SUMMARY

This summary aims to give you an overview of the information contained in this **[REDACTED]**. *As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this* **[REDACTED]**. *You should read the whole document before you decide to* **[REDACTED]** *in the* **[REDACTED]**. *There are risks associated with any* **[REDACTED]**. *Some of the particular risks in* **[REDACTED]** *in the* **[REDACTED]** *are set forth in the section headed "Risk Factors" in this* **[REDACTED]**. *You should read that section carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**.

WHO WE ARE

We are a global leader in integrated sustainable energy generation, storage and management solutions. We develop, manufacture, and sell energy storage system products and PV inverters. We also develop and provide AI-empowered energy management systems. Leveraging our extensive sales network spanning approximately 190 countries and regions as of December 31, 2025, we provide residential and C&I end users around the world with integrated sustainable energy solutions. We are among the first companies in the world to successfully commercialize the integrated sustainable energy generation, storage and management solutions at scale. We strive to utilize AI technologies to transform the sustainable energy management leveraging our proprietary data accumulated over years of our operations.

We have integrated AI technologies into our solutions to create value for our end users. Through an integrated cloud-edge-device + AI architecture built upon our proprietary cloud platform, we have deployed AI-enabled smart energy scheduling that dynamically formulates optimal energy management strategies to enhance economic benefits for end users, AI-enabled battery safety monitoring and state estimation that significantly improve battery performance, and AI-empowered customer service agents that provide 24/7 intelligent inquiry resolution and remote operational support. In addition, we apply AI technologies across our organization to enhance operational efficiency, including in our R&D and production functions.

According to Frost & Sullivan, in terms of shipment volume in 2025, we were the third largest residential energy storage inverter provider globally and the largest residential energy storage inverter provider in the Americas. Additionally, we were the fourth largest hybrid energy storage inverter provider globally and the largest hybrid split-type residential energy storage system solution provider globally. We had the highest growth rate in shipment volume from 2024 to 2025 among top five Chinese residential energy storage system solution providers.

No.3 **The third** largest residential energy storage inverter provider globally in 2025

No.1 **The largest** residential energy storage inverter provider in the Americas in 2025

No.4 **The fourth** largest hybrid energy storage inverter provider globally in 2025

No.1 **The largest** hybrid split-type residential energy storage system solution(1) provider globally in 2025

~190 Countries & Regions Covered Worldwide(2)

1.3 M Energy Storage Inverters Shipped(2)

5.3 M PV Inverters Shipped(2)

4.2 M End Users connected through AI-empowered energy management systems(2)

Notes:

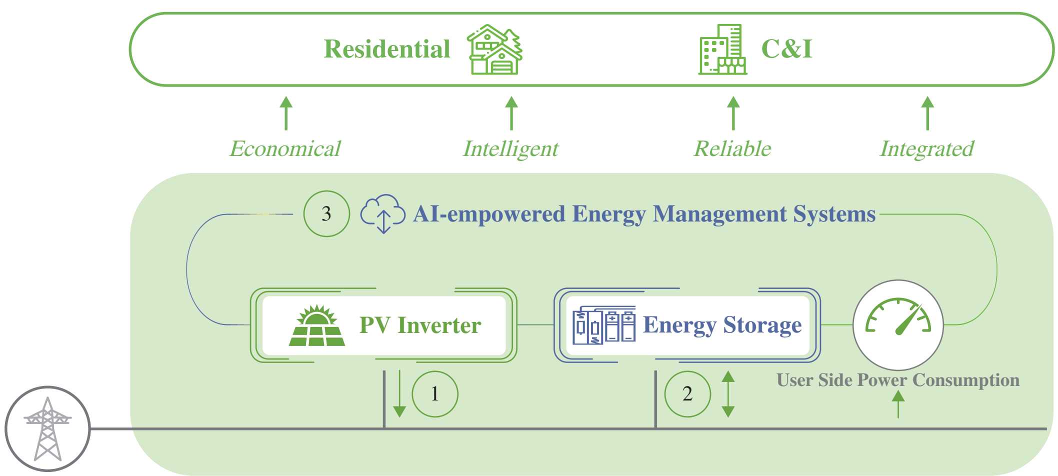
(1) All of our energy storage system products are hybrid split-type energy storage system products in 2025, except for all-in-one products.

(2) As of December 31, 2025.

Our Solutions

Our solutions comprise energy storage system products, PV inverters and AI-empowered energy management systems.

- ***Energy storage system products.*** We have developed a portfolio of distributed energy storage system products from 800W/2kWh to 125kW/261kWh. This portfolio includes battery-ready inverters, on-grid storage inverters, micro-grid storage inverters, battery and all-in-one products for residential and C&I scenarios.
- ***PV inverters.*** We design and manufacture a comprehensive set of PV inverters across a wide range of functions and power ratings, which are capable of addressing the requirements of various scenarios. We focus on the residential and C&I markets which value brand and product quality.
- ***AI-empowered energy management systems.*** We deliver our AI-empowered energy management systems through three principal interfaces: (i) our Growatt Operational Support System ("**Growatt OSS**") for system integrators, installers and EPCs to manage power stations, monitor real-time operating status and perform remote diagnostics, helping them improve service efficiency and reduce maintenance complexity; (ii) our ShinePhone app for end users to monitor energy flow, customize energy management and participate in virtual power plant ("**VPP**") networks, enhancing end-user experience, engagement and loyalty; and (iii) our ShineTools app for installers to streamline on-site configuration and perform one-click diagnostics, improving installation efficiency and reducing commissioning time.



(1) PV systems embedded with PV inverters convert solar energy into electricity and convert direct current (DC) into alternative current (AC).

(2) Energy storage systems can flexibly interact with the grid through peak shaving and valley filling, increase the utilization of renewable energy sources such as solar power, and participate in VPP aggregation and dispatch, thereby enhancing energy efficiency, power system flexibility, and grid operational stability.

(3) Our AI-empowered energy management systems seamlessly integrate disparate functional units, including energy generation, storage, and consumption, into a highly coordinated, autonomous ecosystem, dynamically formulating bespoke and optimal energy management strategies.

As of the Latest Practicable Date, for energy storage system products, we have 35 models for battery-ready inverters, 18 models for on-grid storage inverters, 89 models for micro-grid storage inverters, 13 models for battery and 7 models for all-in-one products. For PV inverters, we have 43 models for single-phase residential inverters, 21 models for three-phase residential inverters, 28 models for small power C&I inverters, 20 models for large power C&I inverters. The following table sets forth our products by business segments:

Segment	Product/ Service Offerings	Product Specifications	Direct Customers	Usages	Price Range (approximately)	Power Rating
Energy storage system products	• Energy storage inverters		• System integrators/ installers/EPCs/ distributors	• Residential and C&I scenarios	• US$100-15,000	• 0.8-125kW
	– *Battery-ready inverters*	– 3.0-11.4kW, 50-600Vdc for PV, 50-550Vdc for Battery, 208Vac or 240Vac for US model; 2.5-50kW, 70-550Vdc or 160-1000Vdc for PV, 360-550Vdc or 600-980Vdc for Battery, 230Vac or 400Vac			– US$150-4,400	– 2.5-50kW
	– *On-grid storage inverters*	– 3-6kW, 120-550Vdc for PV, 42-59Vdc for Battery, 230Vac; 4-10kW, 120-1,000Vdc for PV, 100-550Vdc for battery, 400Vac			– US$100-3,600	– 3-10kW
	– *Micro-grid storage inverters*	– 3-12kW, 120-600Vdc for PV, 40-60Vdc for Battery, 230Vac; 4-125kW, 180-1,000Vdc for PV, 40-60Vdc or 180-1000Vdc for battery, 380/400/415Vac; 3-18kW, 60-250Vdc for PV, 40-60Vdc for Battery, 240Vac split phase			– US$100-15,000	– 3-125kW
	• Battery	– 2.56kWh/5kWh/7kWh/ 14.3kWh/16kWh/209kWh/ 261kWh			• US$200-29,000	• N/A
	• All-in-one products	– 800w/2kWh-2.5kW/5kWh, 16-253Vac for PV, 230Vac			– US$200-1,000	– 2-5kWh
		– 30kW/50kWh-125kW/261kWh, 180-1,000Vac for PV, 400Vac			– US$8,400-40,000	– 50kWh-261kWh
PV inverters	• Residential inverters		• Same as above	• Residential scenarios	• US$50-2,700	• 0.6-33kW
	– *Single-phase residential inverters*	– 0.6-11.4kW, 20-60Vdc or 50-600Vdc, 220Vac or 230Vac or 240Vac for US model			– US$50-1,000	– 0.6-11.4kW
	– *Three-phase residential inverters*	– 3-33kW, 140-1,100Vdc, 400Vac			– US$200-2,700	– 3-33kW
	• C&I inverters			• C&I scenarios	• US$300-11,000	• 15-150kW
	– *Small power C&I inverters*	– 15-80kW, 200-1,100Vdc, 380Vac or 400Vac or 480Vac, 220Vac for Low Voltage model			– US$300-7,700	– 15-80kW
	– *Large power C&I inverters*	– 100-350kW, 100-1,500Vdc, 400Vac, 480Vac or 800Vac			– US$700-11,000	– 100-150kW

Segment	Product/ Service Offerings	Product Specifications	Direct Customers	Usages	Price Range (approximately)	Power Rating
AI-empowered energy management systems	• ShinePhone • Growatt OSS • ShineTools • Smart gateways		• End users • System integrators/ installers/EPCs • Installers • System integrators/ installers/EPCs/ distributors	• Residential and C&I scenarios	• NM	• N/A

Note:

Most of our products are string inverters and our products are tailored to address diverse needs of our customers.

For details of our best-selling models by category in 2025, see "Business—Our Solutions."

The following table sets forth a breakdown of the shipment volume of our energy storage system products and PV inverters for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
		(Units)	
Energy storage system products	**386,716**	**373,155**	**757,211**
– Energy storage inverters	211,004	219,515	395,715
– Battery	175,671	133,908	280,286
– All-in-one products	41	19,732	81,210
PV inverters	**601,330**	**812,344**	**601,760**
– Residential inverters	509,330	751,157	549,322
– C&I inverters	92,000	61,187	52,438

Our energy storage system products have become an increasingly important contributor to our business. The following table sets forth a breakdown of our revenue by business segments for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Energy storage system products	**2,083,161**	**38.8**	**1,666,073**	**37.2**	**3,315,421**	**63.4**
• Energy storage inverters	946,622	17.6	810,237	18.1	1,428,961	27.3
– *Battery-ready inverters*	308,036	5.7	334,949	7.5	587,000	11.2
– *Micro-grid storage inverters*	360,696	6.7	348,653	7.8	697,282	13.3
– *On-grid storage inverters*	277,890	5.2	126,635	2.8	144,679	2.8
• Battery	1,131,196	21.1	771,824	17.2	1,580,034	30.2
• All-in-one products	5,343	0.1	84,012	1.9	306,426	5.9

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
PV inverters	**2,956,073**	**55.1**	**2,584,724**	**57.7**	**1,556,841**	**29.8**
• Residential inverters	1,655,729	30.9	1,791,784	40.0	869,742	16.6
– Single-phase residential inverters	654,450	12.2	815,317	18.2	536,155	10.2
– Three-phase residential inverters	1,001,279	18.7	976,467	21.8	333,587	6.4
• C&I inverters	1,300,344	24.2	792,940	17.7	687,099	13.2
– Large power C&I inverters	686,552	12.8	500,223	11.2	574,426	11.0
– Small power C&I inverters	613,792	11.4	292,717	6.5	112,673	2.2
AI-empowered energy management systems	**69,775**	**1.3**	**55,801**	**1.2**	**60,739**	**1.2**
Others[1]	**253,795**	**4.8**	**168,991**	**3.9**	**299,919**	**5.6**
Total	**5,362,804**	**100.0**	**4,475,589**	**100.0**	**5,232,920**	**100.0**

Note:

(1) Primarily include high voltage control boxes and other accessories.

OUR STRENGTHS

We attribute our success to and distinguish ourselves by the following key competitive strengths: (i) we are a global leader in integrated sustainable energy generation, storage and management solutions; (ii) we have built an extensive sales network and influential brand globally; (iii) we leverage our robust R&D capabilities to solidify and enhance our market position; (iv) we have established solid manufacturing capabilities, resilient supply chain and strict quality control; and (v) we are led by an experienced management team.

OUR STRATEGIES

We are committed to driving sustainable longer-term growth and strengthening our market position through the following strategies: (i) drive growth in end-user base and business scale; (ii) enrich our solutions centered on demand of end users, increasing the overall value we create for our end users; (iii) leverage continuous technology innovations to drive sustainable growth; and (iv) enhance our brand reputation and awareness.

RESEARCH AND DEVELOPMENT

Our key technologies include power electronics and energy conversion technologies, lithium battery management technologies, AI-empowered energy management and digital control technologies, and the application of AI technologies to improve product performance. For details, see "Business—Research and Development—Key Technologies."

As of the Latest Practicable Date, our R&D and technical personnel consisted of 809 professionals. We have established three R&D centers in Shenzhen, Xi'an and Huizhou in China. We have successfully developed 51 invention patents, 190 utility patents and 42 design patents as of the Latest Practicable Date.

PRODUCTION AND QUALITY CONTROL

We conduct our manufacturing operations primarily at our own production plants in Huizhou, China and Hai Phong, Vietnam. These production plants enable us to optimize logistics efficiency and global delivery capability.

- *Huizhou plant.* Our Huizhou plant is our major manufacturing facility and primarily manufactures energy storage system products, PV inverters and other components. Our Huizhou plant is equipped with 12 SMT lines, 10 DIP lines and 30 assembly lines.
- *Vietnam plant.* We also operate an overseas manufacturing facility in Hai Phong, Vietnam, which primarily manufactures PV inverters. Our Vietnam plant is equipped with two SMT lines, two DIP lines and five assembly lines.

For details, see "Business—Production and Quality Control—Production Facility."

CUSTOMERS AND SUPPLIERS

As integrated sustainable energy generation, storage and management solutions exhibit enhanced economic benefits compared with traditional energy solutions, we provide residential and C&I end users from approximately 190 countries and regions with integrated energy solutions. We have a diverse customer base across the world. Our customers are primarily system integrators, installers, EPCs and distributors.

From 2016 to December 31, 2025, we had supplied to approximately 18,000 system integrators, installers, EPCs and distributors. For details, see "Business—Sales, Marketing and Distribution." These customers predominantly serve residential and C&I end users globally, which consequently serve as our end customers. Our five largest customers in 2023, 2024 and 2025 purchased from us in the amount of RMB892.3 million, RMB580.8 million and RMB1,238.1 million in 2023, 2024 and 2025, representing 16.6%, 12.9% and 23.6% of our total revenues, respectively. Revenues from our largest customer in 2023, 2024 and 2025 amounted to 6.6%, 3.9% and 13.0% of our total revenues, respectively.

The principal raw materials we use in the production of our products include (i) battery cells, (ii) power semiconductors, and (iii) others such as integrated circuits, inductors and capacitors. Purchases from our five largest suppliers in 2023, 2024 and 2025 together accounted for 24.3%, 23.0% and 21.7% of our total purchases for 2023, 2024 and 2025, respectively. Purchases from our largest supplier in each year during the Track Record Period accounted for 6.2%, 7.3% and 7.6% of our total purchases for 2023, 2024 and 2025, respectively. We have developed stable relationships with our key suppliers over the years. As of the Latest Practicable Date, our top five suppliers during the Track Record Period had collaborated with us for approximately ten years on average.

COMPETITION

We operate in a highly competitive market for energy storage system products, PV inverters and AI-empowered energy management systems. We compete with a broad range of market participants, including established inverter manufacturers, energy storage solution providers and other power electronics companies. We also face competition from new market entrants, including certain low-cost manufacturers that may compete on pricing. We primarily compete based on a number of factors, including product performance and functionality, compatibility and interoperability, reliability and product quality, technological innovation, cost competitiveness and pricing, customer service and technical support, as well as sales and distribution capabilities. The energy storage and PV inverter industries are characterized by technological expertise, product certification requirements, customer relationships and global service capabilities. We believe our technological capabilities, product portfolio, global sales network and service capabilities position us well to compete in our target markets. For further details regarding the competitive landscape of the industries in which we operate, see "Industry Overview—Competitive Landscape Analysis of Global Energy Storage Industry" and "Industry Overview—Competitive Landscape Analysis of Global PV Inverter Industry" in this document.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables summarize our consolidated historical financial information during the Track Record Period and should be read in conjunction with the section headed "Financial Information" of this document and the Accountants' Report set out in Appendix I to this document, together with the respective accompanying notes.

Summary of the Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Revenue	**5,362,804**	**100.0**	**4,475,589**	**100.0**	**5,232,920**	**100.0**
Cost of sales	(3,953,670)	(73.7)	(3,565,955)	(79.7)	(4,057,486)	(77.5)
Gross profit	**1,409,134**	**26.3**	**909,634**	**20.3**	**1,175,434**	**22.5**
Other income	112,273	2.1	93,900	2.1	90,636	1.7
Other gains/(losses), net	120,249	2.2	(14,756)	(0.3)	81,594	1.6
Selling and distribution expenses	(392,285)	(7.3)	(358,949)	(8.0)	(323,938)	(6.2)
Administrative expenses	(248,358)	(4.6)	(193,724)	(4.3)	(188,237)	(3.6)
Research and development expenses	(440,297)	(8.2)	(339,218)	(7.6)	(298,358)	(5.7)
Impairment losses on trade and other receivables, net	(30,449)	(0.6)	(42,350)	(1.0)	(18,978)	(0.4)
Operating profit	**530,267**	**9.9**	**54,537**	**1.2**	**518,153**	**9.9**
Finance costs	(22,632)	(0.4)	(10,617)	(0.2)	(6,587)	(0.1)
Share of profits/(losses) of associates	46,132	0.9	(2,354)	(0.1)	(7,506)	(0.1)
Fair value changes of financial instruments issued to investors	361,866	6.7	(29,081)	(0.6)	(67,417)	(1.4)
Profit before tax	**915,633**	**17.1**	**12,485**	**0.3**	**436,643**	**8.3**
Income tax (expense)/credit	(72,288)	(1.4)	7,389	0.1	(24,057)	(0.4)
Profit for the year	**843,345**	**15.7**	**19,874**	**0.4**	**412,586**	**7.9**
Profit for the year attributable to:						
Owners of the Company	829,126	15.5	13,645	0.3	411,260	7.9
Non-controlling interests	14,219	0.2	6,229	0.1	1,326	*
	843,345	**15.7**	**19,874**	**0.4**	**412,586**	**7.9**

Note:

* Less than 0.1%.

Non-IFRS measure

We use adjusted net profit (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that the non-IFRS measure provides useful information to [**REDACTED**] and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management.

We define adjusted net profit (non-IFRS measure) as profit for the year adjusted by fair value changes of financial instruments issued to investors which represent the Series A Preferred Shares issued in our equity financing and equity-settled share-based payment expenses. The Series A Preferred Shares will be automatically converted into ordinary shares upon completion of the [**REDACTED**], and we do not expect to record further gains or losses in relation to valuation changes in such instruments after the [**REDACTED**]. Equity-settled share-based payment expenses relating are non-cash expenses. Therefore, by eliminating the impacts of such items in the calculation of adjusted net profit (non-IFRS measure), this measure could better reflect our underlying operating performance and could better facilitate the comparison of operating performance from year to year.

However, the term of adjusted net profit (non-IFRS measure) is not defined under IFRS. In light of the foregoing limitations for this non-IFRS measure, when assessing our operating and financial performance, you should not consider adjusted net profit (non-IFRS measure) in isolation or as a substitute for our profit and total comprehensive income for the year, operating profit or any other operating performance measure that is calculated in accordance with IFRS.

The following table reconciles our adjusted net profit (non-IFRS measure) for the years presented to the most directly comparable financial measure calculated and presented under IFRS.

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Profit for the year	843,345	19,874	412,586
Add:			
Fair value changes of financial instruments issued to investors	(361,866)	29,081	67,417
Equity-settled share-based payment expenses	20,130	–	2,616
Adjusted net profit (non-IFRS measure)	**501,609**	**48,955**	**482,619**

Revenue

We derive our revenue primarily from sales of our products. During the Track Record Period, our revenue decreased by 16.5% from RMB5,362.8 million in 2023 to RMB4,475.6 million in 2024, primarily due to the decrease in revenue from our energy storage system products and PV inverters. Our revenue subsequently increased by 16.9% to RMB5,232.9 million in 2025, primarily driven by the significant growth in revenue from our energy storage system products, which offset the continued decline in revenue from our PV inverters.

Revenue generated from energy storage system products decreased by 20.0% from RMB2,083.2 million in 2023 to RMB1,666.1 million in 2024. Revenue generated from energy storage system products increased significantly by 99.0% to RMB3,315.4 million in 2025. Revenue generated from PV inverters decreased by 12.6% from RMB2,956.1 million in 2023 to RMB2,584.7 million in 2024, and further decreased by 39.8% to RMB1,556.8 million in 2025. For a discussion of the key factors affecting the year-on-year changes, see "Financial Information—Year to Year Comparison of Results of Operations" for details.

The table below sets forth the breakdown of the our revenue by geographic region, expressed as an absolute amount and as a percentage of our total revenue, for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Europe	2,396,789	44.7	1,360,882	30.4	1,697,075	32.4
– Germany	448,550	8.4	385,692	8.6	597,895	11.4
– Netherlands	397,088	7.4	205,246	4.6	213,185	4.1
– UK	405,601	7.6	192,944	4.3	171,146	3.3
– Italy	354,883	6.6	175,944	3.9	168,564	3.2
– Others	790,667	14.7	401,056	9.0	546,285	10.4
Americas[1]	837,311	15.6	941,459	21.0	1,340,957	25.6
– U.S.	65,398	1.2	158,859	3.5	827,619	15.8
– Mexico	342,803	6.4	304,879	6.8	195,848	3.7
– Brazil	318,425	5.9	358,110	8.0	183,851	3.5
– Others	110,685	2.1	119,611	2.7	133,639	2.6
Chinese Mainland	1,278,255	23.8	1,052,443	23.6	923,340	17.7
Asia Pacific[2]	598,627	11.2	993,945	22.2	932,341	17.8
Middle East and Africa[3]	251,822	4.7	126,860	2.8	339,207	6.5
Total	**5,362,804**	**100.0**	**4,475,589**	**100.0**	**5,232,920**	**100.0**

Notes:

(1) Including North America and South America.

(2) Including Asia and Oceania, excluding Chinese Mainland and Middle East.

(3) Including the United Arab Emirates, South Africa, Turkey, Nigeria and other countries in the Middle East and Africa region.

Our revenue generated from Europe decreased by 43.2% from RMB2,396.8 million in 2023 to RMB1,360.9 million in 2024, primarily due to a significant decline in revenue across major European markets due to the normalization of energy demand in the aftermath of the European energy crisis. The decrease in 2024 was mainly attributable to (i) a decline in shipment volume in certain markets, and (ii) a decrease in average selling prices of our products due to promotional pricing following peak demand in prior periods. Our revenue generated from Europe increased by 24.7% to RMB1,697.1 million in 2025 as demand recovered across major European markets.

Our revenue generated from Americas increased by 12.4% from RMB837.3 million in 2023 to RMB941.5 million in 2024, and further increased by 42.4% to RMB1,341.0 million in 2025, primarily driven by significant growth in the United States, and strong demand for energy storage system products.

The table below sets forth the breakdown of our gross profit and gross profit margin by destination of shipment for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit	Gross profit	Gross profit	Gross profit	Gross profit
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Europe	**824,955**	**34.4**	**270,414**	**19.9**	**378,079**	**22.3**
– Germany	167,686	37.4	60,276	15.6	97,510	16.3
– Netherlands	139,197	35.1	54,824	26.7	64,955	30.5
– UK	106,172	26.2	31,722	16.4	19,026	11.1
– Italy	116,867	32.9	33,022	18.8	37,461	22.2
– Others	295,033	37.3	90,570	22.6	159,127	29.1
Americas[1]	**268,567**	**32.1**	**264,900**	**28.1**	**380,573**	**28.4**
– U.S.	24,436	37.4	44,548	28.0	245,427	29.7
– Mexico	108,291	31.6	102,630	33.7	64,821	33.1
– Brazil	95,333	29.9	73,918	20.6	25,927	14.1
– Others	40,507	36.6	43,804	36.6	44,398	33.2
Chinese Mainland	**89,783**	**7.0**	**70,391**	**6.7**	**127,013**	**13.8**
Asia Pacific[2]	**163,486**	**27.3**	**273,909**	**27.6**	**231,835**	**24.9**
Middle East and Africa[3]	**62,343**	**24.8**	**30,020**	**23.7**	**57,934**	**17.1**
Total	**1,409,134**	**26.3**	**909,634**	**20.3**	**1,175,434**	**22.5**

Notes:

(1) Including North America and South America.

(2) Including Asia and Oceania, excluding Chinese Mainland and Middle East.

(3) Including the United Arab Emirates, South Africa, Turkey, Nigeria and other countries in the Middle East and Africa region.

Costs of sales

The following table sets forth our costs of sales by product category, expressed as an absolute amount and as a percentage of our total revenue, for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Energy storage system products	1,416,311	26.4	1,247,958	27.9	2,425,846	46.4
PV inverters	2,311,183	43.1	2,112,069	47.2	1,290,216	24.7
AI-empowered energy management systems	59,630	1.1	40,069	0.9	41,080	0.8
Others[1]	166,546	3.1	165,859	3.7	300,344	5.6
Total	**3,953,670**	**73.7**	**3,565,955**	**79.7**	**4,057,486**	**77.5**

Note:

(1) Primarily include high voltage control boxes and other accessories.

Gross profit and gross profit margin

The following table sets forth a breakdown of our gross profit and gross profit margin by product category for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	Gross profit	**Gross profit**	**Gross profit**	**Gross profit**	**Gross profit**	**Gross profit**
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Energy storage system products	**666,850**	**32.0**	**418,115**	**25.1**	**889,575**	**26.8**
– Energy storage inverters	339,694	35.9	205,705	25.4	345,773	24.2
– Battery	327,255	28.9	204,962	26.6	515,152	32.6
– All-in-one products	(99)	(1.9)	7,448	8.9	28,650	9.3
PV inverters	**644,890**	**21.8**	**472,655**	**18.3**	**266,625**	**17.1**
– Residential inverters	294,679	17.8	294,967	16.5	126,275	14.5
– C&I inverters	350,211	26.9	177,688	22.4	140,350	20.4
AI-empowered energy management systems	**10,145**	**14.5**	**15,732**	**28.2**	**19,659**	**32.4**
Others[1]	**87,249**	**34.4**	**3,132**	**1.9**	**(425)**	**(0.1)**
Total	**1,409,134**	**26.3**	**909,634**	**20.3**	**1,175,434**	**22.5**

Note:

(1) Primarily include high voltage control boxes and other accessories.

Our gross profit increased by 29.2% from RMB909.6 million in 2024 to RMB1,175.4 million in 2025. Our gross profit margin improved from 20.3% in 2024 to 22.5% in 2025, primarily due to the increase in the proportion of our revenue generated from energy storage system products, which carried a higher gross profit margin compared to PV inverters. Our gross profit decreased by 35.4% from RMB1,409.1 million in 2023 to RMB909.6 million in 2024. Our gross profit margin decreased from 26.3% in 2023 to 20.3% in 2024, primarily because we offered promotional pricing and discounts amid the normalization of energy demand in the aftermath of the European energy crisis.

The gross profit margin for energy storage system products improved from 25.1% in 2024 to 26.8% in 2025. The gross profit margin for energy storage system products decreased from 32.0% in 2023 to 25.1% in 2024. The gross profit margin for PV inverters decreased from 18.3% in 2024 to 17.1% in 2025. The gross profit margin for PV inverters decreased from 21.8% in 2023 to 18.3% in 2024. For a discussion of year-on-year changes of our gross profit and gross profit margin, see "Financial Information—Year to Year Comparison of Results of Operations" for details.

Net profit

Our net profit decreased by 97.6% from RMB843.3 million in 2023 to RMB19.9 million in 2024. Our net profit increased significantly from RMB19.9 million in 2024 to RMB412.6 million in 2025. For a discussion of year-on-year changes of our net profit, see "Financial Information—Year to Year Comparison of Results of Operations" for details.

Summary of the Consolidated Statements of Financial Position

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	1,471,722	1,831,420	1,984,661
Total current assets	5,425,080	4,808,362	5,760,635
Total assets	**6,896,802**	**6,639,782**	**7,745,296**
Total non-current liabilities	353,606	277,319	105,332
Total current liabilities	3,301,789	3,139,454	4,025,713
Total liabilities	**3,655,395**	**3,416,773**	**4,131,045**
Net current assets	**2,123,291**	**1,668,908**	**1,734,922**
Net assets	**3,241,407**	**3,223,009**	**3,614,251**

Our net current assets increased from RMB1,668.9 million as of December 31, 2024 to RMB1,734.9 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents of RMB616.5 million, and (ii) an increase in time deposits of RMB235.5 million; partially offset by (i) an increase in trade and notes payables of RMB442.9 million, (ii) an increase in contract liabilities of RMB182.4 million, (iii) an increase in other payables and accruals of RMB96.6 million, (iv) an increase in borrowings of RMB83.0 million, and (v) a decrease in financial assets at fair value through other comprehensive income ("**FVTOCI**") of RMB58.1 million.

Our net current assets decreased from RMB2,123.3 million as of December 31, 2023 to RMB1,668.9 million as of December 31, 2024, primarily due to (i) a decrease in inventories of RMB687.1 million, (ii) a decrease in trade and notes receivables of RMB223.6 million, (iii) an increase in trade and notes payables of RMB178.0 million, (iv) a decrease in prepayments, other receivables and other assets of RMB68.7 million, and (v) an increase in borrowings of RMB50.0 million. Such decreases were partially offset by (i) a decrease in other payables and accruals of RMB299.5 million, primarily due to the settlement of dividend payable and a reduction in refund liabilities, (ii) an increase in cash and cash equivalents of RMB217.9 million, (iii) an increase in financial assets at fair value through profit or loss ("**FVTPL**") of RMB118.2 million, and (iv) a decrease in Contract Liabilities of RMB90.8 million.

SELECTED CONSOLIDATED CASH FLOW STATEMENTS

	Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash from operating activities	193,068	1,062,285	1,381,283
Net cash used in investing activities	(160,534)	(760,712)	(661,229)
Net cash from/(used in) financing activities	15,613	(116,302)	(100,367)
Net increase in cash and cash equivalents	48,147	185,271	619,687
Effect of foreign exchange rate changes, net	66,689	32,637	(3,231)
Cash and cash equivalents at beginning of year	1,335,169	1,450,005	1,667,913
Cash and cash equivalents at end of year	1,450,005	1,667,913	2,284,369

For a detailed description of our cash flows and liquidities, see "Financial Information—Liquidity and Capital Resources."

KEY FINANCIAL RATIOS

	As of/for the Year Ended December 31,		
	2023	2024	2025
Revenue:			
Revenue growth	N/A	(16.5)%	16.9%
Profitability:			
Gross profit margin	26.3%	20.3%	22.5%
Net profit margin	15.7%	0.4%	7.9%
Rates of Return:			
Return on assets	11.1%	0.3%	5.7%
Return on equity	29.7%	0.6%	12.1%
Liquidity:			
Gearing ratio	14.4%	13.5%	9.2%
Current ratio	1.6	1.5	1.4
Quick ratio	1.0	1.1	1.0

RISK FACTORS

There are certain risks involved in our operations, some of which are beyond our control. These risks can be broadly categorized into: (i) risks relating to our business and industry; (ii) risks relating to doing business in the jurisdictions where we operate; and (iii) risks relating to the [**REDACTED**]. We believe that the most significant risks we face include:

- The rapidly evolving and competitive nature of the sustainable energy industry makes it difficult to evaluate our business and future prospects. We expect to face increased competition as new and existing competitors introduce products or develop alternative technologies, which could negatively impact our business, financial condition and results of operations.
- We may experience fluctuations in our business and financial performance.
- If we fail to keep up with rapid changes in hardware and software technologies, our future success may be adversely affected.
- If we are unable to execute our strategies effectively, our business and prospects may be materially and adversely affected.
- We have a limited operating history in some of our business lines, which may make it difficult to evaluate our current business to date and to predict our future performance.

- Increases in the cost or shortages of raw materials could have an adverse impact on our sales of products, and therefore adversely affect our business, results of operations, financial condition and prospects.
- We depend on a limited number of suppliers for certain key components and raw materials in our products to adequately meet anticipated demand.
- Our operations in the PRC and around the globe subject us to additional risks that could adversely affect our business, financial condition and results of operations.
- The current tensions in international trade and rising international political tensions may adversely affect our business, financial condition, and results of operations.
- If we do not continue to develop and maintain highly recognizable brands, or if we incur excessive expenses in this effort without achieving anticipated benefits, our reputation, business, financial condition and operating results may suffer.

PRE-[REDACTED] INVESTMENT

On June 6, 2022, our Company entered into a share purchase agreement with, among others, each of (i) Bateson Group Limited ("**Bateson Group**") and (ii) Best Select Ventures Limited ("**Best Select**"), pursuant to which Bateson Group agreed to subscribe for a total of 39,624,899 Series A Preferred Shares in our Company at a total consideration of RMB400,000,000; and Best Select agreed to subscribe for a total of 49,531,123 Series A Preferred Shares in our Company at a total consideration of RMB500,000,000, respectively. The subscriptions were fully and irrevocably settled on June 29, 2022.

On November 27, 2025, Best Select and Champ Earning Limited ("**Champ**"), respectively, entered into share purchase agreements with, each of (i) LYUJFounder International Capital Co. LTD ("**LYUJFounder**"), (ii) TAOMY Capital Co., LTD ("**TAOMY**"), and (iii) Ferryman International Capital Co., LTD. ("**Ferryman**") (each a then existing shareholder of the Company, a "**Seller**", and together, the "**Sellers**"), pursuant to which (i) Best Select purchased 13,116,669, 6,250,000, and 25,000,000 Class A Shares, for an aggregate price of U.S. dollars equivalent to RMB43,752,327, RMB20,847,673, and RMB83,390,695, from LYUJFounder, TAOMY and Ferryman, respectively; and (ii) Champ purchased 2,623,334, 1,250,000, and 5,000,000 Class A Shares, at an aggregate price of U.S. dollars equivalent to RMB8,750,465, RMB4,169,535 and RMB16,678,139, from LYUJFounder, TAOMY and Ferryman, respectively.

Each of Best Select and Champ executed a deed of adherence on February 5, 2026, agreeing to be bound by the shareholders agreement of the Company dated June 20, 2022 (the "**Shareholders Agreement**"), assuming the benefit of the rights of the Sellers under the Shareholders Agreement in respect of the Shares transferred and assuming the burden of the Sellers' obligations under the Shareholders Agreement to be performed after the transfer. The transfer of Shares was completed and fully settled on February 9, 2026. Immediately after the share transfer, (i) a total of 44,366,669 Class A Shares and 49,531,123 Series A Preferred Shares were held by Best Select, (ii) Champ became a Shareholder of the Company, holding a total of 8,873,334 Class A Shares, and (iii) Ferryman was no longer a Shareholder of the Company.

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Post-[**REDACTED**] Share Scheme), Mr. Ding, our founder, executive Director, chairman of the Board and Chief Executive Officer, will be interested in and control in aggregate 862,531,650 Shares through ESunyT Capital Co., LTD ("**ESunyT Capital**"), ETshine Capital Co., LTD ("**ETshine Capital**") and ESST Capital Co., LTD ("**ESST Capital**"), representing approximately [**REDACTED**]% of our total issued Shares in aggregate, comprising of 512,531,650 Shares held by ESunyT Capital, which is wholly owned and controlled by Mr. Ding, and 350,000,000 Shares held by ETshine Capital, which is wholly owned by ESST Capital, which is in turn wholly owned by a trust with Mr. Ding as both the settlor and protector. Therefore, Mr. Ding, ESunyT Capital, ETshine Capital and ESST Capital together will form a group of Controlling Shareholders upon the [**REDACTED**].

OUR VOTING STRUCTURE BEFORE AND AFTER [REDACTED]

To allow our Company to benefit from the continuing vision and leadership of Mr. Ding who control our Company with a view to its long-term prospects and strategy, our Company has adopted a weighted voting rights structure, where, our share capital comprises Class A Shares, Class B Shares and Series A Preferred Shares. As of the Latest Practicable Date, all Class B Shares were held by Mr. Ding, through ESunyT Capital Co., LTD. Each Class B Share entitles the holder to ten votes per share at our Company's general meetings. Each Class A Share entitles its holder to one vote per share at our Company's general meetings.

To comply with the Listing Rules, pursuant to the resolutions of our Shareholders dated [●], our weighted voting rights structure will be unwound upon [**REDACTED**] and all the issued shares of our Company (including all Preferred Shares) will be converted and re-designated into ordinary Shares which entitle holders to one vote for each Share at the general meeting of our Company pursuant to the Articles of Association to take effect upon [**REDACTED**].

DIVIDENDS

We may distribute dividends by way of cash or by other means that we consider appropriate. Subject to the Cayman Companies Act and the Articles of Association, our Company may by ordinary resolution resolve to pay dividends and other distributions on shares in issue and authorize payment of the dividends or other distributions out of the funds of our Company lawfully available therefor, provided no dividends shall exceed the amount recommended by the Directors. No dividend or other distribution shall be paid except out of the realized or unrealized profits of our Company, out of the share premium account or as otherwise permitted by law, provided always that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. The Directors may from time to time pay to the members of our Company such interim dividends as they appear to the Directors to be justified by the profits of our Company. The Directors may in addition from time to time declare and pay special dividends on shares of such amounts and on such dates as they think fit. The amount of dividends actually declared and paid will also depend upon our earnings and cash flow, financial condition, capital requirements, investment requirements and any other conditions our Directors may deem relevant. Our future declarations of dividends may or may not reflect our historical declarations of dividends. In addition, our Directors may reassess our dividend policy in the future.

We are a holding company incorporated in the Cayman Islands. Our ability to pay dividends depends, in part, on the payment of dividends to us by our subsidiaries in China. In particular, each of our PRC subsidiaries may pay dividends only out of its accumulated distributable profits, if any, determined in accordance with its articles of association, and the accounting standards and regulations in China. Moreover, pursuant to relevant PRC laws and regulations applicable to our subsidiaries in China, each of our PRC subsidiaries is required to set aside a certain amount of its accumulated after tax profits each year, if any, to fund statutory reserves. These reserves may not be distributed as cash dividends. Furthermore, if we or any of our subsidiaries incur debt on our or its own behalf in the future, the instruments governing the debt may restrict our or their ability to pay dividends or make other payments to our Shareholders or to us.

During the year ended December 31, 2023, we declared a dividend of US$15.0 million (equivalent to approximately RMB106.2 million), which had been settled by us during the year ended December 31, 2024. No dividends were declared or paid during the years ended December 31, 2024 and 2025.

[**REDACTED**]

[**REDACTED**] EXPENSES

The total estimated [**REDACTED**] expenses to be borne by us in relation to the [**REDACTED**] is approximately HK$[**REDACTED**] (including [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), which represents approximately [**REDACTED**]% of the total gross [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**]. Out of the total [**REDACTED**] expenses, approximately HK$[**REDACTED**] is expected to be recognized directly as a deduction from equity upon the completion of the [**REDACTED**], and the remaining amount of approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss. These [**REDACTED**] expenses mainly comprise approximately HK$[**REDACTED**] of professional fees, approximately HK$[**REDACTED**] of other non-[**REDACTED**]-related fees, and approximately HK$[**REDACTED**] of [**REDACTED**] and other [**REDACTED**] fees.

USE OF [**REDACTED**]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the stated range of the [**REDACTED**] of between HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**]), we estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**] and fees and other estimated expenses in connection with the [**REDACTED**] and assuming the [**REDACTED**] is not exercised. In line with our strategies, we intend to use our [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set out below:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] will be used for enhancing our global sales channels, including for the expansion in the current markets and tapping into new markets, and deepening our glocalization strategy, including for the expansion of local pre- and after-sales teams, marketing and brand management, and improving local inventory and logistics systems.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] will be used for investment in the R&D of our core technologies and the development efforts and upgrades of our product lines.
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the construction and expansion of our manufacturing facilities and equipment, and for upgrading our supply chain.
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used as working capital and for our general operations.

For details, see "Future Plans and Use of [**REDACTED**]" in this document.

RECENT DEVELOPMENTS

Subsequent to the Track Record Period and up to the Latest Practicable Date, our business exhibited significant growth amid the increase in customer demand for our energy storage system products. The total shipment volume of our energy storage system products and PV inverters increased by 15.6% from 411,134 units for the four months ended April 30, 2025 to 475,224 units for the four months ended April 30, 2026. In particular, the shipment volume of our energy storage system products increased significantly by 63.7% from 202,708 units for the four months ended April 30, 2025 to 331,877 units for the four months ended April 30, 2026. We secured more than 330 new customers for the four months ended April 30, 2026.

After due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our business operation or financial or trading position or prospects since December 31, 2025 which would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.