You should read the following discussion and analysis in conjunction with our consolidated financial statements included in the Accountants' Report in Appendix I to this document, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards. You should read the entire Accountant's Report and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical events, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. In evaluating our business, you should carefully consider all of the information provided in this document.

OVERVIEW

We are a global provider of intelligent domain-controlled electric drive solutions and standardized 800V high-voltage direct current ("HVDC") power supply architecture solutions. Centered on our core technologies in high-performance power electronics, electric motors, software, thermal management and platform-based integration, we deliver highly competitive integrated hardware-and-software solutions through vertical integration and system-level optimization. We primarily served the new energy vehicle ("NEV") domain-controlled electric drive solution market during the Track Record Period and are expanding into the AI computing infrastructure power supply system market and the embodied intelligence domain-controlled electric drive solution market.

BASIS OF PREPARATION AND PRESENTATION

Our Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**"). The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, we have adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new standards or interpretations that are not yet effective for the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in Note 33 the Accountants' Report set out in Appendix I to this document.

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis except the financial assets measured at fair value through other comprehensive income ("**FVOCI**") and financial assets measured at fair value through profit and loss at the end of each year of the Track Record Period.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Ability to Keep Innovating and Upgrading Our Product Portfolio

We have been dedicated to satisfying evolving customer needs, sustaining product competitiveness and ensuring profitability through technology and product innovation as well as product portfolio expansion. During the Track Record Period, we mainly sold NEV domain-controlled electric drive solutions, including domain-controlled x-in-one electric drive solutions and other electric drive solutions. Our revenue generated from NEV domain-controlled electric drive solutions amounted to RMB312.0 million, RMB730.0 million and RMB3,496.3 million in 2023, 2024 and 2025, primarily due to the increased demand from our OEM customers attracted by our high-integrated solutions. We integrate our key NEV domain-controlled electric drive solution components to suit different energy architectures, including battery electric vehicles, plug-in hybrid electric vehicles and extended-range electric vehicles, as well as the specific configuration requirements of their vehicle models across a full range of vehicle segments. In terms of our core product portfolio during the Track Record Period:

- In 2024, we delivered our domain-controlled x-in-one electric drive solutions, which rapidly gained market recognition and became the primary growth engine of our operation and financial position. In 2023, 2024 and 2025, our revenue generated from domain-controlled x-in-one electric drive solutions amounted to nil, RMB381.4 million and RMB3,136.5 million, representing nil, 51.7% and 86.5% of our total revenue, respectively. Our domain-controlled x-in-one electric drive solutions enable OEM customers to achieve higher levels of solution integration and functional optimization, supporting the development of competitive NEV models with balanced performance, efficiency, reliability and user experience, and ultimately resulting in strong market recognition.

- We also provide other electric drive solutions, including integrated range-extended generator solution and electric drive solution. In 2023, 2024 and 2025, our revenue from other electric drive solutions increased continuously and stably, accounting for RMB312.0 million, RMB348.6 million and RMB359.9 million, which is also an important part of our total revenue. We believe our product portfolio has laid a solid foundation for our steady revenue growth and long-term profitability.

In addition to offering NEV domain-controlled electric drive solutions, we also supplied standalone components as spare parts in connection with our NEV domain-controlled electric drive solutions, comprising key components across the electric drive system, power supply system and other vehicle control systems. Building upon our in-house research and development capabilities and vertically integrated production capacity, we intend to expand the sales of core components for NEV domain-controlled electric drive solutions to our customers, enhancing our revenue growth.

Extending beyond the NEV sector, we also continue to leverage the migration and reuse of our underlying technologies to explore emerging application scenarios including AIDC power supply systems and embodied intelligence domain-controlled electric drive systems, thereby expanding our business footprint. See "Business — Overview — Who We Are — An Explorer in Emerging Sectors" for details.

Ability to Retain Existing Customers and Obtain New Design Wins

Regarding our ability to retain existing customers, it is our strategy to consolidate and strengthen our leading position as a third-party NEV domain-controlled electric drive solution supplier, by deepening our partnerships with top OEM customers and expanding our presence in broader application scenarios. During the Track Record Period, we had collaborated with various leading OEMs in Chinese Mainland, such as Geely Related Group and Leapmotor, and supported the mass production of their best-selling vehicle models. We have maintained stable cooperation with our top two OEM customers. Geely Related Group is the largest customer in each year during the Track Record Period. Revenue from Geely Related Group and other associates of Mr. Li Shufu amounted to RMB191.2 million, RMB556.5 million and RMB3,267.4 million in 2023, 2024 and 2025, respectively, accounting for 60.9%, 75.4% and 90.0% of our total revenue during the Track Record Period, respectively. Our ability to maintain long-term and stable cooperation with Geely Related Group is critical to our business development. We also generated a large portion of our revenue from Leapmotor, amounting for RMB121.3 million, RMB177.3 million and RMB312.8 million in 2023, 2024 and 2025. As our OEM customers further solidify their position in the NEV market and increase their market share in the NEV industry through successful commercialization, we are also able to enhance our reputation, generate sustainable revenue and strengthen the ability to collaborate with other OEM customers during the Track Record Period.

In order to increase our revenue and profitability, we need to obtain more design wins from a broader range of OEM customers. In 2023, 2024 and 2025, our design wins were three, four and 17, among which, our design wins from Geely Related Group were three, nil and seven during the same years, respectively. According to CIC, the period from obtaining design win to mass production is usually within one to two years. We successfully secured a diversified OEM customer base comprising both established and emerging global and domestic OEMs, covering a wide range of vehicle application scenarios. Through these efforts, we aim to provide our solutions to a broader range of customers and support the global transition towards low-carbon and intelligent energy systems.

Ability to Enhance R&D Capability and Technical Innovation

Our ability to enhance R&D capability and technical innovation is a key driver of our results of operations, enabling us to continuously strengthen our solution integration capabilities and deliver competitive solutions to major OEM customers. In 2023, 2024 and 2025, our R&D costs was RMB77.2 million, RMB93.4 million and RMB111.3 million, respectively. Leveraging our in-house R&D capabilities, we have established a technology framework centered on 800V HVDC EEA, software algorithm architecture as well as motor and mechanically integrated architecture with strong transferability and scalability, enabling us to respond effectively to rapid technological changes in the NEV industry and supporting the deployment of our products and solutions across new emerging application scenarios. We have consolidated multiple key electric drive system, power supply system and vehicle control system components into a single integrated architecture to minimize solution volume, reduce weight and lower overall solution cost while maintaining high performance.

In addition, we adopt a platform-based approach to enhance R&D efficiency throughout the project lifecycle of NEV domain-controlled electric drive solutions. Under our platform-based approach, we employ unified technological frameworks and shared tools and resource libraries. The underlying technology of our products is highly adaptable and can be extensively reused across various OEMs' vehicle models. By prioritizing platform-based approach, we have shortened development cycle, reduced development costs, and enhanced product stability with greater flexibility and scalability.

Ability to Manage Costs and Improve Operational Efficiency

Ability to Manage Costs

During the Track Record Period, our cost of revenue amounted to RMB335.4 million, RMB730.4 million and RMB3,366.7 million, respectively, representing 106.8%, 99.0% and 92.8% of our total revenue during the same years, respectively. As we ramped up production in 2024, the resulting economies of scale contributed to lower unit manufacturing costs and procurement prices. Together with our enhanced manufacturing capabilities of automated production for NEV domain-controlled electric drive solution components, we have further strengthened our ability to manage costs and improve operational efficiency. Meanwhile, we are committed to increasing diversity of substitutions within our supply chain and deepening our collaborations with suppliers to further enhance the stability and affordability of our supply. To support our fast-growing business and increasing downstream demand, we plan to progressively enhance our overall production capacity by expanding our existing production bases and establishing new production facilities. Our ability to effectively control the cost of revenue as we scale up has affected and will continue to affect our results of operation and financial conditions.

Ability to Improve Operational Efficiency

While we value and encourage investment in innovation, our future profitability depends in part on our ability to control expenses. As a result of our efforts to rapidly develop and commercialize products with strong performance and market traction, we incurred substantial expenses in internal management. Our operating expenses, which consist of selling and marketing expenses, administrative expenses and research and development costs, amounted to RMB133.2 million, RMB159.7 million and RMB211.1 million in 2023, 2024 and 2025, respectively, representing 42.4%, 21.6% and 5.8% of our total revenue in the same years, respectively. We have been constantly improving our operating efficiency in various aspects, which is evidenced by the decrease in our operating expenses as a percentage of our total revenue during the Track Record Period. We will continue to ramp up the production and sales of products, in order to achieve better economies of scale.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

Certain accounting policies are material to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. See Note 3 to the Accountants' Report in Appendix I to this document. Our management evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events that are deemed to be reasonable under the circumstances. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The table below sets forth a summary of our results of operations in absolute amount and as percentages of our total revenue for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	314,098	100.0	737,911	100.0	3,628,233	100.0
Cost of revenue	(335,355)	(106.8)	(730,418)	(99.0)	(3,366,715)	(92.8)
Gross (loss)/profit	**(21,257)**	**(6.8)**	**7,493**	**1.0**	**261,518**	**7.2**
Other net expenses	(918)	(0.3)	(2,860)	(0.4)	(427)	(0.0)
Selling and marketing expenses	(4,727)	(1.5)	(5,317)	(0.7)	(11,656)	(0.3)
Administrative expenses	(51,290)	(16.3)	(61,013)	(8.3)	(88,156)	(2.4)
Research and development costs	(77,189)	(24.6)	(93,352)	(12.7)	(111,324)	(3.1)
Impairment loss reversal/(recognized) on trade and other receivables	1,274	0.4	(428)	(0.1)	350	0.0
(Loss)/profit from operations	**(154,107)**	**(49.1)**	**(155,477)**	**(21.1)**	**50,305**	**1.4**
Finance costs	(8,299)	(2.6)	(16,434)	(2.2)	(17,358)	(0.5)
Changes in carrying value of redemption liabilities	(107,992)	(34.4)	(173,207)	(23.5)	(321,090)	(8.8)
Loss before taxation	**(270,398)**	**(86.1)**	**(345,118)**	**(46.8)**	**(288,143)**	**(7.9)**
Income tax	–	–	–	–	–	–
Loss for the year	**(270,398)**	**(86.1)**	**(345,118)**	**(46.8)**	**(288,143)**	**(7.9)**

Non-IFRS Measures

In order to supplement our consolidated statement of profit or loss and other comprehensive income, which is presented in accordance with IFRS Accounting Standards, we use adjusted net (loss)/profit for the year (non-IFRS measure), which was defined as loss for the year adjusted by adding back changes in carrying value of redemption liabilities, [**REDACTED**] and equity-settled share-based payments, as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards to evaluate our operating performance.

We believe that these non-IFRS measures help identify underlying trends in our business and provide useful information for [**REDACTED**] and others to understand and evaluate our results of operations. However, adjusted net (loss)/profit for the year (non-IFRS measure) have material limitations as analytical tools. When assessing our operating and financial performance, you should not consider these non-IFRS measures in isolation from or as substitutes for financial performance metrics that are calculated in accordance with IFRS Accounting Standards. The term "adjusted net (loss)/profit for the year (non-IFRS measure)" are not defined under IFRS Accounting Standards and may not be comparable to other similarly named measures used by other companies. The following table reconciles our adjusted net (loss)/profit (non-IFRS measure), in absolute amounts and as percentages of our total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Loss for the year	(270,398)	(86.1)	(345,118)	(46.8)	(288,143)	(7.9)
Add:						
Changes in carrying value of redemption liabilities[1]	107,992	34.4	173,207	23.5	321,090	8.8
Equity-settled share-based payments[2]	–	–	2,289	0.3	–	–
[REDACTED][3]	**[REDACTED]**	[REDACTED]	**[REDACTED]**	[REDACTED]	**[REDACTED]**	[REDACTED]
Adjusted net (loss)/profit (non-IFRS measure)	**(162,406)**	**(51.7)**	**(169,622)**	**(23.0)**	**36,497**	**1.0**

Notes:

(1) Changes in the carrying value of redemption liabilities were measured at the highest amount possible that we could be required to pay to the investors with redemption rights. Upon the first submission of [**REDACTED**] to the Stock Exchange, the redemption rights granted by us will be automatically terminated and the redemption liabilities will be reclassified to equity, such that our net liabilities position would turn into net assets position.

(2) Equity-settled share-based payments are non-cash in nature and represented the share-based awards that we granted to the employees. Equity-settled share-based payments are not expected to result in future cash payments.

(3) [**REDACTED**] were expenses incurred in connection with the [**REDACTED**].

Revenue

During the Track Record Period, our revenue was derived from sales of (i) NEV domain-controlled electric drive solutions, (ii) NEV domain-controlled electric drive solution components, and (iii) others. The following table sets forth a breakdown of our revenue by products, in absolute amounts and as percentages of our total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
NEV Domain-controlled electric drive solutions[1]	312,006	99.3	730,024	98.9	3,496,341	96.4
– Domain-controlled x-in-one electric drive solutions	–	–	381,405	51.7	3,136,455	86.5
– Other electric drive solutions	312,006	99.3	348,619	47.2	359,886	9.9
NEV Domain-controlled electric drive solution components	978	0.3	3,686	0.5	109,093	3.0
Others[2]	1,114	0.4	4,201	0.6	22,799	0.6
Total	**314,098**	**100.0**	**737,911**	**100.0**	**3,628,233**	**100.0**

Note:

(1) Including R&D service revenue generated from various R&D service contracts with our customers.

(2) Primarily including the sale of materials assessed as no longer usable and waste generated during the manufacturing process, such as copper flat wires and dismantled components from defective products.

Comparison between 2025 and 2024: Our revenue increased significantly from RMB737.9 million in 2024 to RMB3,628.2 million in 2025, primarily driven by the increase in revenue from NEV domain-controlled electric drive solutions.

- *NEV domain-controlled electric drive solutions*: Our revenue from sales of NEV domain-controlled electric drive solutions increased significantly from RMB730.0 million in 2024 to RMB3,496.3 million in 2025, primarily due to (i) the increased sales volume of our domain-controlled x-in-one electric drive solutions from 63,507 units in 2024 to 548,309 units in 2025 as a result of increasing demand for our domain-controlled x-in-one electric drive solutions driven by the launch of new vehicle models by our customers. See "Business — Our Offerings" for more details, and (ii) improved production capability as a result of higher capacity utilization of Xuzhou Production Base and the commencement of Ningbo Production Base in the second half of 2025, which support the fulfillment of increased customer demands.

- *NEV domain-controlled electric drive solution components:* Our revenue from sales of NEV domain-controlled electric drive solution components increased significantly from RMB3.7 million in 2024 to RMB109.1 million in 2025, which is generally in line with the fluctuation of NEV domain-controlled electric drive solutions, as NEV domain-controlled electric drive solution components are typically supplied as spare parts ancillary to such solutions during the Track Record Period.

- *Others:* Our revenue from others increased significantly from RMB4.2 million in 2024 to RMB22.8 million in 2025, primarily due to the increased revenue from scrap sales as a result of increased production and sales of our NEV domain-controlled electric drive solutions, which led to a higher volume of production by-products such as copper materials.

Comparison between 2024 and 2023*:* Our revenue increased significantly from RMB314.1 million in 2023 to RMB737.9 million in 2024, mainly driven by the increase in revenue from NEV domain-controlled electric drive solutions.

- *NEV domain-controlled electric drive solutions*: Our revenue from sales of NEV domain-controlled electric drive solutions increased significantly from RMB312.0 million in 2023 to RMB730.0 million in 2024, primarily due to (i) the newly introduced domain-controlled x-in-one electric drive solutions in 2024 with the commencement of scaled production for the demand of our customers, and (ii) improved production capability as a result of the increased production lines of Xuzhou Production Base, which support the fulfillment of increased customer demand for NEV domain-controlled electric drive solutions.

- *NEV domain-controlled electric drive solution components*: Our revenue from sales of NEV domain-controlled electric drive solution components increased significantly from RMB1.0 million in 2023 to RMB3.7 million in 2024, which is generally in line with the fluctuation of NEV domain-controlled electric drive solutions, as NEV domain-controlled electric drive solution components are typically supplied as spare parts ancillary to such solutions during the Track Record Period.

- *Others*: Our revenue from others increased significantly from RMB1.1 million in 2023 to RMB4.2 million in 2024, primarily due to the increase in scrap sales driven by the growth in production and sales of our NEV domain-controlled electric drive solutions, resulting in a higher volume of production by-products, including copper materials.

Cost of Revenue

Our cost of revenue includes (i) material cost, (ii) staff cost, (iii) inventory write-down, and (iv) others. The following table sets forth a breakdown of our cost of revenue by nature, in absolute and as a percentage of our total cost of revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	%	*RMB'000*	%	*RMB'000*	%
Material cost	266,324	79.4	644,972	88.3	3,177,735	94.4
– Structural components	178,966	53.4	376,123	51.5	1,697,876	50.4
– Electronic components	77,435	23.1	251,225	34.4	1,438,139	42.7
– Others	9,923	2.9	17,624	2.4	41,720	1.3
Staff cost	13,633	4.1	33,597	4.6	117,251	3.5
Write-down/(reversal of write-down) of inventories	39,550	11.8	18,856	2.6	(2,559)	(0.1)
Others	15,848	4.7	32,993	4.5	74,288	2.2
Total	**335,355**	**100.0**	**730,418**	**100.0**	**3,366,715**	**100.0**

In 2023, 2024 and 2025, our cost of revenue amounted to RMB335.4 million, RMB730.4 million and RMB3,366.7 million, respectively. Material cost is the largest component of our cost of revenue, accounting for 79.4%, 88.3% and 94.4% of our cost of revenue for the same years.

Comparison between 2025 and 2024: Our cost of revenue increased significantly from RMB730.4 million in 2024 to RMB3,366.7 million in 2025, primarily attributable to the increase in material cost of structural components and electronic components and corresponding increase in staff cost, generally in line with our revenue growth.

- ***Structural components:*** Our cost of revenue from structural components increased significantly from RMB376.1 million in 2024 to RMB1,697.9 million in 2025, primarily due to the increased volume of our domain-controlled x-in-one electric drive solutions driven by our business expansion. The decrease in the contribution of our structural components was primarily attributable to the economies of scale as a result of our continuous enhancement of our in-house research and development and manufacturing capabilities for structural components.

- ***Electronic components:*** Our cost of revenue from electronic components increased significantly from RMB251.2 million in 2024 to RMB1,438.1 million in 2025, primarily due to the increased volume of our domain-controlled x-in-one electric drive solutions driven by our business expansion. Our cost of revenue from electronic components generally represents a larger proportion of material cost in our domain-controlled x-in-one electric drive solutions compared with other electric drive solutions.

Comparison between 2024 and 2023: Our cost of revenue increased significantly from RMB335.4 million in 2023 to RMB730.4 million in 2024, primarily attributable to the increase in material cost of structural components and electronic components and corresponding increase in staff cost, generally in line with our revenue growth.

- ***Structural components:*** Our cost of revenue from structural components increased significantly from RMB179.0 million in 2023 to RMB376.1 million in 2024, primarily due to the increased volume of our domain-controlled x-in-one electric drive solutions driven by our business expansion. The decrease in the contribution of our structural components was primarily attributable to the economies of scale as a result of our continuous enhancement of our in-house research and development and manufacturing capabilities for structural components.

- ***Electronic components:*** Our cost of revenue from electronic components increased significantly from RMB77.4 million in 2023 to RMB251.2 million in 2024, primarily due to the newly introduced domain-controlled x-in-one electric drive solutions in 2024 with the commencement of scaled production.

Gross (Loss)/Profit and Gross (Loss)/Profit Margin

Our gross (loss)/profit represents our revenue less our cost of revenue, and our gross (loss)/profit margin represents our gross (loss)/profit divided by our revenue, expressed as a percentage. The table below sets forth a breakdown of our gross (loss)/profit and gross (loss)/profit margin by products for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross (Loss)/ Profit	Gross (Loss)/ Profit Margin	Gross (Loss)/ Profit	Gross (Loss)/ Profit Margin	Gross (Loss)/ Profit	Gross (Loss)/ Profit Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
NEV domain-controlled electric drive solutions[1]	(20,988)	(6.7)	11,572	1.6	267,207	7.6
– Domain-controlled x-in-one electric drive solutions	–	–	35,382	9.3	246,567	7.9
– Other electric drive solutions	(20,988)	(6.7)	(23,810)	(6.8)	20,640	5.7
NEV domain-controlled electric drive solution components	(338)	(34.6)	301	8.2	8,604	7.9
Others[2]	69	6.2	(4,380)	(104.3)	(14,293)	(62.7)
Total	**(21,257)**	**(6.8)**	**7,493**	**1.0**	**261,518**	**7.2**

Note:

(1) Including R&D service revenue generated from various R&D service contracts with our customers.

(2) Primarily including the sale of materials assessed as no longer usable and waste generated during the manufacturing process, such as copper flat wires and dismantled components from defective products.

As a result of the foregoing, we recorded gross loss of RMB21.3 million in 2023, and gross profit of RMB7.5 million and RMB261.5 million in 2024 and 2025, respectively.

Comparison between 2025 and 2024: our gross profit margin increased from 1.0% in 2024 to 7.2% in 2025, primarily attributable to an increase in the gross profit margin of NEV domain-controlled electric drive solutions.

- *NEV domain-controlled electric drive solutions*: Our gross profit margin from NEV domain-controlled electric drive solutions increased from 1.6% in 2024 to 7.6% in 2025, primarily due to (i) a significant increase in the revenue contribution from our domain-controlled x-in-one electric drive solutions, which command a higher selling price relative to other products given their technological advancement and higher degree of solution integration, and (ii) further optimization of our production costs as compared to the previous year, primarily attributable to enhanced economies of scale resulting from the expansion of our production volume and the increased proportion of self-supplied components.

- *Domain-controlled x-in-one electric drive solutions:* Our gross profit margin from domain-controlled x-in-one electric drive solutions decreased from 9.3% in 2024 to 7.9% in 2025, primarily due to (i) the decrease in the average selling price of our domain-controlled x-in-one electric drive solutions as (a) during the initial stage of new vehicle product launches, our OEM customers generally placed greater emphasis on our production capacity and supply capabilities and were willing to support our capacity ramp-up through relatively higher pricing arrangements in 2024. Accordingly, our product prices were adjusted to a stable level in 2025, and (b) we offered certain price concessions to our OEM customers in 2025 given the significant increase in the sales volume of our domain-controlled x-in-one electric drive solutions and our long-term relationships with our customers, and (ii) price concessions we offered to our suppliers to ensure timely and smooth delivery as we faced significant delivery pressure for the first time in 2025.

- *Other electric drive solutions:* We recorded gross loss margin from other electric drive solutions of 6.8% in 2024 and gross profit margin of 5.7% in 2025, primarily due to the increase in revenue generated from new product R&D driven by customer demand, generally with higher gross profit margin than mass production products.

- *NEV domain-controlled electric drive solution components*: Our gross profit margin from sales of NEV domain-controlled electric drive solution components decreased from 8.2% in 2024 to 7.9% in 2025, primarily due to changes in our product portfolio as a result of our continued optimization and iteration of existing products.

- *Others*: We recorded gross loss margin from others of 104.3% in 2024 and recorded gross loss margin of 62.7% from others in 2025, primarily due to the sale of materials assessed as no longer required and waste generated during the production process, such as copper materials, the sales revenue of which was affected by prevailing market prices.

Comparison between 2024 and 2023: Our gross loss margin of 6.8% in 2023 improved to gross profit margin of 1.0% in 2024, primarily attributable to an increase in gross profit margin from sales of NEV domain-controlled electric drive solutions as we introduced domain-controlled x-in-one electric drive solutions in 2024.

- *NEV domain-controlled electric drive solutions*: We recorded gross loss margin of 6.7% in 2023 and gross profit margin of 1.6% in 2024 for NEV domain-controlled electric drive solutions, primarily due to (i) a reduction in per-unit cost of revenue driven by economies of scale as our production volume expanded, and (ii) an increase in the revenue contribution from our domain-controlled x-in-one electric drive solutions, which command a higher selling price relative to other products given their technological advancement and higher degree of solution integration.

  - *Domain-controlled x-in-one electric drive solutions:* Our gross profit margin from domain-controlled x-in-one electric drive solutions was 9.3% in 2024, primarily due to (i) the increase in revenue as a result of the newly introduced domain-controlled x-in-one electric drive solutions in 2024 with the commencement of scaled production for the demand of our customers in the same year, and (ii) during the initial stage of new vehicle product launches, our OEM customers generally placed greater emphasis on our production capacity and supply capabilities and were therefore willing to support our capacity ramp-up through relatively higher pricing arrangements in 2024.

  - *Other electric drive solutions:* Our gross loss margin from other electric drive solutions remained stable at 6.7% and 6.8% in 2023 and 2024.

- *NEV domain-controlled electric drive solution components*: We recorded gross loss margin of 34.6% in 2023 and gross profit margin of 8.2% in 2024 for NEV domain-controlled electric drive solution components, primarily due to changes in our product portfolio as a result of our continued optimization and iteration of existing products.

- *Others*: We recorded gross profit margin from others of 6.2% in 2023 and recorded gross loss margin of 104.3% from others in 2024, primarily due to the sale of materials assessed as no longer required and waste generated during the production process, such as copper materials, the sales revenue of which was affected by prevailing market prices.

Other Net Expenses

Our other net expenses consist of (i) bank interest income, (ii) net realized and unrealized gains from financial assets measured at FVPL, (iii) net realized loss on discounting of bank acceptance bills receivable, (iv) government grants, (v) net foreign exchange losses, (vi) net (loss)/gain on disposal of long-lived assets, and (vii) others. The following table sets forth a breakdown of our other net expenses, both in absolute amounts and as percentages of our total other net expenses for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Bank interest income	267	(29.1)	167	(5.8)	295	(69.1)
Net realized and unrealized gains from financial assets measured at FVPL	–	–	–	–	594	(139.1)
Net realized loss on discounting of bank acceptance bills receivable	(387)	42.2	(1,201)	42.0	(1,480)	346.6
Government grants [(1)]	166	(18.1)	110	(3.8)	542	(126.9)
Net foreign exchange losses	–	–	(14)	0.5	–	–
Net (loss)/gain on disposal of long-lived assets	(902)	98.3	(1,394)	48.7	7	(1.6)
Others	(62)	6.7	(528)	18.4	(385)	90.2
Total	**(918)**	**100.0**	**(2,860)**	**100.0**	**(427)**	**100.0**

Note:

(1) Mainly representing cash awards granted by the government authorities in the PRC.

Comparison between 2025 and 2024: Our other net expenses decreased by 85.1% from RMB2.9 million in 2024 to RMB0.4 million in 2025, as we recorded net loss on disposal of long-lived assets of RMB1.4 million in 2024 and net gain on disposal of long-lived assets of RMB7.0 thousand in 2025 driven by our fewer disposal for aged and obsolete assets.

Comparison between 2024 and 2023: Our other net expenses increased significantly from RMB0.9 million in 2023 to RMB2.9 million in 2024, primarily due to (i) the increase in net realized loss on discounting of bank acceptance bills receivable as a result of an increase in the amount of discounted bills, and (ii) the increase in net loss on disposal of long-lived assets as a result of our disposal for aged and obsolete assets.

Selling and Marketing Expenses

Our selling and marketing expenses consist of (i) staff cost, (ii) business development expense, (iii) leasing and warehousing fee, and (iv) others. In 2023, 2024 and 2025, our selling and marketing expenses amounted to RMB4.7 million, RMB5.3 million and RMB11.7 million, representing 1.5%, 0.7% and 0.3%, respectively, of our total revenue.

The table below sets forth a breakdown of our selling and marketing expenses, both in absolute amounts and as percentages of our total selling and marketing expenses, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Staff cost	2,899	61.3	3,611	67.9	4,728	40.6
Business development expense	1,296	27.4	1,089	20.5	2,167	18.6
Leasing and warehousing fee	393	8.3	557	10.5	4,681	40.2
Others	139	3.0	60	1.1	80	0.6
Total	**4,727**	**100.0**	**5,317**	**100.0**	**11,656**	**100.0**

Comparison between 2025 and 2024: Our selling and marketing expenses increased significantly from RMB5.3 million in 2024 to RMB11.7 million in 2025, primarily due to (i) the increase in staff cost as we expanded our sales workforce to strengthen our sales and marketing function, (ii) the increase in business development expense for enhanced communication with clients and potential projects associated with the expansion of our business, and (iii) an increase in leasing and warehousing fee as a result of increased consignment warehouses driven by our business expansion.

Comparison between 2024 and 2023: Our selling and marketing expenses increased by 12.5% from RMB4.7 million in 2023 to RMB5.3 million in 2024, primarily due to the increase in staff cost as we increased the headcount of our sales and marketing personnel to support our market expansion initiatives.

Administrative Expenses

Our administrative expenses consist of (i) staff cost, (ii) depreciation and amortization, (iii) maintenance and utility fee, (iv) professional service fee, (v) travel expense, (vi) tax and surcharges, and (vii) others. In 2023, 2024 and 2025, our administrative expenses amounted to RMB51.3 million, RMB61.0 million and RMB88.2 million, representing 16.3%, 8.3% and 2.4%, respectively, of our total revenue.

The table below sets forth a breakdown of our administrative expenses, both in absolute amounts and as percentages of our total administrative expenses, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Staff cost	30,724	59.9	36,977	60.6	50,839	57.7
Depreciation and amortization	7,295	14.2	9,005	14.8	12,172	13.8
Maintenance and utility fee	4,648	9.1	3,741	6.1	5,586	6.3
Professional service fee	3,546	6.9	3,688	6.0	6,914	7.8
Travel expense	1,948	3.8	2,677	4.4	4,135	4.7
Tax and surcharges	937	1.8	3,018	5.0	6,313	7.2
Others	2,192	4.3	1,907	3.1	2,197	2.5
Total	**51,290**	**100.0**	**61,013**	**100.0**	**88,156**	**100.0**

Comparison between 2025 and 2024: Our administrative expenses increased by 44.5% from RMB61.0 million in 2024 to RMB88.2 million in 2025, primarily due to (i) an increase in staff cost as we expanded our operational workforce in line with our overall business growth, (ii) an increase in depreciation and amortization as a result of the increased equipment at our production facilities, (iii) an increase in professional service fee in relation to [**REDACTED**], and (iv) an increase in tax and surcharges as a result of an increase in sales revenue.

Comparison between 2024 and 2023: Our administrative expenses increased by 19.0% from RMB51.3 million in 2023 to RMB61.0 million in 2024, primarily due to (i) an increase in staff cost as we expanded our operational workforce in line with our overall business growth, and (ii) an increase in tax and surcharges as a result of an increase in sales revenue.

Research and Development Costs

Our research and development costs consist of (i) staff cost, (ii) material cost, (iii) professional service fee, (iv) depreciation and amortization, (v) maintenance fee, and (vi) others. In 2023, 2024 and 2025, our research and development costs amounted to RMB77.2 million, RMB93.4 million and RMB111.3 million, representing 24.6%, 12.7% and 3.1%, respectively, of our total revenue.

The following table sets out a breakdown of our research and development costs, both in absolute amounts and as percentages of our total research and development costs, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Staff cost	51,547	66.8	55,577	59.5	69,635	62.6
Material cost	13,624	17.7	12,788	13.7	18,497	16.6
Professional service fee	3,952	5.1	18,393	19.7	14,394	12.9
Depreciation and amortization	5,127	6.6	3,611	3.9	4,653	4.2
Maintenance fee	242	0.3	141	0.2	232	0.2
Others	2,697	3.5	2,842	3.0	3,913	3.5
Total	**77,189**	**100.0**	**93,352**	**100.0**	**111,324**	**100.0**

Comparison between 2025 and 2024: Our research and development costs increased by 19.3% from RMB93.4 million in 2024 to RMB111.3 million in 2025, primarily due to (i) the increase in staff costs as we expand our R&D personnel, and (ii) an increase in material cost of R&D as a result of the continuous increase in new R&D projects for AIDC power supply systems and embodied intelligence domain-controlled electric drive systems, partially offset by a decrease in professional service fee as a result of completion of our new product testing and inspection.

Comparison between 2024 and 2023: Our research and development costs increased by 20.9% from RMB77.2 million in 2023 to RMB93.4 million in 2024, primarily due to an increase in professional service fee as a result of our new product testing and inspection by external third parties.

Impairment Loss Reversal/(Recognized) on Trade and Other Receivables

Our impairment loss reversal/(recognized) on trade and other receivables reflects our assessment of counterparty credit risk based on historical loss experience and forward-looking factors. We recognized impairment loss reversal on trade and other receivables of RMB1.3 million in 2023 and RMB0.4 million in 2025 and impairment loss recognized on trade and other receivables of RMB0.4 million in 2024. The impairment loss reversal on trade and other receivables in 2023 represents the collection of certain amounts receivables that were previously impaired, due to our efforts in strengthening receivables collections. The impairment loss recognized on trade and other receivables in 2024 were in line with our impairment policies based on the trade and other receivables balance. We recorded impairment loss reversal on trade and other receivables in 2025, primarily due to collection of certain other receivables that were previously impaired.

Finance Costs

Our finance costs primarily consist of (i) interest on bank loans, (ii) interest on long-term payable from sale-and-lease-back transactions, (iii) interest on other payable arising from borrowings with a non-financial institution, and (iv) interest on lease liabilities. The table below sets forth details of our finance costs, both in absolute amounts and as percentages of our total finance costs, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Interest on bank loans	7,546	90.9	14,274	86.9	9,965	57.4
Less: capitalized interest expense	(3,286)	(39.6)	(3,538)	(21.5)	–	–
Interest on long-term payable from sale-and-lease-back transactions	2,242	27.0	3,445	21.0	5,007	28.8
Interest on other payable arising from borrowings with a non-financial institution	–	–	764	4.6	1,069	6.2
Interest on lease liabilities	1,797	21.7	1,489	9.0	1,317	7.6
Total	**8,299**	**100.0**	**16,434**	**100.0**	**17,358**	**100.0**

Comparison between 2025 and 2024: Our finance costs increased by 5.6% from RMB16.4 million in 2024 to RMB17.4 million in 2025, primarily due to an increase in interest on long-term payable from sale-and-lease-back transactions of our equipment attributable to further expansion of our sale-and-lease-back business driven by our business development, which led to a corresponding rise in interest expenses.

Comparison between 2024 and 2023: Our finance costs increased by 98.0% from RMB8.3 million in 2023 to RMB16.4 million in 2024, primarily due to (i) an increase in interest on bank loans as we incurred more bank borrowings for business expansion in 2024, and (ii) an increase in interest on long-term payable from sale-and-lease-back transactions of our equipment attributable to further expansion of our sale-and-lease-back business driven by our business development, which led to a corresponding rise in interest expenses.

Changes in Carrying Value of Redemption Liabilities

Our changes in carrying value of redemption liabilities were measured at the highest amount possible that we could be required to pay to the investors with special rights. Our changes in carrying value of redemption liabilities increased by 60.4% from RMB108.0 million in 2023 to RMB173.2 million in 2024, and further increased by 85.4% from RMB173.2 in 2024 to RMB321.1 million in 2025, primarily due to the remeasurement of the redemption liabilities granted to Pre-[**REDACTED**] Investors.

Income Tax

We did not record any income tax expense in 2023, 2024 and 2025, respectively. See Note 7 to the Accountants' Report in Appendix I to this document for more details.

During the Track Record Period and up to the Latest Practicable Date, we had made all the required tax filings with the relevant tax authorities, and we were not aware of any outstanding or potential disputes with such tax authorities.

Loss for the Year

Our loss for the year increased by 27.6% from RMB270.4 million in 2023 to RMB345.1 million in 2024, and decreased by 16.5% to RMB288.1 million in 2025.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our use of cash was primarily related to operating activities and capital expenditure. We have historically financed our operations through cash generated from our financing activities and operating activities. As of December 31, 2025, we had cash and cash equivalents of RMB212.8 million. See Note 19 to the Accountants' Report in Appendix I for more details. Going forward, we believe that our liquidity requirements will be satisfied with a combination of our internal resources, cash flow generated from our operating activities and net [**REDACTED**] from the [**REDACTED**].

Working Capital Sufficiency

Our Directors are of the view that, taking into account the financial resources available to us, including our cash and cash equivalents on hand, cash generated from operations and the estimated net [**REDACTED**] from the [**REDACTED**], we have sufficient working capital to meet our present requirements, that is, for the next 12 months from the date of the [**REDACTED**].

Cash Flow Analysis

The following table sets forth selected cash flow statement information for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash (used in)/generated from operating activities	(196,921)	(56,321)	194,999
Net cash used in investing activities	(130,078)	(75,841)	(217,684)
Net cash generated from financing activities	207,707	173,655	171,185
Net (decrease)/increase in cash and cash equivalents	**(119,292)**	**41,493**	**148,500**
Cash and cash equivalents at the beginning of the year	142,129	22,837	64,330
Cash and cash equivalents at the end of the year	**22,837**	**64,330**	**212,830**

Operating Activities

In 2025, our net cash generated from operating activities was RMB195.0 million, primarily attributable to loss before taxation of RMB288.1 million, as adjusted for (i) non-cash and non-operating items which primarily consisted of changes in carrying value of redemption liabilities of RMB321.1 million and depreciation of RMB39.8 million, (ii) changes in working capital which primarily consisted of an increase in trade and other payables of RMB1,034.7 million, and (iii) income tax paid of RMB3.9 million, partially offset by an increase in trade and other receivables of RMB821.7 million and an increase in inventories of RMB86.8 million.

In 2024, our net cash used in operating activities was RMB56.3 million, primarily attributable to loss before taxation of RMB345.1 million, as adjusted for (i) non-cash and non-operating items which primarily consisted of changes in carrying value of redemption liabilities of RMB173.2 million and depreciation of RMB30.5 million, (ii) changes in working capital which primarily consisted of an increase in trade and other payables of RMB340.7 million, partially offset by an increase in trade and other receivables of RMB250.4 million and an increase in inventories of RMB80.5 million.

In 2023, our net cash used in operating activities was RMB196.9 million, primarily attributable to loss before taxation of RMB270.4 million, as adjusted for (i) non-cash and non-operating items which primarily consisted of changes in carrying value of redemption liabilities of RMB108.0 million, write-down of inventories of RMB39.6 million and depreciation of RMB21.5 million, (ii) changes in working capital which primarily consisted of an increase in trade and other receivables of RMB199.1 million, partially offset by an increase in trade and other payables of RMB57.6 million and a decrease in inventories of RMB20.6 million.

Investing Activities

In 2025, our net cash used in investing activities amounted to RMB217.7 million, which primarily resulted from payment for purchase of wealth management products of RMB310.0 million and payments for purchase of property, plant and equipment of RMB115.6 million, partially offset by the proceeds from disposal of wealth management products of RMB250.4 million.

In 2024, our net cash used in investing activities amounted to RMB75.8 million, which primarily resulted from payment for purchase of property, plant and equipment of RMB73.7 million.

In 2023, our net cash used in investing activities amounted to RMB130.1 million, which primarily resulted from payment for purchase of property, plant and equipment of RMB126.9 million.

Financing Activities

In 2025, our net cash generated from financing activities amounted to RMB171.2 million, which primarily resulted from capital contribution from investors with redemption rights of RMB300.0 million and proceeds from bank loans of RMB575.7 million, partially offset by repayment of bank loans of RMB603.0 million and payment for capital element of obligations arising from sale and leaseback transactions of RMB72.9 million.

In 2024, our net cash generated from financing activities amounted to RMB173.7 million, which primarily resulted from proceeds from bank loans of RMB144.7 million, capital contribution from investors with redemption rights of RMB100.0 million, and proceeds from borrowings under sale and leaseback transactions of RMB63.1 million, partially offset by repayment of bank loans of RMB99.2 million and payment for capital element of obligations arising from sale and leaseback transactions of RMB25.8 million.

In 2023, our net cash generated from financing activities amounted to RMB207.7 million, which primarily resulted from proceeds from bank loans of RMB241.7 million and proceeds from borrowings under sale and leaseback transactions of RMB31.4 million, partially offset by repayment of bank loans of RMB38.5 million and payment for capital element of obligations arising from sale and leaseback transactions of RMB10.6 million.

SELECTED BALANCE SHEET ITEMS

Current Assets/Liabilities

The following table sets out our current assets and liabilities as of the dates indicated:

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*
Current assets				
Inventories	56,721	137,242	224,068	181,226
Trade and other receivables	292,482	542,912	1,364,616	883,324
Prepayments and other assets	2,140	3,767	16,050	13,306
Financial assets measured at fair value through profit or loss	–	–	60,145	120,246
Restricted cash	8,789	6,000	27,545	1,865
Cash and cash equivalents	22,837	64,330	212,830	129,850
Total current assets	**382,969**	**754,251**	**1,905,254**	**1,329,817**
Current liabilities				
Loans and borrowings	114,108	213,722	91,975	60,319
Trade and other payables	316,752	711,232	1,797,275	1,213,000
Contract liabilities	2	13,809	2,027	1,139
Lease liabilities	6,681	6,551	10,106	9,434
Provisions	2,507	3,621	3,628	3,799
Redemption liabilities	585,296	858,503	1,479,593	1,946,833
Total current liabilities	**1,025,346**	**1,807,438**	**3,384,604**	**3,324,524**
Net current liabilities	**(642,377)**	**(1,053,187)**	**(1,479,350)**	**(1,904,707)**

Comparison between April 30, 2026 and December 31, 2025: Our net current liabilities increased from RMB1,479.4 million as of December 31, 2025 to RMB1,904.7 million as of April 30, 2026, primarily due to (i) an increase in redemption liabilities of RMB467.2 million, (ii) a decrease in trade and other receivables of RMB533.0 million, and (iii) a decrease in cash and cash equivalents of RMB106.8 million, partially offset by (i) a decrease in trade and other payables of RMB584.3 million, and (ii) an increase in financial assets measured at fair value through profit or loss of RMB60.1 million.

Comparison between December 31, 2025 and December 31, 2024: Our net current liabilities increased from RMB1,053.2 million as of December 31, 2024 to RMB1,479.4 million as of December 31, 2025, primarily due to (i) an increase in trade and other payables of RMB1,086.0 million, and (ii) an increase in redemption liabilities of RMB621.1 million, partially offset by (i) an increase in trade and other receivables of RMB821.7 million, and (ii) an increase in cash and cash equivalents of RMB148.5 million.

Comparison between December 31, 2024 and December 31, 2023: Our net current liabilities increased from RMB642.4 million as of December 31, 2023 to RMB1,053.2 million as of December 31, 2024, primarily due to (i) an increase in trade and other payables of RMB394.5 million, (ii) an increase in redemption liabilities of RMB273.2 million, partially offset by (i) an increase in trade and other receivables of RMB250.4 million, and (ii) an increase in inventories of RMB80.5 million.

Inventories

Our inventories comprise (i) raw materials, primarily consisting of power semiconductors, PCBs, copper enameled wire, aluminum housings, magnetic steel and stator cores, (ii) work in progress, (iii) finished goods, and (iv) contract fulfilment cost. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	33,995	38,900	65,026
Work in progress	14,967	29,406	56,703
Finished goods	30,036	54,764	100,855
Contract fulfilment cost	–	18,533	3,028
Subtotal	**78,998**	**141,603**	**225,612**
Less: provision for impairment of inventories	(22,277)	(4,361)	(1,544)
Total	**56,721**	**137,242**	**224,068**

Our inventories increased from RMB56.7 million as of December 31, 2023 to RMB137.2 million as of December 31, 2024, primarily due to (i) the increased finished goods and work in progress to support our growing sales volume, and (ii) the increased contract fulfillment cost as a result of ongoing R&D service contracts with certain customers in 2024. Our inventories increased from RMB137.2 million as of December 31, 2024 to RMB224.1 million as of December 31, 2025, primarily due to an increase in raw materials, work in progress and finished goods to support our growing sales volume.

The following table sets forth the ageing analysis of our inventory as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within one year	75,814	139,713	220,897
After one year but within two years	2,547	1,883	3,739
After two years but within three years	95	7	976
After three years	542	–	–
Less: provision for impairment of inventories	(22,277)	(4,361)	(1,544)
Total	**56,721**	**137,242**	**224,068**

The following table sets forth the turnover days of our inventories for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
Inventory turnover days(1)	73	48	20

Note:

(1) Average inventory turnover days were calculated based on the average of the beginning and ending balances of inventories less impairment for provision of a given year divided by the cost of revenue for that corresponding year and multiplied by 365 days for a year.

Our inventory turnover days decreased from 73 days in 2023 to 48 days in 2024, and further decreased to 20 days in 2025, primarily as (i) we enhanced our delivery efficiency, and (ii) we document and monitor incoming and outgoing materials regularly to ensure that an optimal inventory level is maintained to satisfy the customer needs while minimizing any wastage and avoiding obsolescence.

As of April 30, 2026, RMB220.4 million, or 98.4% of our inventory as of December 31, 2025 had been utilized or sold.

Trade and Other Receivables

Our trade and other receivables mainly consist of trade receivables and bill receivables arise from sales of products and services to our customers on credit. We grant credit terms to certain customers on a case-by-case basis. We generally grant customers credit term of less than 60 days. The table below sets forth our trade and other receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables, net of loss allowance	221,830	372,204	842,356
Bills receivables[1]			
– Measured at FVOCI	25,128	58,002	192,958
– Carried at amortized cost	20,517	79,846	302,570
Value-added tax recoverable	18,518	11,116	10,340
Deposits and others	6,489	21,744	16,392
Total	**292,482**	**542,912**	**1,364,616**

Note:

(1) Our bills receivables comprise of bank acceptance bills with low credit risk.

Our trade and other receivables increased from RMB292.5 million as of December 31, 2023 to RMB542.9 million as of December 31, 2024, and further to RMB1,364.6 million as of December 31, 2025, primarily due to the increase in trade receivables and bills receivables, which was in line with our revenue growth and business expansion.

The following table sets forth an ageing analysis of our trade receivables, based on the invoice date and net of loss allowance, as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	221,830	372,204	842,194
After one year but within two years	–	–	162
Total	**221,830**	**372,204**	**842,356**

The following table sets forth our trade receivables turnover days for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
Trade receivables turnover days[1]	140	147	61

Note:

(1) Trade receivables turnover days were calculated based on the average of opening and closing balance of trade receivables (less allowance for impairment) for the relevant year, divided by the revenue for the same year and multiplied by 365 days for the year.

Our trade receivables turnover days were 140 days in 2023 and 147 days in 2024. Our trade receivables turnover days decreased from 147 days in 2024 to 61 days in 2025, primarily due to our strengthened bargaining position following the increase in sales scale of NEV domain-controlled electric drive solutions, resulting in shorter payment terms from customers.

During the Track Record Period, we did not experience any significant losses associated with our trade and other receivables and the increase in our trade and other receivables did not have any material adverse impact on our liquidity or cash flows.

As of April 30, 2026, RMB1,184.2 million, or 86.8% of our trade and other receivables as of December 31, 2025, had been settled.

Prepayments and Other Assets — Current

Our current portion of prepayments and other assets used in our research and development and other administrative activities include (i) purchase of materials, (ii) purchase of services and others, and (iii) prepaid corporate income tax. The following table sets forth the breakdown of our prepayments and other assets as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Purchase of materials	1,337	2,359	6,398
Purchase of services and others	803	1,408	5,112
Prepaid corporate income tax	–	–	3,913
[**REDACTED**] to be capitalized	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	**2,140**	**3,767**	**16,050**

Our current portion of prepayments and other assets increased from RMB2.1 million as of December 31, 2023 to RMB3.8 million as of December 31, 2024, primarily due to an increase in purchase of materials, services and others attributable to advance payment required by certain service suppliers. Our current portion of prepayments and other assets increased from RMB3.8 million as of December 31, 2024 to RMB16.1 million as of December 31, 2025, primarily due to (i) an increase in purchase of materials, services and others attributable to advance payment required by certain service suppliers, and (ii) an increase in prepaid corporate income tax.

As of April 30, 2026, RMB9.2 million, or 57.3% of our current portion of prepayments and other assets as of December 31, 2025, had been settled.

Financial Assets Measured at Fair Value Through Profit or Loss

Our financial assets measured at fair value through profit or loss consist of wealth management products. We recorded financial assets measured at fair value through profit or loss of nil, nil, and RMB60.1 million in 2023, 2024 and 2025, respectively, primarily due to the purchase of wealth management products.

Trade and Other Payables — Current

Our current portion of trade and other payables primarily consists of trade payables incurred for purchase of raw materials and others. Our current portion of trade and other payables are non-interest-bearing except for current portion of payable arising from borrowings with a non-financial institution. The fair values of trade and other payables at the end of each year of the Track Record Period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	277,874	630,675	1,639,407
Accrued payroll and benefits	17,881	29,280	42,113
Tax payable	2,031	7,494	43,702
Payables for equipment and intangible assets	15,843	29,975	49,515
Current portion of payable arising from borrowings with a non-financial institution	–	9,631	10,437
Other payables and accrual expenses	3,123	4,177	12,101
Total	**316,752**	**711,232**	**1,797,275**

Our trade and other payables increased from RMB316.8 million as of December 31, 2023 to RMB711.2 million as of December 31, 2024, and further increased to RMB1,797.3 million as of December 31, 2025, primarily driven by an increase in our trade payables due to higher procurement volumes of raw materials in line with our growing sales scale and business expansion.

The following table sets forth an ageing analysis of our trade payables based on the invoice date, as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	249,430	562,433	1,413,525
After one year but within two years	28,016	63,470	220,041
After two years but within three years	127	4,364	4,107
After three years	301	408	1,734
Total	**277,874**	**630,675**	**1,639,407**

The following table sets forth our trade payables turnover days for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
Trade payables turnover days(1)	237	227	123

Note:

(1) The trade payables turnover days is the average of the opening and closing trade payable divided by our total cost of revenue for that year and multiplied by 365 days for the year.

Our trade payables turnover days decreased from 237 days in 2023 to 227 days in 2024, and further to 123 days in 2025, respectively, primarily due to our faster payments to suppliers as a result of accelerated customer cash collections in order to maintain good cooperative relationships with suppliers and ensure stable raw material supply.

As of April 30, 2026, RMB1,585.5 million, or 90.4% of our current portion of trade and other payables as of December 31, 2025, had been settled.

Contract Liabilities

Our contract liabilities represent the advance payments for sales of products made by customers while the underlying products and services are yet to be provided. Our contract liabilities increased significantly from RMB2.0 thousand as of December 31, 2023 to RMB13.8 million as of December 31, 2024, primary due to an increase in advance payments received from customers in 2024 for our research and development services. Our contract liabilities decreased from RMB13.8 million as of December 31, 2024 to RMB2.0 million as of December 31, 2025, primarily due to the fulfillment of related performance obligations and the corresponding recognition of revenue.

As of April 30, 2026, RMB1.8 million, or 100.0% of our contract liabilities as of December 31, 2025, had been subsequently recognized as revenue.

Redemption Liabilities

Our redemption liabilities represent the redemption rights of investors under successive Pre-[**REDACTED**] financing rounds and are measured at the highest amount possible, on a present value basis, which we could be required to pay to the investors with special rights. Our redemption liabilities increased from RMB585.3 million as of December 31, 2023 to RMB858.5 million as of December 31, 2024, and further increased to RMB1,479.6 million as of December 31, 2025, primarily due to the changes in the carrying value of financial liabilities arising from the redemption rights granted to Pre-[**REDACTED**] Investors.

Non-Current Assets/Liabilities

The following table sets out our non-current assets and liabilities as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Property, plant and equipment	247,550	303,381	423,991
Right-of-use assets	55,125	48,337	89,595
Intangible assets	2,985	4,176	3,623
Other receivables	–	–	1,864
Prepayments and other assets	5,914	31,404	49,044
Total non-current assets	**311,574**	**387,298**	**568,117**
Non-current liabilities			
Loans and borrowings	182,644	167,038	216,378
Other payables	–	5,856	2,183
Lease liabilities	26,577	20,839	18,041
Provisions	8,642	11,890	14,790
Other non-current liability	34,187	54,170	54,170
Total non-current liabilities	**252,050**	**259,793**	**305,562**
Net liabilities	**(582,853)**	**(925,682)**	**(1,216,795)**

Property, Plant and Equipment

Our property, plant and equipment consist of (i) buildings, (ii) machine and electronic equipment, (iii) office equipment, (iv) vehicles, (v) leasehold improvements, and (vi) construction in process. The following table sets forth the breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Buildings	–	137,358	145,365
Machinery and electronic equipment	79,904	139,709	222,737
Office equipment	324	805	1,219

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Vehicles	755	671	2,359
Leasehold improvements	7,941	4,460	6,251
Construction in process	158,626	20,378	46,060
Total	**247,550**	**303,381**	**423,991**

Our property, plant and equipment increased from RMB247.6 million as of December 31, 2023 to RMB303.4 million as of December 31, 2024, primarily due to (i) an increase in buildings resulted from the increased production lines of Xuzhou Production Base, and (ii) an increase in machinery and electronic equipment resulted from procuring new production machinery and equipment for our Xuzhou Production Base. Our property, plant and equipment increased from RMB303.4 million as of December 31, 2024 to RMB424.0 million as of December 31, 2025, primarily due to (i) an increase in machinery and electronic equipment resulting from the procurement of new production machinery and equipment for our Ningbo Production Base, and (ii) an increase in construction in process resulting from the construction of our Ningbo Production Base.

Right-of-Use Assets

Our right-of-use assets consist of (i) land use right and (ii) properties leased for own use. Our right-of-use assets decreased from RMB55.1 million as of December 31, 2023 to RMB48.3 million as of December 31, 2024, primarily due to a decrease in properties leased for own use resulted from amortization expenses. Our right-of-use assets increased from RMB48.3 million as of December 31, 2024 to RMB89.6 million as of December 31, 2025, primarily due to an increase in land use right resulted from the acquisition of land use right in Ningbo.

Intangible Assets

Our intangible assets consist of (i) software and (ii) non-patented technology. Our intangible assets increased from RMB3.0 million as of December 31, 2023 to RMB4.2 million as of December 31, 2024, primarily due to an increase in software resulted from purchase of software to support our business growth. Our intangible assets decreased from RMB4.2 million as of December 31, 2024 to RMB3.6 million as of December 31, 2025, primarily due to a decrease in software resulting from the accumulated amortization.

Other Receivables

Our other receivables consist of deposits. We recorded nil, nil and RMB1.9 million as of December 31, 2023, 2024 and 2025, respectively, primarily due to deposit payments related to our Ningbo Production Base.

Prepayments and Other Assets — Non-Current

Our non-current portion of prepayments and other assets represent prepayments for equipment and others. Our prepayments and other assets increased from RMB5.9 million as of December 31, 2023 to RMB31.4 million as of December 31, 2024, primarily due to an increase in procurement of new equipment for our Xuzhou Production Base. Our prepayments and other assets increased from RMB31.4 million as of December 31, 2024 to RMB49.0 million as of December 31, 2025, mainly due to the increased procurement of new equipment for our Ningbo Production Base.

Other Payables

Our other payables consist of payable arising from borrowings with a non-financial institution. We recorded nil, RMB5.9 million, and RMB2.2 million as of December 31, 2023, 2024 and 2025, respectively, mainly representing financing arrangements we entered into with a third-party company.

Other Non-Current Liability

Our other non-current liability represents government grants received with conditions and obligations. Our other non-current liability increased from RMB34.2 million as of December 31, 2023 to RMB54.2 million as of December 31, 2024, primarily due to the increase in the government grants of operating subsidies for capital expenditure including development and construction of property, plant and equipment. Our other non-current liability remained stable at RMB54.2 million and RMB54.2 million as of December 31,2024 and December 31, 2025, respectively.

INDEBTEDNESS

The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*
Current				
Loans and borrowings	114,108	213,722	91,975	60,319
Current portion of payable arising from borrowings with a non-financial institution included in trade and other payables	–	9,631	10,437	6,656
Lease liabilities	6,681	6,551	10,106	9,434
Non-current				
Loans and borrowings	182,644	167,038	216,378	274,987
Payable arising from borrowings with a non-financial institution included in non-current other payables	–	5,856	2,183	–
Lease liabilities	26,577	20,839	18,041	12,912
Total	**330,010**	**423,637**	**349,120**	**364,308**

Loans and Borrowings

As of December 31, 2023, 2024, 2025 and April 30, 2026, we had loans and borrowings of RMB296.8 million, RMB380.8 million, RMB308.4 million and RMB335.3 million, respectively, mainly representing secured bank loans and obligations arising from sale and leaseback transaction, primarily due to the expansion of our business, which required additional borrowings to support growth. During the Track Record Period, our loans and borrowings were all denominated in RMB with fixed or variable interest rates. The nominal interest rate of our loans and borrowings (excluding sale and leaseback transaction) as of December 31, 2023, 2024 and 2025 ranged from 1.45% to 5.45%, 0.98% to 4.80% and 2.11% to 4.30%, respectively per annum. As of April 30, 2026, our unutilized banking facilities amounted to RMB441.5 million.

Lease Liabilities

As of December 31, 2023, 2024, 2025 and April 30, 2026, we had lease liabilities of RMB33.3 million, RMB27.4 million, RMB28.1 million and RMB22.3 million, respectively, mainly representing lease liabilities under leases for our production bases and office. Our lease liabilities decreased from RMB33.3 million as of December 31, 2023 to RMB27.4 million as of December 31, 2024 primarily due to the maturity of lease agreements over one year. Our lease liabilities increased from RMB27.4 million as of December 31, 2024 to RMB28.1 million as of December 31, 2025 primarily due to the new lease agreements of properties for our Ningbo Production Base. Our lease liabilities decreased from RMB28.1 million as of December 31, 2025 to RMB22.3 million as of April 30, 2026, primarily due to scheduled lease payment.

Payable Arising from Borrowings with A Non-Financial Institution

As of December 31, 2023, 2024, 2025 and April 30, 2026, we had payable arising from borrowings with a non-financial institution of nil, RMB15.5 million, RMB12.6 million and RMB6.7 million, respectively.

Reasons for and Details of the Financing Arrangement

During the Track Record Period, we entered into arrangements that are borrowings in nature with an independent third party ("**NFI Lender**"), primarily to fund our domestic production capacity expansion and general working capital and due to insufficiency of our available credit facilities at the time. Together, there were three such financing arrangements with the NFI Lender pursuant to which we borrowed a total of RMB39.8 million. The interest rates, repayment terms and amounts of payable arising from borrowings with a non-financial institution at the end of each financial year ended December 31, 2024 and 2025 are set forth below:

First date of borrowing	Instalment payments	Last repayment date	Effective interest rate per annum	Amount of payable arising from borrowings with a non-financial institution as of December 31,	
				2024 *RMB'000*	*2025* *RMB'000*
April 2024	Quarterly	May 9, 2025	6.96%	5,652	–
August 2024 . .	Quarterly	June 6, 2026	7.50%	9,835	4,370
May 2025	Quarterly	June 6, 2026	7.38%	–	8,250

The interest rates of these financing arrangements were determined after arm's length negotiations between us and the NFI Lender having considered the tenure of such arrangements, the amount borrowed and our financial needs at the relevant time. Other than these financing arrangements, the NFI Lender has no business relationship with the Group.

The ultimate beneficial owner of NFI Lender is a licensed financial institution although the NFI Lender is not a financial institution itself. Given its nature as a non-financial institution, it could meet our financing needs at the time in a relatively flexible and expedient manner, requiring shorter time on negotiations, had less formal procedures and requirements compared to financing from financial institutions. As confirmed by our Directors, other than the above, we have no other financing arrangement with non-financial institutions and there was no other reason for our borrowing from the NFI Lender. According to CIC, corporates seeking financing from non-financial institutions is not uncommon in the PRC.

Lending by Non-Financial Institutions in the PRC and Relevant Legal Consequences

According to Article 73 of General Rules for Loans (《貸款通則》), where lending and borrowing, including those in convert form, are conducted between enterprises without authorization, the People's Bank of China shall impose a fine of not less than the amount but not more than five times the amount of illegal income generated by the lender and shall terminate such activities. As advised by our PRC Legal Advisor, such financing arrangements will not subject us to any penalty under the General Rules for Loans, because we acted solely as the borrower rather than the lender. Accordingly, such financing arrangements will not result in any adverse financial or business impact on us. Further, we have not breached any of the financing terms and no disputes have arisen in respect of these financing arrangements.

Cessation of Borrowings from Non-Financial Institutions and Enhanced Capital and Liquidity Management Measures

As of June 6, 2026, we have repaid all outstanding payables owing to the NFI Lender.

We recorded net cash generated from operating activities of RMB195.0 million in 2025. Our cash and cash equivalents as of April 30, 2026 was RMB129.9 million, and we had unutilized bank facilities of RMB441.5 million as of April 30, 2026. We completed our latest financing round in May 2026 and received proceeds of RMB330.0 million, which further strengthened our working capital position. Our Directors are of the view that, taking into account the financial resources presently available to us, we have sufficient means to finance our working capital through cash generated from our operations, borrowings from financial institutions and/or other equity or debt financing.

Going forward, we will implement stringent policies and procedures to closely monitor and manage our capital and liquidity position to ensure that we have sufficient working capital to meet our financial needs and to support our business operations in a timely manner. In view of the above, our Directors confirm that going forward, we will not enter into any financing arrangements which would fall within Article 73 of General Rules for Loans.

No Other Outstanding Indebtedness

Except as discussed above, we did not have material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of April 30, 2026. We had not experienced any difficulty in obtaining bank loans and other borrowings, or default in payment of bank loans and other borrowings during the Track Record Period and up to the Latest Practicable Date. Our Directors confirm that there have been no material change in our indebtedness since April 30, 2026 and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025 and April 30, 2026, we did not have any material contingent liabilities. As of the Latest Practicable Date, there had been no material changes or arrangements to our contingent liabilities.

CAPITAL EXPENDITURE

During the Track Record Period, we incurred capital expenditure consisting of payments for purchase of plant and equipment and payments for purchase of intangible assets, of RMB130.1 million, RMB75.8 million and RMB116.2 million in 2023, 2024 and 2025, respectively.

We expect to fund our future capital expenditure with our operating cash flows and equity and debt financing. We may adjust our capital expenditure for any given period according to our ongoing business needs and in light of market conditions or other factors we believe appropriate.

CAPITAL COMMITMENTS

As of December 31, 2023, 2024 and 2025, we had capital commitments contracted but not yet provided for of RMB12.8 million, RMB45.4 million and RMB221.1 million, respectively, primarily in relation to contracted for acquisition of property, plant and equipment, intangible assets and other long-term assets.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we have not entered into, nor do we expect to enter into, any off-balance sheet arrangements. We also have not entered into any financial guarantees or other relevant commitments. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging with us.

RELATED PARTY TRANSACTIONS AND BALANCES

During the Track Record Period, we entered into certain related party transactions from time to time, primarily related to sales of NEV domain-controlled electric drive solutions and NEV domain-controlled electric drive solution components and purchase of NEV domain-controlled electric drive solution components. See Note 32 to the Accountants' Report in Appendix I to this document.

Guarantees Issued by a Related Party

The table below sets forth guarantees issued by a related party for the dates indicate:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Guarantees for granting loans and borrowings . .	116,518	209,161	41,681

We expect our guarantees issued by a related party to be fully released by June 30, 2026.

Transactions with Related Parties

During the Track Record Period, we have sold our NEV domain-controlled electric drive solutions and NEV domain-controlled electric drive solution components to Geely Related Group, who is a related party to our Group. See "Business — Our Business Relationship with Geely Related Group" for further information. The table below sets forth our transactions with related parties for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Sales of products and services	190,860	556,431	3,162,069
Purchase of products and services	6	1,468	83,811

Balances with Related Parties

The following table sets forth our balances with related parties as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	137,714	295,047	672,457
Contract liabilities	–	13,335	872
Trade and other payables	8	151	84,313

Our Directors believe that our transactions with related parties during the Track Record Period were conducted in the ordinary and usual course of business and on an arm's length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

DIVIDENDS AND DIVIDEND POLICY

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

[**REDACTED**]

[**REDACTED**] represent professional fees, [**REDACTED**] and other fees (such as the discretionary incentive fee) incurred in connection with the [**REDACTED**]. We estimate that our [**REDACTED**] will be approximately RMB[**REDACTED**] (or HK$[**REDACTED**], representing [**REDACTED**]% of the gross [**REDACTED**] from the [**REDACTED**]) (assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] ranging from HK$[**REDACTED**] to HK$[**REDACTED**] per [**REDACTED**] stated in this document) and no exercise of the [**REDACTED**]), of which (i) approximately RMB[**REDACTED**], directly attributable to the [**REDACTED**] and [**REDACTED**] of our [**REDACTED**] and will be deducted from equity upon the [**REDACTED**], (ii) approximately RMB[**REDACTED**] is expected to be expensed in our consolidated statements of profit of loss. By nature, the estimated total [**REDACTED**] are mainly composed of (i) [**REDACTED**] of approximately RMB[**REDACTED**] and (ii) [**REDACTED**]-related expenses of approximately RMB[**REDACTED**], which consist of (a) fees and expenses of legal advisors and Reporting Accountants of approximately RMB[**REDACTED**], and (b) other fees and expenses of approximately RMB[**REDACTED**]. During the Track Record Period, we incurred [**REDACTED**] of RMB[**REDACTED**], RMB[**REDACTED**] of which were charged to our consolidated statements of profit or loss and RMB[**REDACTED**] of which was directly attributable to the [**REDACTED**] and [**REDACTED**] of our [**REDACTED**] and will be deducted from equity upon the [**REDACTED**].

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the years indicated:

	As of or for the year ended December 31,		
	2023	**2024**	**2025**
Gross (loss)/profit margin (%)	(6.8)	1.0	7.2
Adjusted net (loss)/profit (non-IFRS measure) margin[(1)] (%)	(51.7)	(23.0)	1.0
Return on equity[(2)] (%)	71.7	45.8	26.9
Return on total assets[(3)] (%)	(44.4)	(37.6)	(15.9)
Current ratio[(4)] (times)	37.4	41.7	56.3

Notes:

(1) Adjusted net (loss)/profit (non-IFRS measure) margin is calculated as adjusted net (loss)/profit (Non-IFRS measure) divided by revenue and multiplied by 100%.

(2) Return on equity was calculated based on loss for the year of the respective year divided by the arithmetic mean of the opening and closing balances of total deficit and multiplied by 100%.

(3) Return on total assets was calculated based on loss for the year of the respective year, divided by the arithmetic mean of the opening and closing balances of total assets and multiplied by 100%.

(4) Current ratio was calculated based on total current assets of the respective year, divided by total current liabilities.

FINANCIAL RISKS DISCLOSURES

We are exposed to a variety of financial risks, including credit risk, liquidity risk, and interest rate risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 30 to the Accountants' Report in Appendix I to this document for a detailed description of our financial risk management.

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

Please see Appendix II to the document for details.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that up to the date of this document there had been no material adverse change in our financial, operational or prospects since December 31, 2025 being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document.

DISCLOSURE REQUIRED UNDER LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure requirement under Rule 13.13 to Rule 13.19 of the Listing Rules.