The following is the text of a report set out on pages [I-1] to [I-116], received from the Company's reporting accountants, BDO Limited, 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 Sole Sponsor pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF ANHUI SINOMAGS TECHNOLOGY CO., LTD AND CHINA SECURITIES (INTERNATIONAL) CORPORATE FINANCE COMPANY LIMITED AND GF CAPITAL (HONG KONG) LIMITED

INTRODUCTION

We report on the historical financial information of Anhui Sinomags Technology Co., Ltd (the "**Company**") and its subsidiaries (together the "**Group**") set out on pages I-[4] to I-[116], which comprises the consolidated statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025, and the statements of financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the period then ended 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025 (the "**Track Record Period**"), and material accounting policy information and other explanatory information (together the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-[4] to I-[116] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [•] (the "**Document**") in connection with the **[REDACTED]** of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

DIRECTORS' RESPONSIBILITY FOR THE HISTORICAL FINANCIAL INFORMATION

The directors of the Company are responsible for the preparation of Historical 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 Historical Financial Information that is free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

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

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical 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 Historical Financial Information.

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

OPINION

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Company's financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025, the Group's financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

REVIEW OF STUB PERIOD COMPARATIVE HISTORICAL FINANCIAL INFORMATION

We have reviewed the stub period comparative historical financial information of the Group which comprises the consolidated statement of profit or loss and the other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the nine months ended 30 September 2024 and other explanatory information (together the "**Stub Period Comparative Historical Financial Information**"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical 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 Comparative Historical Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Historical Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation 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 AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

ADJUSTMENTS

In preparing the Historical Financial Information and the Stub Period Comparative Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[5] have been made.

DIVIDENDS

We refer to Note 16 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

NO FINANCIAL STATEMENTS FOR THE COMPANY

No statutory financial statements have been prepared for the Company since its date of incorporation.

[BDO Limited]
Certified Public Accountants

Practising Certificate no. P[•]
Hong Kong
[Date]

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

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

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited in accordance with Hong Kong Standards on Auditing 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.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue	*6*	666,309	594,206	703,414	544,459	626,656
Cost of sales		(564,241)	(487,541)	(582,487)	(449,473)	(473,744)
Gross profit		102,068	106,665	120,927	94,986	152,912
Other income	*7*	10,449	27,678	33,858	29,454	10,014
Other gains or losses, net	*8*	(1,195,320)	(49,112)	25	158	(852)
Change in fair value of financial assets at fair value through profit or loss		158	616	3,267	1,881	3,864
Provision for impairment losses under expected credit losses ("**ECL**") model, net of reversal	*9*	(2,229)	(4,908)	1,321	(9,319)	(3,824)
Selling expenses		(10,825)	(12,535)	(16,308)	(11,533)	(12,222)
Administrative expenses		(61,792)	(82,500)	(78,243)	(59,468)	(55,204)
Research and development expenses		(42,685)	(50,919)	(53,654)	(39,592)	(39,818)
Finance costs	*10*	(9,943)	(4,452)	(3,411)	(2,595)	(2,109)
Share of results of an associate	*20*	—	—	—	—	234
[REDACTED] expenses		—	—	—	—	(9,498)
(Loss)/ profit before tax	*11*	(1,210,119)	(69,467)	7,782	3,972	43,497
Income tax credit/ (expenses)	*12*	3,972	2,905	2,070	2,334	(3,725)
(Loss)/profit for the year/period		(1,206,147)	(66,562)	9,852	6,306	39,772

		Year ended 31 December			Nine months ended 30 September	
	Notes	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Other comprehensive income:						
Item that may be reclassified subsequently to profit or loss						
Exchange differences on translation of foreign operations		4,628	9,440	(6,772)	826	15,047
Other comprehensive income for the year/period, net of tax		4,628	9,440	(6,772)	826	15,047
Total comprehensive income for the year/period		(1,201,519)	(57,122)	3,080	7,132	54,819
(Loss)/profit attributable to:						
Owners of the Company		(1,206,147)	(66,300)	10,395	6,879	37,545
Non-controlling interests		—	(262)	(543)	(573)	2,227
		(1,206,147)	(66,562)	9,852	6,306	39,772
Total comprehensive income attributable to:						
Owners of the Company		(1,201,519)	(56,860)	3,623	7,705	52,592
Non-controlling interests		—	(262)	(543)	(573)	2,227
		(1,201,519)	(57,122)	3,080	7,132	54,819
(Loss)/ earnings per share for (loss)/profit attributable to owners of the Company						
Basic and Diluted (RMB)	*15*	(61.14)	(1.11)	0.09	0.06	0.33

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 September
	Notes	**2022**	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Property, plant and equipment	*18*	136,541	182,742	180,331	184,128
Intangible assets	*19*	3,690	3,514	2,995	2,954
Investment in an associate	*20*	—	—	—	130,234
Right-of-use assets	*21*	103,362	107,773	87,903	109,670
Deferred tax assets	*22*	22,699	31,146	37,311	44,132
Prepayment for non-current assets	*27*	10,380	9,344	7,361	7,145
Restricted bank deposits	*28*	8,059	8,107	8,096	590
Total non-current assets		284,731	342,626	323,997	478,853
Current assets					
Inventories	*23*	251,319	254,748	249,493	287,250
Financial assets at fair value through profit or loss	*24*	30,168	30,774	202,275	256,344
Trade receivables	*25*	183,712	127,527	133,773	149,571
Bills receivable	*26*	79,902	81,432	112,010	124,312
Prepayments, deposits and other receivables	*27*	38,039	50,025	48,064	38,430
Income tax recoverable		4,457	—	1,012	1,652
Restricted bank deposits	*28*	74,733	13,128	—	—
Cash and bank balances	*28*	576,420	462,183	314,195	165,306
Total current assets		1,238,750	1,019,817	1,060,822	1,022,865

		As at 31 December			As at 30 September
	Notes	**2022**	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current liabilities					
Trade payables	*29*	95,795	58,630	77,594	83,537
Bills payable	*30*	83,930	31,120	—	—
Other payables and accrual	*31*	732,370	57,303	55,164	80,925
Contract liabilities	*32*	5,340	8,931	10,141	11,352
Refund liabilities	*33*	4,411	6,008	8,353	9,431
Borrowings	*34*	72,688	—	24,043	—
Lease liabilities	*35*	15,473	15,347	14,327	14,330
Deferred income	*36*	3,605	3,150	2,417	2,417
Current tax liabilities		—	1,209	—	—
Total current liabilities		1,013,612	181,698	192,039	201,992
Net current assets		225,138	838,119	868,783	820,873
Total assets less current liabilities		509,869	1,180,745	1,192,780	1,299,726
Non-current liabilities					
Deferred tax liabilities	*22*	—	—	192	758
Borrowings	*34*	22,114	23,077	—	—
Lease liabilities	*35*	92,845	96,004	79,715	86,676
Deferred income	*36*	11,130	7,992	5,575	3,763
Redemption liabilities	*37*	1,829,317	—	—	—
Total non-current liabilities		1,955,406	127,073	85,482	91,197
NET (LIABILITIES)/ ASSETS		(1,445,537)	1,053,672	1,107,298	1,208,529
Capital and reserves					
Equity attributable to owners of the Company					
Issued capital/share capital	*38*	19,727	115,219	115,219	115,219
Reserve		(1,465,264)	934,715	941,976	1,012,130
		(1,445,537)	1,049,934	1,057,195	1,127,349
Non-controlling interests	*17*	—	3,738	50,103	81,180
TOTAL (DEFICIT)/ EQUITY		(1,445,537)	1,053,672	1,107,298	1,208,529

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

			Attributable to owners of the Company							
	Issued capital/ share capital	Capital reserve	Merger reserve	Other reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
	RMB'000	*RMB'000* *(note a)*	*RMB'000* *(note b)*	*RMB'000* *(note c)*	*RMB'000* *(Note 39)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Note 17)*	*RMB'000*
As at 1 January 2022	19,727	—	50,612	—	154	167	(255,169)	(184,509)	—	(184,509)
Loss for the year	—	—	—	—	—	—	(1,206,147)	(1,206,147)	—	(1,206,147)
Exchange differences on translation of foreign operations	—	—	—	—	—	4,628	—	4,628	—	4,628
Other comprehensive income for the year	—	—	—	—	—	4,628	—	4,628	—	4,628
Total comprehensive income for the year	—	—	—	—	—	4,628	(1,206,147)	(1,201,519)	—	(1,201,519)
Transaction with shareholder *(Note 37(iii))*	—	—	—	(59,618)	—	—	—	(59,618)	—	(59,618)
Share-based payment *(Note 39)*	—	—	—	—	109	—	—	109	—	109
As at 31 December 2022	19,727	—	50,612	(59,618)	263	4,795	(1,461,316)	(1,445,537)	—	(1,445,537)

			Attributable to owners of the Company							
	Issued capital/ share capital	Capital reserve	Merger reserve	Other reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
	RMB'000	*RMB'000* *(note a)*	*RMB'000* *(note b)*	*RMB'000* *(note c)*	*RMB'000* *(Note 39)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Note 17)*	*RMB'000*
As at 1 January 2023	19,727	—	50,612	(59,618)	263	4,795	(1,461,316)	(1,445,537)	—	(1,445,537)
Loss for the year	—	—	—	—	—	—	(66,300)	(66,300)	(262)	(66,562)
Exchange differences on translation of foreign operations	—	—	—	—	—	9,440	—	9,440	—	9,440
Other comprehensive income for the year	—	—	—	—	—	9,440	—	9,440	—	9,440
Total comprehensive income for the year	—	—	—	—	—	9,440	(66,300)	(56,860)	(262)	(57,122)
Transfer from redemption liabilities *(Note 38)*	95,492	2,453,772	—	—	—	—	—	2,549,264	—	2,549,264
Capital contribution from non-controlling shareholders	—	—	—	—	—	—	—	—	4,000	4,000
Share-based payment *(Note 39)*	—	—	—	—	1,567	—	—	1,567	—	1,567
Shareholder's contribution *(note (d))*	—	1,500	—	—	—	—	—	1,500	—	1,500
Transformation into joint stock company *(Note 38)*	—	(48,202)	—	—	—	—	48,202	—	—	—
As at 31 December 2023	115,219	2,407,070	50,612	(59,618)	1,830	14,235	(1,479,414)	1,049,934	3,738	1,053,672

	Attributable to owners of the Company									
	Issued capital/ share capital	Capital reserve	Merger reserve	Other reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
	RMB'000	*RMB'000* (note a)	*RMB'000* (note b)	*RMB'000* (note c)	*RMB'000* (Note 39)	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* (Note 17)	*RMB'000*
As at 1 January 2024	115,219	2,407,070	50,612	(59,618)	1,830	14,235	(1,479,414)	1,049,934	3,738	1,053,672
Profit /(loss) for the year	—	—	—	—	—	—	10,395	10,395	(543)	9,852
Exchange differences on translation of foreign operations	—	—	—	—	—	(6,772)	—	(6,772)	—	(6,772)
Other comprehensive income for the year	—	—	—	—	—	(6,772)	—	(6,772)	—	(6,772)
Total comprehensive income for the year	—	—	—	—	—	(6,772)	10,395	3,623	(543)	3,080
Change in ownership interest in a subsidiary without loss of control *(Note 17(d))*	—	—	—	—	—	—	2,206	2,206	46,908	49,114
Share-based payment *(Note 39)*	—	—	—	—	1,432	—	—	1,432	—	1,432
As at 31 December 2024	115,219	2,407,070	50,612	(59,618)	3,262	7,463	(1,466,813)	1,057,195	50,103	1,107,298

	Attributable to owners of the Company									
	Issued capital/ share capital	Capital reserve	Merger reserve	Other reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
	RMB'000	*RMB'000* (note a)	*RMB'000* (note b)	*RMB'000* (note c)	*RMB'000* (Note 39)	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* (Note 17)	*RMB'000*
As at 1 January 2025	115,219	2,407,070	50,612	(59,618)	3,262	7,463	(1,466,813)	1,057,195	50,103	1,107,298
Profit for the period	—	—	—	—	—	—	37,545	37,545	2,227	39,772
Exchange differences on translation of foreign operations	—	—	—	—	—	15,047	—	15,047	—	15,047
Other comprehensive income for the period	—	—	—	—	—	15,047	—	15,047	—	15,047
Total comprehensive income for the period	—	—	—	—	—	15,047	37,545	52,592	2,227	54,819
Change in ownership interest in a subsidiary without loss of control *(Note 17(d))*	—	—	—	—	—	—	16,696	16,696	28,850	45,546
Share-based payment *(Note 39)*	—	—	—	—	866	—	—	866	—	866
As at 30 September 2025	115,219	2,407,070	50,612	(59,618)	4,128	22,510	(1,412,572)	1,127,349	81,180	1,208,529

	Attributable to owners of the Company									
	Issued capital/ share capital	Capital reserve	Merger reserve	Other reserve	Share-based payment reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
	RMB'000	*RMB'000* *(note a)*	*RMB'000* *(note b)*	*RMB'000* *(note c)*	*RMB'000* *(Note 39)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Note 17)*	*RMB'000*
As at 1 January 2024	115,219	2,407,070	50,612	(59,618)	1,830	14,235	(1,479,414)	1,049,934	3,738	1,053,672
Profit/(loss) for the period	—	—	—	—	—	—	6,879	6,879	(573)	6,306
Exchange differences on translation of foreign operations	—	—	—	—	—	826	—	826	—	826
Other comprehensive income for the period	—	—	—	—	—	826	—	826	—	826
Total comprehensive income for the period	—	—	—	—	—	826	6,879	7,705	(573)	7,132
Capital contribution from non-controlling shareholders *(Note 17(d))*	—	—	—	—	—	—	4,715	4,715	18,285	23,000
Share-based payment *(Note 39)*	—	—	—	—	1,053	—	—	1,053	—	1,053
As at 30 September 2024 (unaudited)	115,219	2,407,070	50,612	(59,618)	2,883	15,061	(1,467,820)	1,063,407	21,450	1,084,857

Notes:

(a) Capital reserves mainly comprise of (i) share premium arising from the issuance of share capital/paid-up capital, and (ii) contribution from shareholders and Dr. Wang Jianguo ("**Dr. Wang**"), the founder of the Company.

(b) The merger reserve of the Group represents the difference between the consideration paid over the nominal value of the aggregate share capital of subsidiaries acquired under common control.

(c) Other reserve mainly represents transaction with shareholder.

(d) Shareholder contribution represented the capital contribution contributed by Dr. Wang.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Nine months ended 30 September	
	Notes	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Operating activities						
(Loss)/profit before tax		(1,210,119)	(69,467)	7,782	3,972	43,497
Adjustments for:						
Depreciation of property, plant and equipment	*18*	21,256	33,199	39,471	29,318	28,266
Depreciation of right-of-use assets	*21*	14,256	17,533	16,408	12,353	11,900
Amortisation of intangible assets	*19*	665	878	898	661	778
Amortisation of deferred income	*36*	(1,958)	(3,605)	(3,150)	(2,546)	(1,812)
Provision for impairment losses under ECL model, net of reversal	*9*	2,229	4,908	(1,321)	9,319	3,824
Loss/(gain) on disposal/written off of property, plant and equipment	*8*	436	(18)	3	3	568
Share-based payment expenses	*39*	109	1,567	1,432	1,053	866
Write down of inventories	*11*	9,881	15,205	20,374	20,071	7,057
Finance costs	*10*	9,943	4,452	3,411	2,595	2,109
Change in fair value of financial assets at fair value through profit or loss ("**FVTPL**")		(158)	(616)	(3,267)	(1,881)	(3,864)
Share of results of an associate	*20*	—	—	—	—	(234)
Change in fair value of redemption liabilities	*8*	1,195,165	47,747	—	—	—
Gain on termination of lease	*8*	—	—	—	—	(99)
Interest income	*7*	(3,298)	(10,080)	(6,314)	(5,383)	(2,783)

		Year ended 31 December			Nine months ended 30 September	
	Notes	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Operating profit before movements in working capital		38,407	41,703	75,727	69,535	90,073
(Increase)/decrease in trade receivables		(129,547)	56,785	(8,616)	(61,128)	(20,166)
(Increase)/decrease in bills receivable		(10,643)	(1,878)	(30,578)	4,868	(12,302)
(Increase)/decrease in prepayments, deposits and other receivables		(5,527)	(11,902)	1,821	(17,303)	11,429
Increase in inventories		(92,156)	(18,634)	(15,119)	(6,602)	(44,814)
Increase/(decrease) in trade payables		45,135	(37,165)	18,964	34,808	5,943
Increase/(decrease) in bills payable		51,539	(52,810)	(31,120)	(31,120)	—
Increase/(decrease) in other payables and accrual		21,859	(12,505)	(5,013)	17,277	28,888
(Decrease)/increase in contract liabilities		(6,769)	3,591	1,210	(792)	1,211
Increase in refund liabilities		2,822	1,597	2,345	1,424	1,078
Increase in deferred income		8,172	—	—	—	—
Cash (used in)/generated from operations		(76,708)	(31,218)	9,621	10,967	61,340
Income tax (paid)/refund		(345)	1,011	(6,052)	(5,311)	(7,285)
Net cash (used in)/generated from operating activities		(77,053)	(30,207)	3,569	5,656	54,055

		Year ended 31 December			Nine months ended 30 September	
	Notes	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Investing activities						
Purchases of property, plant and equipment		(77,746)	(76,517)	(35,184)	(28,560)	(30,787)
Purchases of intangible assets		(2,711)	(609)	(458)	(333)	(651)
Purchases of land use right		—	—	—	—	(14,923)
Proceeds from disposal of property, plant and equipment		—	368	84	84	1,475
Purchases of financial assets at FVTPL		(30,010)	—	(190,000)	(220,000)	(240,000)
Proceeds from disposal of financial assets at FVTPL		—	10	21,766	210	189,795
Withdrawal from restricted bank deposits		71,533	121,558	36,656	36,636	7,553
Placement for restricted bank deposits		(134,906)	(59,827)	(23,521)	(23,520)	—
Interest received		2,778	4,488	10,145	5,822	3,215
Payment for incorporation of an associate		—	—	—	—	(130,000)
Net cash used in investing activities		(171,062)	(10,529)	(180,512)	(229,661)	(214,323)

		Year ended 31 December			Nine months ended 30 September	
	Notes	**2022**	**2023**	**2024**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Financing activities						
Proceeds from borrowings	*44*	224,100	29,900	—	—	—
Repayment of borrowings	*44*	(257,046)	(101,953)	—	—	(20,000)
Payment of principal element of lease liabilities	*44*	(10,033)	(19,050)	(13,692)	(10,106)	(12,134)
Interest paid for borrowings	*44*	(17,454)	(941)	—	—	(4,602)
Interest paid for lease liabilities	*44*	(2,065)	(2,835)	(2,445)	(1,872)	(1,550)
Capital contribution from non-controlling shareholders	*17(d)*	—	4,000	53,000	23,000	45,546
Payment for acquisition of equity interest from non-controlling shareholders	*17(d)*	—	—	(3,886)	—	—
Shareholder's contribution		—	1,500	—	—	—
Proceeds received for issuance of redemption liabilities	*37*	70,000	11,000	—	—	—
[REDACTED] expense paid		—	—	—	—	(1,683)
Advance from investors	*(a)*	661,200	—	—	—	—
Net cash generated from/(used in) financing activities		668,702	(78,379)	32,977	11,022	5,577
Net increase/(decrease) in cash and cash equivalents		420,587	(119,115)	(143,966)	(212,983)	(154,691)
Cash and cash equivalents at beginning of year/period		152,458	576,420	462,183	462,183	314,195
Exchange gains/(loss), net		3,375	4,878	(4,022)	727	5,802
Cash and cash equivalents at the end of year/period		576,420	462,183	314,195	249,927	165,306

Note:

During the Track Record Period, the Group entered into the following non-cash transactions:

(a) In 2022, the Company entered into an investment agreement with certain Series E investors and Series E+ investors, pursuant to which Company issued and allotted approximately 21,211,693 unit of Series E Shares and 3,203,547 units of Series E+ Shares at a consideration of RMB584,000,000 and RMB88,200,000 respectively to be paid in 2023. The detail is set out in Note 37 to the Historical Financial Information.

The consideration of RMB573,000,000 and RMB88,200,000 has been received in advance in 2022 from these investors respectively with the liabilities recognised in other payables and accrual set out in Note 31 to the Historical Financial Information.

In 2023, the whole amount was recognised as redemption liabilities together with the remaining consideration of RMB11,000,000 which was received in cash in 2023.

(b) On 15 May 2025, the ownership of borrowings of RMB12,335,000 was transferred to a director. The transfer was accounted for as a substantial modification of the financial liability, the borrowings were derecognised and amount due to a director under borrowings was recognised. The detail is set out in Note 34 (c) and (e) to the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 30 September
	Notes	**2022**	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Investments in subsidiaries.	*17*	190,116	234,854	271,204	285,703
Property, plant and equipment	*18*	59,782	74,258	83,563	83,877
Intangible assets	*19*	—	—	354	556
Investment in an associate	*20*	—	—	—	130,234
Right-of-use assets	*21*	14,799	11,074	7,984	5,666
Deferred tax assets	*22*	6,637	8,288	11,859	15,589
Prepayment for non-current assets	*27*	3,804	5,997	5,884	5,599
Restricted bank deposits	*28*	7,534	7,551	7,563	—
Total non-current assets		282,672	342,022	388,411	527,224
Current assets					
Inventories	*23*	92,670	99,882	134,710	168,799
Financial assets at fair value through profit or loss	*24*	30,168	30,774	101,241	103,193
Trade receivables	*25*	246,410	211,894	307,170	432,854
Bills receivable	*26*	32,098	19,189	61,179	75,738
Prepayments, deposits and other receivables	*27*	138,344	151,271	215,539	206,739
Income tax recoverable		3,920	—	1,923	1,716
Restricted bank deposits	*28*	22,880	—	—	—
Cash and bank balances	*28*	546,901	428,592	227,664	82,994
Total current assets		1,113,391	941,602	1,049,426	1,072,033

		As at 31 December			As at 30 September
	Notes	**2022**	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current liabilities					
Trade payables	*29*	174,346	91,843	213,925	362,738
Bills payable	*30*	22,880	3,931	—	—
Other payables and accrual	*31*	702,329	35,289	59,077	85,018
Contract liabilities	*32*	341	2,149	2,149	3,174
Refund liabilities	*33*	2,534	4,276	6,526	6,127
Borrowings	*34*	34,005	—	24,043	—
Lease liabilities	*35*	6,631	3,016	3,163	3,206
Deferred income	*36*	2,950	2,933	2,200	2,200
Current tax liabilities		—	1,459	—	—
Total current liabilities		946,016	144,896	311,083	462,463
Net current assets		167,375	796,706	738,343	609,570
Total assets less current liabilities		450,047	1,138,728	1,126,754	1,136,794
Non-current liabilities					
Borrowings	*34*	22,114	23,077	—	—
Lease liabilities	*35*	11,214	8,197	6,620	4,061
Deferred income	*36*	8,916	5,983	3,783	2,133
Redemption liabilities	*37*	1,829,317	—	—	—
Total non-current liabilities		1,871,561	37,257	10,403	6,194
NET (LIABILITIES)/ ASSETS		(1,421,514)	1,101,471	1,116,351	1,130,600
Issued capital/share capital	*38*	19,727	115,219	115,219	115,219
Reserves	*40*	(1,441,241)	986,252	1,001,132	1,015,381
TOTAL (DEFICIT)/ EQUITY		(1,421,514)	1,101,471	1,116,351	1,130,600

II NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated as a limited liability company under the laws of the PRC on 14 December 2018 and was converted into a joint stock company with limited liability on 31 August 2023. The registered address and principal place of business is at No. 321, Taibo Road, Area C, Sensor Valley, Economic Development Zone, Bengbu, Anhui, PRC.

The Company and its subsidiaries (the "**Group**") are principally engaged in manufacturing and sale of current sensor, motion sensor and others during the Track Record Period. Particular of the Company's principal subsidiaries are set out in Note 17 to the Historical Financial Information.

The Historical Financial Information are presented in Renminbi ("**RMB**"), which is the same as the functional currency of the Company.

The Company's ultimate parent is Dr. Wang.

2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies set out in Note 4 which conform with IFRS Accounting Standards issued by IASB. In addition, the Historical Financial Information includes the applicable disclosures requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

The IASB has issued a number of new and amendments to IFRS Accounting Standards. For the purpose of preparing the Historical Financial Information, the Group has adopted the accounting policies which conform with all new and amendments to IFRS Accounting Standards that are effective for reporting periods beginning on or after 1 January 2025, consistently throughout the Track Record Period. At the date of this report, a number of new and amendments to IFRS Accounting Standards have been issued but are not effective and have not been early adopted by the Group:

New and amendments to IFRS Accounting Standards issued but not yet effective

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards — Volume 11[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after 1 January 2026.
2 Effective for annual periods beginning on or after 1 January 2027.

3 The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The directors of the Company have assessed the effect of these new accounting standards and amendments and do not anticipate of these new accounting standards and amendments will have material impact on the Group's consolidated financial statements and/or the disclosures to the Group's Historical Financial Information except the following.

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The adoption of IFRS 18 will not affect the recognition or measurement of items in the consolidated financial statements. It mainly has impacts on presentation and disclosure of income and expenses and adds new disclosure requirement on management-defined performance measures within the consolidated financial statements. So far, the Group considers that the impact of these new and amended standards on the Group's results of operations and financial position will not be material.

4. ACCOUNTING POLICIES

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

(a) Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

(b) Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss on the statements of financial position of the Company.

(c) Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not to control or to have joint control over those policies.

The results and assets and liabilities of associates are incorporated in the Historical Financial Information using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an interest in an associate is initially recognised in the consolidated statements of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

(d) Revenue recognition and other income

(i) Sales of goods

The Group sells current sensor, motion sensor and others to customers.

Revenue from the sales and distribution of products is recognised when control of the goods has been transferred, being at the point the goods are delivered to the customer's premise, and the customer has accepted the goods. Transportation and handling activities that occur before customers obtain control of the goods are considered as fulfilment activities. Following delivery, the customer has full discretion over the manner of use, bears the risks of obsolescence and loss in relation to the goods. The Group no longer has physical possession but has a present right to remaining payment. Customers usually are required to provide upfront deposits to the Group to secure an order, based on a percentage of the agreed consideration, and the amounts are included in contract liabilities until the goods have been delivered to the customer. The remainder of the consideration is payable when the goods are delivered, usually payable within 30 — 90 days after acceptance. A receivable is therefore recognised by the Group when the goods are delivered, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The Group also takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period between when the Group receives consideration and transferring control of goods is one year or less.

Revenue from these sales is recognised based on the price specified in the contract, net of discounts, returns and value added taxes. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

(ii) Refund liabilities

When a contract provides a customer with a right to return the goods within a specified period, the consideration received from the customer is variable because the contract allows the customer to return the products. The Group used the expected value method to estimate the goods that will not be returned. For goods expected to be returned, the Group presented a refund liability as "refund liabilities" as a separate line item.

(iii) Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer. The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party.

(iv) Interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, and is calculated by applying the effective interest rate to the gross carrying amount of the debt instruments when the asset is not credit-impaired. For debt instruments that have become credit-impaired, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price in ordinary course less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

(f) Leasing

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently change.

The Group as lessee

The Group capitalised in the consolidated statements of financial position as right-of-use assets and lease liabilities for all leases except for (i) leases which are short-term leases (elected by all classes except for leased factory and carpark) and/or (ii) leases for which the underlying asset is of low-value.

Right-of-use asset

The right-of-use asset is recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received;

(iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. Depreciation is provided using the straight-line method from the commencement date over the shorter of the lease term or the useful life of the underlying asset. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The Group presents right-of-use asset separately in the consolidated statements of financial position.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, which is generally the case of the Group, the Group uses the lessee's incremental borrowing rate. The Group presents lease liability separately in the consolidated statements of financial position.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in-substance in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component. The associated non-lease components are included in the respective lease components.

Sub-lease

When the Group is an intermediate lessor, the sub-leases are classified as finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption, the Group classifies the sub-leases as an operating lease. All the sub-leases are classified as operating lease.

(g) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Translation reserve of the Group represents the exchange differences on translation of the financial statements of the Germany's subsidiaries.

(h) Borrowing costs

All borrowing costs, other than these directly attributable to the acquisition, construction or production of qualifying assets, are recognised in profit or loss in the period in which they are incurred.

(i) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred income in the consolidated statements of financial position and transferred to profit or loss are recognised are other income on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable and are recognised as other income, rather than reducing the related expense.

(j) Share-based payments

The Company operates restricted stock schemes. Employees (including directors the Group receive remuneration in the form of share-based payments, whereby employees render services exchange for equity instruments ("**equity-settled transactions**"). The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value of the awarded restricted share is determined by an various method as disclosed in Note 39 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statements of profit or loss and other comprehensive income for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

(k) Defined contribution retirement plans

Payments to defined contribution retirement plans are charged as an expense when employees have rendered service.

The Group contributes on a monthly basis to the defined housing, medical and other benefit plans organised by the local PRC government who undertakes to assume the benefit obligations of all existing and retired employees under these plans in the PRC. All contributions to these plans are expensed when it incurred and the Group has no further contribution obligations for their qualified employees under these plans.

The Group contributes on a pay-as-you-go basis to the statutory pension insurance who undertakes to assume the benefit obligations of all existing and retired employees under these plans in Germany. All contributions to these plans are expensed when it incurred and the Group has no further contribution obligations for their qualified employees under these plans.

(l) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

(m) Taxation

Income tax expense represents the sum of the current tax and deferred tax. Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries or associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period and the tax rate and tax base that are consistent with manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(n) Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs 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 recognised as an expense in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Production equipment	5–15 years
Motor vehicle	5 years
Computer and electronic equipment	3–5 years
Office equipment	3–5 years
Other equipment and tools	3–5 years
Leasehold improvement	Short of, 5–15 years, or terms of related lease

Construction in progress is stated at cost less impairment losses, if any. Cost comprises direct costs of construction and installation during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate classes of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

(o) Intangible assets

Intangible assets acquired separately are initially recognised at cost. Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided on a straight-line basis over their estimated useful lives as follows:

Computer software	3–5 years
License	3–15 years

The estimated useful lives and amortisation method are reviewed at the end of each reporting period.

(p) Research and development costs

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product; and
- sale of the product will generate future economic benefits; and expenditure on the project can be measured reliably.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

(q) Impairment losses on non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of value in use and fair value less costs of disposal. In assessing value in use, the estimated future cash flows of the asset (or the cash-generating unit) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or the cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or the cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

(r) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is measured at amortised cost, it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. These assets are subsequently measured at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

A debt instrument is measured at fair value through other comprehensive income ("**FVOCI**"), it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding. These assets are subsequently measured at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Impairment loss on financial assets

The Group recognises a loss allowance for ECL on financial assets measured at amortised cost and debt instruments measured at FVOCI. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("**12m ECL**") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognised lifetime ECL for trade receivables using simplified approach. For other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in the credit risk since initial recognition or evidence that a financial asset is credit-impaired, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate obtained from economic expert reports, financial analysts and governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, or the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor 's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default to have occurred when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Based on the Group's assessment of historical credit loss experience, combined with forward-looking information and expected settlement patterns, the Group has determined that no default has occurred for trade receivables overdue by more than 90 days. This assessment is primarily due to the debtors being predominantly large and medium-sized enterprises with strong financial positions, indicating a low risk of non-payment. The management of the Group considers a default to have occurred when there is evidence of significant financial difficulty or when repeated collection efforts indicate that the trade receivables are unlikely to be recovered.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower 's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

(e) the purchase or origination of a financial asset at a deep discount that reflects the incurred losses.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. In estimating ECL on trade receivables, the Group use a provision matrix, taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort. In respect of other financial assets, the measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Where ECL is measured on a collective basis to cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables, bills receivable, other receivables and deposits paid are each assessed as a separate group.);
- Past-due status; and
- Geographic information.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognises an impairment gain or loss in profit or loss for financial assets measured at amortised cost by adjusting their carrying amount through a loss allowance account. For debt instrument measured at FVOCI, the loss allowance is recognised in other comprehensive income and accumulated in FVOCI reserve.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group shall continue to recognise the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay. When the Group's continuing involvement takes the form of guaranteeing the transferred asset, the extent of the entity's continuing involvement is the lower of carrying amount of the asset and the maximum amount of the consideration received that the Group could be required to repay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the FVOCI reserve is reclassified to profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense (unless they are eligible for capitalisation) and foreign exchange gains and losses are recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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

(iii) Redemption liabilities

A contract that contains an obligation to purchase the equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount, even if the obligations to purchase is conditional on the counterparty exercising a right to redeem. The Group undertake such redemption obligations as certain preferred rights are granted to investors in the financing process, the redemption liabilities are recognised as financial liability initially at fair value with a corresponding debit to the equity. Subsequently, the redemption liabilities are measured at fair value through profit or loss.

The Group derecognise the redemption liabilities when, and only when, the obligations are discharged, cancelled or have expired. When the preferred rights are waived by investors, the carrying amount of the redemption liability is reclassified to equity.

(s) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve-month period.

Useful lives of property, plant and equipment

The Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will increase the depreciation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Useful lives of intangible assets

The Group's management determines the useful lives and related amortisation charges for its intangible assets. This estimate is based on the historical experience of the actual useful lives of intangible assets of similar nature and functions and may vary significantly as a result of technical innovations and keen competitions from competitors, resulting in higher amortisation charge and/or write-off or write-down of technically obsolete assets when useful lives are less than previously estimated. The Group will increase the amortisation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Fair value measurement

A number of assets and liabilities included in the Group's Historical Financial Information require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "**fair value hierarchy**"):

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs;

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures certain financial instruments at fair value. The detailed information in relation to the fair value measurement of the financial instruments is disclosed in Note 43 to the Historical Financial Information.

Provision of ECL for financial assets at amortised cost and FVOCI

The Group calculates ECL for trade, bills and other receivables, restricted bank deposits and cash and cash equivalent under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 41. Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Key sources of estimation uncertainty

Recognition of deferred tax assets

Deferred income tax assets relating to certain deductible temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and income tax expenses or other comprehensive income in the periods in which such estimate is changed.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (other than inventories and deferred tax assets) at the end of each reporting period. When impairment indicators exist, management is required to estimate the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Valuation of share-based payments

The fair value of awarded restricted share at the grant date are determined by using valuation techniques. Significant estimates on assumptions, such as risk-free interest rate, volatility, possibility under redemption scenario, possibility under liquidation scenario and possibility under non-redemption are made based on management's best estimates. Further details are set out in Note 39 to the Historical Financial Information.

Judgements in determining if entities are accounted for as subsidiaries

The Group controls the underlying entities, in which the Group holds less than 50% of its equity interests, and the entities are nevertheless accounted for as subsidiaries. In assessing whether the Group has control over these entities, the following considerations are taken into account:

- The scope of the Group's decision-making authority over the entities;
- The Group's exposure to variability of returns from other interests that it holds in the entities;
- The rights held by third parties; and
- The dividends to which the Group as the member of board of directors is entitled in accordance with investment agreement(s).

Based on the above relevant facts and circumstances, the directors consider that the Group has a wide ranging discretion regarding the scope of decision making rights on the underlying entities, significant exposure to variable returns of the underlying entities and there was no substantive removal rights held by third parties throughout the reporting period. Accordingly, the directors consider that the Group has control over these entities and these entities are accounted for as subsidiaries of the Company.

6. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

The Group's revenue represents amounts received and receivable from the sale of current sensor, motion sensor and others, that are recognised at a point in time as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue from contracts with customers by type of good					
Current sensor	538,058	463,842	581,546	455,338	517,001
Motion sensor	96,313	99,149	87,816	65,637	72,053
Others *(Note)*	31,938	31,215	34,052	23,484	37,602
Total revenue	666,309	594,206	703,414	544,459	626,656

Note: Primarily includes such as magnetic switches, magnetic scanner and wafer.

(ii) Transaction Price Allocated to Future Performance Obligations

IFRS 15 requires that the Group to disclose the aggregate amount of transaction price that is allocated to each performance obligation that has not yet been satisfied as at each year/period end during the Track Record Period. The guidance provides certain practical expedients that limit this requirement and, therefore, for the vast majority of contracts, the Group does not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less.

(iii) Segment information

For the purposes of assessing performance and allocating resources, the Group's operation is regarded as one operating segment which focus on revenue analysis by products. The operation engages in manufacturing and sale of current sensor, motion sensor and others. The executive directors of the Company, being the chief operating decision maker, review the financial performance and position for the year/period of the Group as a whole. Accordingly, no segment information is presented.

Geographical information

An analysis of the Group's revenue from external customers, based on country in which customers reside, is presented below:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue from external customers					
— Chinese Mainland (country of domicile)	554,195	483,554	595,576	461,848	541,589
— Germany	53,705	50,595	39,397	30,025	28,601
— Switzerland	13,161	8,878	7,657	5,843	5,327
— the United States of America	11,392	14,648	15,321	12,573	10,999
— Republic of Korea	7,511	9,068	14,106	11,142	14,731
— Other countries	26,345	27,463	31,357	23,028	25,409
	666,309	594,206	703,414	544,459	626,656

Information about the Group's non-current assets excluding financial assets and deferred tax assets by geographical location of the assets are presented below:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
— Chinese Mainland (country of domicile)	114,678	142,479	141,330	292,301
— Germany	139,295	160,894	137,260	141,830
	253,973	303,373	278,590	434,131

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group for each reporting period during the Track Record Period are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Company A	208,569	129,464	146,727	126,561	85,082
Company B	100,689	134,742	110,159	85,364	70,324
Company C	67,954	N/A[1]	72,219	58,144	77,118
Company D	N/A[1]	N/A[1]	N/A[1]	N/A[1]	72,516

Note:

1 The corresponding revenue did not contribute over 10% of the total external sales of the Group.

7. OTHER INCOME

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Rental income	683	562	601	455	457
Interest income	3,298	10,080	6,314	5,383	2,783
Government grant *(note (a))*	6,165	15,645	20,359	17,873	4,895
Addition VAT deduction *(note (b))*	—	745	6,035	5,389	1,357
Others	303	646	549	354	522
	10,449	27,678	33,858	29,454	10,014

Note:

(a) The amounts mainly represent government grants received from various PRC government authorities as incentives for the Group's industry. Out of the grants with no unfulfilled conditions, some of the grants retain unfulfilled conditions with details set out in Note 36 to the Historical Financial Information.

(b) According to Announcement No. 43 of the Ministry of Finance and the State Administration of Taxation in 2023, the Group has recognised VAT deduction as income as some group entities, qualified as high and new technology enterprises, are eligible for an additional 5% VAT deduction from 1 January 2023 to 31 December 2027.

8. OTHER GAINS OR LOSSES, NET

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/gain on disposal/written off of property, plant and equipment	(436)	18	(3)	(3)	(568)
Exchange gain/(loss)	617	(1,029)	(117)	(91)	(56)
Change in fair value of redemption liabilities *(Note 37)*	(1,195,165)	(47,747)	—	—	—
Gain on termination of lease	—	—	—	—	99
Others	(336)	(354)	145	252	(327)
	(1,195,320)	(49,112)	25	158	(852)

9. PROVISION OF IMPAIRMENT LOSSES UNDER ECL MODEL, NET OF REVERSAL

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Impairment losses under ECL model, net of reversal					
Trade receivables	(2,415)	(4,992)	1,461	(9,282)	(3,936)
Other receivables and deposits paid	186	84	(140)	(37)	112
	(2,229)	(4,908)	1,321	(9,319)	(3,824)

Detail of impairment assessment are set out in Note 41 to the Historical Financial Information.

10. FINANCE COSTS

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Interest on borrowings	7,575	1,269	966	723	559
Interest on lease liabilities	2,065	2,835	2,445	1,872	1,550
Other finance costs	303	348	—	—	—
	9,943	4,452	3,411	2,595	2,109

11. (LOSS)/ PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging/(crediting):

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Cost of inventories	554,360	472,336	562,113	429,402	466,687
Write down of inventories	9,881	15,205	20,374	20,071	7,057
Cost of inventories recognised as expenses	564,241	487,541	582,487	449,473	473,744
Depreciation of property, plant and equipment	21,256	33,199	39,471	29,318	28,266
Depreciation of right-of-use assets	14,256	17,533	16,408	12,353	11,900
Amortisation of intangible assets	665	878	898	661	778
	36,177	51,610	56,777	42,332	40,944
Capitalised in inventories	(25,866)	(36,238)	(41,293)	(31,220)	(31,370)
	10,311	15,372	15,484	11,112	9,574
Staff costs (including directors' emoluments with details set out in Note 13):					
— Salaries and other benefits	147,656	150,205	159,154	120,657	117,888
— Retirement benefits scheme contributions	12,262	16,700	17,169	12,860	13,123
— Share-based payment	109	1,567	1,432	1,053	866
	160,027	168,472	177,755	134,570	131,877
[REDACTED] expense	—	—	—	—	9,498

12. INCOME TAX CREDIT/(EXPENSES)

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Current tax					
— PRC Enterprise Income Tax ("**EIT**")	431	4,315	5,123	4,806	6,645
Deferred tax *(Note 22)*					
— Origination and reversal of temporary differences	(4,403)	(7,220)	(7,193)	(7,140)	(2,920)
Total income tax credit/(expenses)	3,972	2,905	2,070	2,334	(3,725)

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC entities is 25%. For the PRC entities approved as "High and New Technology Enterprise" by the relevant government authorities, they are subject to a preferential rate of 15%.

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2018 onwards, enterprises engaging in research and development activities are entitled to claim 175% and 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year ("**Super Deduction**").

According to Public Notice 2023 No.7 promulgated by the State Tax Bureau of Chinese Mainland in March 2023, the enterprises entitled to claim 200% of their research and development expenses incurred as tax deductible expenses in determining tax assessable profits from 2023 onwards.

The Group has made its best estimate for the Super Deduction to be claimed for the group entities in ascertaining their assessable profits during the years ended 31 December 2022, 2023, and 2024 and the nine months ended 30 September 2024 and 2025.

In 2022, high-technology enterprises are allowed to enjoy the tax concession to deduct the full amount of equipment and appliances newly purchased during the period from 1 October 2022 to 31 December 2022 from the taxable income amount on a one-off basis in the current year and allowed to conduct 100% deduction before tax according to Announcement [2022] No.28 issued by the Ministry of Finance of the PRC, the State Taxation Administration of the PRC and the Ministry of Science and Technology of the PRC.

The Company's subsidiaries registered in Germany are subject to corporation tax based on the taxable income at the rate of 15.825%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group is operating in certain jurisdictions where the Pillar Two Model Rules are effective or enacted but not effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Model Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Model Rules.

The income tax credit/(expenses) for the Track Record Period can be reconciled to the loss/(profit) before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Loss/(profit) before tax	1,210,119	69,467	(7,782)	(3,972)	(43,497)
Tax at the applicable tax rate of 15%	181,518	10,420	(1,167)	(596)	(6,524)
Effect of different tax rates of subsidiaries	2,168	1,490	1,474	1,120	(420)
Tax effect of expenses not deductible for tax purpose	(179,454)	(8,345)	(413)	(59)	(319)
Utilisation of tax losses previously not recognised	170	—	—	—	88
Effect of deductible temporary differences and tax losses not recognised as deferred tax asset	(5,230)	(2,968)	(2,195)	(1,535)	(5)
Additional deduction of research and development expenses	2,213	2,308	4,371	3,404	3,455
Effect of tax concession	2,587	—	—	—	—
Income tax credit/(expenses)	3,972	2,905	2,070	2,334	(3,725)

13. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of the emoluments paid or payable to the directors and supervisors of the Company for the services provided to the Group during the Track Record Period are as follows:

Year ended 31 December 2022

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Dr. Wang	—	420	144	35	—	599
Executive directors:						
Mr. Bai Jianmin	—	745	130	16	—	891
Mr. Zhang Chi	—	493	48	47	38	626
Non-executive directors:						
Mr. Chen Guang	—	—	—	—	—	—
Mr. Guo Rong	—	—	—	—	—	—
Ms. Sun Shumei *(note (b))*	—	—	—	—	—	—
Mr. Qiu Rui *(note (c))*	—	—	—	—	—	—
Mr. Huang Xin	—	—	—	—	—	—
Supervisors:						
Mr. Li Yong	—	349	144	12	2	507
Ms. Yuan Yan *(note (f))*	—	—	—	—	—	—
Ms. Wang Yan *(note (f))*	—	—	—	—	—	—
	—	2,007	466	110	40	2,623

Year ended 31 December 2023

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Dr. Wang	—	419	144	36	—	599
Executive directors:						
Mr. Bai Jianmin	—	755	197	17	—	969
Mr. Zhang Chi	—	509	144	47	38	738
Mr. Zhu Haihua *(note (d))*	—	557	231	11	347	1,146
Non-executive directors:						
Mr. Chen Guang	—	—	—	—	—	—
Mr. Guo Rong	—	—	—	—	—	—
Mr. Huang Xin	—	—	—	—	—	—
Supervisors:						
Mr. Li Yong	—	365	144	12	2	523
Mr. Zhuang Lifeng *(note (e))*	—	147	44	10	3	204
Ms. Yuan Yan *(note (f))*	—	—	—	—	—	—
Ms. Wang Yan *(note (f))*	—	—	—	—	—	—
Mr. Zhao Qianyang *(note (e))*	—	116	52	4	2	174
	—	2,868	956	137	392	4,353

Year ended 31 December 2024

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Dr. Wang	—	419	113	36	—	568
Executive directors:						
Mr. Bai Jianmin	—	793	97	13	—	903
Mr. Zhang Chi	—	536	114	47	258	955
Mr. Zhu Haihua *(note (d))*	—	593	248	12	347	1,200
Non-executive directors:						
Mr. Chen Guang	—	—	—	—	—	—
Mr. Guo Rong	—	—	—	—	—	—
Mr. Huang Xin	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Cao Lei *(note (g))*	110	—	—	—	—	110
Dr. Zhang Zhong *(note (g))*	110	—	—	—	—	110
Dr. Xue Desheng *(note (g))*	110	—	—	—	—	110
Supervisors:						
Mr. Li Yong	—	396	65	12	2	475
Mr. Zhuang Lifeng *(note (e))*	—	398	321	20	4	743
Mr. Zhao Qianyang *(note (e))*	—	303	39	10	7	359
	330	3,438	997	150	618	5,533

Nine months ended 30 September 2025

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Dr. Wang	—	317	8	27	—	352
Executive directors:						
Mr. Bai Jianmin	—	621	34	7	—	662
Mr. Zhang Chi	—	419	30	35	276	760
Mr. Zhu Haihua *(note (d))*	—	507	28	9	260	804
Non-executive directors:						
Mr. Chen Guang	—	—	—	—	—	—
Mr. Guo Rong	—	—	—	—	—	—
Mr. Huang Xin	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Cao Lei *(note (g))*	70	—	—	—	—	70
Dr. Zhang Zhong *(note (g))*	90	—	—	—	—	90
Dr. Xue Desheng *(note (g))*	90	—	—	—	—	90
Mr. Zhang Wei *(note (h))*	20	—	—	—	—	20
Supervisors:						
Mr. Li Yong	—	331	25	9	2	367
Mr. Zhuang Lifeng *(note (e))*	—	315	23	14	3	355
Mr. Zhao Qianyang *(note (e))*	—	249	19	7	4	279
	270	2,759	167	108	545	3,849

Nine months ended 30 September 2024 (unaudited)

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Dr. Wang	—	314	84	27	—	425
Executive directors:						
Mr. Bai Jianmin	—	592	72	10	—	674
Mr. Zhang Chi	—	401	85	35	166	687
Mr. Zhu Haihua *(note (d))*	—	440	186	9	260	895
Non-executive directors:						
Mr. Chen Guang	—	—	—	—	—	—
Mr. Guo Rong	—	—	—	—	—	—
Mr. Huang Xin	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Cao Lei *(note (g))*	80	—	—	—	—	80
Dr. Zhang Zhong *(note (g))*	80	—	—	—	—	80
Dr. Xue Desheng *(note (g))*	80	—	—	—	—	80
Supervisors:						
Mr. Li Yong	—	295	49	9	2	355
Mr. Zhuang Lifeng *(note (e))*	—	297	47	15	3	362
Mr. Zhao Qianyang *(note (e))*	—	228	29	7	5	269
	240	2,567	552	112	436	3,907

Notes:

(a) The executive director's emoluments shown above were for his/her services in connection with the management of the affairs of the Company and the Group during the Track Record Period. The performance- based bonus are determined based on the duties and performances of the relevant individuals and the operating result of the Group. None of the directors of the Company waived or agreed to waive any emoluments during the Track Record Period.

(b) Ms. Sun Shumei resigned as non-executive director of the Company on 14 October 2022.

(c) Mr. Qiu Rui resigned as non-executive director of the Company on 29 September 2022.

(d) Mr. Zhu Haihua was appointed as executive director of the Company on 27 February 2023.

(e) Mr. Zhuang Lifeng and Mr. Zhao Qianyang were appointed as supervisors of the Company on 31 August 2023.

(f) Ms. Wang Yan and Ms. Yuan Yan were resigned as supervisors of the Company on 31 August 2023.

(g) Ms. Cao Lei, Dr. Zhang Zhong and Dr. Xue Desheng were appointed as independent non-executive directors of the Company on 5 February 2024 and Ms. Cao Lei resigned as independent non-executive director of the Company on 14 July 2025.

(h) Mr. Zhang Wei was appointed as independent non-executive director of the Company on 25 July 2025.

14. FIVE HIGHEST PAID INDIVIDUALS

During the years ended 31 December 2022, 2023 and 2024 and nine months ended 30 September 2024 and 2025, the five individuals with the highest emoluments in the Group include nil, 1, 1, 1 (unaudited) and nil directors of the Company, details of whose remuneration are set out in Note 13 above. The emoluments of the remaining 5, 4, 4, 4 (unaudited) and 5 individuals during the Track Record Period were as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Salaries and other benefits	4,956	5,995	4,765	3,601	5,759
Performance-based bonus	676	462	218	81	27
Retirement benefits scheme contributions	27	29	23	16	26
Share-based payment	2	261	261	195	218
	5,661	6,747	5,267	3,893	6,030

The emoluments of the remaining individuals were within the following bands:

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	Number of individuals	**Number of individuals**	**Number of individuals**	**Number of individuals**	**Number of individuals**
				(unaudited)	
Nil to HKD1,000,000	—	—	—	3	3
HKD1,000,001 to HKD1,500,000	4	2	3	—	1
HKD1,500,001 to HKD2,000,000	1	—	—	1	—
HKD2,000,001 to HKD2,500,000	—	1	1	—	—
HKD2,500,001 to HKD3,000,000	—	1	—	—	1
	5	4	4	4	5

During the Track Record Period, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company have waived any emoluments during the Track Record Period.

15. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of the basic (loss)/earnings per share attributable to owners of the Company is based on the following data:

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/earnings for the purpose of calculating basic loss/(earnings) per share	(1,206,147)	(66,300)	10,395	6,879	37,545

Number of shares:

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	'000	*'000*	*'000*	*'000* (unaudited)	*'000*
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	19,727	59,755	115,219	115,219	115,219

(b) Diluted (loss)/earnings per share

No adjustment has been made to the (loss)/earnings per share for the years ended 31 December 2022 and 2023 in respect of dilution as the impacts of the redemption liabilities outstanding had an anti-dilutive effect on the loss per share. There were no potential ordinary shares outstanding for the year ended 31 December 2024, and the nine months ended 30 September 2024 and 2025.

16. DIVIDENDS

No dividend was paid or proposed by the Company in respect of the Track Record Period.

17. INVESTMENTS IN SUBSIDIARIES

(a) Investment cost

	As at 31 December			As at 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Company				
Investments in subsidiaries				
— Unlisted shares, at cost less impairment loss	190,116	234,854	271,204	285,703

(b) Particular of principal subsidiaries

Particular of the Company's principal subsidiaries are as follows:

Name of subsidiaries	Place and date of incorporation/ establishment	Registered capital/issued and fully paid capital	Equity interests attributable to the Company as at								Principal activities and place of operation
			31 December 2022		31 December 2023		31 December 2024		30 September 2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	%	%	
寧波希磁電子科技有限公司 (transliterated as Ningbo Sinomags Electronic Technology Co., Ltd ("**Ningbo Sinomags**")) *(note g)*	20 February 2013 PRC	RMB44,509,900	100.0	–	100.0	–	100.0	–	100.0	–	Production of automotive grade products in the PRC
無錫業爾科技有限公司 (transliterated as Wuxi Lertech Co., Ltd ("**Wuxi Lertech**")) *(note g)*	14 September 2009 PRC	RMB20,000,000	–	100.0	–	100.0	–	100.0	–	100.0	Research and development centre in the PRC
Hong Kong Sinomags Limited *(note g)*	31 December 2018 Hong Kong	RMB155,674,775 HKD200	100.0	–	100.0	–	100.0	–	100.0	–	Investment holding
申思特傳感技術(無錫)有限公司 (transliterated as Shensite Sensing Technology (Wuxi) Co., Ltd) *(note g)*	24 April 2022 PRC	RMB10,000,000	100.0	–	100.0	–	100.0	–	100.0	–	Investment holding
無錫埃斯特磁科技有限公司 (transliterated as Wuxi Este Magnetic Technology Co., Ltd ("**Wuxi Este Magnetic**")) *(note e and g)*	29 August 2023 PRC	RMB27,887,794	N/A	N/A	–	33.3	–	53.7	–	44.9	Production of robotic grade products in the PRC
安徽芯斯特科技有限公司 (transliterated as Anhui Xinsite Technology Co., Ltd) *(note g)*	20 November 2023 PRC	RMB100,000,000	N/A	N/A	–	70.0	–	70.0	–	70.0	Production of integrated circuits, electronics and packaging products in the PRC
Sinomags Deutschland GmbH *(note g)*	25 June 2018 Germany	EUR25,000	–	100.0	–	100.0	–	100.0	–	100.0	Investment holding
Beteiligungsgesellschaft Sensitec mbH *(note g)*	7 June 2004 Germany	EUR1,500,000	–	100.0	–	100.0	–	100.0	–	100.0	Investment holding
Sensitec GmbH *(note f)*	7 December 1998 Germany	EUR1,000,000	–	100.0	–	100.0	–	100.0	–	100.0	Development, production, and marketing of sensor chips and sensor systems in Germany

Notes:

a) The English names of all subsidiaries established in the PRC are translated for identification purpose only.

b) All companies comprising the Group have adopted December 31, as their financial year end date.

c) Entities established in the PRC are in the form of domestic limited liability company.

d) None of the subsidiaries had issued any debt securities for each of the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025.

e) The directors of the Company considered that the Group has control over Wuxi Este Magnetic through its representatives on the board of directors of Wuxi Este Magnetic as a result of the contractual arrangement with the other investors to obtain sufficiently power to direct the relevant activities of Wuxi Este Magnetic, and therefore considered Wuxi Este Magnetic as a subsidiary of the Company as at 31 December 2023, 2024 and 30 September 2025.

f) The statutory financial statement of Sensitec GmbH for the year ended 31 December 2022 and 2023 were prepared in accordance with German Commercial Code issued by Institute of Auditors of the Germany and were audited by RSM Ebner Stolz, auditors. No statutory financial statement for the year ended 31 December 2024 were prepared as not due to issue at the date of this report.

g) No statutory audited financial statements were prepared for certain entities established in Hong Kong, Chinese Mainland and Germany, since their date of incorporation as they are incorporated in a jurisdiction where there are no local statutory audit requirements or exempted from statutory audit requirements.

h) [At the date of this report, no subsequent change on the particular of the Company's principal subsidiaries since 30 September 2025.]

(c) Material non-controlling interests

Summarised financial information in respect of each of the Company's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Wuxi Este Magnetic

	As at 31 December			As at 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NCI percentage	—	66.7%	46.3%	55.1%
Current assets	—	5,384	44,872	96,526
Non-current assets	—	1,496	5,036	5,585
Current liabilities	—	(844)	(6,822)	(9,117)
Non-current liabilities	—	(429)	(74)	(598)
Net assets	—	5,607	43,012	92,396
Non-controlling interests	—	3,738	19,908	50,871

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
NCI percentage	—	66.7%	46.3%	63.6%	55.1%
Revenue	—	—	4,554	3,373	18,643
Expenses	—	(393)	(6,149)	(4,432)	(14,805)
(Loss)/ profit and total comprehensive income	—	(393)	(1,595)	(1,059)	3,838

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/profit and total comprehensive income attributable to:					
Owners of the Company	—	(131)	(857)	(385)	1,725
Non-controlling interests	—	(262)	(738)	(674)	2,113
(Loss)/profit and total comprehensive income	—	(393)	(1,595)	(1,059)	3,838
Capital contributed by non-controlling shareholders	—	4,000	23,000	23,000	45,546
Net cash (outflow)/inflow from operating activities	—	(3)	(495)	3,506	5,227
Net cash outflow from investing activities	—	(480)	(12,400)	(32,580)	(71,236)
Net cash inflow from financing activities	—	5,805	38,535	38,784	45,175
Net cash inflow/(outflow)	—	5,322	25,640	9,710	(20,834)

Anhui Xinsite Technology Co., Ltd

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NCI percentage	—	30%	30%	30%
Current assets	—	—	100,854	102,204
Non-current assets	—	—	—	7,663
Current liabilities	—	—	(13)	(6,473)
Non-current liabilities	—	—	(192)	(2,364)
Net assets	—	—	100,649	101,030
Non-controlling interests	—	—	30,195	30,309

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
NCI percentage	—	—	30%	30%	30%
Revenue	—	—	865	448	8,895
Expenses	—	—	(216)	(112)	(8,514)
Profit and total comprehensive income	—	—	649	336	381
Profit and total comprehensive income attributable to:					
Owners of the Company	—	—	454	235	267
Non-controlling interests	—	—	195	101	114
Profit and total comprehensive income	—	—	649	336	381
Capital contributed by non-controlling shareholders	—	—	30,000	—	—
Net cash inflow/(outflow) from operating activities	—	—	83	107	(4,989)
Net cash outflow from investing activities	—	—	(70,000)	(70,000)	(5,341)
Net cash inflow from financing activities	—	—	100,000	70,000	—
Net cash inflow/(outflow)	—	—	30,083	107	(10,330)

(d) Change in ownership interest in subsidiaries

Wuxi Este Magnetic

For the year ended 31 December 2023

For the year ended 31 December 2023, the Company and a non-controlling shareholder of the subsidiary made capital contribution to the subsidiary for its incorporation. The non-controlling shareholder's contribution of RMB4,000,000 has been settled by cash. The Company's continuing interest in the subsidiary was 33.3% as at 31 December 2023.

For the year ended 31 December 2024

For the year ended 31 December 2024, the Company and the non-controlling shareholder of a subsidiary have made capital contribution to the subsidiary, changing the Company's continuing interest to 40%. The proceeds of the contribution of RMB8,000,000 from the non-controlling shareholder were received in cash.

A new non-controlling shareholder of the subsidiary and the Company have made further contributions. The proceeds of contribution of RMB15,000,000 from the non-controlling shareholders were received in cash, changing the Company's continuing interest to 36.4%.

The Group acquired an additional interest of the subsidiary from the non-controlling shareholder with cash consideration of RMB3,886,000. As at 31 December 2024, the Company's continuing interest increased to 53.7%.

Overall, an amount of RMB16,908,000 (being the proportionate share of the carrying amount of the net assets of the subsidiary) has been transferred to non-controlling interests. The difference of RMB2,206,000 between the increase in non-controlling interests and the consideration has been credited to accumulated losses of the Group.

For the nine months ended 30 September 2025

For the nine months ended 30 September 2025, a non-controlling shareholder of a subsidiary has made capital contribution to the subsidiary, changing the Company's continuing interest to 44.9%. The proceeds of the contribution of RMB45,546,000 from the non-controlling shareholder were received in cash. An amount of RMB28,850,000 (being the proportionate share of the carrying amount of the net assets of the subsidiary) has been transferred to non-controlling interests. The difference of RMB16,696,000 between the decrease in non-controlling interests and the consideration received has been credited to accumulated losses of the Group.

Anhui Xinsite Technology Co., Ltd.

For the year ended 31 December 2024, the Group and a non-controlling shareholder have made a contribution in the capital of the subsidiary of RMB70,000,000 and RMB30,000,000 respectively by cash for the incorporation. The Company's continuing interest is 70%.

18. PROPERTY, PLANT AND EQUIPMENT

Group

	Production equipment	Motor vehicle	Computer and electronic equipment	Office equipment	Other equipment and tools	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost								
As at 1 January 2022	126,225	1,560	9,642	834	7,867	17,480	8,919	172,527
Additions	34,282	550	3,409	217	1,359	3,586	36,355	79,758
Transfers	296	—	—	—	—	14,161	(14,457)	—
Exchange differences	2,858	11	66	—	150	178	—	3,263
Disposals/written off	(615)	—	—	—	—	—	—	(615)
As at 31 December 2022 and 1 January 2023	163,046	2,121	13,117	1,051	9,376	35,405	30,817	254,933
Additions	31,323	615	3,286	574	4,525	1,840	34,028	76,191
Transfers	44,597	—	162	—	70	9,981	(54,810)	—
Exchange differences	7,490	23	143	—	317	382	953	9,308
Disposals/written off	(99)	(637)	(22)	—	(113)	(13)	—	(884)
As at 31 December 2023 and 1 January 2024	246,357	2,122	16,686	1,625	14,175	47,595	10,988	339,548
Additions	19,995	878	3,325	16	3,583	1,954	10,290	40,041
Transfers	—	—	—	—	—	3,613	(3,613)	—
Exchange differences	(6,802)	(22)	(114)	—	(242)	(292)	(397)	(7,869)
Disposals/written off	(3,625)	(252)	(3,985)	(153)	(1,012)	(66)	—	(9,093)
As at 31 December 2024 and 1 January 2025	255,925	2,726	15,912	1,488	16,504	52,804	17,268	362,627
Additions	17,407	284	2,378	102	2,286	1,512	3,907	27,876
Transfers	1,123	—	—	—	—	21	(1,144)	—
Exchange differences	16,720	53	278	—	587	708	1,018	19,364
Disposals/written off	(3,240)	(246)	(110)	(10)	(13)	—	(377)	(3,996)
As at 30 September 2025	287,935	2,817	18,458	1,580	19,364	55,045	20,672	405,871

	Production equipment	Motor vehicle	Computer and electronic equipment	Office equipment	Other equipment and tools	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated depreciation								
As at 1 January 2022	78,976	633	4,374	495	4,235	5,922	—	94,635
Depreciation for the year	11,822	265	2,787	188	1,315	4,879	—	21,256
Exchange differences	2,459	2	58	—	110	51	—	2,680
Eliminated on disposals/written off	(179)	—	—	—	—	—	—	(179)
As at 31 December 2022 and 1 January 2023	93,078	900	7,219	683	5,660	10,852	—	118,392
Depreciation for the year	18,650	299	3,195	283	1,911	8,861	—	33,199
Exchange differences	5,276	7	124	—	236	106	—	5,749
Eliminated on disposals/written off	(99)	(405)	(21)	—	(1)	(8)	—	(534)
As at 31 December 2023 and 1 January 2024	116,905	801	10,517	966	7,806	19,811	—	156,806
Depreciation for the year	23,296	427	3,704	222	2,917	8,905	—	39,471
Exchange differences	(4,573)	(8)	(103)	—	(190)	(101)	—	(4,975)
Eliminated on disposals/written off	(3,625)	(219)	(3,984)	(153)	(1,012)	(13)	—	(9,006)
As at 31 December 2024 and 1 January 2025	132,003	1,001	10,134	1,035	9,521	28,602	—	182,296
Depreciation for the period	17,078	328	2,280	134	2,562	5,884	—	28,266
Exchange differences	12,095	25	262	—	474	278	—	13,134
Eliminated on disposals/written off	(1,616)	(234)	(85)	(10)	(8)	—	—	(1,953)
As at 30 September 2025	159,560	1,120	12,591	1,159	12,549	34,764	—	221,743
Net book value								
As at 31 December 2022	69,968	1,221	5,898	368	3,716	24,553	30,817	136,541
As at 31 December 2023	129,452	1,321	6,169	659	6,369	27,784	10,988	182,742
As at 31 December 2024	123,922	1,725	5,778	453	6,983	24,202	17,268	180,331
As at 30 September 2025	128,375	1,697	5,867	421	6,815	20,281	20,672	184,128

Company

	Production equipment	Motor vehicle	Computer and electronic equipment	Office equipment	Other equipment and tools	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost								
As at 1 January 2022	12,326	251	1,938	222	—	7,747	—	22,484
Additions	26,495	76	1,676	88	—	1,879	19,372	49,586
Transfers	—	—	—	—	—	13,666	(13,666)	—
Disposals/written off	(1,042)	—	—	—	—	—	—	(1,042)
As at 31 December 2022 and 1 January 2023	37,779	327	3,614	310	—	23,292	5,706	71,028
Additions	18,829	—	1,195	553	186	1,157	5,941	27,861
Transfers	—	—	—	—	—	9,981	(9,981)	—
As at 31 December 2023 and 1 January 2024	56,608	327	4,809	863	186	34,430	1,666	98,889
Additions	16,670	19	2,191	6	613	1,891	8,478	29,868
Transfers	—	—	—	—	—	2,706	(2,706)	—
Disposals/written off	(6,289)	—	(292)	(28)	(196)	(66)	—	(6,871)
As at 31 December 2024 and 1 January 2025	66,989	346	6,708	841	603	38,961	7,438	121,886
Additions	9,709	274	1,040	103	627	550	2,965	15,268
Transfers	1,123	—	—	—	—	21	(1,144)	—
Disposals/written off	(5,164)	(246)	(2)	(11)	—	—	—	(5,423)
As at 30 September 2025	72,657	374	7,746	933	1,230	39,532	9,259	131,731
Accumulated depreciation								
As at 1 January 2022	1,314	99	424	94	—	3,396	—	5,327
Depreciation for the year	1,825	50	917	72	—	3,231	—	6,095
Eliminated on disposals/written off	(176)	—	—	—	—	—	—	(176)
As at 31 December 2022 and 1 January 2023	2,963	149	1,341	166	—	6,627	—	11,246
Depreciation for the year	4,909	62	1,172	169	9	7,064	—	13,385
As at 31 December 2023 and 1 January 2024	7,872	211	2,513	335	9	13,691	—	24,631
Depreciation for the year	6,544	77	1,254	144	148	7,289	—	15,456
Eliminated on disposals/written off	(1,454)	—	(270)	(27)	—	(13)	—	(1,764)
As at 31 December 2024 and 1 January 2025	12,962	288	3,497	452	157	20,967	—	38,323
Depreciation for the period	4,966	10	1,124	151	252	4,751	—	11,254
Eliminated on disposals/written off	(1,477)	(234)	(2)	(10)	—	—	—	(1,723)
As at 30 September 2025	16,451	64	4,619	593	409	25,718	—	47,854
Net book value								
As at 31 December 2022	34,816	178	2,273	144	—	16,665	5,706	59,782
As at 31 December 2023	48,736	116	2,296	528	177	20,739	1,666	74,258

	Production equipment	Motor vehicle	Computer and electronic equipment	Office equipment	Other equipment and tools	Leasehold improvement	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2024	54,027	58	3,211	389	446	17,994	7,438	83,563
As at 30 September 2025	56,206	310	3,127	340	821	13,814	9,259	83,877

Note: In view of the operating loss and operating cash outflow of the Group's business during the Track Record Period, the management concluded that there was indication for impairment and conducted impairment assessment on the Group's non-financial assets including property, plant and equipment (Note 18), right-of-use assets (Note 21), intangible assets (Note 19) and prepayment for non-current assets (Note 27).

For the purposes of impairment testing, non-financial assets have been allocated to the Group's cash generating units ("**CGU**") as follows:

	As at 31 December	
	2022	2023
	RMB'000	*RMB'000*
PRC CGU	114,678	142,479
Germany CGU	139,295	160,894
	253,973	303,373

The recoverable amount of each CGU has been determined based on value-in-use ("**VIU**") calculation applied cash flow projections based on approved financial budget for PRC CGU and Germany CGU respectively.

The following table sets forth the key assumptions on which management has based its cash flow projections to undertake impairment testing.

	As at 31 December	
	2022	2023
	%	%
Pre-tax discount rate		
PRC CGU	12%	11%
Germany CGU	12%	13%
Revenue growth rate		
PRC CGU	-13% to 27%	6% to 27%
Germany CGU	-12% to 16%	-12% to 16%

As at 31 December 2022 and 2023, the recoverable amounts of the PRC CGU calculated based on VIU exceeded carrying amount by approximately RMB314,891,000 and RMB661,638,000, respectively and therefore no impairment loss has been provided for the non-financial assets of the Group for the Track Record Period.

As at 31 December 2022 and 2023, the recoverable amounts of the Germany CGU calculated based on VIU exceeded carrying amount by approximately RMB2,773,000 and RMB9,876,000, respectively and therefore no impairment loss has been provided for the non-financial assets of the Group for the Track Record Period.

Borrowings were secured by property, plant and equipment of the Group with total carrying amounts of RMB3,990,000, RMB3,298,000, RMB1,506,000 and nil as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025 respectively as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Production equipment	3,680	3,098	1,448	—
Computer and electronic equipment	202	130	37	—
Office equipment	4	2	1	—
Other equipment and tools	104	68	20	—
	3,990	3,298	1,506	—

19. INTANGIBLE ASSETS

Group

	Computer software	License	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost			
As at 1 January 2022	1,972	5,938	7,910
Additions	2,474	237	2,711
Exchange difference	67	179	246
As at 31 December 2022 and 1 January 2023	4,513	6,354	10,867
Additions	37	572	609
Exchange difference	134	390	524
As at 31 December 2023 and 1 January 2024	4,684	7,316	12,000
Additions	373	85	458
Exchange difference	(128)	(313)	(441)
As at 31 December 2024 and 1 January 2025	4,929	7,088	12,017
Additions	577	74	651
Exchange difference	249	767	1,016
As at 30 September 2025	5,755	7,929	13,684
Amortisation			
As at 1 January 2022	1,701	4,607	6,308
Provided for the year	354	311	665
Exchange difference	58	146	204
As at 31 December 2022 and 1 January 2023	2,113	5,064	7,177
Provided for the year	386	492	878
Exchange difference	121	310	431
As at 31 December 2023 and 1 January 2024	2,620	5,866	8,486
Provided for the year	356	542	898
Exchange difference	(99)	(263)	(362)
As at 31 December 2024 and 1 January 2025	2,877	6,145	9,022
Provided for the period	292	486	778
Exchange difference	247	683	930
As at 30 September 2025	3,416	7,314	10,730
Net book value			
As at 31 December 2022	2,400	1,290	3,690
As at 31 December 2023	2,064	1,450	3,514
As at 31 December 2024	2,052	943	2,995
As at 30 September 2025	2,339	615	2,954

Company

	Computer software
	RMB'000
Cost	
As at 1 January 2022, 31 December 2022, 1 January 2023, 31 December 2023 and 1 January 2024	—
Additions	373
As at 31 December 2024 and 1 January 2025	373
Additions	264
As at 30 September 2025	637
Amortisation	
As at 1 January 2022, 31 December 2022, 1 January 2023, 31 December 2023 and 1 January 2024	—
Provided for the year	19
As at 31 December 2024 and 1 January 2025	19
Provided for the period	62
As at 30 September 2025	81
Net book value	
As at 31 December 2022	—
As at 31 December 2023	—
As at 31 December 2024	354
As at 30 September 2025	556

All of the Group's and the Company's computer software and license were acquired from third parties.

For the purpose of impairment assessment, the above intangible assets have been allocated to cash-generating unit of the Group's business. Details of the impairment assessment are set out in Note 18.

20. INVESTMENT IN AN ASSOCIATE

Group and Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cost	—	—	—	130,000
Share of post-acquisition profits and other comprehensive income, net of dividends received	—	—	—	234
	—	—	—	130,234

The above associate is accounted for using equity method in the Historical Financial Information.

Particulars of the unlisted associate of the Group and the Company is set out as follows:

Name of the entity	Place and date of incorporation	Registered capital	Equity interests attributable to the Group and the Company as at								Principal activities and place of operation
			31 December 2022		31 December 2023		31 December 2024		30 September 2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	%	%	
Anhui Guosheng Electronic Co., Limited	11 November 2024 PRC	RMB 630,000,000	–	–	–	–	–	–	20.6	–	Research and development, design and production of silicon wafers in the PRC

Notes:

(i) The entity established in the PRC is a domestic limited liability company.

(ii) The English translation of the company name of the associate established in the PRC is for reference only. The official name of the associate is in Chinese.

(iii) Subsequent to the incorporation of the associate on 11 November 2024, the capital injection toward the associate was made in 2025.

(iv) On 18 September 2025, an investment agreement was signed with a new shareholder for further capital contribution of RMB70,000,000. Subsequent to the Track Record Period, the capital injection has fully paid on 6 November 2025 and the registered capital was enlarged from RMB630,000,000 to RMB700,000,000 and the equity interests attributable to the Group and the Company was diluted from 20.6% to 18.6%.

The following table illustrates the summarised financial information of Anhui Guosheng Electronic Co., Limited, that are material to the Group and are accounted for using equity method:

Group and Company

	As at 31 December			As at 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets	—	—	—	108,798
Current assets.	—	—	—	524,377
Current liabilities	—	—	—	(2,041)
Net assets	—	—	—	631,134
Proportion of the Group's ownership interest therein	—	—	—	20.6%
Group's share of the net assets of the associate.	—	—	—	130,234

	Year ended 31 December			Nine months ended 30 September	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue	—	—	—	—	—
Post-tax profit.	—	—	—	—	1,134
Total comprehensive income . . .	—	—	—	—	1,134

21. RIGHT-OF-USE ASSETS

Details of the right-of-use assets recognised and movements during the year/period:

Group

	Land use right	**Leased factory and carpark**	**Motor vehicle**	**Machine**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Costs					
As at 1 January 2022	—	96,819	964	2,803	100,586
Additions	—	15,577	1,074	—	16,651
Modification *(note (i))*	—	2,687	—	—	2,687
Expired	—	(711)	—	—	(711)
Exchange differences	—	2,524	79	79	2,682
As at 31 December 2022 and 1 January 2023	—	116,896	2,117	2,882	121,895
Additions	—	3,780	886	—	4,666
Modification *(note (i))*	—	12,369	—	—	12,369
Expired	—	(9,248)	—	(2,963)	(12,211)
Exchange differences	—	5,462	151	81	5,694
As at 31 December 2023 and 1 January 2024	—	129,259	3,154	—	132,413
Termination	—	—	(194)	—	(194)
Exchange differences	—	(4,205)	(129)	—	(4,334)
As at 31 December 2024 and 1 January 2025	—	125,054	2,831	—	127,885
Additions	14,923	1,699	628	—	17,250
Modification *(note (ii))*	—	8,913	—	—	8,913
Expired	—	(886)	—	—	(886)
Termination	—	(2,050)	—	—	(2,050)
Exchange differences	—	10,407	334	—	10,741
As at 30 September 2025	14,923	143,137	3,793	—	161,853

	Land use right	Leased factory and carpark	Motor vehicle	Machine	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated depreciation					
As at 1 January 2022	—	4,033	125	382	4,540
Provided for the year	—	12,113	643	1,500	14,256
Expired	—	(711)	—	—	(711)
Exchange differences	—	330	35	83	448
As at 31 December 2022 and 1 January 2023	—	15,765	803	1,965	18,533
Provided for the year	—	15,720	870	943	17,533
Expired	—	(9,248)	—	(2,963)	(12,211)
Exchange differences	—	657	73	55	785
As at 31 December 2023 and 1 January 2024	—	22,894	1,746	—	24,640
Provided for the year	—	15,683	725	—	16,408
Termination	—	—	(159)	—	(159)
Exchange differences	—	(818)	(89)	—	(907)
As at 31 December 2024 and 1 January 2025	—	37,759	2,223	—	39,982
Provided for the period	174	11,242	484	—	11,900
Expired	—	(886)	—	—	(886)
Termination	—	(1,564)	—	—	(1,564)
Exchange differences	—	2,489	262	—	2,751
As at 30 September 2025	174	49,040	2,969	—	52,183
Carrying amounts					
As at 31 December 2022	—	101,131	1,314	917	103,362
As at 31 December 2023	—	106,365	1,408	—	107,773
As at 31 December 2024	—	87,295	608	—	87,903
As at 30 September 2025	14,749	94,097	824	—	109,670

Note:

(i) Modification represented the renewal of lease upon the end of the previous lease term.

(ii) Modification represented the change of the lease payment.

(iii) For the purpose of impairment assessment, the above right-of-use assets have been allocated to cash-generating unit of the Group's business. Details of the impairment assessment are set out in Note 18.

Company

	Leased factory and carpark
	RMB'000
Costs	
As at 1 January 2022	1,980
Additions	15,452
As at 31 December 2022 and 1 January 2023	17,432
Expired	(1,980)
As at 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 30 September 2025	15,452
Accumulated depreciation	
As at 1 January 2022	583
Provided for the year	2,050
As at 31 December 2022 and 1 January 2023	2,633
Provided for the year	3,725
Expired	(1,980)
As at 31 December 2023 and 1 January 2024	4,378
Provided for the year	3,090
As at 31 December 2024 and 1 January 2025	7,468
Provided for the period	2,318
As at 30 September 2025	9,786
Carrying amounts	
As at 31 December 2022	14,799
As at 31 December 2023	11,074
As at 31 December 2024	7,984
As at 30 September 2025	5,666

Group

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Expense relating to short-term leases	82	369	442	410	374
Expense relating to low value leases	117	126	128	96	97
Total cash outflow for leases	12,297	22,380	16,707	12,484	14,155

Company

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Expense relating to short-term low value leases	57	255	388	342	360
Total cash outflow for leases	57	7,713	2,286	2,241	3,130

Lease contracts of various leased factory, carpark, motor vehicle and machine are entered into for fixed term of 1 year to 20 years. Lease terms are negotiated on an individual basis. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. All the leases comprise only fixed payments over the lease terms and not include any extension nor termination options.

The Group's lease liabilities of RMB19,338,000, RMB17,035,000, Nil and RMB11,240,000 are recognised with related right-of-use assets of RMB19,338,000, RMB17,035,000, Nil and RMB11,240,000 during the years ended 31 December 2022, 31 December 2023, 31 December 2024 and for the nine months ended 30 September 2025, respectively and the Company's lease liabilities of RMB15,452,000, Nil, Nil and Nil are recognised with related right-of-use assets of RMB15,452,000, Nil, Nil and Nil during the years ended 31 December 2022, 31 December 2023, 31 December 2024 and for the nine months ended 30 September 2025, respectively.

22. DEFERRED TAXATION

Group

The following is a summary of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	22,699	31,146	37,311	44,132
Deferred tax liabilities	—	—	(192)	(758)
	22,699	31,146	37,119	43,374

The movements in deferred tax assets and (liabilities) during the Track Record Period, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	Write-down of inventories	Impairment allowance of financial assets	Deferred income	Lease liabilities	Provisions	Tax losses	Accelerated tax depreciation	Right-of-use assets	Fair value of financial asset	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At as 1 January 2022	57	287	1,199	739	79	16,013	—	(659)	—	23	17,738
(Charged)/credited to profit or loss	881	333	948	2,079	316	4,127	(2,579)	(1,689)	(24)	11	4,403
Exchange differences	—	—	—	—	—	558	—	—	—	—	558
As at 31 December 2022 and 1 January 2023	938	620	2,147	2,818	395	20,698	(2,579)	(2,348)	(24)	34	22,699
(Charged)/credited to profit or loss	2,038	611	(475)	66	353	4,726	253	(463)	(92)	203	7,220
Exchange differences	—	—	—	—	—	1,227	—	—	—	—	1,227
As at 31 December 2023 and 1 January 2024	2,976	1,231	1,672	2,884	748	26,651	(2,326)	(2,811)	(116)	237	31,146
(Charged)/Credited to profit or loss	445	(238)	(472)	(840)	358	6,633	434	975	(308)	206	7,193
Exchange differences	—	—	—	—	—	(1,220)	—	—	—	—	(1,220)
As at 31 December 2024 and 1 January 2025	3,421	993	1,200	2,044	1,106	32,064	(1,892)	(1,836)	(424)	443	37,119
(Charged)/Credited to profit or loss	1,012	680	(272)	(196)	93	1,721	254	102	(593)	119	2,920
Exchange differences	—	—	—	—	—	3,335	—	—	—	—	3,335
As at 30 September 2025	4,433	1,673	928	1,848	1,199	37,120	(1,638)	(1,734)	(1,017)	562	43,374

Note: As at 31 December 2022, 2023, 2024 and as at 30 September 2025, deferred tax assets of the Group of RMB4,951,000, RMB5,253,000, RMB3,960,000 and RMB4,389,000 were offset against deferred income tax liabilities within the same tax jurisdictions.

As at 31 December 2022, 2023, 2024 and as at 30 September 2025, the Group had unused tax losses of RMB13,462,000, RMB15,177,000, RMB7,677,000 and RMB7,091,000 in the PRC, available to offset against future profits for which deferred tax assets had been recognised as at 31 December 2022, 2023, 2024 and as at 30 September 2025, respectively.

The Group had corporate income tax losses that can be carried forward and used against future taxable profits, subject to restrictions set out under German tax legislation. There is no time restriction over the utilisation of tax losses in Germany. As at 31 December 2022, 2023, 2024 and as at 30 September 2025, the Group had unused tax losses of RMB118,031,000, RMB153,528,000, RMB190,567,000 and RMB213,637,000 in Germany, available to offset against future profits for which deferred tax assets had been recognised as at 31 December 2022, 2023, 2024 and as at 30 September 2025, respectively.

As at 31 December 2022, 2023, 2024 and as at 30 September 2025, the Group had material deductible temporary differences of RMB3,444,000, RMB4,279,000, RMB6,735,000 and RMB9,310,000 and unused tax losses of RMB50,987,000, RMB53,964,000, RMB59,267,000 and RMB59,800,000 in the PRC, available to offset against future profits for which no deferred tax assets had been recognised as at 31 December 2022, 2023, 2024 and as at 30 September 2025, respectively, as it is not probable that taxable profit will be available against which the unused tax losses can be utilised. The material unused tax losses have expiry dates as follows:

	As at 31 December			As at 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
2023	6,458	—	—	—
2024	—	—	—	—
2025	7,800	7,800	7,800	—
2026	19,830	19,830	19,830	19,830
2027	16,899	16,899	16,899	16,899
2028	—	9,435	9,435	9,435
2029	—	—	5,303	5,303
2030	—	—	—	533
	50,987	53,964	59,267	52,000

Company

The following is a summary of the deferred tax balances of the Company for financial reporting purposes:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	6,637	8,288	11,859	15,589

The followings are the major deferred tax assets and (liabilities) recognised and movements during the Track Record Period:

	Write-down of inventories	Impairment allowance of financial assets	Deferred income	Lease liabilities	Provisions	Tax losses	Accelerated tax depreciation	Right-of-use assets	Fair value of financial asset	Share-based payment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At as 1 January 2022	15	2,656	800	308	13	314	—	(210)	—	21	3,917
(Charged)/credited to profit or loss	528	3,243	980	2,369	367	(314)	(2,429)	(2,010)	(24)	10	2,720
As at 31 December 2022 and 1 January 2023	543	5,899	1,780	2,677	380	—	(2,429)	(2,220)	(24)	31	6,637
(Charged)/credited to profit or loss	939	1,029	(443)	(995)	261	—	238	559	(92)	155	1,651
As at 31 December 2023 and 1 January 2024	1,482	6,928	1,337	1,682	641	—	(2,191)	(1,661)	(116)	186	8,288
(Charged)/Credited to profit or loss	369	2,582	(440)	(215)	338	—	364	464	(70)	179	3,571
As at 31 December 2024 and 1 January 2025	1,851	9,510	897	1,467	979	—	(1,827)	(1,197)	(186)	365	11,859
(Charged)/Credited to profit or loss	890	3,157	(247)	(377)	(60)	—	203	347	(293)	110	3,730
As at 30 September 2025	2,741	12,667	650	1,090	919	—	(1,624)	(850)	(479)	475	15,589

Note: As at 31 December 2022, 2023, 2024 and as at 30 September 2025, deferred tax assets of the Company of RMB4,673,000, RMB3,968,000, RMB3,210,000 and RMB2,953,000 were offset against deferred tax liabilities within the same tax jurisdictions.

23. INVENTORIES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	143,625	155,167	169,923	187,034
Work in progress	70,715	57,191	50,849	72,630
Finished goods	59,851	78,466	75,302	78,209
Less: write-down of inventories	(22,872)	(36,076)	(46,581)	(50,623)
Total	251,319	254,748	249,493	287,250

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	62,700	78,553	108,870	124,968
Work in progress	22,801	13,281	15,354	33,951
Finished goods	10,792	17,934	22,828	28,155
Less: write-down of inventories	(3,623)	(9,886)	(12,342)	(18,275)
Total	92,670	99,882	134,710	168,799

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Group

Financial assets at FVTPL represent wealth management products in offered by licensed banks. Change in fair value of financial assets at FVTPL of RMB158,000, RMB616,000, RMB3,267,000 were recognised during the years ended 31 December 2022, 2023 and 2024 and RMB1,881,000 (unaudited) and RMB3,864,000 were recognised during the nine months ended 30 September 2024 and 2025, respectively.

Company

Financial assets at FVTPL represent wealth management products in offered by licensed banks. Change in fair value of financial assets at FVTPL of RMB158,000, RMB616,000, RMB1,801,000 were recognised during the years ended 31 December 2022, 2023 and 2024 and RMB1,028,000 (unaudited) and RMB1,953,000 were recognised during the nine months ended 30 September 2024 and 2025, respectively.

Wealth management products are classified as current as the management of the Group and Company expects to realise these financial assets within twelve months after each reporting period end during the Track Record Period.

25. TRADE RECEIVABLES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables				
— Third parties	187,777	136,612	141,352	161,174
Less: loss allowance for trade receivables	(4,065)	(9,085)	(7,579)	(11,603)
	183,712	127,527	133,773	149,571

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables				
— Third parties	118,830	53,640	76,769	117,500
— Subsidiaries *(note (a))*	156,623	194,418	281,370	387,380
Less: loss allowance for trade receivables	(29,043)	(36,164)	(50,969)	(72,026)
	246,410	211,894	307,170	432,854

Notes:

(a) During the Track Record Period, the amounts due from subsidiaries with trade nature were unsecured, interest free and repayable on demand.

The Group allows a credit period of 30–90 days to its customers. The following is aging analysis of trade receivables (before allowance for impairment losses), presented based on the invoice dates, at the end of each reporting period:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	186,610	133,763	138,479	158,931
1–2 years	1,138	1,722	959	1,321
2–3 years	16	1,117	793	138
> 3 years	13	10	1,121	784
	187,777	136,612	141,352	161,174

The Company allows a credit period of 30-90 days to its third parties customers. The following is aging analysis of trade receivables (before allowance for impairment losses), presented based on the invoice dates, at the end of each reporting period:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	251,477	158,430	198,217	281,491
1–2 years	23,976	65,839	100,335	101,674
2–3 years	—	23,789	36,140	75,760
> 3 years	—	—	23,447	45,955
	275,453	248,058	358,139	504,880

Details of impairment assessment of trade receivables are set out in Note 41 to the Historical Financial Information.

26. BILLS RECEIVABLE

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable	196,100	237,546	280,263	307,200
Endorsed and derecognised	(70,714)	(76,845)	(168,253)	(182,888)
Discounted and derecognised	(45,484)	(79,269)	—	—
	79,902	81,432	112,010	124,312

As at 31 December 2022, 2023 and 2024 and as at 30 September 2025, the Group endorsed certain bills receivable accepted by banks in Chinese Mainland (the "**Endorsed Bills**") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB89,822,000, RMB89,165,000, RMB181,149,000 and RMB227,246,000 respectively. The Endorsed Bills had a maturity of one to twelve months at the end of each reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the banks default (the "**Continuing Involvement**"). In the opinion of the directors, the risk of the Group being claimed by the holders of the Endorsed Bills in the absence of a default of the accepted banks is remote to the extent of RMB70,714,000, RMB76,845,000, RMB168,253,000 and RMB182,888,000 as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively, and the Group has transferred substantially all risks and rewards relating to such Endorsed Bills. Accordingly, it has derecognised the carrying amounts of the Endorsed Bills of RMB70,714,000, RMB76,845,000, RMB168,253,000 and RMB182,888,000 (the "**Derecognised Bills**") and the associated trade payable of the same amount. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant. Regarding the remaining balance of Endorsed Bills of RMB19,108,000, RMB12,320,000, RMB12,896,000 and RMB44,358,000 as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively, in the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks, and accordingly, it continued to recognise the carrying amounts of these Endorsed Bills and recognised the payables settled as payables from Endorsed Bills under other payables and accrual. These financial assets are measured at FVOCI in the Historical Financial Information.

Collateralised borrowings of RMB16,100,000 as at 31 December 2022 of the Group represents bills receivable discounted on a full recourse basis to a financial institution. In the event of default by the debtors, the Group is obliged to pay the financial institution the amount in default. Interest is charged at 1.15% to 1.55% per annum on the proceeds received from the financial institution until the date the debtors pay. The Group is therefore exposed to the significant risks of credit losses and late payment in respect of the discounted debts and continues to recognise the full carrying amount of the bills receivables and has recognised the cash received on the transfer as collateralised borrowings. These financial assets are measured at FVOCI in the Historical Financial Information.

Details of impairment assessment of bills receivable are set out in Note 41 to the Historical Financial Information.

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable	90,962	106,168	143,553	188,747
Endorsed and derecognised	(51,448)	(20,344)	(82,374)	(113,009)
Discounted and derecognised	(7,416)	(66,635)	—	—
	32,098	19,189	61,179	75,738

As at 31 December 2022, 2023 and 2024 and as at 30 September 2025, the Company endorsed certain bills receivable accepted by banks in Chinese Mainland (the "**Endorsed Bills**") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB63,637,000, RMB23,556,000, RMB93,964,000 and RMB150,517,000, respectively. The Endorsed Bills had a maturity of one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Company if the bank default (the "**Continuing Involvement**"). In the opinion of the directors, the risk of the Company being claimed by the holders of the Endorsed Bills in the absence of a default of the accepted banks is remote to the extent of RMB51,448,000, RMB20,344,000, RMB82,374,000 and RMB113,009,000 as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively, and the Company has transferred substantially all risks and rewards relating to such Endorsed Bills. Accordingly, it has derecognised the carrying amounts of the Endorsed Bills of RMB51,448,000, RMB20,344,000, RMB82,374,000 and RMB113,009,000 (the "**Derecognised Bills**") and the associated trade payable of the same amount. The maximum exposure to loss from the Company's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Company's Continuing Involvement in the Derecognised Bills are not significant. Regarding the remaining balance of Endorsed Bills of RMB12,189,000, RMB3,212,000, RMB11,590,000 and RMB37,508,000 as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively, in the opinion of the directors, the Company has retained the substantial risks and rewards, which include default risks, and accordingly, it continued to recognise the carrying amounts of these Endorsed Bills and recognised the payables settled as payables from endorsement of the bills under other payables and accrual. These financial assets are measured at FVOCI in the Historical Financial Information.

Collateralised borrowings of RMB4,000,000 as at 31 December 2022 of the Company represents bills receivable discounted on a full recourse basis to a financial institution. In the event of default by the debtors, the Company is obliged to pay the financial institution the amount in default. Interest is charged at 1.15% per annum on the proceeds received from the financial institution until the date the debtors pay. The Company is therefore exposed to the significant risks of credit losses and late payment in respect of the discounted debts and continues to recognise the full carrying amount of the bills receivables and has recognised the cash received on the transfer as collateralised borrowings. These financial assets are measured at FVOCI in the Historical Financial Information.

Details of impairment assessment of bills receivable are set out in Note 41 to the Historical Financial Information.

27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayment for inventories	24,779	28,675	17,129	13,592
Prepayment for property, plant and equipment	10,380	9,344	7,361	7,145
Other prepayment	3,475	2,420	1,530	8,226
Other tax recoverable	2,950	7,793	19,109	9,872
	41,584	48,232	45,129	38,835
Other receivables and deposit paid	7,003	11,220	10,520	6,852
Less: loss allowance for other receivables and deposits paid	(168)	(83)	(224)	(112)
	6,835	11,137	10,296	6,740
Prepayment, deposits and other receivables, net	48,419	59,369	55,425	45,575
Less: Classified as non-current portion	(10,380)	(9,344)	(7,361)	(7,145)
Current portion	38,039	50,025	48,064	38,430

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayment for inventories	23,358	26,880	16,623	9,694
Prepayment for property, plant and equipment	3,804	5,997	5,884	5,599
Other prepayment	135	930	804	7,163
Other tax recoverable	—	4,442	14,128	4,894
	27,297	38,249	37,439	27,350
Other receivables and deposit paid *(note (a))*	125,133	129,038	196,414	197,407
Less: loss allowance for other receivables and deposits paid	(10,282)	(10,019)	(12,430)	(12,419)
	114,851	119,019	183,984	184,988
Prepayment, deposits and other receivables, net	142,148	157,268	221,423	212,338
Less: Classified as non-current portion	(3,804)	(5,997)	(5,884)	(5,599)
Current portion	138,344	151,271	215,539	206,739

Notes:

(a) During the Track Record Period, included in other receivables and deposit paid and amounted to RMB121,855,000, RMB122,179,000, RMB192,299,000 and RMB192,346,000 as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025 respectively were due from subsidiaries. The amounts were non-trade nature, unsecured, interest free and repayable on demand.

(b) Details of impairment assessment of the other receivables and deposits paid are set out in Note 41 to the Historical Financial Information.

(c) For the purpose of impairment assessment, the above prepayment classified as non-current have been allocated to cash-generating unit of the Group's business. Details of the impairment assessment are set out in Note 18.

28. CASH AND BANK BALANCES AND RESTRICTED BANK DEPOSITS

Group

		As at 31 December			As at 30 September
		2022	2023	2024	2025
	Note	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	*(a)*	576,420	462,183	314,195	165,306
Restricted bank deposits	*(b), (c)*	82,792	21,235	8,096	590
Less: classified as non-current portion		(8,059)	(8,107)	(8,096)	(590)
Current		74,733	13,128	—	—

Company

		As at 31 December			As at 30 September
		2022	2023	2024	2025
	Note	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	*(a)*	546,901	428,592	227,664	82,994
Restricted bank deposits	*(b), (c)*	30,414	7,551	7,563	—
Less: classified as non-current portion		(7,534)	(7,551)	(7,563)	—
Current		22,880	—	—	—

Notes:

(a) At the end of each reporting period, cash and bank balances of the Group and the Company comprised of bank balances and cash held. Bank balances carried interest at prevailing market rates which are ranging from 0% to 2.05%, 0% to 2.1%, 0% to 2.1% and 0% to 2.1% per annum as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively.

(b) As at 31 December 2022, 2023 and 2024 and as at 30 September 2025, certain bank deposits of the Group with balances of approximately RMB69,658,000, RMB13,128,000, Nil and Nil were pledged to secure bills payable of RMB83,930,000, RMB31,120,000, Nil and Nil, respectively.

As at 31 December 2022, certain restricted bank deposits of the Company with balances of approximately RMB22,880,000 were pledged to secure bills payable of RMB22,800,000.

(c) As at 31 December 2022, 2023 and 2024, a letter of guarantee of approximately EUR3,164,000, EUR2,554,000 and EUR1,933,000 equivalent to RMB23,487,000, RMB20,074,000 and RMB14,545,000, was secured by restricted bank deposits of the Group and Company with balance of approximately RMB7,534,000, RMB7,551,000 and RMB7,563,000 respectively, used to guarantee the Group's and the Company's obligations under lease agreements.

As at 31 December 2022, 2023, 2024 and as at 30 September 2025, the Group's restricted bank deposits of RMB5,600,000, RMB556,000, RMB533,000 and RMB590,000, respectively was used to guarantee the Group's other obligation of lease liabilities of approximately RMB23,868,000, RMB22,490,000, RMB19,781,000 and RMB28,911,000.

(d) The Group's cash and bank balances and restricted bank deposits amount to RMB635,751,000, RMB464,486,000, RMB306,552,000 and RMB144,482,000 and the Company's cash and bank balances and restricted bank deposits amounted to RMB576,971,000, RMB436,113,000, RMB234,209,000 and RMB82,838,000 as at 31 December 2022, 2023, 2024 and as at 30 September 2025 respectively are denominated in RMB. The conversion of the RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government. The Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

(e) Details of impairment assessment of the cash and cash balances and restricted bank deposits are set out in Note 41 to the Historical Financial Information.

29. TRADE PAYABLES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables				
— Third parties	95,795	58,630	77,594	83,537
Total	95,795	58,630	77,594	83,537

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables				
— Third parties	31,667	10,649	23,792	40,422
— Subsidiaries *(note (a))*	142,679	81,194	190,133	322,316
Total	174,346	91,843	213,925	362,738

Note:

(a) During the Track Record Period, the amounts due to subsidiaries with trade nature were unsecured, interest free and repayable on demand.

Payment terms with suppliers are mainly on credit ranging from 30–90 days from invoice date. The following is an aging analysis of trade payables presented based on invoice date at the end of each reporting period:

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	95,708	58,585	75,848	83,467
1–2 years	87	45	1,719	60
2–3 years	—	—	27	1
Above 3 years	—	—	—	9
Total	95,795	58,630	77,594	83,537

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	174,346	91,843	188,802	277,620
1–2 years	—	—	25,123	85,118
Total	174,346	91,843	213,925	362,738

30. BILLS PAYABLE

As at 31 December 2022 and 2023, the Group's bills payable of approximately RMB83,930,000 and RMB31,120,000 were secured by certain of the Group's restricted bank deposits of RMB69,658,000 and RMB13,128,000 respectively.

As at 31 December 2022 and 2023, the Company's bills payable of approximately RMB22,880,000 and RMB3,931,000 were secured by certain of the Company's restricted bank deposits of RMB22,880,000 and Nil respectively.

These relate to trade payables in which the Group and the Company have issued bills to the relevant suppliers for settlement of trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the bills. The Group and the Company continue to recognise these trade payables as the Group and the Company are obliged to make payments to the relevant banks on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statements of cash flows, settlements of these bills by the Group and the Company are included within operating cash flows based on the nature of the arrangements.

31. OTHER PAYABLES AND ACCRUAL

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payables for property, plant and equipment	7,702	6,340	9,214	6,942
Deposits from vendors	100	133	3,133	1,558
Salary and bonus payables	13,467	15,234	14,638	11,036
Other tax payables	6,999	2,090	1,906	2,647
Payables from the Endorsed Bills *(Note 26)*	19,108	12,320	12,896	44,358
Advance from investors *(note (a))*	661,200	—	—	—
Accrual	22,092	18,742	11,392	9,941
Accrual **[REDACTED]** expenses	—	—	—	3,733
Others	1,702	2,444	1,985	710
Total	732,370	57,303	55,164	80,925

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payables for property, plant and equipment	6,201	4,474	6,306	3,778
Deposits from vendors	—	33	33	358
Salary and bonus payables	3,567	5,466	7,510	7,111
Other tax payables	3,487	99	545	677
Payables from the Endorsed Bills *(Note 26)*	12,189	3,212	11,590	37,508
Advance from investors *(note (a))*	661,200	—	—	—
Accrual	8,736	5,833	5,887	1,125
Accrual **[REDACTED]** expenses	—	—	—	3,733
Due to subsidiaries *(note (b))*	6,690	15,330	26,962	30,023
Others	259	842	244	705
Total	702,329	35,289	59,077	85,018

Notes:

(a) Advance from investors represents the investment considerations received from investors before the closing dates of the transactions as determined in relevant capital purchase agreements.

(b) During the Track Record Period, the amounts due to subsidiaries were non-trade in nature, unsecured, interest free and repayable on demand.

32. CONTRACT LIABILITIES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract liabilities				
— Third parties	5,340	8,931	10,141	11,352
Total	5,340	8,931	10,141	11,352

Contract liabilities primarily relate to the non-refundable deposits received from customers for sale of current sensor, motion sensor and others. This amount will be recognised as contract liability until the control of the goods has been transferred to the customer, being at the point the goods are delivered to the customers.

RMB8,129,000, RMB1,630,000, and RMB3,601,000 of the contract liabilities as at 31 December 2021, 2022 and 2023 are recognised as revenue during the years ended 31 December 2022, 2023 and 2024, respectively and RMB5,337,000 of the contract liabilities as at 31 December 2024 are recognised as revenue during the nine months ended 30 September 2025.

The Group expects that the contract liabilities as at 31 December 2022, 2023 and 2024 and as at 30 September 2025 will be recognised as revenue within a year or less.

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract liabilities				
— Third parties	341	2,149	2,149	3,174
Total	341	2,149	2,149	3,174

Contract liabilities primarily relate to the non-refundable deposits received from customers for sale of current sensor, motion sensor and others. This amount will be recognised as contract liability until the control of the goods has been transferred to the customer, being at the point the goods are delivered to the customers.

RMB2,201,000, RMB292,000, and RMB2,102,000 of the contract liabilities as at 31 December 2021, 2022 and 2023 are recognised as revenue during the years ended 31 December 2022, 2023 and 2024, respectively and RMB2,024,000 of the contract liabilities as at 31 December 2024 are recognised as revenue during the nine months ended 30 September 2025.

The Company expects that the contract liabilities as at 31 December 2022, 2023 and 2024 and as at 30 September 2025 will be recognised as revenue within a year or less.

33. REFUND LIABILITIES

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Arising from sales of products with a right of return	4,411	6,008	8,353	9,431

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Arising from sales of products with a right of return	2,534	4,276	6,526	6,127

The refund liabilities relate to customer's right of return of defective products within the warranty period. At the point of sales, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. The Group uses its accumulated historical experience to estimate the sales amount of returned goods.

34. BORROWINGS

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current portion				
Bank borrowings, guaranteed and unsecured *(note (a))*	39,905	—	—	—
Bank borrowings, unguaranteed and unsecured *(note (b))*	—	—	11,929	—
Bank borrowings, guaranteed and secured *(note (c))*	—	—	12,114	—
Collateralised borrowings *(note (d))*	16,100	—	—	—
Amount due to a director *(note (e))*	16,683	—	—	—
	72,688	—	24,043	—
Non-current portion				
Bank borrowings, unguaranteed and unsecured *(note (b))*	11,149	11,631	—	—
Bank borrowings, guaranteed and secured *(note (c))*	10,965	11,446	—	—
	22,114	23,077	—	—
Total borrowings	94,802	23,077	24,043	—
Effective interest rate per annum in the range of	1.15%–4.75%	4.75%	4.75%	N/A

Total current and non-current borrowings were scheduled to repay as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
On demand or within one year	72,688	—	24,043	—
More than one year, but not exceeding two years	—	23,077	—	—
More than two years, but not more than five years	22,114	—	—	—
	94,802	23,077	24,043	—

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current portion				
Bank borrowings, guaranteed and unsecured *(note (a))*	29,905	—	—	—
Bank borrowings, unguaranteed and unsecured *(note (b))*	—	—	11,929	—
Bank borrowings, guaranteed and secured *(note (c))*	—	—	12,114	—
Collateralised borrowings *(note (d))*	4,100	—	—	—
Amount due to a director *(note (e))*	—	—	—	—
	34,005	—	24,043	—
Non-current portion				
Bank borrowings, unguaranteed and unsecured *(note (b))*	11,149	11,631	—	—
Bank borrowings, guaranteed and secured *(note (c))*	10,965	11,446	—	—
	22,114	23,077	—	—
Total borrowings	56,119	23,077	24,043	—
Effective interest rate per annum in the range of	1.15%–4.75%	4.75%	4.75%	N/A

Total current and non-current borrowings were scheduled to repay as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
On demand or within one year	34,005	—	24,043	—
More than one year, but not exceeding two years	—	23,077	—	—
More than two years, but not more than five years	22,114	—	—	—
	56,119	23,077	24,043	—

Notes:

(a) Guaranteed and unsecured borrowings of the Group and Company amounted to RMB20,020,000 as at 31 December 2022, were guaranteed by a director of the Company, an unrelated entity and an unrelated person, carrying interest with fixed interest rate of 3.85% per annum.

Guaranteed and unsecured borrowings of the Group and Company amounted to RMB9,885,000 as at 31 December 2022, were guaranteed by an unrelated entity and an unrelated person, carrying interest with fixed interest rate of 3.85% per annum.

Guaranteed and unsecured borrowings of the Group amounted to RMB10,000,000 as at 31 December 2022, were guaranteed by a director of the Company and an unrelated entity, carrying interest with fixed interest rate of 3.85% per annum.

(b) Unguaranteed and unsecured borrowings of the Group and Company amounted to RMB11,149,000, RMB11,631,000 and RMB11,929,000 as at 31 December 2022, 31 December 2023 and 31 December 2024, respectively, carrying interest with variable interest rate of five-year loan prime rate as announced by the People's Bank of China per annum.

(c) Guaranteed and secured borrowings of the Group and Company amounted to RMB10,965,000, RMB11,446,000 and RMB12,114,000 as at 31 December 2022, 31 December 2023, 31 December 2024, respectively, carrying interest with variable interest rate of five-year loan prime rate as announced by the People's Bank of China per annum. Borrowings were secured by property, plant and equipment of the Group with a carrying amount of RMB3,990,000, RMB3,298,000 and RMB1,506,000 as at 31 December 2022, 31 December 2023, 31 December 2024 respectively.

On 15 May 2025, pursuant to the contract entered between the financial institution and the director of the Company the ownership of such borrowings was transferred to the director. The transfer was accounted for as a substantial modification of the financial liability, the borrowings were derecognised and amount due to a director under borrowings was recognised. The balance had been settled in August 2025.

(d) Collateralised borrowings of RMB16,100,000 as at 31 December 2022 of the Group represents bills receivable discounted on a full recourse basis to a financial institution. In the event of default by the debtors, the Group is obliged to pay the financial institution the amount in default. Interest is charged at 1.15% to 1.55% per annum on the proceeds received from the financial institution until the date the debtors pay. The Group is therefore exposed to the significant risks of credit losses and late payment in respect of the discounted debts and continues to recognise the full carrying amount of the bills receivable and has recognised the cash received on the transfer as a collateralised borrowing.

Collateralised borrowings of RMB4,100,000 as at 31 December 2022 of the Company represents bills receivable discounted on a full recourse basis to a financial institution. In the event of default by the debtors, the Company is obliged to pay the financial institution the amount in default. Interest is charged at 1.15% per annum on the proceeds received from the financial institution until the date the debtors pay. The Company is therefore exposed to the significant risks of credit losses and late payment in respect of the discounted debts and continues to recognise the full carrying amount of the bills receivable and has recognised the cash received on the transfer as a collateralised borrowing.

(e) During the year ended 31 December 2022, the amounts of RMB16,183,000 and RMB500,000 due to a director were matured on 30 November 2022 and 17 December 2022 respectively, with interest rate of 3.85% per annum, unsecured and unguaranteed. Subsequently, the balances had been settled in 2023.

35. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's and the Company's lease liabilities at the end of each reporting period:

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	15,473	15,347	14,327	14,330
After one year but within two years	8,773	13,870	10,739	13,269
After two years but within five years	25,600	28,373	21,131	23,908
Over five years	58,472	53,761	47,845	49,499
	108,318	111,351	94,042	101,006
Less: Amounts due for settlement within 12 months shown under current liabilities	(15,473)	(15,347)	(14,327)	(14,330)
Amount due for settlement after 12 months shown under non-current liabilities	92,845	96,004	79,715	86,676

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	6,631	3,016	3,163	3,206
After one year but within two years	3,016	3,163	3,316	4,061
After two years	8,198	5,034	3,304	—
	17,845	11,213	9,783	7,267
Less: Amounts due for settlement within 12 months shown under current liabilities	(6,631)	(3,016)	(3,163)	(3,206)
Amount due for settlement after 12 months shown under non-current liabilities	11,214	8,197	6,620	4,061

Note: As at 31 December 2022, 2023 and 2024 and as at 30 September 2025, a letter of guarantee of approximately EUR3,164,000, EUR2,554,000, EUR1,933,000 and EUR1,933,000, equivalent to RMB23,487,000, RMB20,074,000, RMB14,545,000 and RMB16,112,000, was secured by restricted bank deposits of the Group and Company with balances of approximately RMB7,534,000, RMB7,551,000, RMB7,563,000 and Nil respectively, used to guarantee the Group's obligations under lease agreements.

As at 31 December 2022, 2023, 2024 and as at 30 September 2025, the Group's restricted bank deposits of RMB5,600,000, RMB556,000, RMB533,000 and RMB590,000 respectively was used to guarantee the Group's other obligation of lease liabilities of approximately RMB23,868,000, RMB22,490,000, RMB19,781,000 and RMB28,911,000.

36. DEFERRED INCOME

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred income	14,735	11,142	7,992	6,180
Less: Classified as non-current portion	(11,130)	(7,992)	(5,575)	(3,763)
Current portion	3,605	3,150	2,417	2,417

	Government grant related to assets
	RMB'000
As at 1 January 2022	8,511
Additions	8,172
Release to profit and loss	(1,958)
Exchange differences	10
As at 31 December 2022 and 1 January 2023	14,735
Release to profit and loss	(3,605)
Exchange differences	12
As at 31 December 2023 and 1 January 2024	11,142
Release to profit and loss	(3,150)
As at 31 December 2024 and 1 January 2025	7,992
Release to profit and loss	(1,812)
As at 30 September 2025	6,180

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred income	11,866	8,916	5,983	4,333
Less: Classified as non-current portion	(8,916)	(5,983)	(3,783)	(2,133)
Current portion	2,950	2,933	2,200	2,200

	Government grant related to assets
	RMB'000
As at 1 January 2022	5,333
Additions	8,000
Release to profit and loss	(1,467)
As at 31 December 2022 and 1 January 2023	11,866
Release to profit and loss	(2,950)
As at 31 December 2023 and 1 January 2024	8,916
Release to profit and loss	(2,933)
As at 31 December 2024 and 1 January 2025	5,983
Release to profit and loss	(1,650)
As at 30 September 2025	4,333

Note: During the year ended 31 December 2022, the Group received a government subsidy of RMB8,172,000 mainly towards to cost of renovation of factory in the PRC. The upgrade and renovation of the production line has been completed in 2022. The amount received are treated as deferred income and is released to other income over the estimated useful lives of the underlying property, plant and equipment.

37. REDEMPTION LIABILITIES

The Company and the Group

The Company has completed several rounds of financing by issuing series of issued capital of the Company with various redemption features to **[REDACTED]** investors, namely, Series A Shares, Series B-1 Shares, Series B-2 Shares, Series C Shares, Series D Shares, Series E Shares and Series E+ Shares.

The Company had also issued capital with various redemption features to various incentive platforms' units which are controlled by the ultimate controlling party for the purpose of share incentive scheme to employees of the Group ("**Incentive Shares**"). Details of the share incentive scheme are set out in Note 39 to the Historical Financial Information.

Series A Shares:

In 2014, Wuxi Sinomags Electronic Technology Co., Ltd. (formerly known as Sinomags (Beijing)) entered into an investment agreement with certain Series A Investors, pursuant to which Sinomags Beijing issued and allotted approximately 1,001,250 Series A Shares at cash consideration received of RMB25,000,000. In 2015, upon the reorganization between the Sinomags (Beijing) which is now an individual third party of the Group after the re-organization, and Ningbo Sinomags, now a subsidiary of the Company, Sinomags Beijing ceased to have any interest in Ningbo Sinomags, and each of the then shareholder of Sinomags Beijing became a shareholder of Ningbo Sinomags. In 2021, upon the reorganization between the Company and Ningbo Sinomags. Such shares of Ningbo Sinomags were converted into 12,329,460 of Series A Shares of the Company upon the completion of the re-organization of the Company and Ningbo Sinomags.

Series B-1 and Series B-2 Shares (Collectively Series B Shares):

In 2015, Ningbo Sinomags entered into an investment agreement with certain Series B-1 investors, pursuant to which Ningbo Sinomags issued and allotted approximately 7,418,315 of Series B-1 Shares at cash consideration received of RMB30,000,000. In 2016, Ningbo Sinomags entered into an investment agreement with certain Series B-2 investors, pursuant to which Ningbo Sinomags issued and allotted approximately 4,945,544 Series B-2 Shares at cash consideration received of RMB20,000,000. Such shares of Ningbo Sinomags was converted into 12,329,465 Series B of the Company upon the completion of the re-organization of the Company and Ningbo Sinomags in 2021.

Series C Shares:

In 2019, Company entered into an investment agreement with certain Series C investors, pursuant to which Company issued and allotted approximately 16,439,282 Series C Shares. In 2021, each of the Series C Investors agreed to set off the consideration for the Series C Shares by way of a debt in the sum of RMB100,000,000 owed by the Company to Wuxi Lertech, a subsidiary of the Company.

Series D Shares:

In 2021, the Company entered into an investment agreement with certain Series D investors, pursuant to which Company issued and allotted approximately 17,430,336 Series D Shares at cash consideration received of RMB200,595,000 in 2021.

On 15 April 2022, the Company entered into an investment agreement with certain Series D investors, pursuant to which Company issued and allotted approximately 1,737,867 Series D Shares at cash consideration received of RMB20,000,000 in 2022.

Incentive Shares:

In May 2022, the Company entered into a shareholder resolution to issue Incentive Shares to Dr. Wang, founder of the Company, and Bengbu Huajing Technology Center Partnership (Limited Partnership) (the "Bengbu Huajing"), the entity controlled by Dr. Wang, pursuant to which Company issued and allotted approximately 5,404,969 and 5,404,969 Incentive Shares at cash consideration of RMB25,000,000 and RMB25,000,000 respectively, received in 2022.

According to the shareholder resolution dated 6 May 2022, the Incentive Shares entitled with the preferred feature and liquidation preferences according to the Series C Shares, however, the preferred rights of Incentive Shares is not exercisable when the shares are hold by the ordinary shareholder until transferring to those other third parties' investors.

When the ownership of the Incentive Shares transferred to other third parties shareholders, these Incentive Shares would be renamed as Series Post D-2 Shares.

Series E and Series E+ Shares (Collectively Series E Shares):

In 2022, the Company entered into an investment agreement with certain Series E investors, pursuant to which Company issued and allotted approximately 21,211,693 Series E Shares at a consideration of RMB584,000,000 in 2023, for which advance from these investors of RMB573,000,000 has been received in 2022 with the liabilities recognised in other payables set out in Note 31 to the Historical Financial Information. RMB11,000,000 was received in cash in 2023.

On 7 March 2023, the Company entered into an investment agreement with certain Series E+ investors, pursuant to which Company issued and allotted approximately 3,203,547 Series E+ Shares at a consideration of RMB88,200,000, for which advance from these investors has been received in 2022 with the liabilities recognised in other payables set out in Note 31 to the Historical Financial Information.

Other changes during the Track Record Period:

On 1 June 2022, 2,546,242 units of Incentive Shares had been transferred from original shareholders to other shareholders and converted as Series Post D-2 Shares.

On 29 September 2022, 2,465,893 and 1,643,928 units of Series B Shares and Series C Shares had been transferred from original shareholders to other shareholders.

On 14 October 2022, 1,589,061, 1,232,947, 1,232,946 units of Series A Shares, Series B Shares, Series C Shares, respectively, had been transferred from original shareholders to other shareholders. On the same date, shareholders signed and agreed the redemption feature of the failure to consummate an **[REDACTED]** or a strategic transaction of the Group modified from 31 December 2025 to 31 December 2026.

On 6 February 2023, 8,219,641 units of Series C Shares had been transferred from original shareholders to other shareholder. According to the agreement, all special preferred rights no longer applicable after the completion date of the transfer.

On 6 February 2023, 227,009 units of Series A Shares had been transferred from original shareholders to other shareholders and 5,960,612 units of Incentive Shares had been transferred to other shareholders in which 108,099 units continue in the same class and 5,852,513 units converted as Series Post D-2 Shares.

On 10 March 2023, 388,312 units of Series C Shares had been transferred from original shareholders to other shareholders.

On 1 August 2023, adopted by a special resolution passed by the shareholders, all the redemption features and the liquidation preferences of all type of series shares had been terminated.

The key terms of the redemption liabilities are summarised as follows:

Redemption features

Other than the paid-up capital and Series Post D-1 Shares, upon the issue of the Series A Shares, Series B Shares, Series C Shares, Series D Shares, Series Post D-2 Shares and Series E Shares, they were granted with certain preferred rights upon capital contribution.

The following are the certain major events which will trigger the Company shall redeem, at the request of any investors with preferred rights, at any time after the earlier of: (a) the failure to consummate an **[REDACTED]** or a strategic transaction of the Group before a designated deadline; (b) intellectual property disputes materially and adversely affect the Group's operations or financial condition showing that such disputes directly or indirectly reduce the Group's consolidated core business revenue to less than 50% of the year-on-year semi-annual revenue (collectively "**Major Redemption Events**" or (c) the occurrence of other redemption events defined in the shareholders' agreement (the "**Other Redemption Events**").

The designated deadline of consummate an **[REDACTED]** or a strategic transaction of the Group was 31 December 2025, and became 31 December 2026 after the Series E Investment agreement signed on 14 December 2022.

The directors of the Company considered the Other Redemption Events are protective clauses. Any holder of redemption liabilities, as applicable, separately but not jointly, may give a written notice to the Company requesting redemption of the redeemable liabilities.

Redemption price under major redemption events are determined as follows:

Series A Shares:

Redemption price is calculated based on the principal plus 12% annualized interest (simple interest).

Series B, Series C, and Series Post D-2 Shares:

Redemption price is calculated based on highest of (i) principal plus 12% annualized interest (simple interest); (ii) share of Company's net assets at the time of repurchase.

Series D and Series E Shares:

Redemption price is calculated based on highest of (i) principal plus 12% annualized interest (simple interest); (ii) share of Company's net assets at the time of repurchase; (iii) (a) share of the fair value of the Company at the time of repurchase, or (b) the highest transaction price in any prior transaction of the Group.

Before the Series E Agreement dated 14 October 2022, the redemption shall be made in the following order of priority: (1) Repayment of the principal to the Investors from latest rounds to the earlier rounds among the Series Investors; (2) Payment of the remaining redemption price (i.e., calculated based on the above terms, minus the paid investment principal) from latest rounds to the earlier rounds among the Series Investors; (3) If the available funds are insufficient to fully cover the amounts payable to all Series Investors within any given priority tier, the payment shall be distributed among such Series Investors pro rata based on their respective payable amounts within that tier.

Since the Series E Agreement dated 14 October 2022, the redemption shall be made in the following order of priority: (1) repayment of the principal to investors of Series E Investments and Series D Investments, then investors of Series C Investments, Series B Investments, Series A Investments, lastly Series Post D-2 Investments; (2) Payment of the remaining redemption price (i.e., calculated based on the above terms, minus the paid investment principal) to investors of Series E Investments and Series D, then investors of Series C Investments, Series B Investments, Series A Investments, lastly Series Post D-2 Investments; (3) Series Post D-2 (the excess investment cost of investors of Series Post D-2 Investments over principal); (4) If the available funds are insufficient to fully cover the amounts payable to all Series Investors within any given priority tier, the payment shall be distributed among such Series Investors pro rata based on their respective payable amounts within that tier.

Liquidation preferences

In the event of any liquidation of the Company, the investors shall have the right to exercise their liquidation preference to the fullest extent permitted under relevant PRC law with the priority as follows:

Before the Series E Agreement dated 14 October 2022:

Settlement of statutory obligation which including of liquidation expenses, employee wages, social insurance contributions, statutory compensation, unpaid taxes, and company debts, as required by law.

Distribution to investors of Series D Investments based on the higher of (i) the residual assets distributable to them based on their then current shareholding ratio in the Company; (ii) the sum of principal plus 12% annualized simple interest rate from the date of their investment payment until the actual distribution date.

Payment of principal to prior-round investors of Series C Investments, Series B Investments and Series A Investments in sequential order based on the higher of (i) the principal; (ii) the residual assets distributable based on their then current shareholding ratio.

Payment of interest to prior-round investors of Series C, Series B and Series A calculated at a 12% annualized simple interest rate based on the principal.

Residual distribution to all shareholders.

Since the Series E Agreement dated 14 October 2022:

Settlement of statutory obligation which including of liquidation expenses, employee wages, social insurance contributions, statutory compensation, unpaid taxes, and company debts, as required by law.

Distribution to investors of Series D and Series E Investments based on the higher of (i) the residual assets distributable to them based on their then current shareholding ratio in the Company; (ii) the sum of their principal plus 12% annualized simple interest rate from the date of their investment payment until the actual distribution date.

Payment of principal to prior-round investors of Series C Investments, Series B and Series A in sequential order based on the higher of (i) principal; (ii) the residual assets distributable based on their then current shareholding ratio.

Payment of interest to prior-round investors of above calculated at a 12% annualized simple interest rate based on the principal.

Payment of interest to prior-round investors of Series Post D-2 Investments calculated at a 12% annualized simple interest rate based on the principal.

Residual distribution to all shareholders.

Other key terms

The investors have also been granted certain customary special rights in relation to the Company, including, among others, pre-emptive rights, anti-dilution rights, right of first refusal, co-sale rights, information rights, most-favored treatment rights, veto rights in respect of certain matters at shareholders' meetings and board meetings and rights to nominate directors, special quorum requirements in board meetings.

To mitigate the accounting mismatch arising on measuring the liabilities at amortised cost and measuring the derivative at FVTPL, the Group designated redemption liabilities as financial liabilities measured as fair value through profit or loss. The director of the Company determined that it was not due for settlement within twelve months as at 31 December 2022 and classified as non-current liabilities in the consolidated statements of financial position. The redemption liabilities do not carry any equity component and are classified liabilities in their entirely. Changes in fair value of redemption liabilities were recorded in "fair value changes of redemption liabilities". The movements of the redemption liabilities are set out as below:

	RMB'000	*RMB'000*
As at 1 January 2022 *(note (i))*		504,534
Capital contribution from Series D shareholders *(note (ii))*		20,000
Capital contribution from Incentive Shares *(note (iii))*		109,618
Fair value change on modification on 1 June 2022 *(note (iv))*	1,380	
Fair value change on modification on 14 October 2022 *(note (vi))*	687,588	
Fair value change for the year	506,197	1,195,165
As at 31 December 2022 and 1 January 2023		1,829,317
Capital contribution from Series E shareholders *(note (vii))*		672,200
Fair value change on modification on 6 February 2023 *(note (ix))*	1,696	
Fair value change for the year	46,051	47,747
Derecognition of Series C Shares *(note (viii))*		(208,601)
Derecognition *(note (xi))*		(2,340,663)
As at 31 December 2023		—

Note:

(i) On 1 January 2022, the redemption liabilities consisted of 12,329,460 units of Series A Shares, 9,352,905 units of Series B Shares, 16,439,282 units of Series C Shares, 2,976,560 units of Series C+ Shares, 17,430,336 units of Series D Shares, with fair value of RMB81,222,000, RMB68,546,000, RMB130,536,000, RMB23,635,000, RMB200,595,000 respectively.

(ii) On 15 April 2022, the Company recognised redemption liabilities of 1,737,867 units of Series D Shares at cash consideration of RMB20,000,000 received in 2022.

(iii) On 13 May 2022, the Company issued Incentive Share of 10,809,938 units of investments at consideration of RMB50,000,000 which consist of redeemable feature and liquidation preference as Series C Shares, being recognised as redemption liabilities in 2022 with fair value of these shares amounted to RMB109,618,000. The different between the fair value and the consideration at initial recognition of RMB59,618,000 was debited to equity under other reserve.

(iv) Due to the transfer of Incentive Shares from original shareholder to other shareholders and converted as Series Post D-2 Shares on 1 June 2022 set out above, 2,546,242 units of Incentive Shares were accounted for as a substantial modification of the financial liability. The original financial liabilities of these Shares with fair value of RMB25,820,000 were derecognised and new 2,546,242 units of Series Post D-2 Shares. with fair value of RMB27,200,000 were recognised. The net fair value loss of RMB1,380,000, represented the fair value difference of the substantial modification, was recognised.

(v) Due to the change of existing owner of the shares on the transfer of Series B Shares and Series C Shares on 29 September 2022 as set out above, 2,465,893 and 1,643,928 units of Series B Shares and Series C were accounted for as a substantial modification of the financial liability. The original financial liabilities of these Shares with fair value of RMB24,556,000 and RMB16,670,000 were derecognised respectively and new 2,465,893 and 1,643,928 units of Series B Shares and Series C Shares with fair value of RMB24,556,000 and RMB16,670,000 were recognised respectively. No fair value change was noted.

(vi) Due to the change in redemption feature on the as well as the transfer of Series A Shares, Series B Shares and Series C Shares on 14 October 2022 as set out above, 12,329,460, 9,352,905, 16,439,282, 2,976,560, 19,168,203, 2,546,242 and 8,263,696 units of Series A Shares, Series B Shares, Series C Shares, Series C+ Shares, Series D Shares, Series Post D-2 Shares and Incentive Shares were accounted for as a substantial modification of the financial liability. The original financial of these Shares with fair value of RMB116,644,000, RMB93,138,000, RMB166,703,000, RMB30,184,000, RMB240,036,000, RMB27,200,000 and RMB83,798,000 were derecognised respectively and new 12,329,460, 9,352,905, 16,439,282, 2,976,560, 19,168,203, 2,546,242 and 8,263,696 units of Series A Shares, Series B Shares, Series C Shares, Series C+ Shares, Series D Shares, Series Post D-2 Shares and Incentive Shares with fair value of RMB234,080,000, RMB183,992,000, RMB326,276,000, RMB59,077,000, RMB424,836,000, RMB53,018,000 and RMB164,012,000 were recognised. The net fair value loss of RMB687,588,000, represented the fair value difference of the substantial modification, was recognised.

(vii) In 2023, the Company recognised redemption liabilities of 24,415,240 units of Series E Shares at cash consideration of RMB672,200,000 of RMB610,000,000 received in 2022 and RMB62,200,000 received in 2023.

(viii) Due to the termination of redemption features and liquidation preferences of 8,219,641 units of Series C Shares on 6 February 2023 set out above, the obligation to purchase the equity instruments had been discharged and the instruments were reclassified as equity. 8,219,641 units of Series C Shares and such units with the fair value of RMB208,601,000 measured at that date was derecognised and the corresponding carrying amounts of the new issued capital of RMB8,220,000 and capital reserve of RMB200,381,000 was recognised.

(ix) Due to the change of existing owner of the shares on the transfer of Series A Shares and Incentive Shares on 10 March 2023 as set out above, 227,009 units and 5,960,612 of Series A Shares and Incentive Shares were accounted for as a substantial modification of financial liabilities. The original financial liabilities of these shares with fair value of RMB5,711,000 and RMB151,271,000 respectively were derecognised and new 227,009, 5,852,513 and 108,099 of Series A Shares, Series Post D-2 Shares and Incentive Shares with fair value of RMB5,711,000, RMB150,224,000 and RMB2,743,000 was recognised. The net fair value loss of RMB1,696,000 represented the fair value difference of the substantial modification, was recognised.

(x) Due to the change of existing owner of the shares on the transfer of Series C Shares on 10 March 2023 as set out above, 388,312 units of Series C Shares were accounted for as a substantial modification of financial liabilities. The original financial liabilities of these shares with fair value of RMB9,856,000 was derecognised and new 388,312 units of Series C Shares with fair value of RMB9,856,000 was recognised. No fair value change was recognised.

(xi) Due to the termination of redemption features and liquidation preferences on 1 August 2023 set out above, the obligation to purchase the equity instruments had been discharged and the instruments were reclassified as equity. 12,329,460, 9,352,905, 8,219,641, 2,976,560, 19,168,203, 8,398,755, 24,415,240 and 2,411,183 units of Series A Shares, Series B Shares, Series C Shares, Series C+ Shares, Series D Shares, Series post D-2 Shares, Series E Shares, Incentive Shares with fair value of RMB2,340,663,000 was transferred to share capital of RMB87,272,000 and capital reserve of RMB2,253,391,000.

The fair value of the redemption liabilities as at 1 January 2022, 31 December 2022 and 1 August 2023 was estimated based on a back-solve method and option pricing method ("**OPM**") under equity allocation method ("**EAM**").

The back-solve method is adopted to derive the total equity value of the Company as of a valuation date when there is a third-party transaction or latest financing occurred prior to the valuation date. The methodology is based on the OPM under the EAM. EAM is able to account for all capital classes of the Company including both ordinary shares and redeemable liabilities, and the total equity value will be allocated to each equity class respectively through this method.

Under the back-solve method, the total equity value of the Company was back-solved based on the OPM under 3 scenarios which took account for the existing equity classes and their respective liquidation and redemption features. The allocated value of the redeemable liabilities of the Company was made to be equal to the transaction amount of the recent investment of redeemable liabilities as at transaction date through an iterative goal seeking process.

The indicative total equity value derived from back-solve method as at transaction date represented the fair value of the Company's equity value, since the transaction date was close to the valuation date. The equity value of the Company was further applied in the OPM under 3 scenarios to derive the value of the each class of redeemable liabilities and ordinary shares as at the valuation date.

This method includes (i) review of the different classes in the capital structure of the Company; and (ii) allocation of the equity value to each of the classes with respect to their seniority, redemption feature and liquidation preferences.

Key valuation assumptions used to determine the fair value of the redemption liabilities are set as below:

	1 January 2022	31 December 2022	1 August 2023
Risk-free interest rate	2.53%	2.53%	2.30%
Volatility	54.67%	54.15%	51.88%
IPO date	31 December 2025	31 December 2026	31 December 2026
Possibility under redemption scenario	25.00%	20.00%	5.00%
Possibility under liquidation scenario	25.00%	20.00%	5.00%
Possibility under non-redemption and non-liquidation scenario	50.00%	35.00%	90.00%

38. ISSUED CAPITAL/SHARE CAPITAL

	Number of shares	Issued capital/Share capital	Total
		RMB'000	*RMB'000*
Group and Company			
As at 1 January 2022 and 31 December 2022	N/A	19,727	19,727
Transfer from redeemable capital contribution	N/A	95,492	95,492
Transformation into joint stock company	115,218,724	—	—
As at 1 January 2023, 31 December 2023, 1 January 2024, 31 December 2024 and 1 January 2025 and 30 September 2025	115,218,724	115,219	115,219

Notes:

Due to the termination of redemption features and liquidation preferences of 8,219,641 units of Series C Shares on 6 February 2023 set out in Note 37, the obligation to purchase the equity instruments had been discharged. 8,219,641 units of Series C Shares and such units with the fair value of RMB208,601,000 measured at that date was derecognised and reclassified to equity. The corresponding carrying amounts of the new issued capital of RMB8,220,000 and capital reserve of RMB200,381,000 was recognised.

Due to the termination of redemption features and liquidation preferences on 1 August 2023 set out in Note 37, the obligation to purchase the equity instruments had been discharged. 12,329,460, 9,352,905, 8,219,641, 2,976,560, 19,168,203, 8,398,755, 24,415,240 and 2,411,183 units of Series A, Series B, Series C, Series C+, Series D, Series post D-2, Series E, Incentive Shares had been reclassified as equity, such units with fair value of RMB2,340,663,000 was transferred to share capital of RMB87,272,000 and capital reserve of RMB2,253,391,000.

On 31 August 2023, the Company was converted into a joint stock company with limited liability with a registered share capital of RMB115,218,724 divided into 115,218,724 ordinary shares with a par value of RMB1.00 each.

39. SHARE-BASED PAYMENT

Share incentive scheme (the "**[REDACTED] Incentive Scheme**") were approved and adopted by shareholders of the Company in November 2019 and February 2021. The purpose of the **[REDACTED]** Share Incentive Schemes is to further establish and improve the Company's incentive and restraint mechanisms; attract and retain talents; mobilize the enthusiasm of the Company's management and core team members; and combine the interests of the shareholders, the Company and the individual interests of the participants. Employees are entitled to receive a proportional ownership of the partnership interest and become limited partners of the Group's incentive platforms'. The unit (the "**Restricted Shares**" or "**RSU**") granted under the **[REDACTED]** Incentive Scheme ("**Share Awards**") indirectly hold the shares of the Company underlying the RSU by virtue of their capacity as partners of the relevant incentive platforms which is the ordinary shareholders of the Company.

Bengbu Lesi Share Incentive Plan:

In November 2019, pursuant to Bengbu Lesi Share Incentive Plan, Bengbu Lesi Technology Center (Limited Partnership) (the "**Bengbu Lesi**") which was established as the employee incentive platform, grants RSUs to the Group's eligible employees. Bengbu Lesi further grants RSU to the Group's eligible employees in February 2021.

Each grant of RSU needs to meet service requirements from the date of grant to the later of the date of successful initial public offering ("**IPO**") of the Company and five-years period from the date of grant. For the financial reporting purpose, the directors of the Company identified the consummate an IPO as the vesting condition. After taking into consideration of the best estimation of the IPO, the management determined the vesting period of the relevant Share Awards based on the above service requirements. As such, the share-based payment expenses are amortised during the vesting period.

Movements in the number of RSUs granted and the respective grant date fair value were as follows:

	Number of RSUs	Weighted average grant date fair value
		RMB
As at 1 January 2022 and 31 December 2022, 1 January 2023, 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025	326,201	2.34
Forfeited	(4,687)	2.06
As at 30 September 2025	321,514	2.35

The grant date fair value of the shares of the Restricted Shares in November 2019 and February 2021 were RMB2.09 and RMB39.42 per share, which was determined by a third-party valuer. The difference between the fair value of the Restricted Shares granted and the subscription price paid by the grantee are recorded in the share-based payment reserve within equity with the corresponding "share-based payment expenses" in profit or loss.

The management determined the grant date fair value by reference to the fair value of the ordinary share of the Company. The back-solve method is adopted to derive the total equity value of the Company as of the valuation date in November 2019. When there is a third-party investors' recent capital injection transaction or latest financing occurred to the Company prior to the valuation date. The methodology is based on the OPM under the EAM which can account for all capital classes of the Company including both ordinary shares and redeemable liabilities, and the total equity value will be allocated to each equity class respectively through this method.

The back-solve method is adopted to derive the total equity value of the Company as of a valuation date when there is a third-party transaction or latest financing occurred prior to the valuation date. The methodology is based on the OPM under the EAM. EAM is able to account for all capital classes of the Company including both ordinary shares and redemption liabilities, and the total equity value will be allocated to each equity class respectively through this method.

Under the back-solve method, the total equity value of the Company was back-solved based on the OPM under 3 scenarios which took account for the existing equity classes and their respective liquidation and redemption features. The allocated value of the redemption liabilities of the Company was made to be equal to the transaction amount of the recent investment as at transaction date through an iterative goal seeking process.

The indicative total equity value derived from back-solve method as at transaction date represented the fair value of the Company's equity value, since the transaction date was close to the valuation date. The equity value of the Company was further applied in the OPM under 3 scenarios to derive the value of the each class of redemption liabilities and ordinary shares as at the valuation date.

This method includes (i) review of the different classes in the capital structure of the Company; and (ii) allocation of the equity value to each of the classes with respect to their seniority, redemption feature and liquidation preferences.

In order to avoid the fluctuation of the equity value and to maintain the reasonableness of the overall trend of the equity value, for the grant date in February 2021, due to lack of recent transaction, the valuer considered both the fair value of the Company and applied interpolation between November 2019 and 31 December 2021.

Bengbu Huajing and Huaan Share Incentive Plan:

Pursuant to Bengbu Huajing and Huaan Share Incentive Plan adopted in December 2022, Bengbu Huajing and Bengbu Hua'an Technology Center (Limited Partnership) ("**Huaan**") grants Restricted Shares to the Group's eligible employees at the aggregated subscription price of RMB7,576,000 and RMB1,090,000 respectively in January 2023, at the subscription price of RMB2.976 and RMB2.976 per share respectively. Bengbu Huajing further grants Restricted Shares to the Group's eligible employees at the aggregated subscription price of RMB1,500,000 in May 2024, at the subscription price of RMB2.976 per share.

Each employee with grant of Restricted Shares needs to meet service requirements of 5 years from the date of grant. For the financial reporting purpose, the management determined the vesting period of the relevant RSU based on the above service requirements. As such, the share-based payment expenses are amortised during the vesting period.

Movements in the number of Restricted Shares granted and the respective grant date fair value of Bengbu Huajing were as follows:

	Number of RSUs	Weighted average grant date fair value
		RMB
As at 1 January 2022, 31 December 2022 and 1 January 2023	—	—
Granted	2,545,424	2.52
As at 31 December 2023 and 1 January 2024	2,545,424	2.52
Granted	503,999	3.27
Forfeited	(335,990)	2.52
As at 31 December 2024 and 1 January 2025	2,713,433	2.66
Forfeited	(285,592)	2.52
As at 30 September 2025	2,427,841	2.68

Movements in the number of shares granted and the respective grant date fair value of Bengbu Huaan were as follows:

	Number of RSUs	Weighted average grant date fair value
		RMB
As at 1 January 2022, 31 December 2022 and 1 January 2023	—	—
Granted	366,240	2.52
As at 31 December 2023 and 1 January 2024	366,240	2.52
Forfeited	(25,200)	2.52
As at 31 December 2024 and 1 January 2025	341,040	2.52
Forfeited	(29,974)	2.52
As at 30 September 2025	311,066	2.52

The grant date fair value of the shares of the Restricted Shares in January 2023 and May 2024 for Bengbu Huajing were RMB2.52 and RMB3.27 per share respectively and the grant date fair value of the shares of the Restricted Shares in January 2023 and January 2023 for Bengbu Huaan was RMB2.52, which was determined by a third-party valuer. The difference between the fair value of the Restricted Shares granted and the subscription price paid by the grantee are recorded in the share-based payment reserve within equity with the corresponding "share-based payment expenses" in profit or loss.

The management determined the grant date fair value in January 2023 with reference to the fair value of the Incentive Shares of the Company. The back-solve method is adopted to derive the total equity value of the Company as of the valuation date in January 2023.

The management determined the grant date fair value in May 2024 with reference to the fair value of the ordinary share of the Company. The management determined the ordinary share of the Company based on a discounted cash flow method. The post-tax discount rate applied to cash flow projection is 9.9%. The growth rate used to extrapolate the cash flow beyond the 11.67 years period is 0%.

Key valuation assumptions used to determine the grant date fair value of the Restricted Shares under the back-solve method are set as below:

	November 2019	January 2023
Risk-free interest rate	2.92%	2.53%
Volatility	46.38%	54.15%
IPO date	31 December 2022	31 December 2026
Possibility under redemption scenario	35.00%	20.00%
Possibility under liquidation scenario	35.00%	20.00%
Possibility under non-redemption and non-liquidation scenario	30.00%	35.00%

40. RESERVE MOVEMENT OF THE COMPANY

	Capital reserve	Other reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022	—	—	154	(198,191)	(198,037)
Loss for the year	—	—	—	(1,183,695)	(1,183,695)
Transaction with shareholder *(Note 37(iii))*	—	(59,618)	—	—	(59,618)
Share-based payment *(Note 39)*	—	—	109	—	109
As at 31 December 2022 and 1 January 2023	—	(59,618)	263	(1,381,886)	(1,441,241)
Loss for the year	—	—	—	(27,846)	(27,846)
Transfer from redemption liabilities *(Note 38)*	2,453,772	—	—	—	2,453,772
Share-based payment *(Note 39)*	—	—	1,567		1,567
Transformation into joint stock company *(Note 38)*	(48,202)	—	—	48,202	—
As at 31 December 2023 and 1 January 2024	2,405,570	(59,618)	1,830	(1,361,530)	986,252
Profit for the year	—	—	—	13,448	13,448
Share-based payment *(Note 39)*	—	—	1,432	—	1,432
As at 31 December 2024 and 1 January 2025	2,405,570	(59,618)	3,262	(1,348,082)	1,001,132
Profit for the period	—	—	—	13,383	13,383
Share-based payment *(Note 39)*	—	—	866	—	866
As at 30 September 2025	2,405,570	(59,618)	4,128	(1,334,699)	1,015,381

41. OVERVIEW OF THE GROUP'S EXPOSURE TO CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of each reporting period, the Group's maximum exposure to credit risk which cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of the financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

In order to minimise credit risk, the Group has tasked its finance team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. Management uses publicly available financial information and the Group's own historical repayment records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate exposure is spread amongst approved counterparties.

The Group's credit risk is primarily attributable to trade receivables and other receivables and deposit paid. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables

For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. Except for trade receivables that are credit-impaired, the Group determines the ECL on these items collectively based on loss patterns as reflected in the debtors' historical payment pattern. The Group determines the ECL on these items by using a provision matrix as at 31 December 2022, 2023 and 2024 and as at 30 September 2025 within lifetime ECL (not credit impaired) estimated based on the financial quality of debtors and historical credit loss experience over the past 3-5 years under roll rate method, adjusted as appropriate to reflect current conditions and estimates of future economic conditions with reference to general macroeconomic conditions (such as gross domestic products and money supply in Chinese Mainland and gross domestic products unemployment rate in Germany) that may affect the ability of debtors to settle receivables. To measure the ECL, the trade receivables has been grouped into the categories based on share credit risk characteristics such as customers in the PRC and Germany and the days past due.

Bills and other receivables and deposits paid

For bills and other receivables and deposits paid, management of the Group makes periodic assessment on the recoverability based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The Group measures the loss allowance equal to 12m ECL, unless when there are indicators that the financial asset is credit-impaired, the Group recognises lifetime ECL. The Group recognises lifetime ECL when there is evidence indicating (i) there has been significant increase in credit risk since initial recognition; (ii) the asset is credit-impaired but the Group has realistic prospect of recovery; or (iii) the debtor is in severe financial difficulty. In determining the ECL for bills and other receivables and deposits paid, the directors of the Company have taken into account the historical default experience and the future prospects of the industries and/or considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of the financial assets that are subject to impairment occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. The Group only accepts bills issued or guaranteed by reputable PRC banks if trade receivables are settled by bills and therefore the management of the Group considers the credit risk arising from the bills receivable is insignificant and thus no loss allowance is recognised.

Cash and bank balances and restricted bank deposits

For the purposes of impairment assessment, cash and bank balances and restricted bank deposits that are subject to impairment are considered to have low credit risk as the counterparties are reputable banks with high credit rating assigned by international credit agencies. Accordingly, for the purpose of impairment assessment for these assets, the loss allowance is measured at an amount equal to 12m

ECL, by reference to information relating to probability of default and loss given default of respect credit rating grades published by external credit agency. The directors of the Company considered that the ECL allowance is insignificant as at 31 December 2022, 2023 and 2024 and as at 30 September 2025.

The following table details the credit risk exposures of the Group's trade receivables by geographical location which are subject to ECL assessment :

Group

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the PRC			
As at 31 December 2022 (by past-due date)			
Current	2.10%	161,445	3,390
Past due within 1 year	5.60%	8,016	449
Past due 1 to 2 years	15.90%	1,112	177
Past due 2 to 3 years	39.70%	10	4
		170,583	4,020

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the PRC			
As at 31 December 2023 (by past-due date)			
Current	4.20%	100,569	4,224
Past due within 1 year	12.70%	20,420	2,593
Past due 1 to 2 years	42.60%	1,050	448
Past due 2 to 3 years	84.90%	1,113	944
Past due over 3 years	100.00%	8	8
		123,160	8,217

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the PRC			
As at 31 December 2024 (by past-due date)			
Current	2.10%	104,255	2,189
Past due within 1 year	12.20%	21,937	2,676
Past due 1 to 2 years	49.50%	754	375
Past due 2 to 3 years	100.00%	146	146
Past due over 3 years	100.00%	1,121	1,121
		128,213	6,507

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the PRC			
As at 30 September 2025 (by past-due date)			
Current	3.30%	116,125	3,833
Past due within 1 year	18.50%	32,973	6,100
Past due 1 to 2 years	73.20%	621	455
Past due 2 to 3 years	73.30%	—	—
Past due over 3 years	100.00%	644	644
		150,363	11,032

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the Germany			
As at 31 December 2022 (by past-due date)			
Current	0.12%	9,262	11
Past due within 1 year	0.20%	7,914	16
Past due 1 to 2 years	100.00%	5	5
Past due 2 to 3 years	100.00%	13	13
		17,194	45

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the Germany			
As at 31 December 2023 (by past-due date)			
Current	0.90%	6,980	63
Past due within 1 year	2.10%	5,789	122
Past due 1 to 2 years	100.00%	677	677
Past due 2 to 3 years	100.00%	6	6
		13,452	868

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the Germany			
As at 31 December 2024 (by past-due date)			
Current	1.50%	7,679	115
Past due within 1 year	2.90%	4,637	134
Past due 1 to 2 years	100.00%	175	175
Past due 2 to 3 years	100.00%	648	648
		13,139	1,072

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
Customers in the Germany			
As at 30 September 2025 (by past-due date)			
Current	1.20%	6,433	77
Past due within 1 year	2.80%	3,400	95
Past due 1 to 2 years	27.60%	700	193
Past due 2 to 3 years	47.90%	138	66
Past due over 3 years	100.00%	140	140
		10,811	571

Movements in lifetime ECL that have been recognised for trade receivables are as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of year/period	1,649	4,065	9,085	7,579
Impairment losses recognised/(reversed)	2,415	4,992	(1,461)	3,936
Exchange differences	1	28	(45)	88
At the end of year/period	4,065	9,085	7,579	11,603

The table below details the credit risk exposures of the Group's other receivables and deposits paid which are subject to ECL assessment:

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 31 December 2022			
12m ECL	2.40%	7,003	168
Lifetime ECL (credit-impaired)		—	—
		7,003	168
As at 31 December 2023			
12m ECL	0.74%	11,220	83
Lifetime ECL (credit-impaired)		—	—
		11,220	83
As at 31 December 2024			
12m ECL	2.13%	10,520	224
Lifetime ECL (credit-impaired)		—	—
		10,520	224
As at 30 September 2025			
12m ECL	1.63%	6,852	112
Lifetime ECL (credit-impaired)		—	—
		6,852	112

Movement in 12m ECL that has been recognised for other receivables and deposits paid of the Group are as follows:

	12m ECL
	RMB'000
As at 1 January 2022	354
Impairment losses reversed	(186)
As at 31 December 2022 and 1 January 2023	168
Impairment losses reversed	(84)
Exchange differences	(1)
As at 31 December 2023 and 1 January 2024	83
Impairment losses recognised	140
Exchange differences	1
As at 31 December 2024 and 1 January 2025	224
Impairment losses reversed	(112)
As at 30 September 2025	112

The following table details the credit risk exposures of the Company's trade receivables which are subject to ECL assessment:

Company

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 31 December 2022 (by past-due date)			
Current	2.10%	109,754	2,305
Past due within 1 year	5.60%	7,987	447
Past due 1 to 2 years	15.90%	1,089	173
		118,830	2,925
Individual assessment	16.68%	156,623	26,118
		275,453	29,043

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 31 December 2023 (by past-due date)			
Current	4.20%	44,989	1,889
Past due within 1 year	12.70%	6,511	827
Past due 1 to 2 years	42.60%	1,051	448
Past due 2 to 3 years	84.90%	1,089	925
		53,640	4,089
Individual assessment	16.50%	194,418	32,075
		248,058	36,164

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 31 December 2024 (by past-due date)			
Current	2.10%	52,914	1,111
Past due within 1 year	12.20%	21,306	2,599
Past due 1 to 2 years	49.50%	62	31
Past due 2 to 3 years	100.00%	146	146
Past due over 3 years	100.00%	1,089	1,089
		75,517	4,976
Individual assessment	16.27%	282,622	45,993
		358,139	50,969

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 30 September 2025 (by past-due date)			
Current	3.30%	83,758	2,764
Past due within 1 year	18.50%	32,585	6,029
Past due 1 to 2 years	73.20%	522	382
Past due 2 to 3 years	N/A	—	—
Past due over 3 years	100.00%	634	634
		117,499	9,809
Individual assessment	16.06%	387,381	62,217
		504,880	72,026

Movements in lifetime ECL that have been recognised for trade receivables are as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of year/period	9,917	29,043	36,164	50,969
Impairment losses recognised	19,126	7,121	14,805	21,057
At the end of year/period	29,043	36,164	50,969	72,026

The table below details the credit risk exposures of the Company's other receivables and deposits paid which are subject to ECL assessment:

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at 31 December 2022			
12m ECL	8.22%	125,133	10,282
Lifetime ECL (credit-impaired)		—	—
		125,133	10,282
As at 31 December 2023			
12m ECL	7.76%	129,038	10,019
Lifetime ECL (credit-impaired)		—	—
		129,038	10,019
As at 31 December 2024			
12m ECL	6.33%	196,414	12,430
Lifetime ECL (credit-impaired)		—	—
		196,414	12,430
As at 30 September 2025			
12m ECL	6.29%	197,407	12,419
Lifetime ECL (credit-impaired)		—	—
		197,407	12,419

Movement in 12m ECL that has been recognised for other receivables and deposits of the Company paid are as follows:

	12m ECL
	RMB'000
As at 1 January 2022	7,790
Impairment losses recognised	2,492
As at 31 December 2022 and 1 January 2023	10,282
Impairment losses reversed	(263)
As at 31 December 2023 and 1 January 2024	10,019
Impairment losses recognised	2,411
As at 31 December 2024 and 1 January 2025	12,430
Impairment losses reversed	(11)
As at 30 September 2025	12,419

42. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities comprising the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the Track Record Period.

The Group monitors it capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debts (which included lease liabilities, redemption liabilities and borrowings) less cash and bank balances, capital comprises all components of equity and non-controlling interests.

Management of the Group regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts.

The Group's adjusted net debt-to-capital ratio was as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Borrowings	(94,802)	(23,077)	(24,043)	—
Lease liabilities	(108,318)	(111,351)	(94,042)	(101,006)
Redemption liabilities	(1,829,317)	—	—	—
Less: cash and bank balances	576,420	462,183	314,195	165,306
Adjusted net (debt)/cash	(1,456,017)	327,755	196,110	64,300
Capital	(1,445,537)	1,053,672	1,107,298	1,208,529
Adjusted net debt-to-capital	101%	N/A	N/A	N/A

43. FINANCIAL INSTRUMENTS

Categories of financial instruments

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets measured at amortised cost				
— Trade receivables *(Note 25)*	183,712	127,527	133,773	149,571
— Other receivables and deposits paid *(Note 27)*	6,835	11,137	10,296	6,740
— Restricted bank deposits *(Note 28)*	82,792	21,235	8,096	590
— Cash and bank balances *(Note 28)*	576,420	462,183	314,195	165,306
	849,759	622,082	466,360	322,207
Financial assets measured at FVOCI				
— Bills receivable *(Note 26)*	79,902	81,432	112,010	124,312
Financial assets at FVTPL	30,168	30,774	202,275	256,344

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Financial liabilities at amortised cost				
— Trade payables *(Note 29)*	95,795	58,630	77,594	83,537
— Bills payables *(Note 30)*	83,930	31,120	—	—
— Other payables and accrual, excluding salary and bonus payables and other tax payables *(Note 31)*	711,904	39,979	38,620	67,242
— Borrowing *(Note 34)*	94,802	23,077	24,043	—
— Refund liabilities *(Note 33)*	4,411	6,008	8,353	9,431
	990,842	158,814	148,610	160,210
Lease liabilities *(Note 35)*	108,318	111,351	94,042	101,006
Financial liabilities measured at FVTPL				
— Redemption liabilities *(Note 37)*	1,829,317	—	—	—

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets measured at amortised cost				
— Trade receivables *(Note 25)*	246,410	211,894	307,170	432,854
— Other receivables and deposits paid *(Note 27)*	114,851	119,019	183,984	184,988
— Restricted bank deposits *(Note 28)*	30,414	7,551	7,563	—
— Cash and bank balances *(Note 28)*	546,901	428,592	227,664	82,994
	938,576	767,056	726,381	700,836
Financial assets measured at FVOCI				
— Bills receivable *(Note 26)*	32,098	19,189	61,179	75,738
Financial assets at FVTPL	30,168	30,774	101,241	103,193

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Financial liabilities at amortised cost				
— Trade payables *(Note 29)*	173,346	91,843	213,925	362,738
— Bills payable *(Note 30)*	22,880	3,931	—	—
— Other payables and accrual, excluding salary and bonus payables and other tax payables *(Note 31)*	695,275	29,724	51,022	77,230
— Borrowing *(Note 34)*	56,119	23,077	24,043	—
— Refund liabilities *(Note 33)*	2,534	4,276	6,526	6,127
	950,154	152,851	295,516	446,095
Lease liabilities *(Note 35)*	17,845	11,213	9,783	7,267
Financial liabilities measured at FVTPL				
— Redemption liabilities *(Note 37)*	1,829,317	—	—	—

Financial risk management objectives and policies

The Group and the Company's major financial assets and liabilities include financial assets at FVTPL, trade receivable, bills receivables, other receivables and deposits, restricted bank deposits, cash and bank balances, trade payables, bills payable, other payables and accrual, refund liabilities, borrowings, redemption liabilities and lease liabilities. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group and the Company's activities expose it primarily to currency risk, interest rate risk and price risk. There has been no change in the Group's exposure to these risks or the manner in which it managed and measured the risks during each of the reporting period.

Currency risk

Several subsidiaries of the Company have foreign currency sales, capital expenditure and cash and bank balances, which expose the Group to foreign currency risk.

The subsidiaries are mainly exposed to foreign currency of United State Dollars ("**US$**"), Swiss Franc ("**CHF**") and Euro dollar ("**EUR**").

The Group and Company currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. The carrying amounts of the Group's foreign currency denominated monetary assets (trade and other receivables and cash and bank balances) and liabilities (trade and other payables) at the end of each reporting period are summarised as follows:

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
US$	714	458	3,256	1,195
EUR	41,566	34,575	27,526	31,506
	42,280	35,033	30,782	32,701

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Liabilities				
US$	24	7	66	—
EUR	13,808	15,687	11,403	17,407
CHF	22	—	—	115
	13,854	15,694	11,469	17,522

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
US$	560	458	3,256	505
EUR	—	34,575	27,526	—
	560	35,033	30,782	505

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Liabilities				
US$	24	—	—	—
EUR	13,808	454	332	711
CHF	22	—	—	—
	13,854	454	332	711

Sensitivity analysis

The following table details the Group's and the Company's sensitivity to a 5% increase and decrease in RMB against foreign currencies, the foreign currencies with which the Group may have a material exposure. 5% represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis uses outstanding foreign currency denominated monetary items as a base and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rate. A positive number below indicates a decrease in loss before tax and an increase in profit before tax where foreign currencies strengthen 5% against RMB. For a 5% weakening of foreign currencies against RMB, there would be an equal and opposite impact on (loss)/profit before tax.

Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Impact on (loss)/profit before tax				
US$	35	23	160	60
EUR	1,388	944	806	705
CHF	(1)	—	—	6

Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Impact on (loss)/profit before tax				
US$	27	23	160	25
EUR	(690)	1,706	1,360	(36)
CHF	(1)	—	—	—

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year/period end exposure does not reflect the exposure for the year/period during the Track Record Period.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to its restricted bank deposits, lease liabilities and fixed rate borrowings. No sensitivity analysis is presented as management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant given a change of bank deposit rate is limited.

Credit risk

As at 31 December 2022, 2023 and 2024 and as at 30 September 2025, the Group has concentration of credit risk as 32%, 17%, 14% and 16.2%, respectively, of the total trade receivable was due from the Group's largest customer. The Group's concentration of credit risk on the top five largest customers accounted for 65%, 53%, 63% and 67.7% of the total trade receivable as at 31 December 2022, 2023 and 2024 and as at 30 September 2025, respectively.

The Group expects that there is no significant credit risk associated with bank deposits since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

Liquidity risk

In the management of the liquidity risk, the Group monitor and maintain a level of cash and bank balances and banking facilities deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of each reporting period.

Group

	Effective interest rate	On demand or less than one year	One to two years	Two to five years	Over five years	Total undiscounted cash flows	Carrying amount
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2022							
Trade payables	N/A	95,795	—	—	—	95,795	95,795
Bills payable	N/A	83,930	—	—	—	83,930	83,930
Other payables and accrual *(note)*	N/A	711,904	—	—	—	711,904	711,904
Refund liabilities	N/A	4,411	—	—	—	4,411	4,411
Borrowings	1.15%–4.75%	73,083	—	24,563	—	97,646	94,802
Redemption liabilities	N/A	—	—	1,829,317	—	1,829,317	1,829,317
Lease liabilities	1.83%–4.75%	20,406	12,804	33,580	68,222	135,012	108,318
Total		989,529	12,804	1,887,460	68,222	2,958,015	2,928,477
As at 31 December 2023							
Trade payables	N/A	58,630	—	—	—	58,630	58,630
Bills payable	N/A	31,120	—	—	—	31,120	31,120
Other payables and accrual *(note)*	N/A	39,979	—	—	—	39,979	39,979
Refund liabilities	N/A	6,008	—	—	—	6,008	6,008
Borrowings	4.75%	—	24,563	—	—	24,563	23,077
Lease liabilities	1.83%–4.75%	20,263	17,975	35,924	65,016	139,178	111,351
Total		156,000	42,538	35,924	65,016	299,478	270,165
As at 31 December 2024							
Trade payables	N/A	77,594	—	—	—	77,594	77,594
Other payables and accrual *(note)*	N/A	38,620	—	—	—	38,620	38,620
Refund liabilities	N/A	8,353	—	—	—	8,353	8,353
Borrowings	4.75%	24,563	—	—	—	24,563	24,043
Lease liabilities	1.83%–4.75%	19,256	13,575	26,876	53,905	113,612	94,042
Total		168,386	13,575	26,876	53,905	262,742	242,652
As at 30 September 2025							
Trade payables	N/A	83,537	—	—	—	83,537	83,537
Other payables and accrual *(note)*	N/A	67,242	—	—	—	67,242	67,242
Refund liabilities	N/A	9,431	—	—	—	9,431	9,431
Lease liabilities	3.35%–4.75%	19,038	16,738	30,836	54,978	121,590	101,006
Total		179,248	16,738	30,836	54,978	281,800	261,216

Note: Excluding salary and bonus payables and other tax payables

Company

	Effective interest rate	On demand or less than one year	One to two years	Two to five years	Total undiscounted cash flows	Carrying amount
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2022						
Trade payables	N/A	174,346	—	—	174,346	174,346
Bills payable	N/A	22,880	—	—	22,880	22,880
Other payables and accrual *(note)*	N/A	695,275	—	—	695,275	695,275
Refund liabilities	N/A	2,534	—	—	2,534	2,534
Borrowings	1.15%–4.75%	34,215	—	24,563	58,778	56,119
Redemption liabilities	N/A	—	—	1,829,317	1,829,317	1,829,317
Lease liabilities	4.75%	8,488	3,952	9,223	21,663	17,845
Total		937,738	3,952	1,863,103	2,804,793	2,798,316
As at 31 December 2023						
Trade payables	N/A	91,843	—	—	91,843	91,843
Bills payable	N/A	3,931	—	—	3,931	3,931
Other payables and accrual *(note)*	N/A	29,724	—	—	29,724	29,724
Refund liabilities	N/A	4,276	—	—	4,276	4,276
Borrowings	4.75%	—	24,563	—	24,563	23,077
Lease liabilities	4.75%	3,952	3,805	5,417	13,174	11,213
Total		133,726	28,368	5,417	167,511	164,064
As at 31 December 2024						
Trade payables	N/A	213,925	—	—	213,925	213,925
Other payables and accrual *(note)*	N/A	51,022	—	—	51,022	51,022
Refund liabilities	N/A	6,526	—	—	6,526	6,526
Borrowings	4.75%	24,563	—	—	24,563	24,043
Lease liabilities	4.75%	5,724	3,652	1,766	11,142	9,783
Total		301,760	3,652	1,766	307,178	305,299
As at 30 September 2025						
Trade payables	N/A	362,738	—	—	362,738	362,738
Other payables and accrual *(note)*	N/A	77,230	—	—	77,230	77,230
Refund liabilities	N/A	6,127	—	—	6,127	6,127
Lease liabilities	4.75%	3,802	4,298	—	8,100	7,267
Total		449,897	4,298	—	454,195	453,362

Note: Excluding salary and bonus payables and other tax payables

Group

	31 December 2022	31 December 2023	31 December 2024	30 September 2025	Fair value hierarchy
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	
Financial assets					
Financial assets at FVTPL					
Wealth management products	30,168	30,774	202,275	256,344	Level 2
Financial assets at FVOCI					
Bills receivable	79,902	81,432	112,010	124,312	Level 3
Financial liabilities					
Financial liabilities at FVTPL					
Redemption liabilities	1,829,317	—	—	—	Level 3

Company

	31 December 2022	31 December 2023	31 December 2024	30 September 2025	Fair value hierarchy
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	
Financial assets					
Financial assets at FVTPL					
Wealth management products	30,168	30,774	101,241	103,193	Level 2
Financial assets at FVOCI					
Bills receivable	32,098	19,189	61,179	75,738	Level 3
Financial liabilities					
Financial liabilities at FVTPL					
Redemption liabilities	1,829,317	—	—	—	Level 3

There were no transfers between level during the Track Record Period.

Fair value measurement

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instrument with significant observable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation's findings to the directors every half-yearly to explain the causes of fluctuation in fair value.

(i) Fair value of the Group and the Company's financial assets that are measured at fair value on a recurring basis

This note provides information about how the Group and Company determines fair value of the following financial assets and financial liabilities that are measured at fair value on a recurring basis.

Group

	31 December 2022	31 December 2023	31 December 2024	30 September 2025	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*				
Financial assets								
Bills receivable	79,902	81,432	112,010	124,312	Level 3	Discounted cash flow	— Expected cash flows — Risk-adjusted discount rate	The estimated fair value would increase (decrease) if — the expected cashflows were higher (lower); or — the risk-adjusted discount rate were lower (higher)
Financial liabilities								
Redemption liabilities	1,829,317	—	—	—	Level 3	Back-solve method	— Risk-free interest rate — Volatility	The estimated fair value would increase (decrease) if — the risk-free interest rate were lower (higher); or — the volatility were higher (lower)

The sensitivity analysis on changes in fair value of the bills receivable is as follows:

A 5% decrease in expected cash flows while all other variables keep constant, would decrease the carrying amount as at 31 December 2022, 2023, 2024 and 30 September 2025 by RMB3,995,000, RMB4,072,000, RMB5,601,000 and RMB6,215,000, respectively. A 0.5% increase/decrease in risk-adjusted discount rate while all other variables keep constant, would not vary the carrying amount as at 31 December 2022, 2023, 2024 and 30 September 2025.

The sensitivity analysis on changes in fair value of the redemption liabilities is as follows:

A 5% increase/decrease in risk-free interest rate while all other variables keep constant, would decrease/increase the carrying amount as at 31 December 2022 by RMB102,000/RMB102,000. A 5% increase/decrease in volatility while all other variables keep constant, would decrease/increase the carrying amount as at 31 December 2022 by RMB422,000/RMB390,000.

Details of reconciliation of financial assets at FVOCI measured at Level 3 fair value measurement are set out as below:

	Year ended 31 December			Nine months ended 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January	69,562	79,902	81,432	112,010
Origination	333,505	626,883	490,247	455,278
Settlement	(323,165)	(625,353)	(459,669)	(442,976)
As at 31 December	79,902	81,432	112,010	124,312

Company

	31 December 2022	31 December 2023	31 December 2024	30 September 2025	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*				
Financial assets								
Bills receivable	32,098	19,189	61,179	75,738	Level 3	Discounted cash flow	— Expected cash flows — Risk-adjusted discount rate	The estimated fair value would increase (decrease) if — the expected cashflows were higher (lower); or — the risk-adjusted discount rate were lower (higher)
Financial liabilities								
Redemption liabilities	1,829,317	—	—	—	Level 3	Back-solve method	— Risk-free interest rate — Volatility	The estimated fair value would increase (decrease) if — the risk-free interest rate were lower (higher); or — the volatility were higher (lower)

The sensitivity analysis on changes in fair value of the bills receivable is as follows:

A 5% decrease in expected cash flows while all other variables keep constant, would decrease the carrying amount as at 31 December 2022, 2023, 2024 and 30 September 2025 by RMB1,605,000, RMB959,000, RMB3,059,000 and RMB3,787,000 respectively. A 0.5% increase/decrease in risk-adjusted discount rate while all other variables keep constant, would not vary the carrying amount as at 31 December 2022, 2023, 2024 and 30 September 2025.

The sensitivity analysis on changes in fair value of the redemption liabilities is as follows:

A 5% increase/decrease in risk-free interest rate while all other variables keep constant, would decrease/increase the carrying amount as at 31 December 2022 by RMB102,000/RMB102,000. A 5% increase/decrease in volatility while all other variables keep constant, would decrease/increase the carrying amount as at 31 December 2022 by RMB422,000/RMB390,000.

Details of reconciliation of financial assets at FVOCI measured at Level 3 fair value measurement are set out as below:

	Year ended 31 December			Nine months ended 30 September
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January	23,637	32,098	19,189	61,179
Origination	157,866	225,439	233,400	272,493
Settlement	(149,405)	(238,348)	(191,410)	(257,934)
As at 31 December	32,098	19,189	61,179	75,738

(ii) Fair value of financial assets and financial liabilities that are not measured at fair value

The directors of the Company consider that the carrying amount of the Group's and the Company's financial assets and financial liabilities recorded at amortised cost in the Historical Financial Information approximate to their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Borrowings	Lease liabilities	Redemption liabilities
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2022	137,627	96,706	504,534
Changes from cash flows:			
Proceeds from borrowings	224,100	—	—
Repayment of borrowings	(257,046)	—	—
Interest paid for borrowings and lease liabilities	(17,454)	(2,065)	—
Payment of principal element of lease liabilities	—	(10,033)	—
Proceed from redemption liabilities	—	—	70,000
Total changes from financing cash flows:	(50,400)	(12,098)	70,000

	Borrowings	Lease liabilities	Redemption liabilities
	RMB'000	*RMB'000*	*RMB'000*
Other changes:			
Interest expense on borrowings and lease liabilities	7,575	2,065	—
New lease	—	16,651	—
Modification	—	2,687	—
Fair value change on redemption liabilities	—	—	1,254,783
Exchange differences	—	2,307	—
Total other changes	7,575	23,710	1,254,783
As at 31 December 2022 and 1 January 2023	94,802	108,318	1,829,317
Changes from cash flows:			
Proceeds from borrowing	29,900	—	—
Repayment of borrowings	(101,953)	—	—
Interest paid for borrowings and lease liabilities	(941)	(2,835)	—
Payment of principal element of lease liabilities	—	(19,050)	—
Proceed from redemption liabilities	—	—	11,000
Total changes from financing cash flows:	(72,994)	(21,885)	11,000
Other changes:			
Interest expense on borrowings and lease liabilities	1,269	2,835	—
New of lease	—	4,666	—
Modification	—	12,369	—
Fair value change on redemption liabilities	—	—	47,747
Transfer from other payable and accrual	—	—	661,200
Transfer to share capital and capital reserve	—	—	(2,549,264)
Exchange differences	—	5,048	—
Total other changes	1,269	24,918	(1,840,317)
As at 31 December 2023	23,077	111,351	—

	Borrowings	Lease liabilities	Redemption liabilities
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	23,077	111,351	—

	Borrowings	Lease liabilities	Redemption liabilities
	RMB'000	*RMB'000*	*RMB'000*
Changes from cash flows:			
Interest paid for borrowings and lease liabilities	—	(2,445)	—
Payment of principal element of lease liabilities	—	(13,692)	—
Total changes from financing cash flows:	—	(16,137)	—
Other changes:			
Interest expense on borrowings and lease liabilities	966	2,445	—
Termination of lease	—	(36)	—
Exchange differences	—	(3,581)	—
Total other changes	966	(1,172)	—
As at 31 December 2024 and 1 January 2025	24,043	94,042	—
Changes from cash flows:			
Repayment of borrowings	(20,000)	—	—
Interest paid for borrowings and lease liabilities	(4,602)	(1,550)	—
Payment of principal element of lease liabilities	—	(12,134)	—
Total changes from financing cash flows:	(24,602)	(13,684)	—
Other changes:			
Interest expense on borrowings and lease liabilities	559	1,550	—
New lease	—	2,327	—
Modification	—	8,913	—
Termination of lease	—	(585)	—
Exchange differences	—	8,443	—
Total other changes	559	20,648	—
As at 30 September 2025	—	101,006	—

	Borrowings	Lease liabilities	Redemption liabilities
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2024	23,077	111,351	—
Changes from cash flows:			
Interest paid for borrowings and lease liabilities	—	(1,872)	—
Payment of principal element of lease liabilities	—	(10,106)	—
Total changes from financing cash flows:	—	(11,978)	—
Other changes:			
Interest expense on borrowings and lease liabilities	723	1,872	—
Exchange differences	—	(457)	—
Total other changes	723	1,415	—
As at 30 September 2024 (unaudited)	23,800	100,788	—

45. CAPITAL COMMITMENTS

The Group has capital commitments under non-cancellable contracts as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Acquisition of property, plant and equipment	37,277	17,123	15,070	15,584
Acquisition of intangible assets	—	221	899	899
	37,277	17,344	15,969	16,483

46. RELATED PARTY TRANSACTION AND BALANCES

The related parties of the Group during the Track Record Period are as follows:

Names of related parties	Relationship
Julong Co., Ltd. *(note (ii))*	Then shareholder
Anhui Saizhi Bole Private Equity Fund Management Co., Ltd.	Shareholder
Bengbu Lesi	Shareholder

Note:

(i) The English names of the related parties registered in the PRC mentioned above represent the best efforts made by management of the Company to translate their Chinese names as they do not have official English names.

(ii) As at 14 October 2022, the then shareholder ceased to be the shareholder of the Company.

In addition to the transactions and balances disclosed in Note 29(a), 31(b) and 34(e) to the Historical Financial Information, the Group had the following significant transactions and balances with related parties during the Track Record Period:

(a) Related party transactions:

(i) Sales of current sensor

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
A then shareholder of the Company	925	—	—	—	—
Associate	—	—	—	—	35
	925	—	—	—	35

(ii) Interest expense on amount due to a director

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
A director of the Company	629	96	—	—	—
	629	96	—	—	—

(b) Related party balances:

As at the end of each reporting period, the Group had balances with related parties as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivable				
Associate	—	—	—	40
Other receivable and deposit paid				
Shareholders				
— Non-trade balances *(note (a))*	500	—	—	—
Key management personnel				
— Non-trade balances *(note (b))*	1,559	126	88	—
	2,059	126	88	40

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Due to:				
Shareholder				
— Non-trade balances *(note (a))*	2,618	2,618	2,618	—
	2,618	2,618	2,618	—

Notes:

(a) During the year ended 31 December 2022, 2023 and 2024, the amount due from and due to shareholders is interest free, unsecured and repayment on demand.

(b) During the Track Record Period, the amount due from key management personnel is interest free, unsecured and repayment on demand.

(c) Compensation of key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of the directors of the Company and other members of key management of the Group during the Track Record Period were as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Directors' fee, salaries, bonus and other benefits.	3,159	4,529	5,603	3,900	4,113
Retirement benefit scheme contributions.	130	156	174	129	133
Share-based payment	45	397	823	590	700
	3,334	5,082	6,600	4,619	4,946

Note: The remuneration of key management is determined with reference to the performance of the individuals and market trends.

47. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries have been prepared in respect of any period subsequent to 30 September 2025.

48. EVENT AFTER THE REPORT PERIOD

[Saved as disclosed elsewhere in the Historical Financial Information, no material subsequent events undertaken by or impacted on the Group or the Company subsequent to 30 September 2025 and up to the date of this report.]