The following is the text of a report set out on pages I-1 to I-[●], received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

KPMG

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF WYBOTICS CO.,LTD (天津望圓智能科技股份有限公司) AND CHINA SECURITIES (INTERNATIONAL) CORPORATE FINANCE COMPANY LIMITED

Introduction

We report on the historical financial information of WYBOTICS Co.,LTD (天津望圓智能科技股份有限公司) (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-[●], which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024 and 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 each of the years ended December 31, 2023, 2024 and 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-3 to I-[●] 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 [**REDACTED**] of the Company on the [**REDACTED**] of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

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

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 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 purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at December 31, 2023, 2024 and 2025, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

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

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to Note 25(d) to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

[Date]

HISTORICAL FINANCIAL INFORMATION

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Expressed in Renminbi ("RMB"))

		Year ended December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*4*	377,950	543,535	812,202
Cost of sales		(160,735)	(228,272)	(301,079)
Gross profit		217,215	315,263	511,123
Other net income	*5*	12,873	5,767	10,610
Selling and marketing expenses		(97,186)	(173,820)	(302,519)
Administrative expenses		(43,033)	(39,844)	(62,718)
Research and development expenses		(19,343)	(22,106)	(30,421)
Impairment losses recognised on trade receivables and other receivables, net		(2,776)	(1,869)	(2,700)
Profit from operations		67,750	83,391	123,375
Finance costs	*6(a)*	(124)	(231)	(370)
Changes in carrying amount of redemption liabilities	*23*	–	–	(6,488)
Profit before taxation	*6*	67,626	83,160	116,517
Income tax	*7(a)*	(6,777)	(12,650)	(16,106)
Profit for the year		60,849	70,510	100,411
Other comprehensive income for the year (after tax):				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of financial statements of overseas subsidiaries		(3,887)	1,760	287
Total comprehensive income for the year		56,962	72,270	100,698
Earnings per share (RMB)				
Basic and Diluted	*10*	1.07	1.24	1.81

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in RMB)

	Note	At December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	50,853	53,244	60,833
Right-of-use assets	*12*	24,506	24,629	22,351
Intangible assets		1,592	2,059	2,321
Deferred tax assets	*24(b)*	5,060	5,420	6,060
Other non-current assets	*13*	3,109	5,202	870
		85,120	90,554	92,435
Current assets				
Inventories	*14*	119,960	202,162	281,668
Trade receivables	*15*	63,722	105,761	140,905
Prepayments, deposits and other receivables	*16*	7,114	30,783	39,093
Income tax recoverable	*24(a)*	242	–	–
Financial assets measured at fair value through profit or loss ("FVTPL")	*26(e)*	10,362	–	–
Restricted deposits	*17*	157	1,248	4,394
Cash and cash equivalents	*17*	254,150	253,568	360,537
		455,707	593,522	826,597
Current liabilities				
Trade and bills payables	*18*	49,837	114,781	115,400
Other payables, accruals and provision	*19*	22,085	24,042	44,555
Contract liabilities	*20*	6,208	3,666	6,428
Lease liabilities	*22*	709	1,847	5,665
Redemption liabilities	*23*	–	–	456,950
Income tax payable	*24(a)*	308	5,912	5,846
		79,147	150,248	634,844
Net current assets		376,560	443,274	191,753
Total assets less current liabilities		461,680	533,828	284,188
Non-current liabilities				
Lease liabilities	*22*	4,131	3,990	12,342
Deferred income		1,455	1,414	2,496
Deferred tax liabilities	*24(b)*	1,302	965	1,539
		6,888	6,369	16,377
NET ASSETS		454,792	527,459	267,811
CAPITAL AND RESERVES				
Share capital	*25(b)*	57,000	57,000	62,523
Reserves		397,792	470,459	205,288
TOTAL EQUITY		454,792	527,459	267,811

The accompanying notes form part of the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in RMB)

	Note	At December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	50,167	52,287	60,288
Right-of-use assets	*12*	4,741	4,374	9,602
Intangible assets		1,592	2,059	2,321
Other non-current assets	*13*	3,109	5,202	347
Investments in subsidiaries	*1*	32,625	32,625	32,625
		92,234	96,547	105,183
Current assets				
Inventories	*14*	84,179	137,222	137,103
Trade receivables	*15*	133,334	252,169	354,054
Prepayments, deposits and other receivables	*16*	8,882	25,132	37,857
Income tax recoverable		242	–	–
Financial assets measured at FVTPL	*26(e)*	10,362	–	–
Restricted deposits	*17*	4	383	580
Cash and cash equivalents	*17*	223,935	189,428	252,488
		460,938	604,334	782,082
Current liabilities				
Trade and bills payables	*18*	48,724	109,810	108,948
Other payables, accruals and provision	*19*	18,439	19,185	23,273
Contract liabilities	*20*	6,208	3,666	6,235
Lease liabilities		253	206	1,875
Redemption liabilities	*23*	–	–	456,950
Income tax payable		–	5,436	3,732
		73,624	138,303	601,013
Net current assets		387,314	466,031	181,069
Total assets less current liabilities		479,548	562,578	286,252
Non-current liabilities				
Lease liabilities		206	–	3,642
Deferred income		1,455	1,417	2,496
Deferred tax liabilities		1,302	965	1,539
		2,963	2,382	7,677
NET ASSETS		476,585	560,196	278,575
CAPITAL AND RESERVES	*25*			
Share capital		57,000	57,000	62,523
Reserves		419,585	503,196	216,052
TOTAL EQUITY		476,585	560,196	278,575

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in RMB)

	Share capital	Capital reserve	Statutory reserves	Other reserve	Exchange reserve	Retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 25(b))	*(Note 25(c)(i))*	*(Note 25(c)(ii))*	*(Note 25(c)(iii))*	*(Note 25(c)(iv))*		
Balance at January 1, 2023	57,000	232,501	10,487	3,424	95	89,694	393,201
Changes in equity for 2023:							
Profit for the year	–	–	–	–	–	60,849	60,849
Other comprehensive income	–	–	–	–	(3,887)	–	(3,887)
Total comprehensive income	–	–	–	–	(3,887)	60,849	56,962
Equity-settled share-based transactions *(Note 21)*	–	4,629	–	–	–	–	4,629
Appropriation to reserves	–	–	7,792	–	–	(7,792)	–
Balance at December 31, 2023 and January 1, 2024	57,000	237,130	18,279	3,424	(3,792)	142,751	454,792
Changes in equity for 2024:							
Profit for the year	–	–	–	–	–	70,510	70,510
Other comprehensive income	–	–	–	–	1,760	–	1,760
Total comprehensive income	–	–	–	–	1,760	70,510	72,270
Equity-settled share-based transactions *(Note 21)*	–	397	–	–	–	–	397
Appropriation to reserves	–	–	8,321	–	–	(8,321)	–
Balance at December 31, 2024 and January 1, 2025	57,000	237,527	26,600	3,424	(2,032)	204,940	527,459
Changes in equity for 2025:							
Profit for the year	–	–	–	–	–	100,411	100,411
Other comprehensive income	–	–	–	–	287	–	287
Total comprehensive income	–	–	–	–	287	100,411	100,698
Equity-settled share-based transactions *(Note 21)*	–	11,083	–	–	–	–	11,083
Appropriation to reserves	–	–	4,661	–	–	(4,661)	–
Dividend approved in respect of the previous years *(Note 25(d))*	–	–	–	–	–	(62,000)	(62,000)
Capital contributions	5,523	135,510	–	–	–	–	141,033
Recognition of redemption liabilities *(Note 23)*	–	–	–	(450,462)	–	–	(450,462)
Balance at December 31, 2025	62,523	384,120	31,261	(447,038)	(1,745)	238,690	267,811

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in RMB)

		Year ended December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Profit before taxation		67,626	83,160	116,517
Adjustments for:				
Depreciation	*6(c)*	7,814	9,669	12,630
Amortisation	*6(c)*	338	480	567
Impairment losses recognised on trade receivables	*6(c)*	2,751	1,752	2,436
Impairment losses recognised on prepayments, deposits and other receivables	*6(c)*	25	117	264
Finance costs	*6(a)*	124	231	370
Loss/(gain) on disposal of property, plant and equipment and right-of-use assets	*5*	56	56	(2,349)
Changes in fair value of financial assets measured at FVTPL	*5*	(934)	(189)	(594)
Equity-settled share-based payment expenses	*6(b)*	4,629	397	11,083
Changes in the carrying amount of redemption liabilities	*23*	–	–	6,488
Changes in working capital:				
Increase in inventories		(21,524)	(82,202)	(79,506)
Increase in trade receivables		(46,154)	(43,789)	(37,611)
Decrease/(increase) in prepayments, deposits and other receivables		6,727	(19,210)	(4,405)
Increase in trade and bills payables		35,964	64,944	619
Increase in restricted deposits		(150)	(1,091)	(3,146)
Increase/(decrease) in contract liabilities		3,608	(2,542)	2,762
(Decrease)/increase in deferred income		(38)	(41)	1,082
Increase in other payables, accruals and provision		230	2,260	23,856
Cash generated from operations		61,092	14,002	51,063
Income tax paid		(20,784)	(7,501)	(16,238)
Net cash generated from operating activities		40,308	6,501	34,825

The accompanying notes form part of the Historical Financial Information.

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Investing activities				
Payments for purchase of property, plant and equipment, intangible assets and land use rights		(18,485)	(14,214)	(16,284)
Proceeds from disposal of property, plant and equipment and right-of-use assets		31	2	17,050
Payment for purchase of financial assets measured at FVTPL		–	(210,000)	(87,500)
Proceeds from redemption of financial assets measured at FVTPL		106,498	220,551	88,094
Net cash generated/(used in) from investing activities		88,044	(3,661)	1,360
Financing activities				
Net proceeds from capital contribution	*25(b)*	–	–	141,033
Proceeds from bank loans	*17(b)*	–	–	20,000
Repayment of bank loans	*17(b)*	–	–	(20,000)
Interest on bank loans paid	*17(b)*	–	–	(77)
Dividends paid to the Company's shareholders	*25(d)*	–	–	(62,000)
Capital element of lease rentals paid	*17(b)*	(463)	(1,387)	(2,986)
Interest element of lease rentals paid	*17(b)*	(124)	(231)	(293)
Prepayments in connection with the proposed [**REDACTED**] of the Company's [**REDACTED**]		[REDACTED]	[REDACTED]	[REDACTED]
Net cash (used in)/generated from financing activities		(587)	(3,967)	71,327
Net increase/(decrease) in cash and cash equivalents		127,765	(1,127)	107,512
Cash and cash equivalents at January 1		124,714	254,150	253,568
Effect of foreign exchange rate changes		1,671	545	(543)
Cash and cash equivalents at December 31	*17(a)*	254,150	253,568	360,537

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

(Expressed in RMB)

1 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

WYBOTICS Co.,LTD (天津望圓智能科技股份有限公司, the "Company") was established in the People's Republic of China (the "PRC") on December 23, 2005 as a limited liability company under the laws of the PRC and was converted into a joint stock limited liability company on December 31, 2021.

The Company and its subsidiaries (together, the "Group") are principally engaged in research, design, manufacture and marketing of robotic pool cleaners. As at the date of this report, the Company has direct or indirect interests in the following principal subsidiaries, all of which are private companies:

Company name	Place of establishment and business and date of establishment	Particulars of paid-up capital	Held by the Company	Principal activity
WYBOTICS EUROPE *(Note (i))*	France September 8, 2022	Euro ("EUR") 500,000	100%	Wholesale, retail, import and export and after-sales services of swimming pool robots and products related to swimming pools, sports and wellness-enhancing recreational activities
Wybotics Inc. *(Note (i))*	The United States of America (the "USA") September 12, 2022	United States Dollar ("US$") Nil	100%	Marketing and after sale service
WYBOTICS HONGKONG COMPANY LIMITED *(Note (ii))*	Hong Kong September 28, 2022	Hong Kong Dollar ("HK$") 10,330,000	100%	Sales, research and development and road transportation of swimming pool cleaning robots
Dulwich Electronic Commerce Inc. *(Note (i))*	The United States of America (the "USA") February 28, 2024	United States Dollar ("US$") Nil	100%	Research and development and sale of swimming pool robots

Notes:

(i) No audited financial statements for the years ended December 31, 2023, 2024 and 2025 of these entities have been issued.

(ii) The statutory financial statements of this entity for the period from September 28, 2022 (date of incorporation) to December 31, 2023 were audited by WOCP CPA Limited, Certified Public Accountants (Practising) and the statutory financial statements of this entity for the year ended December 31, 2024 were audited by ASIA PACIFIC BUSINESS CPA LIMITED, Certified Public Accountants. The financial statements of this entity were prepared in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants and in compliance with the Hong Kong Companies Ordinance. No audited financial statements have been issued for this entity for the year ended December 31, 2025.

(iii) The statutory financial statements of the Company for the years ended December 31, 2023 and 2024 were audited by Tianjin Henghui United Certified Public Accountants. The financial statements of the Company were prepared in accordance with the Accounting Standards for Business Enterprises applicable to the enterprises in the PRC. No audited financial statements have been issued for the year ended December 31, 2025.

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

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB"). Further details of the material accounting policy information adopted are set out in Note 2.

The IASB has issued a number of new and revised accounting standards. For the purpose of preparing this Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards throughout the Track Record Period, except for any new or revised standards that are not yet effective for the accounting period beginning on January 1, 2025. The new and revised accounting standards issued but not yet effective for the accounting year beginning on January 1, 2025 are set out in Note 31.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

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

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis except that the financial assets measured at FVTPL are stated at their fair value as set out in Note 2(d).

(b) Use of estimates and judgments

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing 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 the revision affects both current and future periods.

Judgments made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(d) Investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVTPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 26(e). These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

– amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see Note 2(s)(ii)), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

– fair value through other comprehensive income ("FVOCI")—recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in other comprehensive income. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

– FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVTPL, unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVOCI, are recognised in profit or loss as other income.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses (see Note 2(h)(ii)):

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives are as follows:

– Plant and buildings	30 years
– Machinery and equipment	10 years
– Electronic equipment and other equipment	5-8 years
– Plant improvements	2-3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) Intangible assets

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the resulting asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, including patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see Note 2(h)(ii)).

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

– Patents and trademarks	10-20 years
– Software and others	3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

Where the contracts contain lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less and leases of low-value items. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(e) and 2(h)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see Notes 2(d) and 2(h)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statements of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("ECL"s) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls of fixed-rate financial assets, trade receivables, deposits and other receivables are discounted using the effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments (including loan commitments issued) for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default;

– the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, 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 of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(s)(i)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(k)).

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see Note 2(h)(i)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL (see Note 2(h)(i)).

(m) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(u).

(o) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured at the fair value of the shares granted at the grant dates. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(p) Redemption liabilities

A contract that contains an obligation for the Company to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability for the redemption amount, even if the Company's obligation to purchase is conditional on the counterparty exercising its right to redeem. The redemption liability is measured at the highest redemption amount (on a present value basis) the Company could be required to pay from time to time. Any change in the carrying amount of the redemption liability arising from the remeasurement of the redemption amount is recognised in profit or loss. The then carrying amount of the redemption liability is reclassified to equity upon a termination of the counterparty' redemption right.

The redemption liability is classified as current as the Company does not have an unconditional right to defer payments beyond 12 months from the reporting date.

(q) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

– temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

– temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(r) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

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, whose existence 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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

Revenue is recognised when control over a product is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

– *Sale of goods*

Revenue is recognised when the customer takes possession of and accepts the products. Payment terms and conditions vary by customers and are based on the billing schedule established in the contracts or purchase orders with customers.

The Group typically offers customers of robotic pool cleaner that are not made-to-order rights of return for a period of 30 days upon customer acceptance. Such rights of return give rise to variable consideration. The Group uses an expected value approach to estimate variable consideration based on the Group's current and future performance expectations and all information that is reasonably available. This estimated amount is included in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. At the time of sale of robotic pool cleaner, the Group recognises revenue after taking into account adjustment to transaction price arising from returns as mentioned above. A refund liability is recognised for the expected returns, and is included in other payables, accruals and provision (see Note 19). A right to recover returned goods (included in Prepayments, deposits and other receivables, see Note 16) and corresponding adjustment to cost of sales are also recognised for the right to recover products from customers. This right to recover returned goods is measured at the former carrying amount of the inventory less any expected costs to recover goods (including potential decreases in the value of the returned goods).

If the products are a partial fulfilment of a contract covering other goods then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods promised under the contract on a relative stand-alone selling price basis.

The Group offers warranties for its products for 12 to 24 months from the date of sale. A related provision is recognised in accordance with the policy set out in Note 2(r).

The Group 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 of financing is 12 months of less. The Group's sales contracts had an original expected duration of one year or less, the Group has not disclosed the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations in accordance with paragraph 121 of IFRS 15. The Group has recognised the incremental costs of obtaining sale contracts as an expense as incurred in accordance with paragraph 94 of IFRS 15 as the amortisation period of the assets that the Group otherwise would have recognised is within one year.

(ii) Other income

– *Interest income*

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

– *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are recognised as deferred income and subsequently recognised in profit or loss on a systematic basis over the useful life of the asset.

(t) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of foreign operations are translated into Renminbi at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Renminbi at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the exchange reserve.

(u) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(v) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGMENT AND ESTIMATES

Note 26(e) contain information about the assumptions and their risk factors relating to fair value of financial instruments. Other significant sources of estimation uncertainty and accounting judgments are as follows:

(i) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. These estimates are based on current market conditions and historical experience of distributing and selling products of a similar nature. They could change significantly as a result of changes in market conditions. Management reassess the estimations at each end of the reporting period.

(ii) Expected credit losses for receivables

The credit losses for trade and other receivables are based on assumptions about the expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, which are based on the Group's past collection history and existing market conditions. For details of the key assumptions and inputs used, see Note 26(a). Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional loss allowances in future periods.

(iii) Warranty provisions

As explained in Note 19, the Group makes provisions under the warranties it gives on sale of its products taking into account the Group's recent claim experience. As the Group is continually upgrading its product designs and launching new models it is possible that the recent claim experience is not indicative of future claims that it will receive in respect of past sales. Any increase or decrease in the provision would affect profit or loss in future years.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in the research, design, manufacture and marketing of robotic pool cleaners. All of the revenue of the Group is recognised at a point in time. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers within the scope of IFRS 15 by major products is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Sales under ODM (Original Design Manufacturer) model	117,551	133,516	127,088
Sales of branded products	253,765	393,332	677,948
Sales of accessories	6,634	16,687	7,166
	377,950	543,535	812,202

During the Track Record Period, there were no customers which individually contributed more than 10% of total revenue of the Group. Details of concentrations of credit risk of the Group are set out in Note 26(a).

(b) Segment reporting

The Group manages its businesses by products. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- ODM: this segment includes primarily the manufacture and sale of original design robotic pool cleaner.
- Branded products: this segment includes primarily the manufacture and sale of original brand robotic pool cleaner.
- Accessories: this segment includes the sale of accessories of robotic pool cleaner.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments during normal operations. The measure used for reporting segment result is gross profit. No inter-segment sales have occurred for the respective years. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's other operating income and expenses, such as other net income and selling and administrative expenses, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance during the Track Record Period is set out below.

	Year ended December 31, 2023			
	ODM	Branded products	Accessories	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	117,551	253,765	6,634	377,950
Reportable segment gross profit	52,194	160,787	4,234	217,215

	Year ended December 31, 2024			
	ODM	Branded products	Accessories	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	133,516	393,332	16,687	543,535
Reportable segment gross profit	67,724	237,383	10,156	315,263

	Year ended December 31, 2025			
	ODM	Branded products	Accessories	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	127,088	677,948	7,166	812,202
Reportable segment gross profit	63,462	442,282	5,379	511,123

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets and other non-current assets ("specified non-current assets"). For offline sales, the geographical location of customers is based on the location at which the goods were delivered, for online sales, geographic markets are identified by the country or region of the platform where the sales took place. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of right-of-use assets and property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets.

Revenues from external customers

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The PRC (place of domicile)	38,624	19,865	56,215
The USA	177,267	227,216	330,995
France	49,856	50,999	102,095
Spain	16,635	55,878	70,001
Germany	29,322	47,794	85,955
Other countries	66,246	141,783	166,941
	377,950	543,535	812,202

Specified non-current assets

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The PRC	75,217	78,670	72,685
France	4,843	6,464	5,160
The USA	–	–	8,530
	80,060	85,134	86,375

5 OTHER NET INCOME

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	2,226	2,556	1,511
Interest income	3,137	3,390	1,877
Net foreign exchange gain/(loss)	6,172	(33)	4,841
Changes in fair value of financial assets measured at FVTPL	934	189	594
(Loss)/gain on disposal of property, plant and equipment and right-of-use assets	(56)	(56)	2,349
Others	460	(279)	(562)
	12,873	5,767	10,610

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest expenses on bank loans	–	–	77
Interest expenses on lease liabilities	124	231	293
	124	231	370

(b) Staff costs

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, wages and other benefits	54,344	66,656	96,392
Contributions to defined contribution retirement plan	3,820	4,451	5,932
Equity-settled share-based payment expenses *(Note 21)*	4,629	397	11,083
	62,793	71,504	113,407

Employees of the Group in Chinese Mainland are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's entities in Chinese Mainland contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

Overseas subsidiaries of the Group are subject to the statutory enterprise contribution retirement scheme under the laws of the respective jurisdictions.

Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution. The Group has no further obligation for payment of other retirement benefits beyond the above contributions.

(c) Other items

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amortisation of intangible assets	338	480	567
Depreciation charge			
– property, plant and equipment	6,338	7,409	9,380
– right-of-use assets	1,476	2,260	3,250
Impairment losses recognised			
– trade receivables	2,751	1,752	2,436
– prepayments, deposits and other receivables	25	117	264
Professional service costs in connection with the proposed initial listing of the Company's A shares	7,393	–	–

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Professional service costs in connection with the proposed [**REDACTED**] of the Company's [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
Auditors' remuneration			
– audit services	–	45	54
Cost of inventories *(Note (i))*	160,734	228,227	300,830

Note:

(i) Cost of inventories includes RMB19,121,000, RMB21,266,000 and RMB26,582,000 for the years ended December 31, 2023, 2024 and 2025 respectively relating to staff costs and depreciation expenses, which amounts are also included in the respective amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statements of profit or loss and other comprehensive income represent:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current tax ***(Note 24(a))***			
Provision for the year	11,593	13,347	16,172
Deferred tax ***(Note 24(b))***			
Reversal of temporary differences	(4,816)	(697)	(66)
	6,777	12,650	16,106

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit before taxation	67,626	83,160	116,517
Tax at the PRC corporate income tax rate of 25% *(Note (i))*	16,906	20,790	29,129
Tax effects of:			
– preferential tax rate *(Note (ii))*	(7,136)	(6,497)	(6,910)
– additional deduction on research and development expenses *(Note (ii))*	(4,289)	(5,155)	(6,601)
– different tax rates of foreign jurisdictions *(Note (iii))*	(93)	1,394	(1,503)
– non-deductible expenses	1,203	175	3,891
– tax-exempt income	(149)	(341)	(891)
– tax losses and deductible temporary difference not recognised	335	2,284	6
– Tax effect of utilisation of unused tax losses not recognised in prior years	–	–	(1,015)
Tax expense	6,777	12,650	16,106

Notes:

(i) The Company and the subsidiaries of the Group established in the PRC (excluding Hong Kong SAR) are subject to the PRC Corporate Income Tax rate of 25% during the Track Record Period.

(ii) Under the PRC Income Tax Laws, an enterprise which qualifies as a High and New Technology Enterprise ("HNTE") is entitled to a preferential tax rate of 15% provided it continues to meet HNTE qualification standards on an annual basis. The Company qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2022 to 2027.

In addition to the preferential PRC Corporate Income Tax rate, the Company is also entitled to an additional tax-deductible allowance calculated at 100% of the qualified research and development costs incurred during the Track Record Period.

(iii) Wybotics Inc. is subject to U.S. corporate income tax on its taxable income at 21% federal corporate income tax rate and other relevant states tax rate at a maximum of 9.5% during the Track Record Period.

WYBOTICS EUROPE is subject to corporate income tax of France on its taxable income at a rate of up to 25% during the Track Record Period.

WYBOTICS HONGKONG COMPANY LIMITED is under the two-tiered profits tax rate regime, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% during the Track Record Period.

(iv) The Group does not expect to have any material Pillar Two tax exposure (including current tax) arising in these tax jurisdictions during the years ended December 31, 2024 and 2025.

8 DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of emoluments of directors and supervisors of the Company during the Track Record Period are as follows:

	Year ended December 31, 2023						
	Directors' and Supervisors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Subtotal	Share-based payments *(note (iv))*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Ms. Fu Guilan (Chairman)	–	559	100	–	659	410	1,069
Mr. Yu Qian	–	533	80	43	656	6	662
Mr. Li Hui	–	363	77	46	486	257	743
Mr. Cen Pu	–	341	30	38	409	257	666
Non-executive directors							
Mr. Yu Jincheng	–	–	–	–	–	–	–
Mr. Wang Jian	–	–	–	–	–	–	–
Independent non-executive directors							
Mr. Fan Shuncheng	100	–	–	–	100	–	100
Mr. Wang Lianen	100	–	–	–	100	–	100
Ms. Duan Yong	100	–	–	–	100	–	100
Supervisors							
Mr. Zhang Juntao	–	–	–	–	–	–	–
Ms. Liu Yingxue	–	147	9	19	175	–	175
Mr. Shi Chao	–	117	8	13	138	–	138
	300	2,060	304	159	2,823	930	3,753

	Year ended December 31, 2024						
	Directors' and Supervisors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Subtotal	Share-based payments *(note (iv))*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Ms. Fu Guilan (Chairman)	–	600	–	–	600	421	1,021
Mr. Yu Qian	–	547	20	47	614	5	619
Mr. Li Hui	–	365	39	48	452	282	734
Mr. Cen Pu	–	338	39	32	409	282	691
Non-executive directors							
Mr. Yu Jincheng	–	–	–	–	–	–	–
Mr. Wang Jian	–	–	–	–	–	–	–
Independent non-executive directors							
Mr. Fan Shuncheng	100	–	–	–	100	–	100
Mr. Wang Lianen	100	–	–	–	100	–	100
Ms. Duan Yong	100	–	–	–	100	–	100
Supervisors							
Mr. Zhang Juntao	–	–	–	–	–	–	–
Ms. Liu Yingxue	–	150	17	19	186	–	186
Mr. Shi Chao	–	124	10	13	147	–	147
	300	2,124	125	159	2,708	990	3,698

	Year ended December 31, 2025						
	Directors' and Supervisors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Subtotal	Share-based payments *(note (iv))*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Ms. Fu Guilan (Chairman)	–	600	20	–	620	–	620
Mr. Yu Qian	–	550	80	48	678	14	692
Mr. Li Hui	–	354	109	32	495	1,018	1,513
Mr. Cen Pu	–	411	109	48	568	636	1,204
Non-executive directors							
Mr. Yu Jincheng *(Note (ii))*	–	–	–	–	–	–	–
Mr. Wang Jian *(Note (ii))*	–	–	–	–	–	–	–
Mr. Xiong Weibing *(Note (ii))*	–	–	–	–	–	–	–
Mr. Wang Shouwen *(Note (iii))*	–	–	–	–	–	–	–
Mr. Cai Guoqing *(Note (iii))*	–	–	–	–	–	–	–
Independent non-executive directors							
Mr. Fan Shuncheng *(Note (ii))*	25	–	–	–	25	–	25
Mr. Wang Lianen	100	–	–	–	100	–	100
Ms. Duan Yong	100	–	–	–	100	–	100
Ms. Xu Jiayuan *(Note (ii))*	85	–	–	–	85	–	85

	Year ended December 31, 2025						
	Directors' and Supervisors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Subtotal	Share-based payments *(note (iv))*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Supervisors							
Mr. Zhang Juntao	–	–	–	–	–	–	–
Ms. Liu Yingxue *(Note (ii))*	–	66	26	6	98	11	109
Mr. Shi Chao *(Note (ii))*	–	42	8	4	54	–	54
Ms. Wang Chunxiang *(Note (ii))*	–	81	9	12	102	–	102
Mr. Su Li (Note *(ii)*)	–	97	9	13	119	–	119
	310	2,201	370	163	3,044	1,679	4,723

Notes:

(i) During the Track Record Period, no emoluments were paid by the Group to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office. There was no arrangement under which a director or supervisor waived or agreed to waive any remuneration during the Track Record Period.

(ii) Wang Jian, Yu Jincheng, Fan Shuncheng, Liu Yingxue and Shi Chao resigned on April 16, 2025. Xiong Weibing, Xu Jiayuan, Wang Chunxiang and Su Li were appointed as non-executive director, independent non-executive director, supervisor and supervisor of the Company, respectively, on April 16, 2025.

(iii) Wang Shouwen and Cai Guoqing were appointed as non-executive directors of the Company on September 19, 2025.

(iv) These represent the estimated value of restricted share granted to middle and senior management personnel. The value of these share is measured according to the Group' accounting policies for share-based payments as set out in note 2(o)(ii).

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, 2, 1 and 1 are directors for the years ended December 31, 2023, 2024 and 2025, respectively, whose emoluments are disclosed in Note 8.

The aggregate of the emoluments in respect of the remaining individuals during the Track Record Period are as followings:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	2,002	2,739	3,339
Discretionary bonuses	294	244	550
Share-based payments	1,029	1,227	3,696
Retirement scheme contributions	143	149	210
	3,468	4,359	7,795

The number of the individuals who are not directors and who are amongst the five highest paid individuals of the Group are within the following bands:

	Year ended December 31,		
	2023	2024	2025
	Number of individuals	*Number of individuals*	*Number of individuals*
Nil – HK$1,000,000	1	2	–
HK$1,000,001 – HK$1,500,000	2	2	–
HK$1,500,001 – HK$2,000,000	–	–	2
HK$2,000,001 – HK$3,000,000	–	–	2

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the following profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue, calculated as follows:

(i) Profit for the year attributable to ordinary equity shareholders of the Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit for the year attributable to all equity shareholders of the Company	60,849	70,510	100,411
Allocation of profit for the year attributable to ordinary shares with redemption right *(Note 23)*	–	–	(3,525)
Profit for the year attributable to ordinary equity shareholders of the Company	60,849	70,510	96,886

(ii) Weighted average number of ordinary shares

	Year ended December 31,		
	2023	2024	2025
	'000	*'000*	*'000*
Issued ordinary shares at January 1	57,000	57,000	57,000
Effect of ordinary shares issued *(Note 25(b))*	–	–	1,672
Effect of ordinary shares with redemption right *(Note 23)*	–	–	(5,111)
Weighted average number of ordinary shares at December 31	57,000	57,000	53,561

(b) Diluted earnings per share

Ordinary shares with redemption right (Note 23) were not included in the calculation of diluted earnings per share as their inclusion would have been anti-dilutive. Accordingly, diluted earnings per share for each year during the years ended 31 December 2023, 2024 and 2025 are were the same as basic earnings per share for the respective years.

11 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

The Group

	Plant and buildings	Machinery and equipment	Electronic equipment and other equipment	Construction in progress	Plant improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:						
At January 1, 2023	25,798	17,999	15,195	351	1,104	60,447
Additions	–	873	2,440	8,565	–	11,878
Transfer in/(out)	–	308	7,479	(7,787)	–	–
Disposals	–	(56)	(445)	–	–	(501)
Exchange adjustment	–	5	8	–	–	13
At December 31, 2023 and January 1, 2024	25,798	19,129	24,677	1,129	1,104	71,837
Additions	–	461	6	9,422	–	9,889
Transfer in/(out)	132	437	6,771	(7,340)	–	–
Disposals	–	(105)	(54)	–	–	(159)
Exchange adjustments	–	(21)	(16)	–	–	(37)
At December 31, 2024 and January 1, 2025	25,930	19,901	31,384	3,211	1,104	81,530
Additions	–	–	29	17,381	–	17,410
Transfer in/(out)	1	3,507	12,608	(16,116)	–	–
Disposals	(6)	(640)	(221)	–	–	(867)
Exchange adjustments	–	60	35	–	–	95
At December 31, 2025	25,925	22,828	43,835	4,476	1,104	98,168
Accumulated depreciation:						
At January 1, 2023	(6,236)	(3,554)	(4,614)	–	(662)	(15,066)
Charge for the year	(817)	(1,773)	(3,421)	–	(327)	(6,338)
Written back on disposals	–	20	401	–	–	421
Exchange adjustment	–	–	(1)	–	–	(1)
At December 31, 2023 and January 1, 2024	(7,053)	(5,307)	(7,635)	–	(989)	(20,984)
Charge for the year	(819)	(1,872)	(4,631)	–	(87)	(7,409)
Written back on disposals	–	63	38	–	–	101
Exchange adjustment	–	2	4	–	–	6
At December 31, 2024 and January 1, 2025	(7,872)	(7,114)	(12,224)	–	(1,076)	(28,286)
Charge for the year	(823)	(2,153)	(6,378)	–	(26)	(9,380)
Written back on disposals	–	139	210	–	–	349
Exchange adjustment	–	(7)	(11)	–	–	(18)
At December 31, 2025	(8,695)	(9,135)	(18,403)	–	(1,102)	(37,335)
Net book value:						
At December 31, 2023	18,745	13,822	17,042	1,129	115	50,853
At December 31, 2024	18,058	12,787	19,160	3,211	28	53,244
At December 31, 2025	17,230	13,693	25,432	4,476	2	60,833

The Company

	Plant and buildings	Machinery and equipment	Electronic equipment and other equipment	Construction in progress	Plant improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:						
At January 1, 2023	25,798	17,999	14,987	351	1,104	60,239
Additions	–	682	2,069	8,565	–	11,316
Transfer in/(out)	–	308	7,479	(7,787)	–	–
Disposals	–	(56)	(445)	–	–	(501)
At December 31, 2023 and January 1, 2024	25,798	18,933	24,090	1,129	1,104	71,054
Additions	–	–	–	9,422	–	9,422
Transfer in/(out)	132	437	6,771	(7,340)	–	–
Disposals	–	(105)	(54)	–	–	(159)
At December 31, 2024 and January 1, 2025	25,930	19,265	30,807	3,211	1,104	80,317
Additions	–	–	–	17,375	–	17,375
Transfer in/(out)	1	3,507	12,608	(16,116)	–	–
Disposals	(6)	(231)	(221)	–	–	(458)
At December 31, 2025	25,925	22,541	43,194	4,470	1,104	97,234
Accumulated depreciation:						
At January 1, 2023	(6,236)	(3,554)	(4,603)	–	(662)	(15,055)
Charge for the year	(817)	(1,759)	(3,350)	–	(327)	(6,253)
Written back on disposals	–	20	401	–	–	421
At December 31, 2023 and January 1, 2024	(7,053)	(5,293)	(7,552)	–	(989)	(20,887)
Charge for the year	(819)	(1,808)	(4,530)	–	(87)	(7,244)
Written back on disposals	–	63	38	–	–	101
At December 31, 2024 and January 1, 2025	(7,872)	(7,038)	(12,044)	–	(1,076)	(28,030)
Charge for the year	(823)	(2,114)	(6,269)	–	(26)	(9,232)
Written back on disposals	–	106	210	–	–	316
At December 31, 2025	(8,695)	(9,046)	(18,103)	–	(1,102)	(36,946)
Net book value:						
At December 31, 2023	18,745	13,640	16,538	1,129	115	50,167
At December 31, 2024	18,058	12,227	18,763	3,211	28	52,287
At December 31, 2025	17,230	13,495	25,091	4,470	2	60,288

12 RIGHT-OF-USE ASSETS

The Group

	Leased office	Land use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	310	22,289	22,599
Additions	5,185	–	5,185
Early termination of lease term	(310)	–	(310)

	Leased office	Land use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
At December 31, 2023 and January 1, 2024	5,185	22,289	27,474
Additions	2,540	–	2,540
Exchange adjustment	(199)	–	(199)
At December 31, 2024 and January 1, 2025	7,526	22,289	29,815
Additions	14,646	–	14,646
Disposals	–	(16,686)	(16,686)
Exchange adjustment	662	–	662
At December 31, 2025	22,834	5,603	28,437
Accumulated depreciation:			
At January 1, 2023	(13)	(1,612)	(1,625)
Charge for the year	(530)	(946)	(1,476)
Written back on early termination	142	–	142
Exchange adjustment	(9)	–	(9)
At December 31, 2023 and January 1, 2024	(410)	(2,558)	(2,968)
Charge for the year	(1,314)	(946)	(2,260)
Exchange adjustment	42	–	42
At December 31, 2024 and January 1, 2025	(1,682)	(3,504)	(5,186)
Charge for the year	(2,721)	(529)	(3,250)
Written back on disposals	–	2,503	2,503
Exchange adjustment	(153)	–	(153)
At December 31, 2025	(4,556)	(1,530)	(6,086)
Net book value:			
At December 31, 2023	4,775	19,731	24,506
At December 31, 2024	5,844	18,785	24,629
At December 31, 2025	18,278	4,073	22,351

The additions to right-of-use assets are primarily related to the capitalised lease payments payable under new tenancy agreements.

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation	1,476	2,260	3,250
Interest on lease liabilities	124	231	293
Expense relating to short-term leases and leases of low-value assets	2,383	3,132	4,341

Details of total cash outflow for leases and maturity analysis of lease liabilities are set out in Notes 17(c) and 22.

The Company

	Leased office	Land use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At January 1, 2023	310	5,603	5,913
Additions	509	–	509
Early termination of lease term	(310)	–	(310)
At December 31, 2023, December 31, 2024 and January 1, 2025	509	5,603	6,112
Additions	5,988	–	5,988
At 31 December 2025	6,497	5,603	12,100
Accumulated depreciation:			
At January 1, 2023	(13)	(1,195)	(1,208)
Charge for the year	(193)	(112)	(305)
Written back on early termination	142	–	142
At December 31, 2023 and January 1, 2024	(64)	(1,307)	(1,371)
Charge for the year	(255)	(112)	(367)
At December 31, 2024 and January 1, 2025	(319)	(1,419)	(1,738)
Charge for the year	(648)	(112)	(760)
At December 31, 2025	(967)	(1,531)	(2,498)
Net book value:			
At December 31, 2023	445	4,296	4,741
At December 31, 2024	190	4,184	4,374
At December 31, 2025	5,530	4,072	9,602

13 OTHER NON-CURRENT ASSETS

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	2,255	4,990	748
Prepayments for intangible assets	854	212	122
	3,109	5,202	870

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	2,255	4,990	225
Prepayments for intangible assets	854	212	122
	3,109	5,202	347

14 INVENTORIES

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Finished goods	80,897	143,068	219,705
Work in progress	20,453	26,720	44,519
Raw materials	23,098	38,329	26,311
	124,448	208,117	290,535
Less: write down of inventories	(4,488)	(5,955)	(8,867)
	119,960	202,162	281,668

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Finished goods	44,247	77,571	73,542
Work in progress	20,213	25,552	41,981
Raw materials	22,946	38,123	26,088
	87,406	141,246	141,611
Less: write down of inventories	(3,227)	(4,024)	(4,508)
	84,179	137,222	137,103

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

The Group

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of inventories sold	158,462	226,699	297,918
Recognition of write-down of inventories	2,272	1,528	2,912
	160,734	228,227	300,830

15 TRADE RECEIVABLES

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from third parties	68,091	111,880	149,491
Less: loss allowance *(Note 26(a))*	(4,369)	(6,119)	(8,586)
	63,722	105,761	140,905

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from subsidiaries	72,627	161,802	253,431
Amounts due from third parties	64,917	96,330	108,697
	137,544	258,132	362,128
Less: loss allowance	(4,210)	(5,963)	(8,074)
	133,334	252,169	354,054

All of the trade receivables, net of loss allowance, are expected to be recovered within one year.

Aging analysis

The aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	60,770	102,247	130,032
1 to 2 years	2,952	3,451	8,632
2 to 3 years	–	63	2,241
	63,722	105,761	140,905

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	130,382	248,655	343,181
1 to 2 years	2,952	3,451	8,632
2 to 3 years	–	63	2,241
	133,334	252,169	354,054

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 26(a).

16 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	At December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for inventories and services	3,360	14,050	8,606
Prepayments in connection with the proposed [**REDACTED**] of the Company's [**REDACTED**] *(Note)*	[REDACTED]	[REDACTED]	[REDACTED]
Deductible input value-added tax	2,758	9,676	14,448
Deposits	297	1,028	3,403
Advances to staff	208	1,493	2,916
Others	708	295	1,403
	7,331	31,117	39,691
Less: loss allowance	(217)	(334)	(598)
	7,114	30,783	39,093

The Company

	At December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from subsidiaries	3,431	4,687	6,929
Prepayments for inventories and services	2,953	5,237	5,684
Prepayments in connection with the proposed [**REDACTED**] of the Company's [**REDACTED**] *(Note)*	[REDACTED]	[REDACTED]	[REDACTED]
Deductible input value-added tax	2,285	9,433	13,936
Deposits	137	182	375
Advances to staff	122	916	2,191
Others	158	378	204
	9,086	25,408	38,234
Less: loss allowance	(204)	(276)	(377)
	8,882	25,132	37,857

Apart from prepayments in connection with the proposed [**REDACTED**] of the Company's [**REDACTED**], which is expected to be debited to equity upon [**REDACTED**], all of the other prepayments, deposits and other receivables are expected to be recovered or recognised as expense within one year.

Note: The balance relates to the proposed [**REDACTED**] of the Company's [**REDACTED**] on the [**REDACTED**], and was expected to be transferred to the capital reserve account within equity upon the [**REDACTED**] of the Company's [**REDACTED**] on [**REDACTED**].

17 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank and on hand	254,307	254,816	364,931
Less: restricted deposits	(157)	(1,248)	(4,394)
Cash and cash equivalents	254,150	253,568	360,537

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank and on hand	223,939	189,811	253,068
Less: restricted deposits	(4)	(383)	(580)
Cash and cash equivalents	223,935	189,428	252,488

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities 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.

	Redemption liabilities	Lease liabilities	Bank loans	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	–	288	–	288
Changes from financing cash flows:				
Capital element of lease rentals paid	–	(463)	–	(463)
Interest element of lease rentals paid	–	(124)	–	(124)
Total changes from financing cash flows	–	(587)	–	(587)
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	5,185	–	5,185
Interest expenses *(Note 6(a))*	–	124	–	124
Decrease in lease liabilities from termination of leases	–	(161)	–	(161)
Exchange adjustments	–	(9)	–	(9)
Total other changes	–	5,139	–	5,139
At December 31, 2023	–	4,840	–	4,840
At January 1, 2024	–	4,840	–	4,840
Changes from financing cash flows:				
Capital element of lease rentals paid	–	(1,387)	–	(1,387)
Interest element of lease rentals paid	–	(231)	–	(231)
Total changes from financing cash flows	–	(1,618)	–	(1,618)

	Redemption liabilities	Lease liabilities	Bank loans	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	2,540	–	2,540
Interest expenses *(Note 6(a))*	–	231	–	231
Exchange adjustments	–	(156)	–	(156)
Total other changes	–	2,615	–	2,615
At December 31, 2024	–	5,837	–	5,837
At January 1, 2025	–	5,837	–	5,837
Changes from financing cash flows:				
Proceeds from bank loans	–	–	20,000	20,000
Repayment of bank loans	–	–	(20,000)	(20,000)
Capital element of lease rentals paid	–	(2,986)	–	(2,986)
Interest element of lease rentals paid	–	(293)	–	(293)
Interest paid	–	–	(77)	(77)
Total changes from financing cash flows	–	(3,279)	(77)	(3,356)
Other changes:				
Increase in lease liabilities from entering into new leases during the year	–	14,646	–	14,646
Interest expenses *(Note 6(a))*	–	293	77	370
Changes in carrying amount of redemption liabilities	6,488	–	–	6,488
Recognition of redemption liabilities	450,462	–	–	450,462
Exchange adjustments	–	510	–	510
Total other changes	456,950	15,449	77	478,313
At December 31, 2025	456,950	18,007	–	474,957

(c) Total cash outflow for leases

Amounts included in the consolidated statements of cash flows for leases represent lease rental paid and comprise the following:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating cash flows	2,383	3,132	4,341
Within financing cash flows	587	1,618	3,279
	2,970	4,750	7,620

18 TRADE AND BILLS PAYABLES

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	46,625	91,699	81,275
Bills payable	3,212	23,082	34,125
	49,837	114,781	115,400

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	45,512	86,728	74,823
Bills payable	3,212	23,082	34,125
	48,724	109,810	108,948

All of the trade and bills payables are expected to be settled within one year or are repayable on demand.

As at the end of each reporting period, the aging analysis of trade payables and bill payables, based on the invoice date, is as follows:

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	49,679	114,461	114,788
Over 1 year	158	320	612
	49,837	114,781	115,400

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	48,566	109,490	108,336
Over 1 year	158	320	612
	48,724	109,810	108,948

19 OTHER PAYABLES, ACCRUALS AND PROVISION

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payables for staff related costs	8,127	6,711	8,388
Payables for other taxes	1,728	1,512	8,350
Others	1,756	6,263	11,288
Financial liabilities measured at amortised cost	11,611	14,486	28,026
Warranty provision *(Note)*	4,927	5,405	10,742
Refund liabilities	5,547	3,615	4,432
Other provision	–	536	1,355
	22,085	24,042	44,555

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payables for staff related costs	8,048	6,330	6,536
Payables for other taxes	99	117	349
Others	823	4,261	6,952
Financial liabilities measured at amortised cost	8,970	10,708	13,837
Warranty provision *(Note)*	4,927	5,405	6,066
Refund liabilities	4,542	2,536	2,015
Other provision	–	536	1,355
	18,439	19,185	23,273

All of other payables, accruals and provision are expected to be settled within one year or are repayable on demand.

Note: Under the terms of the Group's sales agreements, the Group offers warranties for its robotic pool cleaners. Provision is therefore made for the best estimate of the expected settlement under these agreements in respect of sales made within the warranty periods prior to the end of the reporting period. The amount of provision takes into account the Group's recent claim experience and is only made where a warranty claim is probable.

20 CONTRACT LIABILITIES

Contract liabilities represent amounts received from customers in advance of sale of goods. Movements in contract liabilities are as follows:

The Group

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	2,600	6,208	3,666
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(2,376)	(6,145)	(2,911)
Increase in contract liabilities as a result of receipts in advance	5,984	3,603	5,673
Balance at December 31	6,208	3,666	6,428

The Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	2,600	6,208	3,666
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(2,376)	(6,145)	(2,911)

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Increase in contract liabilities as a result of receipts in advance	5,984	3,603	5,480
Balance at December 31	6,208	3,666	6,235

21 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

To motivate middle and senior management personnel, the Group approved the adoption of the 2021 restricted share incentive plan with registered capital of RMB1,125,900 with subscription price at RMB13.43 per RMB1 registered capital in August 2021. These shares will become exercisable in two batches, 50% of which will be unlocked in 4 years after [**REDACTED**] and another 50% of which will be unlocked in 5 years after [**REDACTED**] on the condition that the employees remain in service. If employees leave the Group before the vesting date, the restricted shares will be forfeited. The forfeited shares will be repurchased by Ms. Fu Guilan.

The Company was converted to a joint stock company on December 31, 2021, 57,000,000 ordinary shares with par value of RMB1 each were issued and allotted to the shareholders of the Company on a pro rata basis. Accordingly, the restricted shares under this share incentive plan were converted into 1,831,410 restricted share of the Company. The exercise price changed from RMB13.43 per registered capital to RMB8.27 per share.

In April 2025, the Group approved the adoption of the 2025 restricted share incentive plan of 2,238,794 shares with subscription price at RMB8.98 per share. These shares will become exercisable in three batches, 1/3 of which will be unlocked in 1 year after [**REDACTED**], 1/3 of which will be unlocked in 2 years after [**REDACTED**], and another 1/3 of which will be unlocked in 3 years after [**REDACTED**].

Meanwhile, the Group approved to modify the unlocking period of the 2021 restricted share incentive plan to be the same with the 2025 restricted share incentive plan.

	Year ended December 31,					
	2023		2024		2025	
	Weighted average exercise price	Number of restricted shares	Weighted average exercise price	Number of restricted shares	Weighted average exercise price	Number of restricted shares
	RMB		*RMB*		*RMB*	
Outstanding at the beginning of the year	8.27	1,795,057	8.27	1,694,541	8.27	1,044,337
Forfeited during the year	8.27	(100,516)	8.27	(650,204)	–	–
Granted during the year	–	–	–	–	8.98	2,054,053
Outstanding at the end of the year	8.27	1,694,541	8.27	1,044,337	8.74	3,098,390

In April 2025 and August 2025, the grant date fair value of the restricted share was determined based on the fair value of underlying ordinary shares as at the grant date. The directors have used the income approach and applied the discounted cash flow to determine the fair value of the underlying ordinary shares. The discount rates used is 13% for restricted shares granted and the fair value of the restricted share is RMB24.99 per share unit.

The Group has recognised share-based payment expenses of RMB4,629,000, RMB397,000 and RMB11,083,000 for the years ended December 31, 2023, 2024 and 2025, respectively.

22 LEASE LIABILITIES

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	709	1,847	5,665
After 1 year but within 2 years	680	1,156	5,187
After 2 years but within 5 years	1,533	1,524	6,320
After 5 years	1,918	1,310	835
	4,131	3,990	12,342
	4,840	5,837	18,007

23 REDEMPTION LIABILITIES

The Group and the Company

The movements of the redemption liabilities during the Track Record Period are set out below:

	RMB'000
At January 1, 2025	–
Recognition of redemption liabilities	450,462
Changes in the carrying amount of redemption liabilities	6,488
As December 31, 2025	456,950

Pursuant to the shareholders' agreements entered into among the shareholders of the Company in September 2025, the shareholders invested in 2021 and 2025 ("Pre-[**REDACTED**] Investors"), were granted the rights to put back the Company's shares to the Company upon the occurrence of certain triggering events, including the failure to achieve a qualified [**REDACTED**] in a specified time frame, a change in the controlling shareholders of the Company, and any materially breach of the provisions of the investment agreement (including but not limited to breach of non-compete obligations) by the controlling shareholders. The redemption liability arising from the rights granted to the Pre-[**REDACTED**] Investors was recognised as a financial liability.

The redemption price of the shares shall be the higher of (i) the total investment amount paid by the investors plus an annual rate of return of 5% for the period from the date on which the investors pay the investment amount and up to the date on which the investors receive the full redemption price, less any cash compensation, dividends, distribution or any other form of cash payment received by the Investors; or (ii) an amount equal to the investor's shareholding ratio multiplied by the Group's audited consolidated net assets at the time of redemption.

24 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position represent:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	9,257	66	5,912
Provision for the year	11,593	13,347	16,172
Income tax paid	(20,784)	(7,501)	(16,238)
Balance at December 31	66	5,912	5,846
Balance represents			
– Income tax payable	308	5,912	5,846
– Income tax recoverable	(242)	–	–

(b) Deferred tax assets and liabilities recognised

(i) Movements of each component of deferred tax assets and liabilities

The deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements throughout the Track Record Period are as follows:

	Net foreign exchange gain or loss	Warranty provisions	Loss allowance on trade and other receivables	Write-down of inventories	Deferred income	Lease liabilities	Unrealised gain or loss	Financial assets measured at FVTPL	Right-of-use assets	Accelerated tax allowance for depreciation expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax arising from:											
At January 1, 2023	–	1,409	271	366	224	–	–	(94)	–	(3,234)	(1,058)
(Charged)/credited profit or loss (*Note 7*)	109	152	414	365	(6)	726	4,540	49	(724)	(809)	4,816
At December 31, 2023 and January 1, 2024	109	1,561	685	731	218	726	4,540	(45)	(724)	(4,043)	3,758
Credited/(charged) to profit or loss (*Note 7*)	44	3	264	242	(6)	149	50	45	(149)	55	697
At December 31, 2024 and January 1, 2025	153	1,564	949	973	212	875	4,590	–	(873)	(3,988)	4,455
(Charged)/credited to profit or loss (*Note 7*)	(105)	1,563	338	613	162	3,385	(1,257)	–	(3,351)	(1,282)	66
At December 31, 2025	48	3,127	1,287	1,586	374	4,260	3,333	–	(4,224)	(5,270)	4,521

(ii) Reconciliation to the consolidated statements of financial position

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statements of financial position	5,060	5,420	6,060
Net deferred tax liabilities recognised in the consolidated statements of financial position	(1,302)	(965)	(1,539)
	3,758	4,455	4,521

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(q), the Group has not recognised deferred tax assets in respect of cumulative tax losses RMB2,430,000, RMB13,706,000 and RMB11,892,000 as at December 31, 2023, 2024 and 2025, as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions and entities.

25 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity during the Track Record Period are set out below:

	Share capital	Capital reserve	Statutory reserve	Other reserve	Retained earnings	Total
	RMB'000 *(Note 25(b))*	*RMB'000* *(Note 25(c)(i))*	*RMB'000* *(Note 25(c)(ii))*	*RMB'000* *(Note 25(c)(iii))*	*RMB'000*	*RMB'000*
Balance at January 1, 2023	57,000	232,501	10,487	3,424	90,627	394,039
Changes in equity for 2023:						
Profit and total comprehensive income for the year	–	–	–	–	77,917	77,917
Equity-settled share-based transactions	–	4,629	–	–	–	4,629
Appropriation to reserves	–	–	7,792	–	(7,792)	–
Balance at December 31, 2023 and January 1, 2024	57,000	237,130	18,279	3,424	160,752	476,585
Changes in equity for 2024:						
Profit and total comprehensive income for the year	–	–	–	–	83,214	83,214
Equity-settled share-based transactions	–	397	–	–	–	397
Appropriation to reserves	–	–	8,321	–	(8,321)	–
Balance at December 31, 2024 and January 1, 2025	57,000	237,527	26,600	3,424	235,645	560,196

	Share capital	Capital reserve	Statutory reserve	Other reserve	Retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 25(b))	*(Note 25(c)(i))*	*(Note 25(c)(ii))*	*(Note 25(c)(iii))*		
Changes in equity for 2025:						
Profit and total comprehensive income for the year	–	–	–	–	78,725	78,725
Equity settled share-based transactions	–	11,083	–	–	–	11,083
Appropriation to reserves	–	–	4,661	–	(4,661)	–
Dividend approved in respect of the previous years	–	–	–	–	(62,000)	(62,000)
Capital contributions	5,523	135,510	–	–	–	141,033
Recognition of redemption liabilities	–	–	–	(450,462)	–	(450,462)
Balance at December 31, 2025	62,523	384,120	31,261	(447,038)	247,709	278,575

(b) Share capital

	Number of shares	Amount
	'000	*RMB'000*
At January 1, 2023, December 31, 2023, 2024	57,000	57,000
Issuance of shares	5,523	5,523
At December 31, 2025	62,523	62,523

On December 31, 2021, the Company was converted into a joint stock limited liability company and issued 57,000,000 shares with a par value of RMB1 each. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

On September 5, 2025, all shareholders of the Company approved the capital increase of the Company from RMB57,000,000 to RMB62,523,409, 5,523,409 shares were issued to several external investors in September 2025 at a consideration of RMB145,353,000. The consideration received, net of transaction cost amounting to RMB4,320,000, was credited to equity.

Pursuant to the shareholders' agreements entered into among the shareholders of the Company in September 2025, the Pre-[**REDACTED**] Investors (including the shareholders invested in 2021 and 2025), were granted the rights to put back the Company's shares to the Company, the redemption liability arising from the rights granted to the Pre-[**REDACTED**] Investors was recognised as a financial liability.

(c) Nature and purpose of reserves

(i) Capital reserve

The capital reserve comprises: (i) the differences between the net proceeds of issuance of ordinary shares and the share capital of the Company, (ii) the net assets converted in excess of the total amount of the par value of shares issued in relation to the conversion into a joint stock company and (iii) the portion of the grant date fair value of share-based payment that has been recognised in accordance with accounting policy adopted (see Note 2(o)(ii)).

(ii) Statutory reserve

In accordance with the relevant PRC laws and regulations, the Company is required to transfer 10% of its net profits each year to the statutory reserve until the reserve reaches 50% of the registered capital. The statuary reserve can be utilised in setting off accumulated losses or increase capital and is non-distributable other than in liquidation.

(iii) Other reserve

Other reserve mainly represents the recognition of redemption liabilities.

(iv) Exchange reserve

The exchange reserve comprises all relevant exchange differences arising from the translation of the financial statements of foreign operations with functional currency other than RMB.

(d) Dividends

Dividends payable to equity shareholders of the company attributable to the previous years, approved and paid during the year.

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Final dividend in respect of the previous financial years, approved and paid during the year, of RMB1.08 per share	–	–	62,000

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents, financial assets measured at FVTPL is limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to represent low credit risk.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within a period of 0-180 days from the date of billing. Normally, the Group does not obtain collateral from customers. At the end of December 31, 2023, 2024 and 2025, 57.0%, 47.7% and 51.4% of the total trade receivables was due from the Group's five largest customers respectively.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

	At December 31, 2023		
	Expected loss rate	**Gross carrying amount**	**Loss allowance**
	%	*RMB'000*	*RMB'000*
Not credit-impaired			
Within 1 year	1.7%	61,829	1,059
1 to 2 years	10.0%	3,280	328
		65,109	1,387
Credit-impaired	100.0%	2,982	2,982
		68,091	4,369

	At December 31, 2024		
	Expected loss rate	**Gross carrying amount**	**Loss allowance**
	%	*RMB'000*	*RMB'000*
Not credit-impaired			
Within 1 year	1.3%	103,617	1,370
1 to 2 years	10.0%	3,834	383
2 to 3 years	30.0%	90	27
		107,541	1,780
Credit-impaired	100.0%	4,339	4,339
		111,880	6,119

	At December 31, 2025		
	Expected loss rate	**Gross carrying amount**	**Loss allowance**
	%	*RMB'000*	*RMB'000*
Not credit-impaired			
Within 1 year	1.4%	131,929	1,897
1 to 2 years	12.7%	9,892	1,260
2 to 3 years	32.5%	3,320	1,079
		145,141	4,236
Credit-impaired		4,350	4,350
		149,491	8,586

Movements in the loss allowance account in respect of trade receivables during the Track Record Period is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at January 1	1,618	4,369	6,119
Impairment losses recognised during the year	2,751	1,752	2,436
Exchange adjustment	–	(2)	31
Balance at December 31	4,369	6,119	8,586

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of each reporting period) and the earliest date the Group can be required to pay:

	At December 31, 2023					
	Contractual undiscounted cash flow					
	Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years but within 5 years	More than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	49,837	–	–	–	49,837	49,837
Other payables and accruals measured at amortised cost	11,611	–	–	–	11,611	11,611
Lease liabilities	882	815	1,839	2,043	5,579	4,840
	62,330	815	1,839	2,043	67,027	66,288

	At December 31, 2024					
	Contractual undiscounted cash flow					
	Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years but within 5 years	More than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	114,781	–	–	–	114,781	114,781
Other payables and accruals measured at amortised cost	14,486	–	–	–	14,486	14,486
Lease liabilities	2,036	1,282	1,761	1,370	6,449	5,837
	131,303	1,282	1,761	1,370	135,716	135,104

	At December 31, 2025					
	Contractual undiscounted cash flow					
	Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years but within 5 years	More than 5 years	Total	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	115,400	–	–	–	115,400	115,400
Other payables and accruals measured at amortised cost	28,026	–	–	–	28,026	28,026
Redemption liabilities	456,950	–	–	–	456,950	456,950
Lease liabilities	6,191	5,549	6,542	856	19,138	18,007
	606,567	5,549	6,542	856	619,514	618,383

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's lease liabilities at fixed rates, cash at bank at variable rates expose the Group to fair value interest rate risk and cash flow interest rate risk, respectively. Overall, the Group's exposure to interest rate risk is not significant.

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily US$, EUR and RMB. The Group manages this risk as follows:

(i) Exposure to currency risk

The following table details the Group's exposure at the end of each reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year-end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency is excluded.

	Exposure to foreign currencies at December 31, 2023		
	US$	EUR	RMB
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	27,256	1,903	1,348
Trade receivables	138,685	–	–
Prepayments, deposits and other receivables	19,369	389	623
Trade payables	(24,891)	(751)	(303)
Other payables, accruals and provision	(20,824)	–	(1,718)
Gross exposure arising from recognised assets and liabilities	139,595	1,541	(50)

	Exposure to foreign currencies at December 31, 2024		
	US$	EUR	RMB
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	15,862	8,675	73
Trade receivables	252,596	6,199	–
Prepayments, deposits and other receivables	1,758	44	476
Trade payables	(53,812)	(76)	(277)
Other payables, accruals and provision	(7,979)	(1,454)	(1,936)
Gross exposure arising from recognised assets and liabilities	208,425	13,388	(1,664)

	Exposure to foreign currencies at December 31, 2025		
	US$	EUR	RMB
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	11,276	10	73
Trade receivables	318,378	17,330	–
Prepayments, deposits and other receivables	23,148	26	15
Trade payables	(81,296)	(157)	(1,076)
Other payables, accruals and provision	(13,277)	(1,434)	(2,320)
Gross exposure arising from recognised assets and liabilities	258,229	15,775	(3,308)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after taxation (and retained profits) and other components of consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of each reporting period had changed at that date, assuming all other risk variables remained constant.

	Increase/ (decrease) in foreign exchange rates	As at December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
US$	5%	5,839	8,583	10,456
	(5%)	(5,839)	(8,583)	(10,456)
EUR	5%	66	578	681
	(5%)	(66)	(578)	(681)
RMB	5%	(3)	(80)	(165)
	(5%)	3	80	165

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of each reporting period for presentation purposes.

(e) Fair value measurement

(i) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

As at December 31, 2023, 2024 and 2025, the financial assets measured at FVTPL represents the wealth management products issued by reputable financial institutions in the PRC. The fair value measurement of wealth management products falls into Level 3 of the fair value hierarchy. During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The fair value of wealth management products is determined using the discounted cash flow method and the significant unobservable input used is expected rate of return. The fair value measurement is positively correlated to the expected rate of return. For the years ended December 31, 2023, 2024 and 2025, it is estimated that with all other variable held constant, an increase in expected rate of return by one percentage point, the Group's profit before taxation would have been increased by RMB10,000, Nil and Nil, respectively.

The movements during the year in the balance of Level 3 fair value measurements are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wealth management products			
At January 1	115,926	10,362	–
Additions in investments	–	210,000	87,500
Redemptions of investments	(106,498)	(220,551)	(88,094)
Changes in fair value	934	189	594
At December 31	10,362	–	–

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at the end of each reporting period.

27 MATERIAL RELATED PARTY TRANSACTIONS

(a) Names and relationships of the related parties that had material transactions with the Group during the Track Record Period:

Names of related parties	Relationship
Tianjin Zhuhui Commerce and Trade Co., Ltd.* ("Tianjin Zhuhui") 天津市竹輝商貿有限責任公司	Company controlled by the controlling shareholders
Tianjin Wangyuan Industry and Trade Co., Ltd.* ("Tianjin Wangyuan") 天津望園工貿有限責任公司	Company controlled by the controlling shareholders
Ms. Fu Guilan 付桂蘭	Director and one of the controlling shareholders of the Company
Mr. Yu Qian 余淺	One of the controlling shareholders of the Company

* The official names of these entities are in Chinese. The English translation is included for identification purpose only.

(b) Transactions with related parties during the Track Record Period:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Pay on behalf			
Ms. Fu Guilan	22	–	–
Collection of payment on behalf			
Ms. Fu Guilan	–	22	–
Advance from			
Ms. Fu Guilan	–	14	–
Repayment of advance from			
Ms. Fu Guilan	7	–	14

(c) Balances with related parties

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-trade in nature			
Other receivables due from Ms. Fu Guilan	22	–	–
Other payables due to Ms. Fu Guilan	–	14	–

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and supervisors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Directors' and supervisors' fee	300	300	310
Salaries, allowances and benefits in kind	3,071	3,196	4,692

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Discretionary bonuses	495	306	1,009
Retirement scheme contributions	260	247	394
Share-based payments	1,414	1,724	4,132
	5,540	5,773	10,537

Total remuneration is included in "staff costs" (see Note 6(b)).

28 CONTINGENT LIABILITIES

The Group is currently involved in a pending patent infringement litigation in front of a French court (the "French Proceeding") and a complaint recently filed before a United States court (the "US Complaint") by certain third-party pool product companies within the same group (the "Plaintiff") in December 2022 and May 2025, respectively, for alleged infringement of certain patents held by the Plaintiff registered in Europe and the United States.

In the French Proceeding, the Plaintiff requested EUR2,544,000 as provisional damages to be confirmed once financial documents have been provided, EUR200,000 as contribution of its legal costs and so on. As advised by independent French litigation advisor, the Group is more likely than not to successfully defend against the French Proceeding, despite the apparent strength of Plaintiff Patent that did not encounter any major obstacles during the granting process. The oral hearing took place on April 9, 2026 and the Paris Judicial Court's decision on the merits of the case is expected to be known on July 1st, 2026.

In the US Complaint, the Plaintiff sought both monetary damages and injunctive relief, but not specified the amount of damages claimed in the U.S. Complaint or Amended U.S. Complaint. The amount of damages that the Plaintiff may request in that event has not yet been determined and will not be determined until a later stage of the proceeding. As advised by independent US litigation advisor, the Group is more likely than not to successfully defend against the U.S. Complaint.

Based on legal opinion, the Group consider the likelihood of economic outflow from those claims/allegations is not probable and a reliable estimate of economic outflow cannot be made, the contingent liabilities arising from those claim/allegations are not recognised.

29 ULTIMATE CONTROLLING PARTIES

At December 31, 2025, the directors of the Company consider the ultimate controlling parties to be Ms. Fu Guilan and Mr. Yu Qian.

30 SUBSEQUENT EVENTS

[There were no material subsequent events after December 31, 2025 up to the date of this report.]

31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR BEGINNING ON JANUARY 1, 2025

Up to the date of issue of the Historical Financial Information, the IASB has issued a number of new or amended standards, which are not yet effective for the accounting period beginning on January 1, 2025 and which have not been adopted in the Historical Financial Information. These developments include:

	Effective for accounting period beginning on or after
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures—Contracts Referencing Nature-dependent Electricity*	January 1, 2026
Annual improvements to IFRSs—Volume 11	January 1, 2026
Amendments to IAS 21, *The effects of changes in foreign exchange rates: Lack of exchangeability*	January 1, 2026
IFRS 18, *Presentation and disclosure in financial statements*	January 1, 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	January 1, 2027
Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associate or joint venture*	***To be determined***

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

IFRS 18, *PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS*

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to December 31, 2025.