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments, comprise interest-bearing bank and other borrowings, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various other financial assets and liabilities such as trade and bills receivables, prepayments, other receivables and other assets, trade and bills payables and other payables and accruals, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2023

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade and bills receivables*	–	–	–	16,409	16,409
Contract assets*	–	–	–	2,705	2,705
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,906	–	–	–	2,906
Restricted cash					
– Not yet past due	3,281	–	–	–	3,281
Cash and cash equivalents					
– Not yet past due	27,468	–	–	–	27,468
	<u>33,655</u>	<u>–</u>	<u>–</u>	<u>19,114</u>	<u>52,769</u>

APPENDIX I

ACCOUNTANTS’ REPORT

As at 31 December 2024

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade and bills receivables* . . .	–	–	–	17,924	17,924
Contract assets*	–	–	–	5,655	5,655
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	–
– Normal**	5,165	–	–	–	5,165
Restricted cash					
– Not yet past due	3,056	–	–	–	3,056
Cash and cash equivalents					
– Not yet past due	17,443	–	–	–	17,443
	<u>25,664</u>	<u>–</u>	<u>–</u>	<u>23,579</u>	<u>49,243</u>

As at 30 September 2025 (Unaudited)

	12-month ECLs		Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade and bills receivables* . . .	–	–	–	38,856	38,856
Contract assets*	–	–	–	5,658	5,658
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	–
– Normal**	5,360	–	–	–	5,360
Restricted cash					
– Not yet past due	5,715	–	–	–	5,715
Cash and cash equivalents					
– Not yet past due	20,605	–	–	–	20,605
	<u>31,680</u>	<u>–</u>	<u>–</u>	<u>44,514</u>	<u>76,194</u>

* For trade and bills receivables and contract assets to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 20 and 21.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations of cash flows.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings, and lease liabilities.

APPENDIX I

ACCOUNTANTS’ REPORT

The maturity profile of the Group’s financial liabilities as at 31 December 2023, 2024 and 30 September 2025, based on the contractual undiscounted payments, is as follows:

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
31 December 2023					
Interest-bearing bank and other borrowings	7,716	–	–	–	7,716
Lease liabilities	4,396	4,580	2,502	2,064	13,542
Trade and bills payables . .	53,162	–	–	–	53,162
Financial liabilities included in other payables and accruals . .	7,064	–	–	–	7,064
	<u>72,338</u>	<u>4,580</u>	<u>2,502</u>	<u>2,064</u>	<u>81,484</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
31 December 2024					
Interest-bearing bank and other borrowings	9,067	–	–	–	9,067
Lease liabilities	6,455	4,315	2,951	688	14,409
Trade and bills payables . .	80,082	–	–	–	80,082
Financial liabilities included in other payables and accruals . .	13,365	–	–	–	13,365
	<u>108,969</u>	<u>4,315</u>	<u>2,951</u>	<u>688</u>	<u>116,923</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
30 September 2025 (Unaudited)					
Interest-bearing bank and other borrowings	9,371	–	–	–	9,371
Lease liabilities	5,151	2,996	688	–	8,835
Trade and bills payables . .	69,416	–	–	–	69,416
Financial liabilities included in other payables	8,133	–	–	–	8,133
	<u>92,071</u>	<u>2,996</u>	<u>688</u>	<u>–</u>	<u>95,755</u>

Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders’ value.

APPENDIX I

ACCOUNTANTS’ REPORT

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods and the nine months ended 30 September 2025.

The asset-liability ratios as at 31 December 2023, 2024 and 30 September 2025 are as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Total assets	255,881	320,200	286,885
Total liabilities	127,857	168,622	130,930
Asset-liability ratio*	50%	53%	46%

* The asset-liability ratio is calculated by dividing total liabilities by total assets.

40. EVENTS AFTER THE RELEVANT PERIODS

Pursuant to a capital increase agreement dated 20 October 2025, the Company issued 811,177 shares to an investor at the consideration of RMB100 million. The consideration was fully received on 24 October 2025.

On 30 December 2025, the Company’s shareholders made a resolution that immediately before the [REDACTED], the shares of the Company will be split on a one for ten basis, accordingly the par value per share will change from RMB1 to RMB0.1.

41. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 30 September 2025.