

APPENDIX I

ACCOUNTANT'S REPORT

The following is the text of a report set out on pages [I-1] to [I-3], received from the Company's reporting accountant, [PricewaterhouseCoopers], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of HKSIR 200 Accountant's Reports on Historical Financial Information in Investment Circulars as issued by the Hong Kong Institute of Certified Public Accountants.

[Letterhead of PricewaterhouseCoopers]

[DRAFT]

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF WEIHENG INTELLIGENT TECHNOLOGY CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED AND CMB INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of Weiheng Intelligent Technology Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages [I-4] to [I-[●]], which comprises the consolidated statements of financial position at 31 December 2023 and 2024, the statements of financial position of the Company as at 31 December 2023 and 2024, and the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 2023 and 2024 and material accounting policy information and other explanatory information (together, the "**Financial Information**"). The Financial Information set out on pages [I-4] to [I-[●]] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [date] (the "**Document**") in connection with the initial [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Financial Information

The directors of the Company are responsible for the preparation of Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the historical financial information, and for such internal control as the directors determine is necessary to enable the preparation of Financial Information that is free from material misstatement, whether due to fraud or error.

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Reporting accountant's 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, Accountant's Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Financial Information. The procedures selected depend on the reporting accountant's judgement, including the assessment of risks of material misstatement of the Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity's preparation of Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the historical financial information in order to design procedures that are appropriate in the circumstances, but not for the purpose of 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 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 Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company as at 31 December 2023 and 2024 and the consolidated financial position of the Group as at 31 December 2023 and 2024 and of its consolidated financial performance and its consolidated cash flows for the years ended 31 December 2023 and 2024 in accordance with the basis of preparation set out in Note 2 to the historical financial information.

Review of stub period financial information

We have reviewed the stub period financial information of the Group which comprises the consolidated statement of financial position as at 30 September 2025, the statement of financial position of the Company as at 30 September 2025, and the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the nine months ended 30 September 2024 and 2025 and other explanatory information (the "**Stub Period Financial Information**"). The directors of the Company are responsible for the presentation and preparation of the Stub Period Financial Information in accordance with the basis of preparation set out in Note 2 to the historical financial information. Our responsibility is to express a conclusion on the Stub Period 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

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not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Financial Information, for the purposes of the accountant's report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the historical financial information.

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

Adjustments

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

Dividends

We refer to Note 34 to the historical financial information which states that no dividends have been paid by the Company in respect of the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025.

[PricewaterhouseCoopers]

Certified Public Accountants

Hong Kong

[Date]

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I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the historical financial information of the Group as at 31 December 2023 and 2024 and 30 September 2025 and for the years/period then ended (the "**Track Record Period**") (the "**Historical Financial Information**"), which forms an integral part of this accountant's report.

The consolidated financial statements of the Group for the years ended 31 December 2023 and 2024, on which the Financial Information is based, were audited by [PricewaterhouseCoopers] in accordance with Hong Kong Standards on Auditing as issued by the HKICPA ("**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.

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CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Notes	Year ended 31 December		Nine months ended 30 September	
		2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue	5	266,835	268,275	124,885	476,389
Cost of sales	7	<u>(244,800)</u>	<u>(219,764)</u>	<u>(106,378)</u>	<u>(385,615)</u>
Gross profit		22,035	48,511	18,507	90,774
Other income	6	2,047	5,973	4,429	2,677
Other gains/(losses), net	8	777	(1,435)	853	5,054
Selling and marketing expenses	7	(37,846)	(67,086)	(47,244)	(47,194)
Research and development expenses	7	(46,259)	(47,377)	(32,749)	(38,270)
Administrative expenses	7	(87,691)	(137,113)	(108,888)	(45,161)
(Provision for)/reversal of impairment of financial assets and contract assets	3.1(c)	<u>(5,456)</u>	<u>(1,806)</u>	<u>2,331</u>	<u>(4,130)</u>
Operating losses		<u>(152,393)</u>	<u>(200,333)</u>	<u>(162,761)</u>	<u>(36,250)</u>
Finance income	10	87	679	499	335
Finance costs	10	<u>(1,424)</u>	<u>(3,814)</u>	<u>(2,568)</u>	<u>(4,365)</u>
Finance costs, net		<u>(1,337)</u>	<u>(3,135)</u>	<u>(2,069)</u>	<u>(4,030)</u>
Share of results of associates	15	<u>—</u>	<u>(5)</u>	<u>—</u>	<u>—</u>
Loss before income tax		(153,730)	(203,473)	(164,830)	(40,280)
Income tax expense	11	<u>—</u>	<u>(1,073)</u>	<u>(410)</u>	<u>(118)</u>
Loss for the year/period		<u>(153,730)</u>	<u>(204,546)</u>	<u>(165,240)</u>	<u>(40,398)</u>
Loss for the year/period attributable to:					
Equity holders of the Company		(151,701)	(205,575)	(165,754)	(38,345)
Non-controlling interests		<u>(2,029)</u>	<u>1,029</u>	<u>514</u>	<u>(2,053)</u>
		<u>(153,730)</u>	<u>(204,546)</u>	<u>(165,240)</u>	<u>(40,398)</u>
Loss per share attributable to equity holders of the Company (expressed in RMB per share)					
Basic and diluted loss per share	12	<u>(1.91)</u>	<u>(2.25)</u>	<u>(1.83)</u>	<u>(0.40)</u>

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	<u>Year ended 31 December</u>		<u>Nine months ended</u>	
	<u>2023</u>	<u>2024</u>	<u>30 September</u>	
	<i>RMB'000</i>	<i>RMB'000</i>	<u>2024</u>	<u>2025</u>
			<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>	<i>(Unaudited)</i>
Loss for the year/period	(153,730)	(204,546)	(165,240)	(40,398)
Other comprehensive (loss)/income				
Items that may be subsequently reclassified to profit or loss:				
Currency translation differences	<u>(119)</u>	<u>568</u>	<u>—</u>	<u>(2,423)</u>
Other comprehensive (loss)/income for the year/period, net of tax	<u>-----</u> (119)	<u>-----</u> 568	<u>-----</u> —	<u>-----</u> (2,423)
Total comprehensive loss for the year/period, net of tax	<u>(153,849)</u>	<u>(203,978)</u>	<u>(165,240)</u>	<u>(42,821)</u>
Total comprehensive (loss)/income for the year/period attributable to:				
Equity holders of the Company	(151,820)	(205,007)	(165,754)	(40,768)
Non-controlling interests	<u>(2,029)</u>	<u>1,029</u>	<u>514</u>	<u>(2,053)</u>
	<u>(153,849)</u>	<u>(203,978)</u>	<u>(165,240)</u>	<u>(42,821)</u>

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		As at
		2023	2024	30 September
		RMB'000	RMB'000	2025
				RMB'000
				(Unaudited)
Assets				
Non-current assets				
Property, plant and equipment	16	29,769	51,466	45,694
Intangible assets	17	521	1,006	1,251
Right-of-use assets	18	5,939	16,435	22,071
Investments in associates	15	—	295	295
Financial assets at fair value through profit or loss ("FVTPL")	21	1,500	1,457	1,457
Deposits and prepayments	23	3,345	217	1,033
Total non-current assets		<u>41,074</u>	<u>70,876</u>	<u>71,801</u>
Current assets				
Inventories	25	191,116	257,779	319,432
Trade and bills receivables	22	93,002	93,979	141,315
Contract assets	5	23,578	3,555	11,540
Deposits, prepayments and other receivables	23	28,753	56,647	77,679
Financial assets at FVTPL	21	—	1,510	3,146
Restricted bank deposits	24(b)	36,330	200	—
Cash and cash equivalents	24(a)	111,941	114,571	57,316
Total current assets		<u>484,720</u>	<u>528,241</u>	<u>610,428</u>
Total assets		<u>525,794</u>	<u>599,117</u>	<u>682,229</u>
Equity attributable to equity holders of the Company				
Share capital	26(a)	88,349	89,816	89,816
Other reserves	26(b)	401,052	539,455	544,621
Accumulated losses		<u>(265,018)</u>	<u>(470,593)</u>	<u>(508,938)</u>
		224,383	158,678	125,499
Non-controlling interests		<u>(1,665)</u>	<u>642</u>	<u>(1,158)</u>
Total equity		<u>222,718</u>	<u>159,320</u>	<u>124,341</u>

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	<i>Notes</i>	As at 31 December		As at
		2023	2024	30 September
		<i>RMB'000</i>	<i>RMB'000</i>	2025
				<i>RMB'000</i> (Unaudited)
Liabilities				
Non-current liabilities				
Lease liabilities	18	—	9,837	10,760
Bank and other borrowings	29	—	1,367	5,683
Total non-current liabilities		—	11,204	16,443
Current liabilities				
Trade payables	27	96,470	130,618	209,940
Contract liabilities	5	61,134	112,082	66,678
Accruals and other payables	28	19,634	15,376	19,068
Bank and other borrowings	29	121,889	160,031	224,693
Deferred income	30	—	1,677	9,997
Lease liabilities	18	3,949	8,809	11,069
Total current liabilities		303,076	428,593	541,445
Total liabilities		303,076	439,797	557,888
Total equity and liabilities		525,794	599,117	682,229

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	<u>As at 31 December</u>		As at
		2023	2024	30 September
		<i>RMB'000</i>	<i>RMB'000</i>	2025
				<i>RMB'000</i>
				<i>(Unaudited)</i>
Assets				
Non-current assets				
Property, plant and equipment	16	25,973	36,908	33,234
Right-of-use assets	18	1,156	11,773	13,259
Intangible assets	17	521	1,006	853
Investments in subsidiaries	14	32,262	63,715	63,715
Prepayments	23	3,345	—	1,033
Total non-current assets		<u>63,257</u>	<u>113,402</u>	<u>112,094</u>
Current assets				
Inventories	25	150,459	219,913	181,528
Trade and bills receivables	22	138,933	176,180	357,604
Contract assets	5	19,817	3,555	11,540
Deposits, prepayments and other receivables	23	100,824	105,189	152,743
Restricted bank deposits	24(b)	36,330	200	—
Cash and cash equivalents	24(a)	90,502	55,265	11,039
Total current assets		<u>536,865</u>	<u>560,302</u>	<u>714,454</u>
Total assets		<u>600,122</u>	<u>673,704</u>	<u>826,548</u>
Equity attributable to equity holders of the Company				
Share capital	26(a)	88,349	89,816	89,816
Other reserves	36	403,356	541,191	548,780
Accumulated losses	36	(234,804)	(393,638)	(346,949)
Total equity		<u>256,901</u>	<u>237,369</u>	<u>291,647</u>

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	<i>Notes</i>	As at 31 December		As at
		2023	2024	30 September
		<i>RMB'000</i>	<i>RMB'000</i>	2025
				<i>RMB'000</i> (Unaudited)
Liabilities				
Non-current liability				
Lease liabilities	18	<u>—</u>	<u>9,837</u>	<u>8,192</u>
Total non-current liability		<u>—</u>	<u>9,837</u>	<u>8,192</u>
Current liabilities				
Trade payables	27	170,075	117,093	216,559
Deferred income	30	—	1,677	9,997
Contract liabilities	5	33,172	100,695	40,807
Accruals and other payables	28	14,136	38,424	45,158
Bank and other borrowings	29	121,889	159,800	203,375
Lease liabilities	18	<u>3,949</u>	<u>8,809</u>	<u>10,813</u>
Total current liabilities		<u>343,221</u>	<u>426,498</u>	<u>526,709</u>
Total liabilities		<u>343,221</u>	<u>436,335</u>	<u>534,901</u>
Total equity and liabilities		<u>600,122</u>	<u>673,704</u>	<u>826,548</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Attributable to owners of the Company</u>				<u>Non-controlling interests</u>	<u>Total</u>
	<u>Share capital</u>	<u>Other reserves</u>	<u>Accumulated losses</u>	<u>Sub-total</u>		
	<i>RMB'000</i> <i>(Note 26(a))</i>	<i>RMB'000</i> <i>(Note 26(b))</i>	<i>RMB'000</i>	<i>RMB'000</i>		
Balance at 1 January 2023	78,275	151,280	(113,317)	116,238	(126)	116,112
Loss for the year	—	—	(151,701)	(151,701)	(2,029)	(153,730)
Other comprehensive loss						
Currency translation differences	—	(119)	—	(119)	—	(119)
Total comprehensive loss for the year	<u>—</u>	<u>(119)</u>	<u>(151,701)</u>	<u>(151,820)</u>	<u>(2,029)</u>	<u>(153,849)</u>
Transactions with equity holders:						
Issuance of shares	10,074	184,125	—	194,199	—	194,199
Capital injection by non-controlling interests	—	—	—	—	490	490
Share-based payment expenses	—	65,766	—	65,766	—	65,766
	<u>10,074</u>	<u>249,891</u>	<u>—</u>	<u>259,965</u>	<u>490</u>	<u>260,455</u>
Balance at 31 December 2023	<u>88,349</u>	<u>401,052</u>	<u>(265,018)</u>	<u>224,383</u>	<u>(1,665)</u>	<u>222,718</u>

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	<u>Attributable to owners of the Company</u>				<u>Non-controlling interests</u>	<u>Total</u>
	<u>Share capital</u>	<u>Other reserves</u>	<u>Accumulated losses</u>	<u>Sub-total</u>		
	<i>RMB'000</i> <i>(Note 26(a))</i>	<i>RMB'000</i> <i>(Note 26(b))</i>	<i>RMB'000</i>	<i>RMB'000</i>		
Balance at 1 January 2024	88,349	401,052	(265,018)	224,383	(1,665)	222,718
Loss for the year	—	—	(205,575)	(205,575)	1,029	(204,546)
Other comprehensive loss						
Currency translation differences	—	568	—	568	—	568
Total comprehensive loss for the year	<u>—</u>	<u>568</u>	<u>(205,575)</u>	<u>(205,007)</u>	<u>1,029</u>	<u>(203,978)</u>
Transactions with equity holders:						
Issuance of shares	1,467	28,693	—	30,160	—	30,160
Capital injection by non-controlling interests	—	—	—	—	1,278	1,278
Share-based payment expenses	—	109,142	—	109,142	—	109,142
	<u>1,467</u>	<u>137,835</u>	<u>—</u>	<u>139,302</u>	<u>1,278</u>	<u>140,580</u>
Balance at 31 December 2024	<u>89,816</u>	<u>539,455</u>	<u>(470,593)</u>	<u>158,678</u>	<u>642</u>	<u>159,320</u>

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	<u>Attributable to owners of the Company</u>				<u>Non-controlling interests</u>	<u>Total</u>
	<u>Share capital</u>	<u>Other reserves</u>	<u>Accumulated losses</u>	<u>Sub-total</u>		
	<i>RMB'000</i> <i>(Note 26(a))</i>	<i>RMB'000</i> <i>(Note 26(b))</i>	<i>RMB'000</i>	<i>RMB'000</i>		
Balance at 1 January 2024	88,349	401,052	(265,018)	224,383	(1,665)	222,718
Loss for the period	—	—	(165,754)	(165,754)	514	(165,240)
Total comprehensive loss for the period	<u>—</u>	<u>—</u>	<u>(165,754)</u>	<u>(165,754)</u>	<u>514</u>	<u>(165,240)</u>
Transactions with equity holders:						
Issuance of shares	8	—	—	8	—	8
Capital injection by non-controlling interests	—	—	—	—	1,141	1,141
Share-based payment expenses	—	89,647	—	89,647	—	89,647
	<u>8</u>	<u>89,647</u>	<u>—</u>	<u>89,655</u>	<u>1,141</u>	<u>90,796</u>
Balance at 30 September 2024 (Unaudited)	<u>88,357</u>	<u>490,699</u>	<u>(430,772)</u>	<u>148,284</u>	<u>(10)</u>	<u>148,274</u>

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	<u>Attributable to owners of the Company</u>				<u>Non- controlling interests</u>	<u>Total</u>
	<u>Share capital</u>	<u>Other reserves</u>	<u>Accumulated losses</u>	<u>Sub-total</u>		
	<i>RMB'000</i> <i>(Note 26(a))</i>	<i>RMB'000</i> <i>(Note 26(b))</i>	<i>RMB'000</i>	<i>RMB'000</i>		
Balance at 1 January 2025	89,816	539,455	(470,593)	158,678	642	159,320
Loss for the period	—	—	(38,345)	(38,345)	(2,053)	(40,398)
Other comprehensive loss						
Currency translation differences	—	(2,423)	—	(2,423)	—	(2,423)
Total comprehensive loss for the period	<u>—</u>	<u>(2,423)</u>	<u>(38,345)</u>	<u>(40,768)</u>	<u>(2,053)</u>	<u>(42,821)</u>
Transactions with equity holders:						
Capital injection by non- controlling interests	—	—	—	—	253	253
Share-based payment expenses	—	7,589	—	7,589	—	7,589
	<u>—</u>	<u>7,589</u>	<u>—</u>	<u>7,589</u>	<u>253</u>	<u>7,842</u>
Balance at 30 September 2025 (Unaudited)	<u>89,816</u>	<u>544,621</u>	<u>(508,938)</u>	<u>125,499</u>	<u>(1,158)</u>	<u>124,341</u>

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	<i>Notes</i>	<u>Year ended 31 December</u>		<u>Nine months ended 30 September</u>	
		<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	<i>(Unaudited)</i>
Cash flows from operating activities					
Cash used in operations	31(a)	(160,346)	(66,296)	(49,303)	(113,010)
Interest received		87	679	499	335
Interest paid		(1,371)	(3,417)	(2,282)	(4,006)
Income tax paid, net		—	(1,073)	(410)	(118)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash used in operating activities		<u>(161,630)</u>	<u>(70,107)</u>	<u>(51,496)</u>	<u>(116,799)</u>
Cash flows from investing activities					
Purchase of property, plant and equipment	16	(19,660)	(31,179)	(23,797)	(7,302)
Purchase of intangible assets	17	(483)	(634)	(550)	(425)
Purchase of financial assets at FVTPL		(1,500)	(5,000)	(4,509)	(3,146)
Proceeds from disposal of property, plant and equipment	31(b)	—	623	—	1,553
Prepayments for right-of-use assets		(4,843)	—	—	—
Release of restricted bank deposits		—	36,130	36,130	200
Proceeds from disposal of a subsidiary		—	—	—	4,310
Capital injections in an associate	15	—	(300)	—	—
Placement of restricted bank deposits		(36,330)	—	—	—
Proceeds from disposal of financial assets at FVTPL		—	3,507	3,507	1,510
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash (used in)/generated from investing activities		<u>(62,816)</u>	<u>3,147</u>	<u>10,781</u>	<u>(3,300)</u>

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	<i>Notes</i>	<u>Year ended 31 December</u>		<u>Nine months ended 30 September</u>	
		<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	<i>(Unaudited)</i>
Cash flows from financing activities					
Proceeds from bank and other borrowings	31(c)	121,889	161,398	119,465	230,376
Repayments of bank and other borrowings	31(c)	(16,018)	(121,889)	(109,800)	(161,398)
Repayment of principal portion of lease liabilities	31(c)	—	(39)	—	(6,399)
Repayment of interest portion of lease liabilities	31(c)	—	(6)	—	(328)
Capital contribution from non-controlling interests		490	1,278	1,141	253
Proceeds from issue of shares		<u>194,199</u>	<u>30,161</u>	<u>8</u>	<u>—</u>
Net cash generated from financing activities		<u>300,560</u>	<u>70,903</u>	<u>10,814</u>	<u>62,504</u>
Net increase/(decrease) in cash and cash equivalents					
		76,114	3,943	(29,901)	(57,595)
Cash and cash equivalents at beginning of the year/period		33,337	111,941	111,941	114,571
Effect of foreign exchange rate changes		<u>2,490</u>	<u>(1,313)</u>	<u>(1,400)</u>	<u>340</u>
Cash and cash equivalents at end of the year/period	24	<u>111,941</u>	<u>114,571</u>	<u>80,640</u>	<u>57,316</u>

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II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION

Weiheng Intelligent Technology Co., Ltd. (the "**Company**") was incorporated in the People's Republic of China ("**PRC**") as a private company with limited liability on 4 July 2017. The address of the Company's registered office is Shengxiang, Yaxi Community, Luoshe Town, Huishan District, Wuxi City.

The Company and its subsidiaries (together, the "**Group**") are principally engaged in the production and sales of energy storage solutions and the provision of other services for photovoltaic power stations in the PRC and overseas ("**[REDACTED] Business**").

The ultimate controlling shareholder of the Company as at the date of this report is Mr. Ko Chun Shun Johnson ("**Mr. Ko**"). The ultimate controlling company of the Company as at the date of this report is Reorient Investments Limited, incorporated in Hong Kong on 10 December 2019 which is also the ultimate holding company and the ultimate controlling party of the Company.

These financial statements are presented in RMB and all values are rounded to the nearest thousand (RMB'000), unless otherwise stated.

2 BASIS OF PREPARATION

The Historical Financial Information of the Company has been prepared in accordance with principal accounting policies as set out below which are in accordance with HKFRS Accounting Standards issued by the HKICPA. The principal accounting policies have been consistently applied to all the years and periods presented, unless otherwise stated.

The Historical Financial Information has been prepared on a historical cost basis, except for the financial assets at FVTPL, which is measured at fair value.

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2.1 New standards, amendments and improvements to existing standards not yet adopted

The following new standards and amendments to standards have been issued but are not effective during the Track Record Period, and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature dependent Electricity	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 will replace HKAS 1 "*Presentation of financial statements*", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's profit/loss for the year, the Group expects that grouping items of income and expenses in the consolidated statements of comprehensive income into the new categories will impact how operating profit is calculated and reported.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the above mentioned changes in presentation and disclosure, these pronouncements are not expected to have a material impact on the results or the financial position of the Group.

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3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, cash flow and fair value interest rate risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out under policies approved by the directors. The directors provide principles for overall risk management.

(a) *Foreign exchange risk*

The Group operates principally in the PRC, Hong Kong, Australia and the Netherlands. Foreign exchange risk arises where commercial transactions, recognised assets and liabilities are denominated in currency that is not the functional currency of the subsidiaries and the Company. Management considers the foreign currency exposure of the Group is not significant as the respective operations' commercial transactions, assets and liabilities are mostly denominated in their respective functional currency.

The Group does not hedge against any fluctuation in foreign currencies during the Track Record Period.

(b) *Cash flow and fair value interest rate risk*

The Group holds interest bearing assets and liabilities including bank deposits and bank and other borrowings. Bank and other borrowings obtained at fixed rates expose the Group to fair value interest rate risk. At 31 December 2023 and 2024, and 30 September 2025, if the interest rate had been 50 basis points higher/lower with all other variables held constant, pretax loss for the year/period would have been RMB609,000, RMB807,000 and RMB1,152,000 higher/lower, respectively.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Bank deposits held at variable rate expose the Group to cash flow interest rate risk. As at 31 December 2023 and 2024, and 30 September 2025, the Group is not exposed to significant cash flow interest rate risk.

(c) *Credit risk*

(i) *Risk management*

Credit risk of the Group mainly arises from bank deposits and financial asset at FVTPL with banks and financial institutions, as well as credit exposures to trade and bills receivables, deposits and other receivables and contract assets. The carrying amounts of these balances on the consolidated statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

(ii) *Impairment of financial assets*

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade and bills receivables
- contract assets relating to revenue contracts, and
- deposit and other receivables.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

The Group's bank deposits are placed in those banks which are independently rated with a high credit rating. Management does not expect any losses from non-performance by these banks as they have no default history in the past.

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Trade and bills receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables and contract assets.

For bills receivables, bills are issued by counterparties at reputable banks and finance institutions and the credit risk is considered to be low.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics. The contract assets represent conditional rights to consideration in relation to the electric storage business contracts and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group recognises the provision for expected credit losses on trade receivables by grouping the trade receivables based on shared credit risk characteristics and the days past due, and applying expected credit loss rates to the respective gross carrying amounts of the trade receivables. The expected loss rates are measured either with reference to the credit rating report in the market and external loss rate or the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 December 2024 and 2023, and 30 September 2025 was determined as follows, based on the date of revenue recognition, for both trade and bills receivables and contract assets:

<u>30 September 2025 (Unaudited)</u>	<u>Within 90 days</u>	<u>Between 91 and 180 days</u>	<u>Between 181 and 270 days</u>	<u>Over 270 days</u>	<u>Total</u>
Assessed based on the payment profiles					
Expected loss rate	5.3%	17.6%	33.7%	63.0%	
Gross carrying amount — trade receivables (RMB'000)	75,358	4,484	178	22,163	102,183
Gross carrying amount — contract assets (RMB'000)	11,950	—	—	—	11,950
Assessed based on credit rating and external loss rate					
Expected loss rate	0.1%	0%	0%	0.1%	
Gross carrying amount — trade receivables (RMB'000)	8,528	—	—	41,757	50,285
Loss allowance (RMB'000)	4,634	790	60	6,079	11,563

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<u>31 December 2024</u>	<u>Within 90 days</u>	<u>Between 91 and 180 days</u>	<u>Between 181 and 270 days</u>	<u>Over 270 days</u>	<u>Total</u>
Assessed based on the payment profiles					
Expected loss rate	4.8%	14.1%	20.4%	58.3%	
Gross carrying amount — trade receivables (RMB'000)	28,755	20,819	6,388	8,168	64,130
Gross carrying amount — contract assets (RMB'000)	3,729	—	—	—	3,729
Assessed based on credit rating					
Expected loss rate	0.1%	0%	0%	0.1%	
Gross carrying amount — trade receivables (RMB'000)	4,167	—	—	32,941	37,108
Loss allowance (RMB'000)	1,757	2,929	1,305	1,442	7,433
<u>31 December 2023</u>	<u>Within 90 days</u>	<u>Between 91 and 180 days</u>	<u>Between 181 and 270 days</u>	<u>Over 270 days</u>	<u>Total</u>
Expected loss rate	5.4%	19.9%	33.3%	48.8%	
Gross carrying amount — trade receivables (RMB'000)	49,632	3,875	12	8,234	61,753
Gross carrying amount — contract assets (RMB'000)	25,049	—	—	—	25,049
Assessed based on credit rating and external loss rate					
Expected loss rate	0.1%	0%	0%	0.1%	
Gross carrying amount — trade receivables (RMB'000)	5,638	—	—	29,767	35,405
Loss allowance (RMB'000)	4,451	770	4	402	5,627

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The loss allowances for trade and bills receivables and contract assets as at 31 December 2024 and 2023, and 30 September 2025 reconcile to the opening loss allowance as follows:

	<u>Contract assets</u>	<u>Trade receivables</u>
	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	5	166
Provision for impairment	<u>1,466</u>	<u>3,990</u>
As at 31 December 2023 and 1 January 2024	1,471	4,156
(Reversal of)/provision for impairment	<u>(1,297)</u>	<u>3,103</u>
As at 31 December 2024 and 1 January 2025	174	7,259
Provision for impairment	<u>236</u>	<u>3,894</u>
As at 30 September 2025 (Unaudited)	<u><u>410</u></u>	<u><u>11,153</u></u>

Trade and bills receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 5 years past due.

Impairment losses on trade and bills receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Deposits and other receivables

For deposits and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, current conditions and forward-looking information on macroeconomic factors. The management believes that the expected credit loss is insignificant.

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(d) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facility. The Group reported a net loss of approximately RMB153,730,000, RMB204,546,000 and RMB40,398,000 during the years ended 31 December 2023 and 2024 and nine months ended 30 September 2025, respectively. Cash flow forecasting is performed by management. The Group monitors its rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's measures in raising additional capital, extending existing loan facilities and obtaining additional financing from banks, if considered necessary.

The tables below analyse the Group's financial liabilities, including lease liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

As at 31 December 2023

	On demand or less than				Total	Carrying amount
	1 year	1 to 2 years	2 to 5 years	Over 5 years	Undiscounted cash flow	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	96,470	—	—	—	96,470	96,470
Accruals and other payables	6,350	—	—	—	6,350	6,350
Bank and other borrowings	123,410	—	—	—	123,410	121,889
Lease liabilities	3,960	—	—	—	3,960	3,949
	<u>230,190</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>230,190</u>	<u>228,658</u>

As at 31 December 2024

	On demand or less than				Total	Carrying amount
	1 year	1 to 2 years	2 to 5 years	Over 5 years	Undiscounted cash flow	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	130,618	—	—	—	130,618	130,618
Accruals and other payables	4,387	—	—	—	4,387	4,387
Bank and other borrowings	162,823	317	951	307	164,398	161,398
Lease liabilities	9,288	3,723	6,396	—	19,407	18,646
	<u>307,116</u>	<u>4,040</u>	<u>7,347</u>	<u>307</u>	<u>318,810</u>	<u>315,049</u>

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As at 30 September 2025 (Unaudited)

	On demand or less than				Total	Carrying amount
	1 year	1 to 2 years	2 to 5 years	Over 5 years	Undiscounted cash flow	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Trade payables	213,759	—	—	—	213,759	213,759
Accruals and other payables	8,439	—	—	—	8,439	8,439
Bank and other borrowings	227,871	1,603	4,436	302	234,212	230,376
Lease liabilities	11,482	5,805	4,080	1,510	22,877	21,829
	<u>461,551</u>	<u>7,408</u>	<u>8,516</u>	<u>1,812</u>	<u>479,287</u>	<u>474,403</u>

3.2 Capital risk management

The Group regards its total equity as capital. The primary objective of the Group’s capital management is to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders to support the Group’s sustainable growth and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity (including non-controlling interests). Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents. Total equity is calculated as “equity” as shown in the consolidated statements of financial position.

The gearing ratio at 31 December 2023 and 2024 and 30 September 2025 were as follows:

	Notes	As at 31 December		As at
		2023	2024	30 September
		RMB'000	RMB'000	2025
Bank and other borrowings	29	121,889	161,398	230,376
Lease liabilities	18	3,949	18,646	21,829
Less: cash and cash equivalents	24(a)	(111,941)	(114,571)	(57,316)
Net debt		<u>13,897</u>	<u>65,473</u>	<u>194,889</u>
Total equity		<u>222,718</u>	<u>159,320</u>	<u>124,341</u>
Gearing ratio		<u>6.2%</u>	<u>41.1%</u>	<u>156.7%</u>

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3.3 Fair value estimation

(i) *Fair value hierarchy*

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2023				
Financial assets at FVTPL				
Unlisted equity securities	—	—	1,500	1,500
	<u>—</u>	<u>—</u>	<u>1,500</u>	<u>1,500</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2024				
Financial assets at FVTPL				
Unlisted equity securities	—	—	1,457	1,457
Wealth management products	—	—	1,510	1,510
	<u>—</u>	<u>—</u>	<u>2,967</u>	<u>2,967</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 30 September 2025 (Unaudited)				
Financial assets at FVTPL				
Unlisted equity securities	—	—	1,457	1,457
Wealth management products	—	—	3,146	3,146
	<u>—</u>	<u>—</u>	<u>4,603</u>	<u>4,603</u>

There were no transfers between levels 1 and 2 for recurring fair value measurements during the Track Record Period. For transfers into and out of level 3 measurements see (iii) below.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where climate risk gives rise to a significant unobservable adjustment.

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(ii) *Valuation techniques used to determine fair values*

Specific valuation techniques used to value financial instruments include:

- for unlisted equity securities — stated with reference to the net asset value; and
- for wealth management products — discounted cash flow analysis

There were no transfers between levels 1, 2 and 3 during the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025.

(iii) *Reconciliation of level 3 fair value measurements of financial assets*

The following table presents the changes in level 3 items for the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025:

	Financial assets	
	Unlisted equity securities	Wealth management products
	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023	—	—
Additions	1,500	—
At 31 December 2023 and 1 January 2024	1,500	—
Additions	—	5,000
(Loss)/gain recognised in the consolidated statements of comprehensive income	(43)	17
Disposals	—	(3,507)
At 31 December 2024 and 1 January 2025	1,457	1,510
Additions	—	3,146
Disposals	—	(1,510)
As 30 September 2025 (Unaudited)	<u>1,457</u>	<u>3,146</u>

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(iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

Description	Fair value at			Unobservable inputs	Range of inputs			Relationship of unobservable inputs to fair value
	30 September 2025	31 December 2024	31 December 2023		30 September 2025	31 December 2024	31 December 2023	
	RMB'000	RMB'000	RMB'000					
	(Unaudited)				(Unaudited)			
Unlisted equity securities	1,457	1,457	1,500	Net asset value	RMB19,894,000	RMB12,906,000	RMB8,888,000	Increase/decrease in 1% of the fair value of the net asset value would increase/decrease the fair value by RMB14,500 (31 December 2024: RMB14,500, 31 December 2023: RMB15,000)
Wealth management products	3,146	1,510	—	Expected rate of return	2% to 3%	2% to 3%	N/A	Increase/decrease 1% of the expected rate of return would increase/decrease the fair value measure by RMB31,000 (31 December 2024: RMB15,000)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of trade and bills receivables, deposits and other receivables, and contract assets

The loss allowances for trade and bills receivables, deposits and other receivables, and contract assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

(b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at the end of each reporting date.

(c) Share-based payments expenses

The Group measures the cost of equity-settled transactions with employees with reference to the fair value of the equity instruments at the date at which they are granted with estimated forfeiture rate of eligible grantees. Significant estimates are involved in the determination of forfeiture rate, which include the use of the most appropriate calculation model and inputs based on the actual forfeiture rate of the Group.

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(d) Impairment assessment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to disposal. These calculations require the use of judgements and estimates.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to disposal and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; (iii) the selection of the most appropriate valuation technique, e.g. the market approach, the income approach, as well as a combination of approaches, including the adjusted net asset method; and (iv) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated statements of comprehensive income.

5 REVENUE AND SEGMENT INFORMATION

(a) Segment information

The chief operating decision maker (the "CODM") has been identified as the executive directors of the Company that make strategic decisions. The CODM regards the Group's business as a single operating segment and review Historical Financial Information accordingly. As the Group has only one operating segment qualified as reporting segment under HKFRS 8 and the information that regularly reviewed by the executive directors for the purposes of allocating resources and assessing performance of the operating segment is the Historical Financial Information of the Group, no separate segmental analysis is presented in the Historical Financial Information.

The executive directors of the Company assess segment performance based on reportable operating result.

As at 31 December 2023 and 2024, and 30 September 2025, all the Group's non-current assets are located in the PRC.

Revenue derived from external customers with amounts equal to or above 10% of the Group's revenue 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>
Customer A	158,588	N/A*	N/A*	N/A*
Customer B	N/A*	N/A*	20,050	N/A*
Customer C	N/A*	N/A*	14,707	N/A*
Customer D	N/A*	N/A*	N/A*	88,204

* The revenue from the customer did not contribute over 10% of the total revenue of the Group for the year/period.

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(b) Disaggregation of revenue from contracts with customers

The revenue recognised during the Track Record Period 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)
Sales of goods and provision of services in relation to electric storage				
— Commercial and industrial energy storage system (“ESS”) solutions	88,843	221,638	107,670	330,456
— Residential ESS solutions	19,525	29,368	16,532	48,048
— Utility ESS solutions	158,411	14,572	—	94,091
Others	56	2,697	683	3,794
	<u>266,835</u>	<u>268,275</u>	<u>124,885</u>	<u>476,389</u>
Timing of revenue recognition within the scope of HKFRS 15				
— At a point in time	264,813	264,909	122,623	469,484
— Over time	2,022	3,366	2,262	6,905
Total	<u>266,835</u>	<u>268,275</u>	<u>124,885</u>	<u>476,389</u>

An analysis of the Group's sales by geographical area of its customers 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)
The PRC	228,251	132,590	63,987	263,629
Europe	32,308	114,082	47,664	168,284
Other	6,276	21,603	13,234	44,476
	<u>266,835</u>	<u>268,275</u>	<u>124,885</u>	<u>476,389</u>

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(c) **Assets and liabilities related to contracts with customers**

The Group

The Group has recognised the following assets and liabilities related to contracts with customers:

	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>
Contract assets:			
— Commercial and industrial ESS solutions	5,678	3,555	5,590
— Utility ESS solutions	17,900	—	5,950
	<u>23,578</u>	<u>3,555</u>	<u>11,540</u>
Contract liabilities:			
— Commercial and industrial ESS solutions	56,452	85,715	59,725
— Residential ESS solutions	4,682	2,036	4,533
— Utility ESS solutions	—	24,331	2,420
	<u>61,134</u>	<u>112,082</u>	<u>66,678</u>

Contract assets as at 31 December 2024 have decreased because the Group's right to the consideration of one of its utility ESS solutions contracts has become unconditional. As at 30 September 2025, contract assets have increased because the Group has obtained more agreements for commercial, industrial and utility ESS solutions. The Group also recognised a loss allowance for contract assets in accordance with HKFRS 9, see Note 3.1(c) for further information.

Contract liabilities as at 31 December 2024 and 30 September 2025 have increased due to the increase in overall contract activities.

The Group recognises the incremental costs of obtaining a contract as a selling expense when incurred as the amortisation period of the asset is expected to be one year or less.

(i) *Revenue recognised in relation to contract liabilities*

The following table shows the revenue recognised during the Track Record Period related to carried-forward contract liabilities.

	Year ended 31 December		Nine months ended	
	2023	2024	30 September	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue recognised that was included in the contract liabilities at the beginning of the year/period	<u>40,102</u>	<u>43,763</u>	<u>38,093</u>	<u>46,187</u>

(ii) *Unsatisfied performance obligation*

During the Track Record Period, all contracts are for periods of one year or less. The Group does not disclose the transaction price allocated to these unsatisfied contracts.

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The Company

The Company has recognised the following assets and liabilities related to contracts with customers:

	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>
Contract assets:			
— Commercial and industrial ESS solutions	1,917	3,555	5,590
— Utility ESS solutions	17,900	—	5,950
	<u>19,817</u>	<u>3,555</u>	<u>11,540</u>
Contract liabilities:			
— Commercial and industrial ESS solutions	32,852	76,057	38,004
— Residential ESS solutions	320	307	383
— Utility ESS solutions	—	24,331	2,420
	<u>33,172</u>	<u>100,695</u>	<u>40,807</u>

(d) Accounting policies on revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax and discounts, and after eliminating sales within the Group.

The Group recognises revenue, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service. Specific criteria where revenue is recognised are described below.

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(i) *Sales of goods*

The Group manufactures and sells a range of electric storage products as well as the spare and accessory parts. Sales are recognised when control of the goods has transferred. Control is considered to be transferred at the point in time when the products have been delivered to the customer, the customer has full discretion over the use of the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery has occurred when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the goods.

A receivable is recognised when the goods are delivered, since this is the point in time when the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) *Provision of other services for photovoltaic power stations*

Service fee income in relation to the provision of other services for photovoltaic power stations is recognised when the service is provided.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for a significant financing component or the time value of money.

6 OTHER INCOME

	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>
Government grants (<i>Note</i>)	1,774	5,973	4,429	2,135
Others	273	—	—	542
	<u>2,047</u>	<u>5,973</u>	<u>4,429</u>	<u>2,677</u>

Note: For the years ended 31 December 2024 and 2023, and the nine months ended 30 September 2025, there is no unfulfilled conditions attached to the government grants.

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7 EXPENSES BY NATURE

	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 inventories sold (Note 25)	234,677	204,017	96,220	373,418
Provision for impairment of inventories (Note 25)	2,851	8,227	6,469	1,441
Employee benefit expenses (Note 9)	122,784	178,119	136,940	69,254
Business entertainment expenses	5,578	6,566	5,010	4,122
Advertising and exhibition expenses	5,851	9,540	6,627	9,111
Expenses relating to lease payments (Note 18)	1,704	3,725	2,635	4,264
Depreciation of property, plant and equipment (Note 16)	4,186	6,619	4,787	6,047
Amortisation of intangible assets (Note 17)	804	149	120	180
Depreciation of right-of-use assets (Note 18)	1,216	3,849	2,781	3,915
Legal and professional fees	5,840	8,956	6,386	6,840
Consulting expenses	2,410	6,466	3,855	2,440
Consumables	6,903	8,312	5,752	6,396
Subscription fee	594	1,333	1,134	5,941
Travelling expenses	7,585	9,259	6,534	7,508
Office expenses	1,096	2,739	1,998	1,664
Provision for warranties	2,708	2,435	1,010	3,909
Insurance expenses	668	1,020	589	447
Transportation expenses	1,242	2,976	1,887	2,444
Others	7,899	7,033	4,525	6,899
Total cost of sales, selling and marketing expenses, research and development expenses, and administrative expenses	416,596	471,340	295,259	516,240

8 OTHER GAINS/(LOSSES), NET

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Gains on disposal of property, plant and equipment (Note 31(b))	—	5	—	—
Exchange gain/(loss), net	868	(1,339)	669	5,608
Fair value loss on financial assets at FVTPL (Note 21)	—	(26)	—	—
Loss on disposal of a subsidiary	—	(22)	—	(125)
Others	(91)	(53)	184	(429)
	777	(1,435)	853	5,054

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9 EMPLOYEE BENEFIT EXPENSES

An analysis of employee benefit expenses, including directors' emoluments, 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)
Salaries and wages	46,933	63,813	43,862	54,501
Pension costs — defined contribution plans	7,809	10,011	7,250	8,448
Bonus	4,387	3,558	—	692
Other welfare and allowances	3,442	4,180	2,914	4,446
Share-based payment expenses	65,766	109,142	89,647	7,589
	128,337	190,704	143,673	75,676
Capitalised as inventories	(5,553)	(12,585)	(6,733)	(6,422)
	122,784	178,119	136,940	69,254

(a) Directors' emoluments

Name of director	Fees	Salary	Share options	Employer's contribution to a retirement benefit scheme	Total
				RMB'000	
Year ended 31 December 2023					
Director					
Sun Yaojie	—	707	14,316	16	15,039
Samantha Wing-Yan Ko	—	—	805	—	805
Wu Yu ⁽ⁱ⁾	—	647	2,655	91	3,393
Xu Yuanyaun	—	606	5,826	143	6,575
Pun Kai Cheung ⁽ⁱ⁾	—	—	805	—	805
Total	—	1,960	24,407	250	26,617

Name of director	Fees	Salary	Share options	Employer's contribution to a retirement benefit scheme	Total
				RMB'000	
Year ended 31 December 2024					
Director					
Sun Yaojie	—	668	19,880	17	20,565
Samantha Wing-Yan Ko	—	—	3,120	—	3,120
Wu Yu ⁽ⁱ⁾	—	610	1,740	90	2,440
Xu Yuanyaun	—	601	14,028	141	14,770
Pun Kai Cheung ⁽ⁱ⁾	—	—	3,120	—	3,120
Total	—	1,879	41,888	248	44,015

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<u>Name of director</u>	<u>Fees</u>	<u>Salary</u>	<u>Share options</u>	<u>Employer's contribution to a retirement benefit scheme</u>	<u>Total</u>
	<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)					
Director					
Sun Yaojie	—	501	—	13	514
Samantha Wing-Yan Ko	—	—	—	—	—
Wu Yu ⁽ⁱ⁾	—	458	—	76	534
Xu Yuanyaun	—	451	—	102	553
Pun Kai Cheung ⁽ⁱ⁾	—	—	—	—	—
Total	<u>—</u>	<u>1,410</u>	<u>—</u>	<u>191</u>	<u>1,601</u>

(i) Ceased to be director with effect from [●] 2026.

(b) Directors' retirement benefits

No retirement benefits were paid to or receivable by any director during the Track Record Period in respect of services as a director of the Company and its subsidiary undertakings or in respect of other services in connection with the management of the affairs of the Company or its subsidiary undertakings.

(c) Directors' termination benefits

There were no other payments made to or receivable by any director during the Track Record Period in respect of the loss of office as a director, whether of the Company or its subsidiary undertakings, or the loss of other office in connection with the management of the affairs of the Company or its subsidiary undertakings.

(d) Consideration provided to third parties for making available directors' services

No consideration was provided to or receivable by third parties for making available directors' services during the Track Record Period.

(e) Information about loans, quasi-loans and other dealings entered into by the company or its subsidiary undertakings, where applicable, in favour of directors

There were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected parties during the Track Record Period.

(f) Directors' material interests in transactions, arrangements or contracts

There were no significant transactions, arrangements and contracts in relation to the Group's business to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Track Record Period.

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(g) **Five highest paid individuals**

For each of the Track Record Period, the five individuals whose emoluments were the highest in the Group include 2 directors. The emoluments paid to the remaining 3 individuals, respectively, 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)
Basic salaries, other allowances and benefits in kind	1,616	937	714	772
Contributions to pension schemes	261	256	186	151
Share options	9,421	14,136	12,319	597
	<u>11,298</u>	<u>15,329</u>	<u>13,219</u>	<u>1,520</u>

The emoluments of above individuals are within the following bands:

	Number of individuals			
	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024 (Unaudited)	2025 (Unaudited)
Emoluments bands				
HK\$nil to HK\$1,000,000	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

10 FINANCE COSTS, NET

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Finance income:				
— Interest income from bank deposits	87	679	499	335
Finance costs:				
— Interest expense on bank and other borrowings	(1,371)	(3,417)	(2,282)	(4,006)
— Interest expense on lease liabilities (Note 18)	(53)	(397)	(286)	(359)
	<u>(1,424)</u>	<u>(3,814)</u>	<u>(2,568)</u>	<u>(4,365)</u>
Finance costs, net	<u>(1,337)</u>	<u>(3,135)</u>	<u>(2,069)</u>	<u>(4,030)</u>

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11 INCOME TAX EXPENSE

Taxation on profits has been calculated on the estimated assessable profits for the year at the applicable rates of taxation prevailing in the countries/places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Pursuant to the Corporate Income Tax Law of the PRC effective from 1 January 2008 (the "CIT Law"), companies in the PRC are subject to income tax of 25% unless preferential rate is applicable.

The Company is subject to a tax rate of 15% for the years ended 31 December 2024 and 2023, and the nine months ended 30 September 2025 as it is eligible for the tax concession granted by the PRC government as a high-tech enterprise up to October 2025, subject to renewal upon expiry.

No Hong Kong and overseas profits tax has been provided for the years ended 31 December 2024 and 2023, and the nine months ended 30 September 2025 since there was no tax assessable profit generated from Hong Kong and overseas.

The amount of income tax expense charged to the consolidated statements of comprehensive income represents:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current income tax	—	1,073	410	118

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the tax rates applicable to profits of the entities under the Group 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)
Loss before income tax	(153,730)	(203,473)	(164,830)	(40,280)
Tax calculated at domestic tax rates applicable to profits in respective countries/places of business	(25,469)	(33,353)	(29,666)	(9,831)
Tax effects of:				
Income not subject to tax	(1,806)	(142)	(214)	(119)
Expenses not deductible for tax purpose	10,019	14,388	4,105	1,139
Utilisation of previously unrecognised tax loss	—	—	(3)	(8,349)
Tax effect of tax loss not recognised	17,256	18,576	22,947	12,252
Other temporary differences not recognised	—	1,604	3,241	5,026
	—	1,073	410	118

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12 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share are calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period.

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024 <i>(Unaudited)</i>	2025 <i>(Unaudited)</i>
Loss attributable to the ordinary equity holders of the Company <i>(RMB'000)</i>	(151,701)	(205,575)	(165,754)	(38,345)
Weighted average number of ordinary shares in issue <i>('000)</i>	79,586	91,446	90,419	95,966
Basic loss per share <i>(expressed in RMB per share)</i>	<u>(1.91)</u>	<u>(2.25)</u>	<u>(1.83)</u>	<u>(0.40)</u>

(b) Diluted loss per share

The basic and diluted loss per share for the years ended 31 December 2024 and 2023, and the nine months ended 30 September 2025 were the same because the effect of the assumed conversion of all dilutive potential ordinary shares outstanding during the Track Record Period was anti-dilutive.

13 SHARE-BASED PAYMENT EXPENSES

The Group has approved and adopted a share option plan (the “Plan”) pursuant to a shareholder’s resolutions passed on 30 September 2021 and 30 September 2022. The Plan is designed to attract, retain and motivate the grantees to strive for future developments and expansion of the Group. Under the Plan, participants are granted options which only vest if the requirement for service period and service performance are met. The service period under the Plan ranged from 0 to 5 years. The exercise date is determined to be the date on which the Group decided to implement the shareholding reform, i.e. a date before 30 November 2025.

The fair values of services received in return for share options granted are measured by reference to the fair value of share options granted. The range of fair value of options granted is determined by using the Binomial model, and significant inputs of the model were as follows:

	Share options as at grant date										
	30 September 2021	15 November 2022	31 January 2023	28 February 2023	16 May 2023	20 December 2023	31 December 2023	14 October 2024	20 December 2024	25 December 2024	30 September 2025
Exercise price <i>(RMB)</i>	0 or 0.1	1,697	1,697	1,697	1,697	1,697	1,697	1,697	1,697	1,697	1,697
Expected volatility <i>(Note)</i>	53.6%	55.6%	56.6%	56.5%	56.7%	56.5%	55.8% to 57.5%	57.3%	52.9%	52.8%	50.4% to 53.3%
Spot price <i>(RMB)</i>	3.14	11.37	11.37	11.37	11.37	20.56	20.56	20.56	20.56	20.56	20.56
Risk-free rate	0.7%	3.9%	3.1%	3.9%	3.0%	3.4%	3.0% to 3.1%	3.0%	3.4%	3.4%	2.5%
Grant date fair value per option <i>(RMB)</i>	3.04 to 3.14	9.94 to 9.96	9.89	9.92	9.87	18.97	18.96 to 18.97	18.92	18.91 to 18.97	18.91	21.59

Note: Expected volatility is assumed to be based on historical volatility of comparable companies.

The variables and assumptions used in estimating the fair value of the share options were the directors’ best estimates. Change in subjective input assumptions can materially affect the fair value.

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During year ended 31 December 2024, the Group entered into a supplementary agreement with certain grantees to modify the vesting requirement of the Plan, under which the share options granted under the agreements were vested immediately upon the agreement effective date. No incremental fair value were granted as a result of such modification.

Set out below are summaries of options granted and outstanding under the Plan:

	Years ended 31 December				Nine months ended 30 September	
	2023		2024		2025	
	Average exercise price per share option	Number of share options	Average exercise price per share option	Number of share options	Average exercise price per share option	Number of share options
At beginning of the year/ period	RMB0.83	19,846,047	RMB1.01	25,015,660	RMB1.03	25,836,055
Granted during the year/period	RMB1.70	<u>5,169,613</u>	RMB1.70	<u>820,395</u>	RMB1.70	<u>1,377,368</u>
At the end of the year/period	RMB1.01	<u>25,015,660</u>	RMB1.03	<u>25,836,055</u>	RMB1.06	<u>27,213,423</u>

During the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, share-based payment expenses of RMB65,766,000, RMB109,142,000 and RMB7,589,000 were recognised in profit or loss, respectively.

The fair value of options granted under the Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- excluding the impact of any service and non-market performance vesting conditions (such as profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (such as the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. The Group recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

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14 SUBSIDIARIES

The table below lists out the subsidiaries of the Company as at 31 December 2024 and 2023, and 30 September 2025 which, in the opinion of the directors, principally affected the results of the period or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Name of entity	Place of incorporation and kind of legal entity	Principal activities	Issued and fully paid share capital/registered capital	Percentage of attributable equity interest		
				As at 31 December		As at 30 September
				2023	2024	2025
<i>(Unaudited)</i>						
<i>Directly held</i>						
ECACTUS PTY LTD	Australia, limited liability company	Trading of Energy Storage System solutions	AUD1,000	100%	100%	100%
<i>Indirectly held</i>						
Guangdong Weiheng Fugold Intelligent Technology Co., Ltd.* (廣東為恒復金智能科技有限公司)	PRC, limited liability company	Trading of Energy Storage System solutions and provision of other services for photovoltaic power stations	RMB5,000,000	51%	51%	51%
Wei Heng Intelligent Technology Company Limited	Hong Kong, limited liability company	Trading of Energy Storage System solutions	HK\$1	100%	100%	100%
Ecactus B.V.	Netherlands, limited liability company	Trading of Energy Storage System solutions	EUR100,000	100%	100%	100%

* For identification purposes only

15 INVESTMENTS IN ASSOCIATES

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of the year/period	—	—	—	295
Addition	—	300	—	—
Share of results of associates	—	(5)	—	—
At end of the year/period	—	295	—	295

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As at 31 December 2023 and 2024, and 30 September 2025, the particulars of the associates of the Group are as follows. None of these entities are considered material to the Group.

Name of entity	Country/place and date of incorporation/ establishment	Principal activities	Class of share held	Proportion of ownership interest and voting rights		
				As at 31 December		As at
				2023	2024	30 September 2025
Zhenba Green Motion New Energy Co., Ltd. (鎮巴綠動新能源有限公司)	PRC	Provision of clean energy power generation technology services	Ordinary	30%	30%	—*
Shanghai Weiheng Digital Power Technology Co., Ltd. (上海為恒數能科技有限 公司)	PRC	Provision of energy storage technology solutions	Ordinary	—	40%	40%
Cangzhou Weichu New Energy Technology Co., Ltd. (滄州為儲新能源科技有限 公司)	PRC	Provision of energy storage technology solutions	Ordinary	—	40%	40%

(Unaudited)

* Deregistered as at 30 September 2025.

The Group has interests in a number of individually immaterial associates that are accounted for using the equity method:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Aggregate carrying amount of individually immaterial associates	—	63	—	(560)
Aggregate amounts of the Group's share of:				
Loss from continuing operations	—	(5)	—	—

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16 PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Construction in progress ("CIP")	Plant and machinery	Office equipment	Motor vehicles	Furniture and fixtures	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023							
Cost	6,142	495	6,091	3,676	992	717	18,113
Accumulated depreciation	(1,208)	—	(979)	(718)	(225)	(38)	(3,168)
Net book amount	<u>4,934</u>	<u>495</u>	<u>5,112</u>	<u>2,958</u>	<u>767</u>	<u>679</u>	<u>14,945</u>
Year ended 31 December 2023							
Opening net book amount	4,934	495	5,112	2,958	767	679	14,945
Additions	3,751	4,513	6,860	1,710	470	2,356	19,660
Transfer	496	(2,534)	1,857	136	—	45	—
Depreciation charge	(1,486)	—	(1,472)	(1,175)	(287)	(416)	(4,836)
Closing net book amount	<u>7,695</u>	<u>2,474</u>	<u>12,357</u>	<u>3,629</u>	<u>950</u>	<u>2,664</u>	<u>29,769</u>
At 31 December 2023							
Cost	10,389	2,474	14,644	5,523	1,461	3,119	37,610
Accumulated depreciation	(2,694)	—	(2,287)	(1,894)	(511)	(455)	(7,841)
Net book amount	<u>7,695</u>	<u>2,474</u>	<u>12,357</u>	<u>3,629</u>	<u>950</u>	<u>2,664</u>	<u>29,769</u>

The Group

	Leasehold improvements	CIP	Plant and machinery	Office equipment	Motor vehicles	Furniture and fixtures	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024							
Cost	10,389	2,474	14,644	5,523	1,461	3,119	37,610
Accumulated depreciation	(2,694)	—	(2,287)	(1,894)	(511)	(455)	(7,841)
Net book amount	<u>7,695</u>	<u>2,474</u>	<u>12,357</u>	<u>3,629</u>	<u>950</u>	<u>2,664</u>	<u>29,769</u>
Year ended 31 December 2024							
Opening net book amount	7,695	2,474	12,357	3,629	950	2,664	29,769
Additions	2,445	10,553	14,853	724	266	2,338	31,179
Transfer	5,815	(12,942)	6,702	—	—	425	—
Disposal	—	—	(618)	—	—	—	(618)
Depreciation charge	(2,854)	—	(3,750)	(1,208)	(311)	(741)	(8,864)
Closing net book amount	<u>13,101</u>	<u>85</u>	<u>29,544</u>	<u>3,145</u>	<u>905</u>	<u>4,686</u>	<u>51,466</u>
At 31 December 2024							
Cost	18,649	85	35,555	6,245	1,727	5,882	68,143
Accumulated depreciation	(5,548)	—	(6,011)	(3,100)	(822)	(1,196)	(16,677)
Net book amount	<u>13,101</u>	<u>85</u>	<u>29,544</u>	<u>3,145</u>	<u>905</u>	<u>4,686</u>	<u>51,466</u>

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	Leasehold improvements	CIP	Plant and machinery	Office equipment	Motor vehicles	Furniture and fixtures	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025							
Cost	18,649	85	35,555	6,245	1,727	5,882	68,143
Accumulated depreciation	(5,548)	—	(6,011)	(3,100)	(822)	(1,196)	(16,677)
Net book amount	<u>13,101</u>	<u>85</u>	<u>29,544</u>	<u>3,145</u>	<u>905</u>	<u>4,686</u>	<u>51,466</u>
Period ended 30 September 2025 (Unaudited)							
Opening net book amount	13,101	85	29,544	3,145	905	4,686	51,466
Additions	284	1,826	3,827	465	375	525	7,302
Transfer	168	(870)	653	18	—	31	—
Disposal	—	—	(1,553)	—	—	—	(1,553)
Disposal of a subsidiary	—	—	(3,009)	—	—	—	(3,009)
Depreciation charge	(2,754)	—	(3,910)	(901)	(306)	(641)	(8,512)
Closing net book amount	<u>10,799</u>	<u>1,041</u>	<u>25,552</u>	<u>2,727</u>	<u>974</u>	<u>4,601</u>	<u>45,694</u>
At 30 September 2025 (Unaudited)							
Cost	19,101	1,041	35,473	6,728	2,102	6,438	70,883
Accumulated depreciation	(8,302)	—	(9,921)	(4,001)	(1,128)	(1,837)	(25,189)
Net book amount	<u>10,799</u>	<u>1,041</u>	<u>25,552</u>	<u>2,727</u>	<u>974</u>	<u>4,601</u>	<u>45,694</u>

Depreciation expense has been recorded as below for the years ended 31 December 2023 and 2024, and the nine months ended 2025.

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cost of sales	340	277	117	524
Selling and marketing expenses	55	125	85	240
Research and development expenses	1,395	2,031	1,505	1,648
Administrative expenses	<u>2,396</u>	<u>4,186</u>	<u>3,080</u>	<u>3,635</u>
Sub-total (Note 7)	4,186	6,619	4,787	6,047
Capitalised as inventories	<u>650</u>	<u>2,245</u>	<u>1,521</u>	<u>2,465</u>
	<u>4,836</u>	<u>8,864</u>	<u>6,308</u>	<u>8,512</u>

As at 31 December 2024 and 30 September 2025, property, plant and equipment of RMB1,616,000 and RMB7,571,000 have been pledged as security for the Group's other borrowings, respectively. Please refer to Note 29 for details

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The Company

	<u>Leasehold improvements</u>	<u>CIP</u>	<u>Plant and machinery</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Furniture and fixtures</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023							
Cost	6,142	495	5,537	3,676	669	717	17,236
Accumulated depreciation	(1,208)	—	(896)	(719)	(225)	(38)	(3,086)
Net book amount	<u>4,934</u>	<u>495</u>	<u>4,641</u>	<u>2,957</u>	<u>444</u>	<u>679</u>	<u>14,150</u>
Year ended 31 December 2023							
Opening net book amount	4,934	495	4,641	2,957	444	679	14,150
Additions	2,775	3,826	5,962	1,484	330	2,356	16,733
Transfer	496	(2,534)	1,855	138	—	45	—
Disposal	—	—	(306)	—	—	—	(306)
Depreciation charge	(1,443)	—	(1,385)	(1,152)	(207)	(417)	(4,604)
Closing net book amount	<u>6,762</u>	<u>1,787</u>	<u>10,767</u>	<u>3,427</u>	<u>567</u>	<u>2,663</u>	<u>25,973</u>
At 31 December 2023							
Cost	9,412	1,787	12,884	5,299	998	3,118	33,498
Accumulated depreciation	(2,650)	—	(2,117)	(1,872)	(431)	(455)	(7,525)
Net book amount	<u>6,762</u>	<u>1,787</u>	<u>10,767</u>	<u>3,427</u>	<u>567</u>	<u>2,663</u>	<u>25,973</u>
	<u>Leasehold improvements</u>	<u>CIP</u>	<u>Plant and machinery</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Furniture and fixtures</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2024							
Cost	9,412	1,787	12,884	5,299	998	3,118	33,498
Accumulated depreciation	(2,650)	—	(2,117)	(1,872)	(431)	(455)	(7,525)
Net book amount	<u>6,762</u>	<u>1,787</u>	<u>10,767</u>	<u>3,427</u>	<u>567</u>	<u>2,663</u>	<u>25,973</u>
Year ended 31 December 2024							
Opening net book amount	6,762	1,787	10,767	3,427	567	2,663	25,973
Additions	2,303	10,003	5,057	641	266	608	18,878
Transfer	5,815	(11,705)	5,465	—	—	425	—
Depreciation charge	(2,659)	—	(3,315)	(1,142)	(201)	(626)	(7,943)
Closing net book amount	<u>12,221</u>	<u>85</u>	<u>17,974</u>	<u>2,926</u>	<u>632</u>	<u>3,070</u>	<u>36,908</u>
At 31 December 2024							
Cost	17,530	85	23,406	5,940	1,264	4,151	52,376
Accumulated depreciation	(5,309)	—	(5,432)	(3,014)	(632)	(1,081)	(15,468)
Net book amount	<u>12,221</u>	<u>85</u>	<u>17,974</u>	<u>2,926</u>	<u>632</u>	<u>3,070</u>	<u>36,908</u>

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The Company

	Leasehold improvements	CIP	Plant and machinery	Office equipment	Motor vehicles	Furniture and fixtures	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025							
Cost	17,530	85	23,406	5,940	1,264	4,150	52,375
Accumulated depreciation	(5,309)	—	(5,432)	(3,014)	(632)	(1,080)	(15,467)
Net book amount	<u>12,221</u>	<u>85</u>	<u>17,974</u>	<u>2,926</u>	<u>632</u>	<u>3,070</u>	<u>36,908</u>
Period ended 30 September 2025 (Unaudited)							
Opening net book amount	12,221	85	17,974	2,926	632	3,070	36,908
Additions	209	1,730	553	477	375	525	3,869
Transfer	168	(857)	653	5	—	31	—
Disposal	—	—	(422)	—	—	—	(422)
Depreciation charge	(2,588)	—	(2,951)	(841)	(224)	(517)	(7,121)
Closing net book amount	<u>10,010</u>	<u>958</u>	<u>15,807</u>	<u>2,567</u>	<u>783</u>	<u>3,109</u>	<u>33,234</u>
At 30 September 2025 (Unaudited)							
Cost	17,907	958	24,190	6,422	1,639	4,707	55,823
Accumulated depreciation	(7,897)	—	(8,383)	(3,855)	(856)	(1,598)	(22,589)
Net book amount	<u>10,010</u>	<u>958</u>	<u>15,807</u>	<u>2,567</u>	<u>783</u>	<u>3,109</u>	<u>33,234</u>

(a) Accounting policies on property, plant and equipment

Depreciation of property, plant and equipment, which is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, is provided at the following annual rates:

Leasehold improvements	Shorter of 5 years and the lease term
Plant and machinery	5–10 years
Furniture and fixtures	3–5 years
Office equipment	3–5 years
Motor vehicles	4 years

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in profit or loss during the financial period in which they are incurred.

Construction in progress represents property, plant and equipment on which construction work has not been completed and which, upon completion, management intends to hold for production purposes. Construction in progress is carried at cost which includes development and construction expenditure incurred and interest and other direct costs attributable to the development less any accumulated impairment losses. On completion, construction in progress is transferred to appropriate categories of property, plant and equipment.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within "other (losses)/gains, net" in the consolidated statements of comprehensive income.

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17 INTANGIBLE ASSETS

The Group and the Company

	<u>Patent</u>	<u>Computer software</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023			
Cost	18,000	65	18,065
Accumulated amortisation	<u>(17,217)</u>	<u>(6)</u>	<u>(17,223)</u>
Net book amount	<u>783</u>	<u>59</u>	<u>842</u>
Year ended 31 December 2023			
Opening net book amount	783	59	842
Addition	—	483	483
Amortisation charge (<i>Note 7</i>)	<u>(783)</u>	<u>(21)</u>	<u>(804)</u>
Closing net book amount	<u>—</u>	<u>521</u>	<u>521</u>
At 31 December 2023			
Cost	18,000	548	18,548
Accumulated amortisation	<u>(18,000)</u>	<u>(27)</u>	<u>(18,027)</u>
Net book amount	<u>—</u>	<u>521</u>	<u>521</u>
Year ended 31 December 2024			
Opening net book amount	—	521	521
Additions	—	634	634
Amortisation charge (<i>Note 7</i>)	<u>—</u>	<u>(149)</u>	<u>(149)</u>
Closing net book amount	<u>—</u>	<u>1,006</u>	<u>1,006</u>
At 31 December 2024			
Cost	—	1,182	1,182
Accumulated amortisation	<u>—</u>	<u>(176)</u>	<u>(176)</u>
Net book amount	<u>—</u>	<u>1,006</u>	<u>1,006</u>
Period ended 30 September 2025 (Unaudited)			
Opening net book amount	—	1,006	1,006
Additions	—	425	425
Amortisation charge (<i>Note 7</i>)	<u>—</u>	<u>(180)</u>	<u>(180)</u>
Closing net book amount	<u>—</u>	<u>1,251</u>	<u>1,251</u>
At 30 September 2025 (Unaudited)			
Cost	—	1,607	1,607
Accumulated amortisation	<u>—</u>	<u>(356)</u>	<u>(356)</u>
Net book amount	<u>—</u>	<u>1,251</u>	<u>1,251</u>

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The Company

	<u>Patent</u>	<u>Computer software</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023			
Cost	18,000	65	18,065
Accumulated amortisation	<u>(17,217)</u>	<u>(6)</u>	<u>(17,223)</u>
Net book amount	<u>783</u>	<u>59</u>	<u>842</u>
Year ended 31 December 2023			
Opening net book amount	783	59	842
Addition	—	483	483
Amortisation charge	<u>(783)</u>	<u>(21)</u>	<u>(804)</u>
Closing net book amount	<u>—</u>	<u>521</u>	<u>521</u>
At 31 December 2023			
Cost	18,000	548	18,548
Accumulated amortisation	<u>(18,000)</u>	<u>(27)</u>	<u>(18,027)</u>
Net book amount	<u>—</u>	<u>521</u>	<u>521</u>
Year ended 31 December 2024			
Opening net book amount	—	521	521
Additions	—	634	634
Amortisation charge	<u>—</u>	<u>(149)</u>	<u>(149)</u>
Closing net book amount	<u>—</u>	<u>1,006</u>	<u>1,006</u>
At 31 December 2024			
Cost	—	1,182	1,182
Accumulated amortisation	<u>—</u>	<u>(176)</u>	<u>(176)</u>
Net book amount	<u>—</u>	<u>1,006</u>	<u>1,006</u>
Period ended 30 September 2025 (Unaudited)			
Opening net book amount	—	1,006	1,006
Amortisation charge	<u>—</u>	<u>(153)</u>	<u>(153)</u>
Closing net book amount	<u>—</u>	<u>853</u>	<u>853</u>
At 30 September 2025 (Unaudited)			
Cost	—	1,182	1,182
Accumulated amortisation	<u>—</u>	<u>(329)</u>	<u>(329)</u>
Net book amount	<u>—</u>	<u>853</u>	<u>853</u>

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18 LEASES

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<u>2025</u>
			<i>RMB'000</i> (Unaudited)
Right-of-use assets			
Offices	1,156	11,773	13,259
Leasehold land	<u>4,783</u>	<u>4,662</u>	<u>8,812</u>
	<u>5,939</u>	<u>16,435</u>	<u>22,071</u>
Lease liabilities			
Current portion	3,949	8,809	11,069
Non-current portion	<u>—</u>	<u>9,837</u>	<u>10,760</u>
	<u>3,949</u>	<u>18,646</u>	<u>21,829</u>

Additions to the right-of-use assets were RMB4,843,000, RMB14,345,000 and RMB9,551,000 for the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, respectively.

The following amounts are recognised in the consolidated statements of comprehensive income:

	<u>Year ended 31 December</u>		<u>Nine months ended</u>	
	<u>2023</u>	<u>2024</u>	<u>30 September</u>	
	<i>RMB'000</i>	<i>RMB'000</i>	<u>2024</u>	<u>2025</u>
			<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Depreciation of right-of-use assets (Note 7)	1,216	3,849	2,781	3,915
Interest expense on lease liabilities (Note 10)	53	397	286	359
Expenses relating to lease payments (included in administrative expenses) (Note 7)	<u>1,704</u>	<u>3,725</u>	<u>2,635</u>	<u>4,264</u>

The total cash outflows for leases including payments of short-term leases, leases liabilities and payments of interest on leases for the years ended 31 December 2023 and 2024 and the nine months ended 30 September 2025 were approximately RMB6,547,000, RMB3,770,000 and RMB10,991,000 respectively.

The Group's leasing activities and how leases are accounted for

The Group leases various offices and leasehold land. Rental contracts are typically made for fixed periods of 3 years to 50 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use assets in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;

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- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

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>
Right-of-use assets			
Offices	1,156	11,773	13,259
Lease liabilities			
Current portion	3,949	8,809	10,813
Non-current portion	—	9,837	8,192
	3,949	18,646	19,005

19 DEFERRED INCOME TAX

The Group

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The offset amounts are 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>
Deferred income tax assets	2,130	3,048	4,192
Deferred income tax liabilities	(2,130)	(3,048)	(4,192)
	—	—	—

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The movement in deferred income tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets	Lease liabilities	Provisions and others	Tax loss	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2023	347	—	—	347
Credited to profit or loss	<u>245</u>	<u>777</u>	<u>761</u>	<u>1,783</u>
Balance at 31 December 2023	<u>592</u>	<u>777</u>	<u>761</u>	<u>2,130</u>
Balance at 1 January 2024	592	777	761	2,130
Credited/(charged) to profit or loss	<u>2,205</u>	<u>(526)</u>	<u>(761)</u>	<u>918</u>
Balance at 31 December 2024	<u>2,797</u>	<u>251</u>	<u>—</u>	<u>3,048</u>
Balance at 1 January 2025	2,797	251	—	3,048
Credited to profit or loss	<u>760</u>	<u>384</u>	<u>—</u>	<u>1,144</u>
Balance at 30 September 2025 (Unaudited)	<u>3,557</u>	<u>635</u>	<u>—</u>	<u>4,192</u>
Deferred income tax liabilities		Right-of-use assets	Others	Total
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2023		347	—	347
Charged to profit or loss		<u>1,022</u>	<u>761</u>	<u>1,783</u>
Balance at 31 December 2023		<u>1,369</u>	<u>761</u>	<u>2,130</u>
Balance at 1 January 2024		1,369	761	2,130
Charged/(credit) to profit or loss		<u>1,679</u>	<u>(761)</u>	<u>918</u>
Balance at 31 December 2024		<u>3,048</u>	<u>—</u>	<u>3,048</u>
Balance at 1 January 2025				
Charged to profit or loss		3,048	—	3,048
Exchange realignment		<u>1,144</u>	<u>—</u>	<u>1,144</u>
Balance at 30 September 2025 (Unaudited)		<u>4,192</u>	<u>—</u>	<u>4,192</u>

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets in the PRC of RMB32,439,000 at 31 December 2023, RMB46,713,000 at 31 December 2024 and RMB40,891,000 at 30 September 2025 in respect of the tax losses in the amount of RMB191,478,000, RMB274,516,000 and RMB212,642,000, respectively, which will expire in one to ten years for offsetting against future taxable profits of the entity in which the losses arose.

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20 FINANCIAL INSTRUMENTS BY CATEGORY

	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>
Financial assets			
Financial assets at amortised cost			
Trade and bills receivables	93,002	93,979	141,315
Deposits and other receivables	9,848	17,055	22,535
Restricted bank deposits	36,330	200	—
Cash and cash equivalents	<u>111,941</u>	<u>114,571</u>	<u>57,316</u>
	<u>251,121</u>	<u>225,805</u>	<u>221,166</u>
Financial assets at FVTPL	<u>1,500</u>	<u>2,967</u>	<u>4,603</u>
Financial liabilities			
Financial liabilities at amortised cost			
Trade payables	96,470	130,618	209,940
Accruals and other payables	6,350	4,387	8,439
Bank and other borrowings	121,889	161,398	230,376
Lease liabilities	<u>3,949</u>	<u>18,646</u>	<u>21,829</u>
	<u>228,658</u>	<u>315,049</u>	<u>470,584</u>

21 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	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>
Unlisted equity securities	1,500	1,457	1,457
Wealth management products	<u>—</u>	<u>1,510</u>	<u>3,146</u>
	<u>1,500</u>	<u>2,967</u>	<u>4,603</u>

For the fair value measurement of financial assets at FVTPL, please refer to Note 3.3.

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During the Track Record Period, the following gains/(losses) were recognised in profit or loss:

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Fair value loss on equity investment at FVTPL	—	(43)	—	—
Fair value gain on debt instruments at FVTPL	—	17	—	—
	—	(26)	—	—

22 TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Trade and bills receivables	97,158	101,238	152,468
Less: loss allowance	(4,156)	(7,259)	(11,153)
Trade and bills receivables, net	93,002	93,979	141,315

The aging analysis of the trade and bills receivables based on revenue recognition date is as follows:

	As at 31 December		As at 30 September
	2023	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)
Within 90 days	55,270	32,922	83,886
Between 91 and 180 days	3,875	20,819	4,484
Between 181 and 270 days	12	6,388	178
Over 270 days	38,001	41,109	63,920
	97,158	101,238	152,468
Less: loss allowance	(4,156)	(7,259)	(11,153)
Trade receivables, net	93,002	93,979	141,315

Due to the short-term nature of the current receivables, their carrying amounts are considered to be a reasonable approximation of their fair values.

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The carrying amounts of trade receivables are denominated in the following currencies:

	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>
RMB	93,841	84,112	103,292
United States dollars ("US\$")	56	247	21,492
Euro ("EUR")	580	12,485	18,268
Great Britain Pound ("GBP")	—	—	1,662
Australian dollars ("AUD")	<u>2,681</u>	<u>4,394</u>	<u>7,754</u>
	<u>97,158</u>	<u>101,238</u>	<u>152,468</u>

The maximum exposure to credit risk at the end of the reporting period is the fair value of trade and bills receivables mentioned above.

Accounting policies on trade and bills receivables

(a) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement immediately upon the issuance of invoice and therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore it measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 3.1(c).

(b) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be a reasonable approximation of their fair values.

(c) Impairment and risk exposure

Information about the impairment of trade and bills receivables and the Group's exposure to credit risk and foreign currency risk can be found in Note 3.1.

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The Company

	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>
Trade and bills receivables			
— Third parties	92,579	77,632	109,179
— Subsidiaries	56,017	108,850	264,315
	148,596	186,482	373,494
Less: loss allowance	(9,663)	(10,302)	(15,890)
Trade and bills receivables, net	<u>138,933</u>	<u>176,180</u>	<u>357,604</u>

The aging analysis of the trade and bills receivables based on revenue recognition date is as follows:

	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>
Within 90 days	73,935	51,347	242,611
91–180 days	12,190	73,692	75,573
181–270 days	4,943	24,921	1,346
Over 270 days	57,528	36,522	53,964
	148,596	186,482	373,494
Less: loss allowance	(9,663)	(10,302)	(15,890)
Trade receivables, net	<u>138,933</u>	<u>176,180</u>	<u>357,604</u>

The carrying amounts of trade receivables are denominated in the following currencies:

	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>
RMB	148,540	186,288	107,099
US\$	56	157	17,872
EUR	—	—	226,018
AUD	—	37	22,505
	<u>148,596</u>	<u>186,482</u>	<u>373,494</u>

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23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

The Group

	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 portion:			
— Prepayment	3,345	—	805
— Deposits	—	217	228
	<u>3,345</u>	<u>217</u>	<u>1,033</u>
Current portion:			
— Prepayments for inventories and other operating expenses	9,538	9,783	13,452
— Value-added tax receivables	9,367	30,026	41,920
— Deposits	7,898	3,831	5,290
— Other receivables	1,725	12,496	16,533
— Amounts due from directors (<i>Note 33(d)</i>)	225	511	484
	<u>28,753</u>	<u>56,647</u>	<u>77,679</u>
Total deposits, prepayments and other receivables	<u>32,098</u>	<u>56,864</u>	<u>78,712</u>

The fair values of deposits and other receivables approximate their carrying amounts.

The carrying amounts of deposits, prepayments and other receivables are denominated in the following currencies:

	As at 31 December		As at
	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
RMB	31,150	53,067	75,372
Hong Kong dollars (“ HK\$ ”)	137	422	5
US\$	151	2,442	698
EUR	299	933	1,917
AUD	361	—	720
	<u>32,098</u>	<u>56,864</u>	<u>78,712</u>

Information about the impairment of financial assets and the Group's exposure to credit risk sets out on Note 3.1.

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The Company

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>2025</i>
			<i>(Unaudited)</i>
Non-current portion:			
— Prepayment	3,345	—	805
— Deposits	—	—	228
	3,345	—	1,033
Current portion:			
— Prepayments for inventories and other operating expenses	8,723	8,899	11,359
— Value-added tax receivables	9,141	28,228	40,662
— Deposits	6,773	2,653	3,419
— Other receivables	825	11,688	16,186
— Amounts due from directors (<i>Note 33(d)</i>)	225	511	484
— Amounts due from subsidiaries	75,137	53,210	80,633
	100,824	105,189	152,743
Total deposits, prepayments and other receivables	<u>104,169</u>	<u>105,189</u>	<u>153,776</u>

The carrying amounts of deposits, prepayments and other receivables are denominated in the following currencies:

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>2025</i>
			<i>(Unaudited)</i>
RMB	103,863	104,781	153,212
HK\$	159	281	—
US\$	95	119	564
EUR	52	8	—
	<u>104,169</u>	<u>105,189</u>	<u>153,776</u>

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24 CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

(a) Cash and cash equivalents

The Group

	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>
Cash at bank	111,782	114,451	57,136
Cash on hand	159	120	180
	<u>111,941</u>	<u>114,571</u>	<u>57,316</u>
Maximum exposure to credit risk	<u>111,782</u>	<u>114,451</u>	<u>57,136</u>

Cash and cash equivalents approximated their fair values. As at 31 December 2023 and 2024, and 30 September 2025 are denominated in the following currencies:

	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>
AUD	1,671	4,540	4,501
EUR	13,521	33,802	19,607
RMB	87,227	50,492	30,650
US\$	9,373	25,635	2,416
Others	149	102	142
	<u>111,941</u>	<u>114,571</u>	<u>57,316</u>

As at 31 December 2023 and 2024, and 30 September 2025, funds of the Group amounting to RMB93,154,000, RMB76,695,000 and RMB31,179,000, respectively, were deposited in bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange control.

The Company

	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>
Cash at bank	90,343	55,146	10,858
Cash on hand	159	119	181
	<u>90,502</u>	<u>55,265</u>	<u>11,039</u>
Maximum exposure to credit risk	<u>90,343</u>	<u>55,146</u>	<u>10,858</u>

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Cash and cash equivalents approximated their fair values. As at 31 December 2023 and 2024, and 30 September 2025 are denominated in the following currencies:

	As at 31 December		As at
	2023	2024	30 September 2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
AUD	—	14	15
EUR	5,835	17,311	575
RMB	84,575	28,303	9,710
US\$	92	9,518	558
	<u>90,502</u>	<u>55,146</u>	<u>10,858</u>

(b) Restricted bank deposits

The restricted bank deposits represent the deposits for bill payables to suppliers. The balance is denominated in RMB.

25 INVENTORIES

The Group

	As at 31 December		As at
	2023	2024	30 September 2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)
Raw materials	59,202	72,876	109,323
Work in progress	19,604	70,030	57,238
Finished goods	115,653	125,494	156,863
Less: provision for impairment losses	<u>(3,343)</u>	<u>(10,621)</u>	<u>(3,992)</u>
Inventories, net of provision	<u>191,116</u>	<u>257,779</u>	<u>319,432</u>

The cost of inventories recognised as expenses and included in cost of sales amounting to approximately RMB234,677,000, RMB204,017,000 and RMB373,418,000 for the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, respectively.

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Provision for impairment of inventories of RMB2,851,000, RMB8,227,000 and RMB1,441,000 were recognised for the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025, respectively, in the consolidated statements of comprehensive income as cost of sales.

The Company

	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>
Raw materials	54,362	61,994	97,560
Work in progress	13,466	66,439	31,279
Finished goods	83,617	94,969	53,434
Less: provision for impairment losses	(986)	(3,489)	(745)
Inventories, net of provision	<u>150,459</u>	<u>219,913</u>	<u>181,528</u>

26 SHARE CAPITAL AND OTHER RESERVES

(a) Share capital

The Group and the Company

	Number of	Equivalent
	ordinary shares	nominal value
		of ordinary
		share
		<i>RMB'000</i>
Authorised:		
At 1 January 2023	97,273,022	97,273
Additions of authorised ordinary shares (<i>Note (ii)</i>)	<u>8,675,099</u>	<u>8,675</u>
As at 31 December 2023 and 1 January 2024	105,948,121	105,948
Additions of authorised ordinary shares (<i>Note (iii)</i>)	<u>1,459,144</u>	<u>1,459</u>
As at 31 December 2024, 1 January 2025 and 30 September 2025 (Unaudited)	<u>107,407,265</u>	<u>107,407</u>

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	<u>Number of ordinary shares</u>	<u>Equivalent nominal value of ordinary share</u> <i>RMB'000</i>
Issued and fully paid:		
At 1 January 2023	78,274,869	78,275
Issue of ordinary shares (<i>Note (i)</i>)	1,407,212	1,407
Issue of ordinary shares (<i>Note (ii)</i>)	<u>8,667,317</u>	<u>8,667</u>
As at 31 December 2023 and 1 January 2024	88,349,398	88,349
Issue of ordinary shares (<i>Note (ii)</i>)	7,782	8
Issue of ordinary shares (<i>Note (iii)</i>)	<u>1,459,144</u>	<u>1,459</u>
As at 31 December 2024, 1 January 2025 and 30 September 2025 (Unaudited)	<u><u>89,816,324</u></u>	<u><u>89,816</u></u>

Notes:

- (i) On 14 November 2022, the Company allotted and issued 1,407,212 shares at a subscription price of RMB11.37 per share to an existing shareholder. The proceeds of RMB16,000,000 was received and resulted in an increase in share capital of RMB1,407,000 and share premium of RMB14,593,000 during year ended 31 December 2023.
- (ii) On 16 November 2023, the Company allotted and issued 8,675,099 shares at a subscription price of RMB20.56 per share to the shareholders. The total proceeds of RMB178,359,000 were received and resulted in an increase in share capital of RMB8,667,000 and RMB8,000 and share premium of RMB169,532,000 and RMB152,000 during years ended 31 December 2023 and 2024, respectively.
- (iii) On 7 November 2024, the Company allotted and issued 1,459,144 shares at a subscription price of RMB20.56 per share to the shareholders. The total proceeds of RMB30,000,000 were received and resulted in an increase in share capital of RMB1,459,000 and share premium of RMB28,541,000 during year ended 31 December 2024.

(b) Other reserves

	<u>Share premium</u> <i>RMB'000</i>	<u>Exchange reserve</u> <i>RMB'000</i>	<u>Share-based payments</u> <i>RMB'000</i> <i>(Note 13)</i>	<u>Total</u> <i>RMB'000</i>
Balance at 1 January 2023	131,383	10	19,887	151,280
Other comprehensive loss				
Currency translation differences	<u>—</u>	<u>(119)</u>	<u>—</u>	<u>(119)</u>
Total comprehensive loss for the year	<u>—</u>	<u>(119)</u>	<u>—</u>	<u>(119)</u>
Transactions with equity holders:				
Issuance of shares	184,125	—	—	184,125
Share-based payment expenses	<u>—</u>	<u>—</u>	<u>65,766</u>	<u>65,766</u>
	----- 184,125	----- —	----- 65,766	----- 249,891
Balance at 31 December 2023	<u><u>315,508</u></u>	<u><u>(109)</u></u>	<u><u>85,653</u></u>	<u><u>401,052</u></u>

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	<u>Share premium</u> <i>RMB'000</i>	<u>Exchange reserve</u> <i>RMB'000</i>	<u>Share-based payments</u> <i>RMB'000</i> <i>(Note 13)</i>	<u>Total</u> <i>RMB'000</i>
Balance at 1 January 2024	315,508	(109)	85,653	401,052
Other comprehensive loss				
Currency translation differences	<u>—</u>	<u>568</u>	<u>—</u>	<u>568</u>
Total comprehensive loss for the year	<u>—</u>	<u>568</u>	<u>—</u>	<u>568</u>
Transactions with equity holders:				
Issuance of shares	28,693	—	—	28,693
Share-based payment expenses	<u>—</u>	<u>—</u>	<u>109,142</u>	<u>109,142</u>
	----- 28,693	----- —	----- 109,142	----- 137,835
Balance at 31 December 2024	<u>344,201</u>	<u>459</u>	<u>194,795</u>	<u>539,455</u>
	<u>Share premium</u> <i>RMB'000</i>	<u>Exchange reserve</u> <i>RMB'000</i>	<u>Share-based payments</u> <i>RMB'000</i> <i>(Note 13)</i>	<u>Total</u> <i>RMB'000</i>
Balance at 1 January 2024	315,508	(109)	85,653	401,052
Total comprehensive loss for the period	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Transactions with equity holders:				
Share-based payment expenses	<u>—</u>	<u>—</u>	<u>89,647</u>	<u>89,647</u>
	----- —	----- —	----- 89,647	----- 89,647
Balance at 30 September 2024 (Unaudited)	<u>315,508</u>	<u>(109)</u>	<u>175,300</u>	<u>490,699</u>

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	<u>Share premium</u> <i>RMB'000</i>	<u>Exchange reserve</u> <i>RMB'000</i>	<u>Share-based payments</u> <i>RMB'000</i> <i>(Note 13)</i>	<u>Total</u> <i>RMB'000</i>
Balance at 1 January 2025	344,201	459	194,795	539,455
Other comprehensive loss				
Currency translation differences	—	(2,423)	—	(2,423)
Total comprehensive loss for the period	<u>—</u>	<u>(2,423)</u>	<u>—</u>	<u>(2,423)</u>
Transactions with equity holders:				
Share-based payment expenses	—	—	7,589	7,589
	—	—	7,589	7,589
Balance at 30 September 2025 (Unaudited)	<u>344,201</u>	<u>(1,964)</u>	<u>202,384</u>	<u>544,621</u>

27 TRADE PAYABLES

The Group

	<u>As at 31 December</u>		<u>As at 30 September</u>
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Trade payables	<u>96,470</u>	<u>130,618</u>	<u>209,940</u>

The aging analysis of the trade payables based on invoice date is as follows:

	<u>As at 31 December</u>		<u>As at 30 September</u>
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Within 30 days	52,020	52,751	151,350
31–60 days	9,524	21,128	30,068
61–90 days	24,865	7,785	21,012
Over 90 days	<u>10,061</u>	<u>48,954</u>	<u>7,510</u>
	<u>96,470</u>	<u>130,618</u>	<u>209,940</u>

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The carrying amounts of trade payables are denominated in the following currencies:

	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>
RMB	96,357	74,463	209,320
HK\$	45	13	4
US\$	7	20,993	295
EUR	9	27,328	308
GBP	50	1,730	—
AUD	2	6,091	13
	<u>96,470</u>	<u>130,618</u>	<u>209,940</u>

The Company

	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>
Trade payables			
— Third parties	16,073	86,119	171,857
— Subsidiaries	154,002	30,974	44,702
	<u>170,075</u>	<u>117,093</u>	<u>216,559</u>

The aging analysis of the trade payables based on invoice date is as follows:

	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>
Within 30 days	95,127	54,398	133,960
31–60 days	44,945	21,127	38,462
61–90 days	24,590	6,300	44,137
Over 90 days	5,413	35,268	—
	<u>170,075</u>	<u>117,093</u>	<u>216,559</u>

The carrying amounts of trade payables are denominated in the following currencies:

	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>
RMB	170,068	116,843	216,235
US\$	7	241	315
AUD	—	9	9
	<u>170,075</u>	<u>117,093</u>	<u>216,559</u>

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28 ACCRUALS AND OTHER PAYABLES

The Group

	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>
Accrued wages, salaries, bonuses and staff welfare	9,927	8,905	6,342
Customers' deposits	579	1,294	—
Provision for warranties	3,357	2,084	4,287
Other payables and accruals	4,185	1,507	6,853
Amounts due to directors (<i>Note 33(d)</i>)	6	6	6
Amounts due to shareholders (<i>Note 33(e)</i>)	1,580	1,580	1,580
	<u>19,634</u>	<u>15,376</u>	<u>19,068</u>

Note: As at 31 December 2023 and 2024, and 30 September 2025, amounts due to directors and shareholders are unsecured, interest-free and repayable on demand. The carrying values of the balances approximate their fair values.

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The carrying amounts of accruals and other payables are denominated in the following currencies:

	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>
RMB	17,748	10,124	17,120
HK\$	10	149	53
US\$	281	1,305	1,311
EUR	96	3,415	429
GBP	—	3	—
AUD	1,499	380	155
	<u>19,634</u>	<u>15,376</u>	<u>19,068</u>

The movement of provision of warranties are denominated in the following table:

	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>
At beginning of the year/period	837	3,357	2,084
Charged to profit or loss	2,708	2,435	3,909
Utilisation	(188)	(3,708)	(1,706)
At the end of the year/period	<u>3,357</u>	<u>2,084</u>	<u>4,287</u>

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The Company

	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>
Accrued wages, salaries, bonuses and staff welfare	7,859	6,424	4,014
Customers' deposits	79	1,294	—
Provision for warranties	2,892	1,434	4
Other payables and accruals	1,680	887	5,914
Amount due to directors	6	6	6
Amount due to shareholders	1,580	1,580	1,580
Amounts due to subsidiaries	40	26,799	33,640
	<u>14,136</u>	<u>38,424</u>	<u>45,158</u>

The carrying amounts of accruals and other payables are denominated in the following currencies:

	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>
RMB	14,018	37,055	43,420
US\$	—	1,294	1,289
EUR	118	75	449
	<u>14,136</u>	<u>38,424</u>	<u>45,158</u>

29 BANK AND OTHER BORROWINGS

The Group

	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>
Secured			
— Bank borrowings	54,870	134,900	198,375
— Bill payables	47,019	—	—
— Other borrowings	—	1,498	7,001
	<u>101,889</u>	<u>136,398</u>	<u>205,376</u>
Unsecured			
— Bank borrowings	20,000	25,000	25,000
	<u>20,000</u>	<u>25,000</u>	<u>25,000</u>
	<u>121,889</u>	<u>161,398</u>	<u>230,376</u>

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The Group's bank and other borrowings were repayable as follows:

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>
Within 1 year	121,889	160,031	224,693
Within 1 to 2 years	—	245	1,332
Within 3 to 5 years	—	825	4,056
Over 5 years	—	297	295
	<u>121,889</u>	<u>161,398</u>	<u>230,376</u>

All the borrowings as at 31 December 2023 and 2024, and 30 September 2025 are denominated in RMB. The weighted average effective interest rate per annum for the years ended 31 December 2023 and 2024, and the nine months ended 30 September 2025 were 3.36%, 2.97% and 2.83%, respectively.

As at 31 December 2023, 2024 and 30 September 2025, the secured bank borrowings were secured by the guarantee provided by one of the shareholders of the Company.

As at 31 December 2023, the bill payables were secured by the restricted bank deposits (Note 24(b)).

As at 31 December 2024 and 30 September 2025, the other borrowings were secured by the property, plant and equipment of RMB1,616,000 and RMB7,571,000 (Note 16).

The Company

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>
Secured			
— Bank borrowings	54,870	134,800	198,375
— Bill payables	47,019	—	—
	<u>101,889</u>	<u>134,800</u>	<u>198,375</u>
Unsecured			
— Bank borrowings	20,000	25,000	5,000
	<u>20,000</u>	<u>25,000</u>	<u>5,000</u>
	<u>121,889</u>	<u>159,800</u>	<u>203,375</u>

The Company's bank and other borrowings were repayable as follows:

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>
Within 1 year	<u>121,889</u>	<u>159,800</u>	<u>203,375</u>

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30 DEFERRED INCOME

The Group and the Company

	<u>As at 31 December</u>		<u>As at</u> <u>30 September</u>
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Deferred government grant	—	1,677	9,997

Movement of deferred program research income is as follow:

	<u>As at 31 December</u>		<u>As at</u> <u>30 September</u>
	<u>2023</u>	<u>2024</u>	<u>2025</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>
At 1 January	—	—	1,677
Addition	—	1,677	8,320
At 31 December/30 September	—	1,677	9,997

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31 CASH FLOWS INFORMATION

(a) Cash used in operations

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Loss before income tax	(153,730)	(203,473)	(164,830)	(40,280)
Adjustments for:				
Provision for/(reversal of) impairment losses on financial assets	5,456	1,806	(2,331)	4,130
Amortisation of intangible assets	804	149	120	180
Depreciation of property, plant and equipment	4,836	8,864	6,309	8,512
Depreciation of right-of-use assets	1,216	3,849	2,781	3,915
Finance income	(87)	(679)	(499)	(335)
Finance costs	1,424	3,814	2,568	4,365
Provision for impairment of inventories	2,851	8,227	6,469	1,441
Share-based payment expenses	65,767	109,141	89,647	7,589
Loss on disposal of a subsidiary	—	22	—	125
Gain on disposal of property, plant and equipment	—	(5)	—	—
Share of results of associates	—	5	—	—
Fair value loss on financial assets at FVTPL	—	26	—	—
Operating profit before changes in working capital	(71,463)	(68,276)	(59,766)	(10,358)
Changes in working capital:				
Inventories	(2,827)	(75,942)	(95,006)	(54,527)
Trade and bills receivables	(35,053)	(4,077)	14,275	(47,898)
Deposits, prepayments and other receivables	20,585	(25,453)	(34,996)	(23,775)
Trade payables	(65,870)	37,214	23,683	66,187
Accruals and other payables	(18,441)	(3,938)	(12,813)	3,428
Deferred income	—	1,677	1,677	8,320
Contract liabilities	34,217	51,179	99,391	(46,166)
Contract assets	(21,494)	21,320	14,252	(8,221)
Cash used in operations	<u>(160,346)</u>	<u>(66,296)</u>	<u>(49,303)</u>	<u>(113,010)</u>

(b) In the consolidated statements of cash flows, proceeds from disposals of property, plant, and equipment comprise

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Net carrying amount (Note 16)	—	618	—	1,553
Gains on disposal of property, plant and equipment	—	5	—	—
Proceeds from disposal of property, plant and equipment	<u>—</u>	<u>623</u>	<u>—</u>	<u>1,553</u>

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(c) **Cash flow information — financing activities**

The movements of liabilities from financing activities for each of the years ended 31 December 2023 and 2024, and period ended 30 September 2025:

	Bank and other borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	16,018	3,896	19,914
Changes from financing cash flows:			
Proceeds from bank and other borrowings	121,889	—	121,889
Repayments of bank and other borrowings	(16,018)	—	(16,018)
Total changes from financing cash flows	<u>105,871</u>	<u>(4,843)</u>	<u>101,028</u>
Other charges:			
Interest expenses	—	53	53
Total other changes	<u>—</u>	<u>4,896</u>	<u>4,896</u>
As at 31 December 2023	<u>121,889</u>	<u>3,949</u>	<u>125,838</u>
	Bank and other borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2024	121,889	3,949	125,838
Changes from financing cash flows:			
Proceeds from bank and other borrowings	161,398	—	161,398
Repayments of bank and other borrowings	(121,889)	—	(121,889)
Repayment of principal portion of lease liabilities	—	(39)	(39)
Repayment of interest portion of lease liabilities	—	(6)	(6)
Total changes from financing cash flows	<u>55,100</u>	<u>(45)</u>	<u>39,464</u>
Other changes			
Interest expenses	—	397	397
Addition of leases	—	14,345	14,345
Total other changes	<u>—</u>	<u>14,742</u>	<u>14,742</u>
As at 31 December 2024	<u>161,398</u>	<u>18,646</u>	<u>180,044</u>

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	Bank and other borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2024	121,889	3,949	125,838
Changes from financing cash flows:			
Proceeds from bank and other borrowings	119,465	—	119,465
Repayments of bank and other borrowings	(109,800)	—	(109,800)
Total changes from financing cash flows	<u>9,665</u>	<u>—</u>	<u>9,665</u>
Other changes			
Interest expenses	—	286	286
Addition of leases	—	13,149	13,149
Total other changes	<u>—</u>	<u>13,435</u>	<u>13,435</u>
As at 30 September 2024 (Unaudited)	<u>131,554</u>	<u>17,384</u>	<u>148,938</u>
	Bank and other borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2025	161,398	18,646	180,044
Changes from financing cash flows:			
Proceeds from bank and other borrowings	230,376	—	230,376
Repayments of bank and other borrowings	(161,398)	—	(161,398)
Repayment of principal portion of lease liabilities	—	(6,399)	(6,399)
Repayment of interest portion of lease liabilities	—	(328)	(328)
Total changes from financing cash flows	<u>68,978</u>	<u>(6,727)</u>	<u>62,251</u>
Other changes			
Interest expenses	—	359	359
Addition of leases	—	9,547	9,547
Total other changes	<u>—</u>	<u>9,906</u>	<u>9,906</u>
As at 30 September 2025 (Unaudited)	<u>230,376</u>	<u>21,825</u>	<u>252,201</u>

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32 COMMITMENTS

Short-term lease commitments

The Group had future aggregate minimum lease payments under short-term, non-cancellable leases in relations to rental for office premises and warehouses as follows:

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			<i>(Unaudited)</i>
No later than 1 year	<u>1,748</u>	<u>7,433</u>	<u>7,018</u>

33 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

- (a) The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the Track Record Period:

<u>Name of related parties</u>	<u>Relationship with the Company</u>
Weiheng Electric Power Technology (Wuxi) Co., Ltd. (為恒電能科技(無錫)有限公司)	The Company's shareholder
Sun Yaojie	Director of the Company
Wu Yu	Director of the Company

* *The English names of certain related parties represent the best effort by the directors of the Company in translating their Chinese names as they do not have official English names.*

- (b) Transactions carried out with related parties:

Save as disclosed elsewhere in this report, during the Track Record Period, no transactions were carried out with related parties.

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(c) **Key management compensation**

The directors of the Company are considered to be the key management of the Company. Details of key management compensation are set out in Note 9.

(d) **Amounts due from/to directors**

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Amounts due from directors (<i>Note 23</i>)	225	511	484
Amounts due to directors (<i>Note 28</i>)	<u>6</u>	<u>6</u>	<u>6</u>

(Unaudited)

(e) **Amounts due to shareholders**

	<u>As at 31 December</u>		<u>As at</u>
	<u>2023</u>	<u>2024</u>	<u>30 September</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Amounts due to shareholders (<i>Note 28</i>)	<u>1,580</u>	<u>1,580</u>	<u>1,580</u>

(Unaudited)

The amounts due from/(to) the directors and shareholders are non-interest bearing, unsecured, repayable on demand and denominated in RMB. Their carrying amounts approximate to their fair values due to their short maturities.

34 DIVIDEND

No dividend has been paid or declared by the Company during the TRP and up to the date of this accountant’s report.

35 SUBSEQUENT EVENTS

Series B financing

From September 2025 to November 2025, the Company, entered into a series of investment agreements with a group of investors (the “**Series B Investors**”). Pursuant to the agreements, the Series B Investors subscribed for registered capital of the Company of RMB5,498,000, at a total consideration of RMB128,000,000 (the “**Series B Financing**”).

On 23 January 2026, the Company entered into a capital increase agreement with an investor (the “**Series B+ Investor**”), pursuant to which it agreed to subscribe for 3,436,000 shares of the Company at the consideration of RMB80,000,000 (the “**Series B+ Financing**”). The registration of the capital increase was settled on 2 February 2026.

Conversion into Joint Stock Limited Company

Pursuant to the shareholders’ resolutions on 6 January 2026 and the promoters’ agreement dated the same date (the “**Promoters’ Agreement**”), the then shareholders agreed to convert the Company into a joint stock limited liability company with a registered capital of RMB112,906,000. Pursuant to the Promoters’ Agreement, the net asset value of the Company as of 30 November 2025 was converted into [112,906,000] shares of par value of RMB[1.00] each, which were subscribed by and issued to the [then shareholders] in proportion to their respective equity interest in the Company, and RMB298,247,000 were credited into the Company’s [capital reserve]. On 22 January 2026, the Company (then known as Jiangsu Weiheng Intelligent Technology Co., Ltd. (江蘇為恒智能科技有限公司)) was converted into a joint stock limited company and renamed as Weiheng Intelligent Technology Co., Ltd. (為恒智能科技股份有限公司) with a registered capital of RMB[112,906,000].

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36 RESERVE MOVEMENTS OF THE COMPANY

	<u>Share capital</u>	<u>Share premium</u>	<u>Share-based payments</u>	<u>Accumulated losses</u>	<u>Total</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2023	78,275	133,578	28,652	(101,872)	138,633
Loss for the year	—	—	—	(132,932)	(132,932)
Total comprehensive loss for the year	—	—	—	(132,932)	(132,932)
Transactions with equity holders:					
Issuance of shares	10,074	184,125	—	—	194,199
Share-based payment expense	—	—	65,766	—	65,766
	10,074	184,125	65,766	—	259,965
Balance at 31 December 2023	<u>88,349</u>	<u>317,703</u>	<u>85,653</u>	<u>(234,804)</u>	<u>256,901</u>
Balance at 1 January 2024	88,349	317,703	85,653	(234,804)	256,901
Loss for the year	—	—	—	(155,932)	(155,932)
Total comprehensive loss for the year	—	—	—	(155,932)	(155,932)
Transactions with equity holders:					
Issuance of shares	1,467	28,693	—	—	30,160
Share-based payment expense	—	—	109,142	—	109,142
	1,467	28,693	109,142	—	139,302
Balance at 31 December 2024	<u>89,816</u>	<u>346,396</u>	<u>194,795</u>	<u>(393,638)</u>	<u>237,369</u>
Balance at 1 January 2025	89,816	346,396	194,795	(393,638)	237,369
Profit for the period	—	—	—	46,689	46,689
Total comprehensive income for the period	—	—	—	46,689	46,689
Transactions with equity holders:					
Share-based payment expense	—	—	7,589	—	7,589
	—	—	7,589	—	7,589
Balance at 30 September 2025 (Unaudited)	<u>89,816</u>	<u>346,396</u>	<u>202,384</u>	<u>(346,949)</u>	<u>291,647</u>

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37 SUMMARY OF OTHER ACCOUNTING POLICIES

37.1 Principles of consolidation and equity accounting

(i) *Subsidiaries*

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of financial position respectively.

(ii) *Separate financial statements*

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(iii) *Associates*

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iv) *Equity method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 37.5.

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37.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors who make strategic decisions.

37.3 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in RMB, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income.

Foreign exchange gains and losses that relate to borrowings are presented in the statements of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the statements of comprehensive income on a net basis within other gains/(losses).

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statements of financial position presented are translated at the closing rate at the end of each reporting period;
- (ii) Income and expenses for each income statements are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange difference arising from the translation of any net investment in foreign entities is recognised in other comprehensive income. When a foreign operation is sold, the associated exchange difference is reclassified to profit or loss, as part of the gain or loss on sale.

37.4 Intangible assets

Company system and patent for design and technology are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives. The Group amortises the external-use software and patent with a limited useful life using the straight-line method over 3–10 and 5 years, respectively. Intangible assets are tested for impairment as described below in Note 37.5.

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37.5 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

37.6 Other financial assets

(i) *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all of the risks and rewards of ownership.

(iii) *Measurement*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

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FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses), net in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses), net in the statements of profit or loss as applicable.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and bills receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1(c) for further details.

37.7 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

37.8 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

37.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

37.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities, unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

37.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statements over the period of the borrowings, using the effective interest method.

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Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting date.

37.12 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

37.13 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

37.14 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statements of financial position.

(ii) Pension, housing funds, medical insurances and other social insurances obligations

Employees of the Group are covered by various government-sponsored defined-contribution pension plans under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these employees when they retire. The Group contributes on a monthly basis to these pension plans for the employees which are determined at certain percentage of their salaries. Under these plans, the Group has no obligation for post-retirement benefits beyond the contribution made. Contributions to these plans are expensed as incurred and contributions paid to the defined contribution pension plans for a staff are not available to reduce the Group's future obligations to such defined-contribution pension plans even if the staff leaves the Group.

(iii) Bonus plan

The expected cost of bonuses is recognised as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

37.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the pre-tax expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

37.16 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option,

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- lease payments to be made under an extension option if the group is reasonably certain to exercise the option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Entity-specific details about the Group's leasing policy are provided in Note 18.

37.17 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

37.18 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated income statements over the period necessary to match them with the costs that they are intended to compensate.

37.19 Related parties

A person or entity is considered to be related to the Group if:

- (i) a person or a close member of that person's family (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;
- (ii) the entity and the Group are members of the same group, which means that each parent, subsidiary and fellow subsidiary is related to the others;
- (iii) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
- (iv) both entities are joint ventures of the same third party;
- (v) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (vi) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vii) the entity is controlled or jointly controlled by a person identified in (a); or
- (viii) a person identified in (a) 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.

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III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2024 and up to the date of this report.